

EXHIBIT A

MASTER LEASE AND CONCESSION MANAGEMENT AGREEMENT

BY AND BETWEEN

THE CITY OF PHILADELPHIA

AND

MARKETPLACE PHL, LLC

Effective Date: January 1, 2015

TABLE OF CONTENTS

	Page
ARTICLE I. - DEFINITIONS AND INTERPRETATION	3
Section 1.01. Definitions.....	3
Section 1.02. Interpretation	15
Section 1.03. Incorporation of Exhibits and Schedule	16
ARTICLE II. - LEASE OF PREMISES AND SUBLEASED PREMISES; TERM.....	17
Section 2.01. Lease of Leased Premises; Sub-Sublease of Subleased Premises; Concession Rights	17
Section 2.02. Term and Renewal	20
Section 2.03. Use of the Leased Premises and the Subleased Premises	21
Section 2.04. Ingress and Egress.....	24
Section 2.05. Parking	24
Section 2.06. Future Concession Locations	25
Section 2.07. No Warranty of Condition or Suitability.....	25
Section 2.08. Quiet Enjoyment of the Leased Premises and the Subleased Premises	26
ARTICLE III. – OBLIGATIONS OF CONCESSION MANAGER	27
Section 3.01. Implementation of Concession Program	27
Section 3.02. Subtenants	27
Section 3.03. Collection of Subtenant Payments and Fees	32
Section 3.04. Merchandising and Permitted Retail Operations	33
Section 3.05. Street Pricing	33
Section 3.06. Marketing, Advertising and Promotion.....	35
Section 3.07. Management	36
Section 3.08. Operations	40
Section 3.09. Maintenance and Repairs	42
Section 3.10. Leased Premises and Subleased Premises Floor Plans	50
Section 3.11. Refurbishment	50
Section 3.12. Utilities	51
Section 3.13. Salaries	52
Section 3.14. Trash Removal and Recycling	52
Section 3.15. Signs	53
Section 3.16. Mergers and Consolidations by Concession Manager	53
Section 3.17. Performance by the City.....	53
Section 3.18. Payment of Taxes	54
Section 3.19. Retail Merchandising Units.....	55
ARTICLE IV. - FINANCIAL CONSIDERATION	56
Section 4.01. Payments to City	56
Section 4.02. Payments to the Concession Manager.....	58

Section 4.03.	Maintenance Reserve Fund	58
Section 4.04.	No Set-offs or Deductions.....	59
Section 4.05.	Maintenance of Records.....	59
Section 4.06.	Inspection and Audits of Records	60
Section 4.07.	Business Analysis and Reporting.....	60
ARTICLE V. - REPRESENTATIONS AND WARRANTIES		65
Section 5.01.	Representations and Warranties by the City	65
Section 5.02.	Representations and Warranties by Concession Manager	65
ARTICLE VI. - ADDITIONAL SERVICES		67
ARTICLE VII. – OPTIONAL SERVICES PROVIDED BY THE CITY		67
ARTICLE VIII. - COMPLIANCE WITH LAWS		68
Section 8.01.	Compliance with Laws.....	68
Section 8.02.	Nondiscrimination.....	68
Section 8.03.	Limited English Proficiency.....	69
Section 8.04.	Philadelphia 21st Century Minimum Wage and Benefits Standard.....	69
Section 8.05.	Labor Harmony	73
Section 8.06.	Airport Concession Disadvantaged Business Enterprise ("ACDBE") Requirements.....	75
Section 8.07.	Airport Security Program.....	80
Section 8.08.	Americans With Disabilities Act.....	81
Section 8.09.	Sales & Use Tax; Federal Excise Tax.....	81
Section 8.10.	Campaign Contribution Disclosures	82
Section 8.11.	Business Interests in Northern Ireland	82
Section 8.12.	Business, Corporate and Slavery Era Insurance Disclosure	83
Section 8.13.	Certificate of Non-Indebtedness.....	83
Section 8.14.	Environmental Matters.....	84
Section 8.15.	Executive Order No. 7-14.....	88
ARTICLE IX. - INDEMNIFICATION AND INSURANCE		89
Section 9.01.	Indemnification	89
Section 9.02.	Insurance	89
ARTICLE X. - RESTORATION OF DAMAGED IMPROVEMENTS		95
Section 10.01.	Damage.....	95
Section 10.02.	Obligation to Restore	97
Section 10.03.	City Right to Terminate Without Penalty	97
ARTICLE XI. - DEFAULT AND REMEDIES		98
Section 11.01.	Events of Default.....	98

Section 11.02. Remedies of the City Upon Default	100
Section 11.03. Reserved	104
Section 11.04. No Remedy Exclusive	104
Section 11.05. No Waiver	104
Section 11.06. Surrender of Possession	104
Section 11.07. Holding Over	105
Section 11.08. Reserved	105
Section 11.09. Condemnation	105
Section 11.10. Airport Modifications	105
 ARTICLE XII. - ASSIGNMENT AND SUBLETTING	 107
Section 12.01. Assignment and Sublease by Concession Manager	107
Section 12.02. Assignment by the City	108
Section 12.03. Dissolve, Discontinue or End	109
 ARTICLE XIII. - GENERAL PROVISIONS	 110
Section 13.01. Non-Interference with Operation of Airport	110
Section 13.02. Supervening Law/Agreement with Government	110
Section 13.03. Certain Rights Reserved by the City	111
Section 13.04. License Fees and Permits	112
Section 13.05. Applicable Law	112
Section 13.06. Waiver	112
Section 13.07. No Joint Venture	113
Section 13.08. No Third-Party Beneficiaries	113
Section 13.09. Counterparts	113
Section 13.10. Reserved	113
Section 13.11. Reserved	113
Section 13.12. Survival	113
Section 13.13. Binding Effect	113
Section 13.14. Entire Agreement: Order of Precedence; Amendment	114
Section 13.15. The City's Title	114
Section 13.16. Partial Invalidity	114
Section 13.17. Force Majeure	114
Section 13.18. City Council Approval	115
Section 13.19. Estoppel Certificate	115
Section 13.20. Notices	115
Section 13.21. Disclosure of Confidential and Proprietary Information	117
Section 13.22. Conflict of Interest	118
Section 13.23. Representatives	118
Section 13.24. Performance Bond; Letter of Credit	118
Section 13.25. Disputes; Waiver of Jury Trial	119
Section 13.26. Headings	120
Section 13.27. Memorandum of Agreement	120

Exhibits

Exhibit A	Transition Agreement
Exhibit B	Leased Premises and Subleased Premises
Exhibit C	Additional Services Agreement
Exhibit D	Subleasing Guidelines
Exhibit E	Sublease Package Requirements
Exhibit F	ACDBE Requirements
Exhibit G	Concession Manager Minimum Marketing, Advertising and Promotion Plan Requirements
Exhibit H	Retail Merchandising Unit Provisions
Exhibit I	Penalties
Exhibit J	Concession Manager Proforma
Exhibit K	Renewal Performance Criteria Package
Exhibit L	Displaced Worker Program

Schedules

Schedule 2.01	Illustration of Recapture Compensation
---------------	--

MASTER LEASE AND CONCESSION MANAGEMENT AGREEMENT

THIS MASTER LEASE AND CONCESSION MANAGEMENT AGREEMENT (the “Agreement”) is made and entered into this ____ day of _____, 2014 effective the 1st day of January, 2015 (the “Effective Date”), by and between THE CITY OF PHILADELPHIA, a Pennsylvania municipal corporation acting by and through its PROCUREMENT DEPARTMENT and DEPARTMENT OF COMMERCE, DIVISION OF AVIATION (the “City”), and MARKETPLACE PHL, LLC, (the “Concession Manager”) a Delaware joint venture, formed as a limited liability company, with its principal place of business at One Wells Avenue, Newton, Massachusetts 02459.

RECITALS

A. The City owns and operates Philadelphia International Airport (the “Airport”) located in The City of Philadelphia and Delaware County, Commonwealth of Pennsylvania, and has the power to grant rights and privileges with respect thereto.

B. The City has determined that certain portions of Terminals A East, A West, B, C, D, E and F at the Airport may be used for food, beverage, retail and passenger service concessions to serve the needs of the users of the Airport.

C. The City issued a Request for Proposals on October 29, 2013 as amended by Addendums 1-6 (collectively, the “RFP”) soliciting proposals from qualified firms providing for the leasing and management of the food, beverage, retail and passenger service concession program at the Airport. Such services shall include, but not be limited to, leasing Concession Locations and Support Premises (hereinafter defined), construction management services for individual Subtenants (hereinafter defined) as well as providing design and planning services and construction management services for common space improvements and base building improvements for the Terminal Concession Program (hereinafter defined).

D. The City, after due deliberation and review of all proposals, including the Proposal (as defined in Article I), selected the Concession Manager to provide Concession Management Services (hereinafter defined) at the Airport.

E. The City and the Concession Manager desire to enter into this Agreement to memorialize their understanding regarding the provision of Concession Management Services for the City. The Division of Aviation shall manage this Agreement for the City.

F. The City and the Concession Manager are entering into an Additional Services Agreement (the “Additional Services Agreement”) dated the Effective Date of this Agreement, which Additional Services Agreement is ancillary to this Agreement, setting forth the terms and conditions under which the Concession Manager shall perform certain Additional Services, as defined in the Additional Services Agreement, with respect to the Leased Premises and Subleased Premises, as hereinafter defined, on behalf of the City.

G. Council for the City of Philadelphia shall have passed an Ordinance signed by the Mayor approving this Agreement and the Additional Services Agreement before those agreements shall become effective.

H. Currently, MarketPlace Philadelphia Limited Partnership (“MPLP”) performs concession management and related development services for the City at the Airport pursuant to that certain Second Amended and Restated Master Lease, Development and Concession Agreement and Sub-Sublease, Development and Concession Agreement dated January 31, 2001, as amended, (the “Existing Agreement”). The Existing Agreement shall expire no later than December 31, 2014.

I. The City, MPLP and the Concession Manager have entered into a transition agreement (“Transition Agreement”) dated as of the Effective Date of this Agreement, setting forth the rights and responsibilities of the Parties, to facilitate a smooth transition, without service interruption of concession services, for the City from MPLP to the Concession Manager. The Transition Agreement provides, inter alia, for the assignment of all existing Subleases and the interest in and rights under such Subleases, including any security deposits and letters of credit held with respect thereto (the “Existing Subleases”) from MPLP to the Concession Manager.

Capitalized terms not otherwise defined in this Agreement shall have the meaning ascribed to them in the RFP.

AGREEMENTS

The foregoing recitals are hereby incorporated into and made a part of this Agreement.

In consideration of the mutual covenants and considerations herein contained, and intending to be legally bound hereby, the City and the Concession Manager hereby agree and covenant as follows:

ARTICLE I. - DEFINITIONS AND INTERPRETATION

Section 1.01. Definitions.

In addition to terms defined elsewhere in this Agreement, the following terms, for the purposes of this Agreement, shall have the meanings set forth below:

“Accelerated Rent Amount” shall have the meaning set forth in Section 11.02(A)(1).

“ACDBE Program” means the ACDBE Program submitted every three (3) years by The City of Philadelphia for Philadelphia International Airport to the Federal Aviation Administration, in accordance with U.S. Department of Transportation Regulation Title 49, Code of Federal Regulations, Parts 23 and 26 (49 CFR Parts 23 and 26).

“ACDBE Program Requirements” means the ACDBE requirements set forth in: (a) this Agreement, including but not limited to Section 8.06 and Exhibit F of this Agreement; and (b) U.S. Department of Transportation Regulations Title 49, Code of Federal Regulations, Part 23 (49 C.F.R. Part 23), as amended from time to time; and (c) the City’s ACDBE Program, as amended from time to time; all of which shall collectively apply to Concession Manager and any ACDBE or non-ACDBE Subtenant participating in the ACDBE Program.

“ACDBE Reports” mean those monthly, quarterly, semi-annual and annual reports, or other reports which may be required by the City from time to time, regarding Concession Manager’s compliance or its Subtenants’ compliance with the City’s ACDBE Program Requirements or regarding such other ACDBE matters as the City, or any other government or related entity with jurisdiction over ACDBE Program matters, may require.

“ADA” means the Americans with Disabilities Act, 42 U.S.C. Sections 12101 – 12213 and all regulations promulgated thereunder, as the Act and the regulations may be amended from time to time.

“Additional Rent” shall have the meaning set forth in Section 4.01(B).

“Additional Services” shall have the meaning set forth in the Additional Services Agreement attached hereto and made a part hereof as Exhibit C.

“Additional Services Agreement” shall have the meaning set forth in Recital F.

“Additional Services Fee” shall have the meaning set forth in the Additional Services Agreement a copy of which is attached hereto and made a part hereof as Exhibit C.

“Affiliate of Concession Manager” means the joint venture owners of Concession Manager, any individual, corporation, partnership, member, trustee, administrator, executor or other legal entity that directly or indirectly owns or controls one of the joint venture owners, or is owned or controlled by the Concession Manager or one of its joint venture owners, or is under common ownership or control with one of the joint venture owners of Concession Manager; any legal entity in which Concession Manager, or any general or limited partner of Concession

Manager or any shareholder owning twenty percent (20%) or more of the voting shares of Concession Manager, has an ownership interest of twenty percent (20%) or more.

“Agreement” means this Master Lease and Concession Management Agreement dated as of the Effective Date, and as the same may be further amended from time to time by mutual agreement of the Parties hereto.

“Airport” means Philadelphia International Airport, together with any modifications thereto.

“Airport Common Areas” means those areas and facilities which may be provided by the City for the non-exclusive general common, as applicable, use of Concession Manager, tenants, Subtenants, licensees or other occupants of the Leased Premises or Subleased Premises, their officers, agents, employees and users of the Airport, including, without limitation, access areas, delivery passageways, loading docks, package pick-up stations, sidewalks, interior and exterior pedestrian walkways and pedestrian bridges, roofs, ramps, common public seating areas, landscaped and planted areas, retaining walls, balconies, stairways, escalators, elevators, first-aid stations, lighting, comfort stations or rest rooms, meeting rooms, and other similar areas, facilities or improvements.

“Airport Concession Disadvantaged Business Enterprise” or “ACDBE” means an entity meeting the definition of airport concession disadvantaged business enterprise as defined in the U.S. Department of Transportation Regulation Title 49, Code of Federal Regulations, Part 23, as may be amended from time to time.

“Airport Design and Construction Procedures and Standards” consist of the manual developed and adopted by the Division of Aviation Design and Construction Engineering Department as “The Philadelphia Airport System Tenant Design and Construction Manual” and the “Philadelphia International Airport Architectural and Engineering Standards” adopted by the same Department, which together describe the codes, standards, details, products and practices to be followed by tenants and design and construction teams for Airport terminal (including retail) and airfield improvements as they may be modified and revised from time to time.

“Airport Retained Space” means that space in the Terminal Buildings which is not part of the Leased Premises.

“Allowance” shall have the meaning set forth in Section 4.01(A)(4).

“Annual Audited Report” shall have the meaning set forth in Section 4.07(C).

“Annual Comprehensive Concession Plan” shall have the meaning set forth in Section 3.02(C), as it may be modified and revised from time to time.

“Annual Meeting” means the meeting held by the City and Concession Manager as prescribed in Section 3.07(F)(6).

“Annual Subtenant Statement” shall have the meaning set forth in Section 4.07(B)(2).

“Assigned Subleased Premises” shall include all locations under the Existing Agreement assigned by MPLP to the Concession Manager pursuant to the Transition Agreement as set forth in Exhibit A attached hereto.

“Assistant General Manager” shall have the meaning set forth in Section 3.07(A)(2).

“Bankruptcy Code” means 11 U.S.C. 101 *et seq.* or any successor statute thereto.

“Books and Records” means books of accounts, financial records, and other records relating to the Concession Manager’s management and operation of the Terminal Concession Program or to the management and operation of Subleased Premises operated by a Subtenant under a Sublease to the Concession Manager.

“Calendar Year” means the twelve (12) month period commencing on January 1st of each year.

“Casualty Relocation Premises” shall have the meaning set forth in Section 10.02(C) hereof.

“Certificate of Non-Indebtedness” shall have the meaning set forth in Section 8.13.

“C.F.R.” means Code of Federal Regulations.

“Chief Executive Officer” or “CEO” means the Chief Executive Officer of the City’s Division of Aviation or his successor in functions, as from time to time appointed by the City, or any governmental or non-governmental successor or successors to the duties of such official, or his/her designee.

“Code” means the Philadelphia Code.

“Commencement Date” means January 1, 2015.

“Common Area(s)” means those areas and facilities within the Leased Premises or the non-exclusive general common use, as applicable, by Subtenants, users of the Airport, and employees, including, without limitation, food court seating areas and storage areas, and other similar areas, facilities or improvements.

“Common Area Maintenance” or “CAM” shall have the meaning set forth in Section 3.09(A)(1), and also shall include any items mentioned elsewhere in this Agreement to be included in CAM.

“Common Area Maintenance Plan” shall have the meaning set forth in Section 3.09(A)(1).

“Common Area Refurbishments” shall have the meaning set forth in Section 3.11(A).

“Commonwealth” means the Commonwealth of Pennsylvania.

“Compliance Audit” shall have the meaning set forth in Section 8.14(F).

“Compliance Report” shall have the meaning set forth in Section 8.14(F).

“Concession Location” means an individual in-line unit or location or RMU assigned or leased to the Concession Manager as Leased Premises (including the Assigned Subleased Premises in accordance with the Transition Agreement) under this Agreement as such may be modified and revised from time to time.

“Concession Location Refurbishments” shall have the meaning set forth in Section 3.11(A).

“Concession Management Fee” shall have the meaning set forth in Section 4.01(A)(2).

“Concession Management Services” shall mean: all services required of the Concession Manager by the City, so as to present to the users of the Airport, and function as, a first class transportation facility, including: (1) the management of the food, beverage (alcoholic and non-alcoholic), retail and passenger services program and the operation of the foregoing including, all current and future leasing and re-leasing of Subleased Premises as well as other premises which shall become Subleased Premises, as such locations maybe modified and revised from time to time, as well as the maintenance (including Common Areas) and marketing with respect thereto; (2) the satisfaction of all financial services required to be performed under this Agreement or otherwise, including, without limitation, the collection and processing of all monies due to or received from Subtenants, Subcontractors and the City, as applicable; (3) construction management services for the Leased Premises, including the Common Areas, including permitting and overseeing and supervising all Subtenant fit-outs and refurbishments, repairs, maintenance, or remodels); (4) preparation of general concession management plans and strategies, including the preparation and implementation of the Annual Comprehensive Concession Plan (all of the foregoing 1-4 herein as more particularly set forth in Article III and Article IV of the Agreement); (5) the satisfaction of all reporting requirements set forth in Article III and Article IV of the Agreement and elsewhere; and (6) any and all services reasonably related to the foregoing. All of the foregoing services shall be completed timely, with appropriate staffing, and in compliance with all applicable laws as set forth in Article VIII.

“Concession Manager” means MarketPlace PHL, LLC, a joint venture formed as a limited liability company duly organized and validly existing under the laws of the State of Delaware and qualified to do business in the Commonwealth, or any successor thereto or assignee thereof permitted by this Agreement in its capacity as lessee of the Leased Premises.

“Construction Manager” means an entity and/or one or more individuals selected by the Concession Manager and approved by the City, who shall be responsible for review of the design and management of the construction of improvements to the Leased Premises, Subleased Premises, and/or for such other construction-related functions as Concession Manager may designate with the approval of the City.

“Contamination” means the uncontained presence of Hazardous Substances or regulated substances resulting from Concession Manager or a Subtenant’s activities at the Leased Premises or, Subleased Premises or arising from the Leased Premises or the Subleased Premises.

“CPA” means an independent Certified Public Accountant. Such CPA shall have appropriate standing and reputation in the industry.

“Deal Sheet” shall have the meaning set forth in Exhibit E.

“Default Rate” means five percent (5%) plus the Prime Rate.

“Displaced Worker Program” shall have the meaning set forth in Exhibit L.

“Dispute Resolution Committee” shall have the meaning set forth in Section 3.02(D).

“Distributor” means a common logistical support provider to meet the logistical and storage requirements of the Subtenants.

“Division of Aviation” means that operating agency of the City directly responsible for the development, operation, management, maintenance, improvement, repair and administration of the Airport or such other duties and responsibilities as directed by the City of any successor division or department charged by law with such responsibility.

“DSDBE” means a disadvantaged business enterprise owned by a disabled individual that is properly registered with the City’s Office of Economic Opportunity (“OEO”).

“Environmental Claim” shall mean any investigative, enforcement, cleanup, removal, containment, remedial, or other private, governmental or regulatory action at any time that: (i) is threatened, instituted or completed pursuant to any applicable Environmental Law or activity, on the Leased Premises or Subleased Premises; (ii) arises or relates to Concession Manager’s or a Subtenant’s operations at the Airport; or (iii) otherwise relates to damage, contribution, cost recovery, claims, causes of action, liabilities, fines, penalties, impairments liens, compensation, loss or injury resulting from or in any way arising in connection with any Hazardous Substance or any Environmental Law. Notwithstanding the foregoing, an Environmental Claim shall be limited in time to occurring during the Term of the Agreement to the extent: (a) such Environmental Claim arises outside the Leased Premises or Subleased Premises; and (b) does not arise as result of Concession Manager or Subtenant operations on the Leased Premises or Subleased Premises.

“Environmental Law” as used in this Agreement shall mean: (i) all applicable current and future federal, state, and local environmental safety or health laws, statutes, rules, regulations, ordinances, orders, or common law including, but not limited to, reported applicable decisions of any applicable state or federal court and shall include, but not be limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. § 9601 *et seq.*) (“CERCLA”); the Resource Conservation and Recovery Act, as amended (42 U.S.C. § 6901 *et seq.*); the Toxic Substances Control Act, as amended, (15 U.S.C. § 2601 *et seq.*); the Hazardous Materials Transportation Act, as amended (49 U.S.C. § 5101 *et seq.*); the Clean Air Act, as amended, (42 U.S.C. § 7401 *et seq.*); the Clean Water Act, as amended (33 U.S.C. § 1251 *et seq.*); the Oil Pollution Act of 1990, as amended (33 U.S.C. § 2701 *et seq.*); the Safe Drinking Water Act, as amended (42 U.S.C. § 300 *et seq.*); the Air Pollution Control Act, (35 P.S. § 4005); the Federal Insecticide and Environmental Pesticide Control Act, (7 U.S.C. § 136 *et seq.*); the National Oil and Hazardous Substances Pollution Contingency Plan (40 C.F.R. § 300.1 *et seq.*); the Pennsylvania Solid Waste Management Act, as amended (35 P.S. § 6018.101 *et seq.*); the

Pennsylvania Hazardous Sites Cleanup Act, as amended (35 P.S. § 6020.101 *et seq.*); the Pennsylvania Clean Streams Law, as amended (35 P.S. § 691.1 *et seq.*); the Pennsylvania Underground Storage Tank and Spill Prevention Act (35 P.S. § 6021.10, *et seq.*); Pennsylvania Land Recycling and Environmental Remediation Standards Act (35 P.S. § 6026.101 *et seq.*); the Pennsylvania Hazardous Material Emergency Planning and Response Act, as amended (35 P.S. § 6022.101 *et seq.*); and the Philadelphia Code, as any of the foregoing may hereinafter be amended; and any rule or regulation promulgated pursuant thereto, (ii) all applicable Airport Rules and Regulations; and (iii) any other present or future law, ordinance, regulation, permit or permit condition, order, directive or guideline addressing environmental, health, or safety issues of or by the federal government or the Commonwealth of Pennsylvania or other political subdivision thereof, or any agency, court or body of the federal government, or the Commonwealth of Pennsylvania or any political subdivision thereof, exercising executive, legislative, judicial, regulatory or administrative functions. In the event of a conflict, the most stringent law shall apply.

“Event of Default” shall have the meaning set forth in Section 11.01.

“Excluded Additional Rental” shall have the meaning set forth in Section 3.03(G).

“Excluded Products, Services and Sales” means display advertising (including electronic display advertising arising out of or resulting from internet kiosks and wireless internet services provided to patrons and employees at the Airport), public and nonpublic pay phones, airline clubs, in-flight catering services, car rentals, and all modes of ground transportation or services connected therewith, hotel lodging or services connected therewith and wholesale sales (excluding non-recurring, incidental wholesale sales not made on-site to Airport passengers), provided, however, the foregoing list may be amended by either party, provided further that amendments by the Concession Manager shall be with the City’s prior written consent.

“Existing Agreement” shall have the meaning set forth in Recital H.

“Existing Subleases” shall have the meaning set forth in Recital I.

“FAA” means the Federal Aviation Administration created under the Federal Aviation Act of 1958, as amended, or any successor agency thereto.

“Fiscal Year” shall mean the twelve (12)-month period commencing on July 1st of each year or such other twelve-month period as may be established by the City as its fiscal year from time to time.

“Future Concession Location(s)” shall have the meaning set forth in Section 2.06.

“GAAP” means generally accepted accounting principles.

“GAAS” means generally accepted auditing standards.

“General Manager” is the designated representative of the Concession Manager as more fully described in Section 3.07(A)(1).

“Greater Philadelphia Area” shall have the meaning set forth in Section 3.05(A).

“Gross Concession Rent” shall have the meaning set forth in Section 3.03.

“Gross Concession Sales” means all receipts of every kind and nature derived from the Permitted Retail Operations on the Leased Premises and the Subleased Premises for any Lease Year whether for cash, credit, voucher or other, without any deduction for credit card discounts, cashier arrearages or shortages or loss revenues, and whether the same shall be paid or unpaid including without limitation, all service charges, restaurant receipts, concession receipts, space rentals, and rent adjustments; excluding only: (a) sales or excise taxes stated separately and collected from a customer for remittance to a taxing authority; (b) interest on Subtenant bank accounts; (c) insurance proceeds, dividends, audit return premiums and retrospective rating adjustments received from any insurance policies pertaining to loss or damage to the Leased Premises and the Subleased Premises; (d) sales or merchandise for which cash has been refunded, or allowances made, on merchandise claimed to be defective or unsatisfactory; (e) the sales price of merchandise returned by customers for refunds; (f) returns to shippers, manufacturers, wholesalers or distributors for credit; (g) employee discounts; (h) sales of trade fixtures or store operating equipment after use thereof in the conduct of business in the Leased Premises and the Subleased Premises; (i) non-recurring, incidental wholesale sales not made on-site to Airport passengers; (j) transfers of merchandise between the Permitted Retail Operations on the Leased Premises and the Subleased Premises and other stores or warehouses operated by Concession Manager or Subtenants or other corporations wholly-owned by Concession Manager or Subtenants, provided such transfers are not made to consummate a sale made or an order received at the Permitted Retail Operations on the Leased Premises and the Subleased Premises; and (k) any commercially reasonable exclusion for Gross Concession Sales specifically approved in advance by the City and contained in a Sublease approved by the City. Gross Concession Sales also shall include all mail or telephone orders filled at or from the Leased Premises and the Subleased Premises, all deposits not refunded to purchasers, and all orders taken in and from the Leased Premises and the Subleased Premises, whether or not such orders are filled elsewhere. Each sale upon installment or credit shall be treated as a sale for the full price in the month during which such sale shall be made, irrespective of the time when any payment is received. No deduction from Gross Concession Sales shall be allowed for uncollected or uncollectible credit accounts.

“Hazardous Substance” means (i) asbestos, flammables, volatile hydrocarbons, industrial solvents, explosives, hazardous chemicals, radioactive material, oil, petroleum, petroleum products or by products, crude oil, natural gas, natural gas liquids, hazardous chemical gases and liquids, volatile or highly volatile liquids, and/or synthetic gas, and shall include, without limitation, substances defined as “hazardous substance,” “hazardous material,” “hazardous waste,” “toxic substance,” “regulated substance,” “pollutant,” or “contaminant,” as those terms are used in any Environmental Law or at Common Law, and (ii) any and all other materials or substances that any governmental agency or unit having appropriate jurisdiction shall determine in generally applicable regulations from time to time are hazardous, harmful, toxic, dangerous or otherwise required to be regulated, removed, cleaned-up, or remediated.

“Indemnified Environmental Claims” shall have the meaning set forth in Section 8.14(C).

“Initial Concept Plan” means the written plan provided by the Concession Manager as defined in Section 3.02(K)(1).

“Key Professional Staff” shall have the meaning set forth in Section 3.07(A).

“Labor Harmony Agreement” shall have the meaning set forth in Section 8.05.

“Laws” shall have the meaning set forth in Section 8.01.

“Leased Premises” means the portion of the Terminal Buildings granted to the Concession Manager as described in Section 2.01 and shown on Exhibit B attached hereto and made a part hereof, and including Subleased Premises (including Concession Locations and RMUs), Common Areas, and Support Premises as set forth herein, all of the foregoing as such may be modified and revised from time to time.

“Letter of Credit” shall mean the letter of credit issued for the City’s benefit in accordance with Section 13.24.

“Locally Owned Small Business” or “LOSB” shall mean a company that is majority owned by persons who reside within, or a company that prior to becoming a Subtenant has been headquartered (i.e., its principal place of business) within, the Philadelphia MSA, that in either event employs 30 or fewer employees at the Airport. For the purposes of this definition, “employee” shall be defined as the number of total badged employees for a Subtenant.

“Lost Profit Sum” shall have the meaning set forth in Section 11.02(A)(1).

“MAG Rental Payment” shall have the meaning set forth in Section 4.01(C)(1)(a)(i).

“Major Damage” means any damage or destruction to the Leased Premises which, in order to repair to the condition existing prior to such damage or destruction would cost, based on reasonable estimates by a licensed architect or engineer employed or engaged by the City within ninety (90) days after the occurrence of such damage or destruction, in excess of fifty percent (50%) of the replacement cost value of the Leased Premises as set forth in Article X.

“Marketing, Advertising and Promotion Plan” shall have the meaning set forth in Section 3.06.

“Marketing Fund” shall mean funds collected from the Subtenants as more fully described in Section 3.06.

“Mayor” shall mean the Mayor of the City of Philadelphia.

“MBDE” means a minority owned disadvantaged business enterprise that is properly registered with the City’s Office of Economic Opportunity (“OEO”).

“Mediator” shall have the meaning set forth in Section 13.25(A)(1).

“Minimum Annual Guarantee” or “MAG” means a fixed dollar amount of rent by each Subtenant as described more fully in Section 3.03(A).

“Monthly Report” means a schedule in form approved by the City and defined in Section 4.07(A).

“M/W/DSBE” means minority-owned, woman-owned, and/or disabled owned businesses.

“Net Key Money” shall have the meaning set forth in Section 4.01(A)(1).

“Non-ACDBE” means an entity that does not meet the definition of airport concession disadvantaged business enterprise as defined in the U.S. Department of Transportation Regulation Title 49, Code of Federal Regulations, Part 23, Section 3, as may be amended from time to time.

“Office of Economic Opportunity” (“OEO”) means the City’s Office of Economic Opportunity which sets diversity participation goals for, and maintains a registry of, disabled owned disadvantaged business enterprises (“DSBE”s), minority owned disadvantaged business enterprises (“MDBE”s) and women owned disadvantaged business enterprises (“WDBEs”) that are qualified to participate in City projects, including certain Airport projects, that are outside the ACDBE Program.

“OIG” shall have the meaning set forth in Section 8.15(A).

“Option” shall have the meaning set forth in Section 2.02(B).

“Party” means The City of Philadelphia, MarketPlace PHL, LLC or their permitted successors or assigns.

“PaUCP” means the federally mandated Pennsylvania Unified Certification Program which maintains a directory of the ACDBEs and DBEs that are certified in Pennsylvania under 49 CFR Parts 23 and 26 and eligible to participate in transportation projects that receive funding from the United States Department of Transportation, which includes Airport concessions under 49 CFR Part 23.

“Penalty” or “Penalties” shall have the meaning set forth in Section 3.03(F), Section 3.08(D) and as otherwise specified in Exhibit I.

“Percentage Rent” shall have the meaning set forth in Section 3.03(B).

“Performance Bond” shall mean the performance bond issued for the City’s benefit in accordance with Section 13.24.

“Permitted Retail Operations” means the Required Products and Services plus other concessions approved by the City, including without limitation Internet kiosks, wireless Internet services, and news boxes but not Excluded Products, Services and Sales.

“Philadelphia 21st Century Minimum Wage and Benefits Standard” means Chapter 17-1300 of the Philadelphia Code -- as it may be amended from time to time, and as its

applicability and meaning are interpreted (i) in the provisions of Section 8.04 of this Agreement and (ii) in regulations interpreting Chapter 17-1300 if such regulations are issued by the City. Provisions of Chapter 17-1300 concern required minimum hourly payment rates for employees whose employers have certain direct or indirect contractual relationships with the City, as well as required health and sick leave benefits for such employees.

“Plans and Specifications” means, for purposes of this Agreement, the final plans and specifications for the construction of Subtenant improvements to Subleased Premises, as prepared by Subtenant’s architect and approved by the City and by the Concession Manager pursuant to Section 3.02(K).

“Pre-existing Environmental Condition” means the presence of Hazardous Materials (including any ACM Materials (as defined in Section 2.07)) at, in, on, above or under the Leased Premises that existed prior to the Effective Date and not caused by or related to any operations of the Concession Manager, Subtenants or MPLP.

“Price Index” means the Consumer Price Index, All Urban Consumers, (Phila., Trenton, Wilmington, 1982-84 = 100) as reported by the United States Department of Labor, or in the event such index ceases to be available or the method of calculation or composition thereof is materially changed, a comparable index mutually agreeable to the City and Concession Manager.

“Prime Rate” means the prime rate as published in the Wall Street Journal as being the base rate on corporate loans posted by at least seventy-five percent (75%) of the nations’ thirty largest banks.

“Proposal” means that certain Proposal from Concession Manager to the City dated January 28, 2014, as thereafter revised.

“Proposed Additional Required Products or Services” shall have the meaning set forth in Section 2.01(C).

“Release” means any unlicensed or unpermitted spill, leak, emission, pumping, pouring, discharging, leaching, dumping, pulverizing, causing to become airborne, percolation or disposing into the environment or on the Leased Premises or Subleased Premises.

“Remaining Rental Payment” shall have the meaning set forth in Section 4.01(C)(1)(a)(ii).

“Remediate” or “Remediation” shall mean to properly clean up, remove, repair, dispose or complete corrective actions to correct a Release in compliance with Environmental Laws and this Agreement.

“Renewal Performance Criteria” shall have the meaning set forth in Section 2.02(B)(2).

“Renewal Term” shall have the meaning set forth in Section 2.02(B).

“Rent” shall have the meaning set forth in Section 4.01.

“Rental Payment” shall have the meaning set forth in Section 4.01(A).

“Required Products and Services” means (i) products and services as set forth in the Annual Comprehensive Concession Plan, as they may be modified and revised from time to time; and (ii) the following consumer products and services: food, beverages, alcoholic beverages, merchandise (sundries and gifts), duty free items, currency exchange, check cashing, ground transportation food truck or convenience store, travel services, shoe shine stands, and ATMs.

“Retail Design Standards” shall mean those certain design guidelines, in addition to the Airport Design and Construction Procedures and Standards, that may be developed from time to time by the City, with or without input from the Concession Manager at the discretion of the City, approved by the City with respect to the Leased Premises and the Subleased Premises and as communicated by the City to the Concession Manager.

“Retail Merchandising Units” or “RMUs” means carts, kiosks and other facilities that are not affixed to the Terminal Buildings, but which are used as selling locations for merchandise in connection with Permitted Retail Operations and which are leased on a weekly or monthly basis.

“RMU Program” shall have the meaning set forth in Section 3.19.

“Rules and Regulations” means those rules and regulations promulgated by the City for the use of the Airport as the same may be amended, modified or supplemented from time to time by the City.

“Small ACDBE” shall mean an “Airport Concession Disadvantaged Business Enterprise” which is certified as such under the U.S. Department of Transportation regulations pursuant to 49 C.F.R. Part 23 and which employs 35 or fewer employees at the Airport.

“Street Pricing” means the pricing requirements for individual items as defined in Section 3.05, as may be subsequently revised, modified and/or amended from time to time during the Term by mutual agreement of the City and Concession Manager.

“Subcontract” means any contract by and between the Concession Manager and any Subcontractor in accordance with this Agreement.

“Subcontractor” means any third-party individual, company, or other organization, which may include, but not be limited to architects, graphic design firms, logistics companies, and janitorial and custodial services companies, approved by the City as provided in this Agreement that has entered into a Subcontract with the Concession Manager, or an existing subcontract that has been assigned to Concession Manager, to perform part of the Concession Management Services.

“Sublease” means a sublease by and between the Concession Manager and any Subtenant, approved by the City pursuant to this Agreement and any Existing Sublease assigned to the Concession Manager as set forth in the Transition Agreement.

“Sublease Package” shall have the meaning set forth in Section 3.02(F).

“Subleased Premises” means that portion of the Leased Premises subleased by the Concession Manager to a Subtenant as such may be modified and revised from time to time.

“Subtenant” means a sublessee, sub-sublessee, concessionaires or licensees of Concession Manager, approved by the City as provided in this Agreement, and Existing Subtenants of Concession Manager approved by the City as provided in the Existing Agreement, that conducts Permitted Retail Operations in or on the Leased Premises at a Subleased Premises.

“Subtenant Audited Report” shall have the meaning set forth in Section 4.07(B)(3).

“Support Premises” include portions of the Leased Premises that the Concession Manager and Subtenants (in accordance with a Sublease) are authorized to use for office purposes related to the operation of the Concession Locations, trash storage and distribution areas, and/or storage of materials and stocking only merchandise and goods that are intended to be offered for sale at the Concession Locations. In addition, Support Premises shall include the following for use by Concession Manager only without the obligation to pay Rent: electrical closets, loading docks, Concession Manager storage areas, Concession Manager office space, and trash hauling areas (the “Concession Manager Support Premises”).

“Term” shall have the meaning set forth in Section 2.02(A).

“Terminal Building(s)” means the seven (7) interconnected facilities at the Airport existing as of the date of this Agreement known individually as Terminal A West, Terminal A East, Terminal B, Terminal C, Terminal D, Terminal E and Terminal F, together with all pedestrian bridges, baggage claim areas and train platforms appurtenant, including any future expansions or additions to the seven (7) facilities, and excluding any new terminals not described herein.

“Terminal Concession Program” means the program developed by the Concession Manager to implement the Concession Management Services at the Airport.

“Termination Date” shall mean December 31, 2021. In the event that the City shall have exercised the option to renew this Agreement for the first Renewal Term, the Termination Date shall mean December 31, 2024. In the event that the City shall have exercised the option to renew this Agreement for the second Renewal Term, the Termination Date shall mean December 31, 2026.

“Total Gross Concession Revenues” shall have the meaning set forth in Section 4.01(A)(1).

“Transportation Security Administration (“TSA”) means the United States Department of Homeland Security, Transportation Security Administration or its authorized successor(s).

“True-Up Rental Payment” shall have the meaning set forth in Section 4.01(C)(1)(a)(iii).

“Uncollected Amounts” shall have the meaning set forth in Section 4.01(A)(3).

“USDOT” means United States Department of Transportation or its authorized successor(s).

“WDBE” means a woman owned disadvantaged business enterprise that is properly registered with the City’s Office of Economic Opportunity (“OEO”).

Section 1.02. Interpretation.

References in the text of this Agreement to articles, sections or exhibits pertain to articles, sections or exhibits of this Agreement, unless otherwise specified.

The terms “hereby,” “herein,” “hereof” “hereto,” “hereunder” and any similar terms used in this Agreement refer to this Agreement. The term “including” shall not be considered in a limiting nature, but shall be construed to mean “including, without limitation.”

The terms “person” or “persons” shall include firms, associations, partnerships, joint ventures, trusts, corporations and other legal entities, including public bodies, as well as natural persons.

Any headings preceding the text of the articles and sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect the meaning, construction or effect of this Agreement.

Words denoting the singular shall include the plural and vice versa. Words of the masculine gender shall be deemed to include correlative words of the feminine and neuter genders.

All obligations imposed on Concession Manager hereunder pertaining to the maintenance and operation of the Leased Premises and the Subleased Premises and compliance with the ACDBE Program Requirements shall be deemed to include a covenant by Concession Manager to insert appropriate provisions in all Subleases and Subcontracts covering work under this Agreement and to enforce compliance of all Subtenants and Subcontractors with the requirements of such provisions.

Unless expressly stated herein to the contrary, where the approval or consent of the City is required under this Agreement, such approval or consent shall be in writing in advance from the CEO or his/her authorized representative as designated, or a designated successor in interest to this Agreement. Where the approval or consent of the Concession Manager is required hereunder, such approval or consent shall be in writing, in advance from the president of Concession Manager or his/her authorized representative as designated.

Wherever any construction performed in connection with this Agreement is to be “substantially completed,” the term “substantially complete” shall mean such construction has been completed to the extent that a temporary or permanent certificate of occupancy shall have been issued by the appropriate authority.

Wherever a Party to this Agreement is required to use “best efforts” to accomplish a certain result, such Party use those efforts necessary to accomplish such result provided that such Party shall only be required to expend commercially reasonable amounts of money in connection with such efforts.

The terms “City,” “Concession Manager” and “Subtenants” have the meanings as defined herein whether they apply to the Leased Premises or Subleased Premises as the context may require.

The obligations imposed on Concession Manager to “cause,” “ensure,” or “require” that the Subtenants perform or do not perform some act shall mean that the Concession Manager covenants: (i) to insert the required provision in all Subleases or amendments to Existing Sublease entered into after the Effective Date, and (ii) to use all commercially reasonable efforts to enforce compliance by all such Subtenants under the applicable Subleases to the fullest extent possible, including without limitation, declaring a default and instituting suit. Concession Manager shall have no obligation to cause, ensure, or require compliance by an Existing Subtenant of any provision herein that is not contained in its Existing Sublease, nor is Concession Manager required to insert provisions into Existing Subleases, unless any such Existing Subleases are otherwise being amended, in which event such amendment shall include certain required Sublease provisions as the Parties may agree.

Section 1.03. Incorporation of Exhibits and Schedule.

The following Exhibits and Schedule are hereby incorporated into and made a part of this Agreement:

Exhibit A	Transition Agreement
Exhibit B	Leased Premises and Subleased Premises (including Assigned Subleased Premises)
Exhibit C	Additional Services Agreement
Exhibit D	Subleasing Guidelines
Exhibit E	Concession Manager Sublease Package Requirements
Exhibit F	ACDBE Requirements
Exhibit G	Concession Manager Minimum Marketing, Advertising and Promotion Plan Requirements
Exhibit H	Retail Merchandising Unit Provisions
Exhibit I	Penalties
Exhibit J	Concession Manager Proforma
Exhibit K	Renewal Performance Criteria Package
Exhibit L	Displaced Worker Program
Schedule 2.01	Illustration of Recapture Compensation

ARTICLE II. - LEASE OF PREMISES AND SUBLEASED PREMISES; TERM

Section 2.01. Lease of Leased Premises; Sub-Sublease of Subleased Premises; Concession Rights.

(A) For and during the Term, the City does hereby lease and demise to Concession Manager, and Concession Manager does hereby rent from the City, the Leased Premises and the Subleased Premises together with the non-exclusive right to use the Airport Common Areas, and all herein described rights incident thereto, upon and subject to the terms, provisions and conditions set forth herein. The City hereby grants Concession Manager, for and during the Term, the right to establish concessions for the Required Products and Services within the Terminal Buildings, and subject to the prior written approval of the City, other products and services proposed by Concession Manager that will enhance the passenger experience at the Airport, including, without limitation business centers, barber shops, and recreational facilities. The Concession Manager acknowledges and specifically agrees that upon not less than ninety (90) days prior written notice the Leased Premises may be modified and revised to add or delete various Subleased Premises from time to time in the discretion of the City. Concession Manager agrees that any such modifications or changes to the Leased Premises as a result thereof, shall thereafter be deemed to be part of the Terminal Concession Program and Concession Manager shall provide Concession Management Services as part of the Concession Management Fee. If the City deletes Subleased Premises, then the City shall use commercially reasonable efforts to identify and lease to the Concession Manager substitute, reasonably equivalent Leased Premises. If at any time and from time to time the Cumulative Total Taken MAG and Percentage Rent exceeds the sum of the Cumulative Total Additional MAG and Percentage Rent and the Adjusted Baseline Threshold, then the Concession Management Fee shall be increased by an amount equal to nine and seventy-five hundredths percent (9.75%) of the Amount Available for Recapture Compensation. If Recapture Compensation is due to Concession Manager, it shall be paid monthly to Concession Manager in the same manner and at the same time as the Concession Management Fee pursuant to Section 4.02(A). For purposes of this Agreement, the definitions below shall apply. Attached hereto as Schedule 2.01 is an example illustration of the application of the foregoing calculation.

(1) “Baseline Rent” means all MAG and Percentage Rent received from Subtenants for the Concession Locations for Calendar Year 2014 under their respective Subleases (in Calendar Year 2014, MAG Rent was designated as “Minimum Rent”).

(2) “Adjusted Baseline Rent” means, at any given time, Baseline Rent plus the amount of MAG and Percentage Rent received from Subtenants attributable to the Added Space.

(3) “Adjusted Baseline Rent Threshold” means an amount equal to five percent (5%) of the Adjusted Baseline Rent.

(4) “Cumulative Total Additional MAG and Percentage Rent” means, at any given time, all MAG and Percentage Rent received from Subtenants attributable to the Added Space on a cumulative basis.

(5) “Cumulative Total Taken MAG and Percentage Rent” means, at any given time, all MAG and Percentage Rent that would have been paid by the respective Subtenant(s)

attributable to the Taken Space, and such annual amount shall be equal to the amount of MAG and Percentage Rent actually received for the immediately preceding twelve (12) calendar months prior to the effective date of Subtenant vacating the Taken Space. In no event shall any MAG or Percentage Rent from Taken Space include any space that is vacant pursuant to Section 2.03(D) or Section 2.03(E) of this Agreement or space which is being redeveloped for use in the Terminal Concession Program.

(6) “Amount Available for Recapture Compensation” means an amount equal to the Cumulative Total Taken MAG and Percentage Rent less the sum of the Cumulative Total Additional MAG and Percentage Rent and the Adjusted Baseline Threshold only when the Cumulative Total Taken MAG and Percentage Rent exceeds the sum of the Cumulative Total Additional MAG and Percentage Rent and the Adjusted Baseline Threshold.

(7) “Recapture Compensation” means the product of nine and seventy-five hundredths percent (9.75%) and the Amount Available for Recapture Compensation.

(8) “Added Space” means new Concession Locations added to the Leased Premises after the Commencement Date and not previously part of the Leased Premises.

(9) “Taken Space” means Concession Locations (or a Concession Location) that are permanently deleted from the Leased Premises by the City.

(B) With respect to concession rights within any future terminal buildings located at the Airport which are owned and operated by the City, the City agrees to afford Concession Manager the opportunity to participate in any competitive process. Notwithstanding the foregoing, in addition, in order to promote efficiency of operations and to promote the welfare of the public utilizing the Airport, the City reserves the right, in its sole discretion, to negotiate directly with Concession Manager for the provision of Permitted Retail Operations and any other services deemed desirable by the City within any future terminal buildings without engaging in a competitive process.

(C) The City shall have the right to propose additional products and services that will enhance the passenger experience at the Airport (“Proposed Additional Required Products or Services”) provided that: (1) the City shall send written notice (“City’s Proposed Additional Required Product or Service Notice”) to Concession Manager setting forth, as generally as possible, the Proposed Additional Required Product or Service; (2) the Proposed Additional Required Product or Service shall be generic in nature and not a brand name service or product; and (3) the Proposed Additional Required Product or Service must be readily obtainable from more than one source or provider. Accordingly, the Proposed Additional Required Product or Service must comply with 49 C.F.R. Part 23 and the FAA’s Guidance entitled “Principles for Evaluating Long Term Exclusive Agreements in the ACDBE Program” and the ACDBE Program Requirements. Concession Manager shall notify the City within thirty (30) days of receipt of the City’s Proposed Additional Required Product or Service Notice whether:

(1) Concession Manager will attempt to locate a Subtenant to provide such Proposed Additional Required Product or Service, in which event Concession Manager shall have one hundred eighty (180) days from the date of the City’s receipt of such notice (a) to execute a

Sublease with a Subtenant or (b) to commit itself in writing to provide for the Proposed Additional Required Product or Service in accordance with a proposed schedule acceptable to the City, and in the event Concession Manager executes such a Sublease within said one hundred eighty (180) days, and the City approves such Sublease the Proposed Additional Required Product or Service shall be added to the definition of Required Products and Services; provided, however, that in the event Concession Manager fails to perform (a) or (b) above within said one hundred eighty (180) day period, the City shall have the absolute right to provide such Proposed Additional Required Product or Service in the Airport Retained Space; or

(2) Concession Manager does not desire to seek a Subtenant to provide such Proposed Additional Required Product or Service, in which event the City shall have the absolute right to provide such Proposed Additional Required Product or Service in the Airport Retained Space; or

(3) The City's description of the Proposed Additional Required Product or Service is not sufficiently specific or is not readily obtainable from more than one provider or source, in which event such notice from Concession Manager shall specify the deficiency in the City's description of the Proposed Additional Required Product or Service, and the City may revise the City's Proposed Additional Required Product Service Notice to comply with this Section 2.01 and Concession Manager shall have thirty (30) days from the receipt of said revised notice to respond in accordance with this Section 2.01; or

(4) Insufficient Concession Location space exists for the implementation of the Proposed Additional Required Product or Service, in which event Concession Manager shall notify the City in writing within thirty (30) days of the date upon which sufficient Concession Location space becomes available to provide the Proposed Additional Required Product or Service, and Concession Manager shall then have one hundred eighty (180) days from the date such sufficient Concession Location space becomes available to sublease such space or to commit itself in writing to provide for such proposed Additional Required Product or Service in accordance with a proposed schedule acceptable to the City following the procedure in this Section 2.01(C) above.

(D) All concession rights granted to Concession Manager hereunder specifically exclude the Excluded Products, Services and Sales. Concession Manager may also provide products and services to the public from public facilities and, with the consent of the City, airline holdrooms (with airline permission) within the Terminal Buildings by means of RMUs or otherwise, subject to the prior approval of the City and in accordance with the provisions of Exhibit H.

(E) Notwithstanding the foregoing, the rights granted to Concession Manager hereunder shall be nonexclusive with regard to any Future Concession Locations returned to the City by Concession Manager. Concession Manager's rights hereunder shall also be nonexclusive to the extent that existing or future tenants of the City of Airport Retained Space (including airlines and rental car companies as long as such Subtenants do not engage in retail operations, except to the extent previously granted to existing concessionaires by the City under existing agreements, if any) have been granted or will be granted concession-type rights incidental to their tenancies.

(F) The City shall have the complete and absolute right to use the Airport Retained Space as it sees fit, including leasing such space returned to the City pursuant to this Article II for Permitted Retail Operations, even if such concessions are in competition with Concession Manager and/or any Subtenant.

Section 2.02. Term and Renewal.

(A) Term. The term (the “Term”) of this Agreement shall commence on the Commencement Date, and, unless sooner terminated pursuant to this Agreement, shall terminate on the Termination Date.

(B) Renewal. The City shall have the option (the “Option”) to renew this Agreement for two (2) renewal terms (the “Renewal Term”). The first Renewal Term shall be for a period of three (3) years and the second Renewal Term shall be for a period of two (2) years thereafter. The exercise by the City of either Option shall be in its absolute and sole discretion and the City’s decision shall be final. The exercise by the City respecting the first Renewal Term shall have no effect on the City’s exercise of the Option respecting the second Renewal Term.

(1) The City shall consider exercising the Option to renew this Agreement, only if the renewal performance criteria shall have been satisfied. The renewal performance criteria (“Renewal Performance Criteria”) shall include, but not be limited to:

a) Total Concession Sales per enplaned passenger of not less than twelve dollars (\$12.00) during each Calendar Year as may be modified from time to time, to reflect inflation;

b) Total Rental Payment to the City of not less than those amounts as set forth on Exhibit K to this Agreement);

c) ACDBE participation of not less than the percentage requirements set forth in Section 8.06 of this Agreement;

d) Consistent monitoring of the Subtenants’ performance and the enforcement by the Concession Manager of such performance as developed by the Concession Manager in conjunction with the City; and

e) The development and management of the Terminal Concession Program consistent with the Annual Comprehensive Concession Plan, as it may be modified and revised from time to time.

f) The Concession Manager acknowledges that even if the Renewal Performance Criteria have been satisfied by the Concession Manager, the City shall not be required to exercise the Option.

Notwithstanding the foregoing, the Parties acknowledge that there may be market conditions or other external factors that prevent or seriously impair Concession Manager’s ability to satisfy the Renewal Performance Criteria. In such event, the City may, in its sole and absolute discretion, exercise the Option even if the Renewal Performance Criteria have not been satisfied.

(2) On or before eighteen (18) months, but not more than nineteen (19) months prior to the end of the then current Term, the Concession Manager shall either (a) advise the City in writing that it does not want the City to exercise the Option for a Renewal Term in such event the Agreement shall terminate at the end of the then-current Term; or (b) provide evidence to the City that it has satisfied the Renewal Performance Criteria. Such evidence shall be presented to the City in the form of a renewal performance criteria package (the “Renewal Performance Criteria Package”), and shall include those items set forth in Exhibit K attached hereto and made a part hereof.

(3) Thereafter, but not less than twelve (12) months prior to the end of the current Term, the City shall advise the Concession Manager in writing of whether it will exercise the Option. In the event that the City exercises the Option with regard to the granting of any Renewal Term, such Renewal Term in accordance with the procedure set forth in Section 2.02(B), shall thereafter be referred to as the Term for purposes of this Agreement.

Section 2.03. Use of the Leased Premises and the Subleased Premises.

(A) Concession Manager’s obligations shall commence regarding the Subleased Premises, including Assigned Subleased Premises, on the Commencement Date.

(B) The Concession Locations shall be used by Concession Manager and its Subtenants only for Permitted Retail Operations and for such other uses approved in advance in writing by the City. The Concession Locations may be sublet to Subtenants previously approved by the City as provided in Section 3.02 hereof.

(C) Notwithstanding anything to the contrary contained in this Agreement, it shall be an obligation of Concession Manager to establish, maintain, and ensure the continued operation and existence of first-class retail establishments in the Concession Locations offering the Required Products and Services. In so doing, Concession Manager shall provide the Concession Management Services and shall (1) maintain an optimum mix of food, beverage, retail sales and services and other amenities, (2) showcase the heritage and traditions of the Philadelphia Metropolitan area and the Southeastern Pennsylvania region, (3) implement the Annual Comprehensive Concession Plan and engage to revise, modify or amend the Annual Comprehensive Concession Plan jointly with the City, annually and from time to time during the Term, and (4) comply with 49 CFR Parts 23 and 26 and the ACDBE Program Requirements set forth in this Agreement, including Exhibit F. In connection with the foregoing, Concession Manager shall require any Subtenant seeking to sell alcoholic beverages in any Concession Location to apply for all requisite approvals or licenses prior to or immediately upon execution of any Sublease, and in connection therewith, upon written request, the City agrees to provide reasonable assistance and cooperation of the nature typically provided by a building owner and/or landlord to enable a tenant or subtenant to obtain such necessary permits and approvals. In the event that any such Subtenant shall not have obtained the requisite approvals or licenses within ninety (90) days of such application, subject to delay by the applicable governmental agency or authority, such Subtenant shall be deemed in default of such Sublease by Concession Manager and the Concession Manager shall have the right to recover such Subleased Premises as provided in such Subleases. It shall further be an obligation of Concession Manager to prohibit (unless previously approved in writing by the City) in all Subleases the sale by any of its Subtenants at the

Leased Premises and the Subleased Premises of any of the Excluded Products, Services and Sales. Concession Manager shall insert appropriate provisions in all relevant Subleases to require compliance of Subtenants with the requirements of this Section, and shall enforce such requirements.

(D) Notwithstanding anything to the contrary in this Agreement, in the event the Concession Manager defaults any Subtenant and terminates its Sublease, Concession Manager may not operate the Subleased Premises subleased to the defaulting Subtenant but may leave such Subleased Premises vacant on an interim basis; provided that Concession Manager shall use its commercially reasonable efforts to locate a new Subtenant for such vacant Subleased Premises. In the event Concession Manager, after using its commercially reasonable efforts to locate a new Subtenant has not executed a Sublease with a replacement Subtenant on or before the date that is eighteen (18) months after the date the prior Sublease for such Subleased Premises is terminated, Concession Manager shall notify the City in writing and the Subleased Premises formerly occupied by such defaulting Subtenant shall thereafter be excluded from the Leased Premises and the Subleased Premises and included in the Airport Retained Space unless the City otherwise agrees that the Subleased Premises may be retained by the Concession Manager. Unless otherwise notified by the City, the vacant Subleased Premises shall be returned by Concession Manager to the City free and clear from all defects and in good, safe, clean and orderly condition and repair as required by Section 11.06. Any such partial exclusion of vacant Subleased Premises due to Concession Manager's failure to sublease such space shall not affect Concession Manager's obligations to comply with the ACDBE Program Requirements in this Agreement and the City may thereafter lease such excluded Subleased Premises to any Subtenant or Subtenants for the operation of any non-retail business or use such vacant Subleased Premises for any non-retail use, notwithstanding Concession Manager's concession rights hereunder. In the event that the City elects to use or lease such vacant Subleased Premises for a retail use, then the City shall notify the Concession Manager in writing. Notwithstanding the foregoing, the eighteen (18) month period above may be subject to extension in accordance with the Annual Comprehensive Concession Plan.

(E) Notwithstanding anything to the contrary contained in this Agreement, upon the expiration of the term of a Sublease for Subleased Premises, Concession Manager may leave such Subleased Premises vacant on an interim basis; provided that Concession Manager shall use its commercially reasonable efforts to locate a new Subtenant for such vacant Subleased Premises. In the event Concession Manager, after using its commercially reasonable efforts to locate a new Subtenant has not executed a Sublease with a replacement Subtenant on or before the date that is eighteen (18) months after the date the prior Sublease for such Subleased Premises expired, Concession Manager shall so notify the City in writing and such Subleased Premises shall thereafter be excluded from the Leased Premises and included within the Airport Retained Space unless the City otherwise agrees that the former Subleased Premises may be retained by the Concession Manager. Unless otherwise notified by the City, the former Subleased Premises shall be returned by Concession Manager to the City free and clear from all defects and in good, safe, clean and orderly condition and repair as required by Section 11.06. Any such partial exclusion of Subleased Premises due to Concession Manager's failure to sublease such space shall not affect Concession Manager's obligations to comply with the ACDBE Program Requirements in this Agreement and the City may thereafter lease such former Subleased Premises to any party for the operation of any non-retail business or use such former Subleased Premises for any non-retail use,

notwithstanding Concession Manager's concession rights hereunder. In the event that the City elects to use or lease such excluded Subleased Premises for a retail use, then the City shall notify the Concession Manager in writing. Notwithstanding the foregoing, the eighteen (18) month period above may be subject to extension in accordance with the Annual Comprehensive Concession Plan.

(F) Concession Manager shall comply and ensure that Subtenants comply in their use, occupancy and operation of the Leased Premises and the Subleased Premises, at Concession Manager's and/or Subtenant's own cost and expense with (i) all regulations and directives now or hereafter promulgated by the FAA, including those pertaining to airport security, as the same may be amended or modified from time to time during the term of this Agreement, (ii) all zoning and other land use rules and regulations applicable to the Airport, as the same may be amended or modified from time to time during the term of this Agreement, (iii) 49 CFR Parts 23 and 26 and the ACDBE Program Requirements set forth in this Agreement, and (iv) all federal, Commonwealth and local laws, rules, regulations and ordinances, including the ADA, all building and health codes and all Environmental Laws. Concession Manager shall insert appropriate provisions in all Subleases and Subcontracts covering work under this Agreement to require compliance by all Subtenants and Subcontractors with the requirements of this Section, and shall enforce such requirements. Concession Manager shall inform the CEO, in writing, of any notices of violations of any such applicable law within forty-eight (48) hours of receipt thereof, and shall correct any violations within the time prescribed by law or immediately in the case of any emergency.

(G) Concession Manager shall not conduct operations in or on the Leased Premises in a manner that in the judgment of the City:

(1) Interferes with the reasonable use by others of Airport Common Areas or Common Areas and facilities at the Airport, including the smooth and orderly flow of passengers and baggage through the Airport;

(2) Hinders police, fire fighting, security personnel or other emergency personnel in the discharge of their duties;

(3) Would constitute a hazardous condition at the Airport;

(4) Would increase the premiums for insurance policies maintained by the City, provided that Concession Manager shall have the option of continuing such operations and reimbursing the City for any resulting increases in such premiums;

(5) Would involve any illegal purposes;

(6) Is not in accordance with the Annual Comprehensive Concession Plan for the Leased Premises and/or the ACDBE Program Requirements set forth in this Agreement; or

(7) Is not in accordance with the commitment of Concession Manager and its Subtenants to provide first class food, beverage and retail and passenger concession services in the Leased Premises.

(8) Concession Manager shall insert appropriate provisions in all Subleases and Subcontracts covering work under this Agreement to require compliance of all Subtenants and Subcontractors with the requirements of this Section, and shall enforce such requirements.

(H) Notwithstanding anything contained herein to the contrary, Concession Manager may elect, with the City's prior approval, to leave certain Concession Locations vacant for an agreed upon period of time.

Section 2.04. Ingress and Egress.

At all times during the Term,, Concession Manager shall have the right of pedestrian and vehicular access, ingress to and egress from the Leased Premises over all necessary Airport areas to carry out the purposes and intent of this Agreement, for the Concession Manager, its officers, employees, tenants, Subtenants, contractors, Subcontractors, licensees, agents, customers, vendors, suppliers, patrons and invitees, subject, at all times however, to all statutes, ordinances, Rules and Regulations from time to time enacted or established by the City, the FAA, the Transportation Security Administration or any other governmental agency or authority. Such right of ingress and egress shall include, but not be limited to, the nonexclusive right, (subject to the Rules and Regulations referenced above and the City's right to alter the means of ingress and egress from time to time) to all existing and hereafter created means of access to the Airport and the Terminal Building through, across, over and by the use of all presently existing or hereafter relocated or installed publicly dedicated and accepted roads, bridges, overpasses, causeways and highways providing access to and from the Airport and the Terminal Building. The right of ingress and egress shall be used in common with officers, employees, other tenants, Subtenants, licensees, agents, customers, vendors, suppliers, patrons and invitees of the Airport, and Concession Manager shall not interfere with the rights and privileges of any other persons or firms using the Airport. Such right of ingress and egress shall include (subject to the Rules and Regulations referred to above and the City's right with the consent of Concession Manager to alter the means of ingress and egress from time to time) (i) the right to enter the Leased Premises to perform the Concession Management Services including the performance by Concession Manager of Subtenant fit-outs; and (ii) any other rights or easements necessary to perform Concession Management Services, including its officers, employees, tenants, Subtenants, contractors, Subcontractors, licensees, agents, customers, vendors, suppliers, patrons and invitees to perform this Agreement. The City agrees that if the City alters the means of ingress or egress, at any time, it shall use its commercially reasonable efforts to provide suitable substitute ingress or egress.

Section 2.05. Parking.

Concession Manager, its Subtenants, and their respective employees shall have the nonexclusive, nonreserved right to use the employee parking lot servicing the Terminal Buildings, if any, subject to all parking rules and regulations, (including the assessment by City of parking fees) applicable thereto, as may be created or modified from time to time by the City or its agents. Notwithstanding the foregoing, each of the Key Professional Staff (as defined in Section 3.07(A)) shall be entitled to a parking space at the employee parking lot free of charge.

Section 2.06. Future Concession Locations.

The City agrees to work with Concession Manager periodically throughout the Term to identify any potential future locations for Concession Locations within the Airport Retained Space (“Future Concession Locations”). If the City locates any Future Concession Locations, it shall notify Concession Manager in writing (“City Availability Notice”) of the availability of such space. Concession Manager shall have one hundred eighty (180) days from the receipt of the City Availability Notice to present a Sublease to the City for the City’s approval to operate such Future Concession Location. In the event Concession Manager presents a Sublease to the City within said one hundred eighty (180) days and the City approves said Sublease, and the Sublease is thereafter fully executed by the Parties, the City shall deliver such Future Concession Location to Concession Manager, and Exhibit B of this Agreement shall then be amended to add such Future Concession Location to the Leased Premises and the Subleased Premises, and Concession Manager shall manage and operate said Future Concession Location in accordance with the Annual Comprehensive Concession Plan and the ACDBE Program Requirements, including but not limited to, any approved Individual Subtenant ACDBE Participation Plan for the Future Concession Locations, as amended. In the event Concession Manager fails to present a Sublease to the City for the City’s approval for such Future Concession Location within said one hundred eighty (180) day period, Concession Manager shall have no further rights with respect thereto. All Future Concession Locations added to the Leased Premises and the Subleased Premises shall be deemed Concession Locations for purposes of this Agreement, and the rights, licenses or privileges added pursuant to this Section shall be subject to all the terms, conditions, and other provisions of this Agreement, including but not limited to the ACDBE Program Requirements , and Concession Manager shall pay to the City all sums, fees, and charges applicable to such Future Concession Locations, rights, licenses or privileges in accordance with the provisions of this Agreement.

Section 2.07. No Warrant of Condition or Suitability.

The City makes no representation or warranty, either express or implied, as to the condition of the Leased Premises and the Subleased Premises or the suitability of the Leased Premises and the Subleased Premises for Concession Manager’s purposes or needs, except as otherwise provided herein. The City shall not be responsible for any latent defect and the Concession Manager shall not, under any circumstances, withhold any Rent or other amounts payable to the City hereunder on account of any defect in the Leased Premises and the Subleased Premises. By its entry onto the Leased Premises and the Subleased Premises, Concession Manager accepts the Leased Premises and the Subleased Premises in its “AS IS AND WHERE IS” condition as being free and clear from all defects and in good, safe, clean and orderly condition and repair. Notwithstanding the foregoing, the City agrees to remove or encapsulate or otherwise remediate asbestos and/or other “ACM Materials” (as that term is now or hereafter defined in applicable Environmental Laws) if and when discovered as required by and in accordance with applicable Environmental Laws and shall use its reasonable efforts to provide alternative space for Concession Manager (and its Subtenants) for the intended use of the Leased Premises during such removal or remediation, if necessary for the build-out of any Subleased Premises. The City shall have a reasonable time within which to remediate the asbestos and or other ACM Materials. The City agrees to use reasonable efforts to conduct those activities of the City in the Airport Retained

Space which could reasonably be anticipated to result in the “release” onto the Leased Premises of “hazardous substances,” as defined in CERCLA, in substantial compliance with CERCLA.

Section 2.08. Quiet Enjoyment of the Leased Premises and the Subleased Premises.

The City covenants that, as long as there is no Event of Default Concession Manager shall peaceably have and enjoy the Leased Premises and the Subleased Premises and all the rights, licenses, privileges, appurtenances and facilities granted herein during the Term. To the City’s knowledge, the City covenants that, as of the date of this Agreement, there exist no easements, restrictions, other encumbrances or regulations affecting the Leased Premises and the Subleased Premises that prohibit or materially adversely affect the use of the Leased Premises and the Subleased Premises by Concession Manager or Subtenants as contemplated in this Agreement.

ARTICLE III. – OBLIGATIONS OF CONCESSION MANAGER

Section 3.01. Implementation of Concession Program.

Concession Manager shall manage the Terminal Concession Program at the Airport, including the leasing and releasing of Subleased Premises in accordance with this Agreement, the Annual Comprehensive Concession Plan and the ACDBE Program Requirements all of which may be modified from time to time. Among other things, throughout the Term, Concession Manager shall: (A) be responsible for the creation and implementation of a Terminal Concession Program such that the food and beverage, retail, and passenger service concessions within the Terminal Buildings are operated in a manner comparable to first-class retail development in major United States cities and international airports, (B) provide first class products and services to meet the needs of the users of the Airport, and, on behalf of the City, enforce the Street Pricing policy as set forth in Section 3.05(C) maximize the financial return to the City, while optimizing the value of the goods and services offered to the users of the Airport (D) market, advertise and promote the Terminal Concession Program in order to maximize sales, (E) strive to be at the forefront of changing trends in the retail, food and beverage, and passenger service industries, and (F) develop, maintain and implement the ACDBE Program Requirements set forth in this Agreement.

Section 3.02. Subtenants.

Concession Manager shall sublease the Concession Locations and Support Premises (excluding Concession Manager Support Premises), and grant the concession rights hereunder to Subtenants or be granted the concession rights hereunder. Neither Concession Manager nor any Affiliate of Concession Manager may operate a Concession Location or be granted any concession rights hereunder. Subject to Concession Manager's obligation to provide for ACDBE participation in accordance with the ACDBE Program Requirements in this Agreement, Subtenants shall be retailers (including, without limitation, all food, beverage, retail, and passenger service concessions) with a proven record of, or clear potential for, success. Subtenants shall include a mix of recognized entities, and shall be selected and replaced in accordance with the Subleasing Guidelines attached hereto and made a part hereof as Exhibit D and set forth at www.phl.org/Business/BusinessOpportunities/Pages/FoodBeverageandRetailProgramSubleasingGuidelines, 49 CFR Parts 23 and 26, the ACDBE Program Requirements, and the Annual Comprehensive Concession Plan. Concession Manager shall endeavor to foster competition by subleasing to as many different Subtenants as practicable, consistent with the foregoing.

(A) The Concession Manager shall evaluate, select and enter into Subleases with Subtenants that will operate food, beverage, retail and passenger services concessions from the Subleased Premises. The Concession Manager shall negotiate the Sublease terms, present a Sublease Package to the City for approval, and execute a Sublease with each Subtenant, all as outlined below.

(B) Within ten (10) days following the Effective Date of this Agreement, the Concession Manager shall submit the standard master form of Sublease to the City. Within fifteen (15) days thereafter, the City shall submit comments to the standard form of Sublease and within fifteen (15) days thereafter, the Concession Manager shall finalize the standard form of Sublease incorporating the City's comments. The form of Sublease may be modified from time to time by

the mutual agreement of the City and Concession Manager. Each Sublease shall be submitted to the City for approval as part of a Sublease Package to the City for approval before final execution. All Subleases shall be based on the form of Sublease to be finalized and shall be on terms consistent with the requirements of this Agreement, including but not limited to the ACDBE Program Requirements.

(C) Within sixty (60) days of the Effective Date of this Agreement and annually thereafter, sixty (60) days before the end of the then Calendar Year, and with regard to items 5, 6 and 7 hereinbelow, the Fiscal Year, Concession Manager shall submit to the City a written plan (“Annual Comprehensive Concession Plan”) setting forth a comprehensive Terminal Concession Program for all Subleased Premises, including, without limitation:

- (1) Identification of emerging trends in airport food, beverage, retail, and passenger services;
- (2) Information on passenger demographics;
- (3) Merchandising/uses satisfying requirements of traveling public;
- (4) Proposed mix of brands, concepts, and passenger services;
- (5) Leasing and development plan for the Terminal Concession Program, including temporary services, space planning analysis and proposed space allocations by type of concession, prospective Subtenants for proposed uses, potential Sublease terms, the phasing of new concession openings and closures, a space construction/remodel/renovation plan and budget (if applicable), and a construction management plan;
- (6) The annual Subtenant ACDBE Participation Plan in accordance with 49 CFR Parts 23 and 26 and the ACDBE Program Requirement in this Agreement. Under no circumstances shall any dispute related to the annual Subtenant ACDBE Participation Plan or compliance with the ACDBE Program Requirements in this Agreement be subject to the Dispute Resolution Committee. All ACDBE related disputes shall be decided by the City in accordance with the requirements of the City’s ACDBE Program and 49 CFR Parts 23 and 26;
- (7) Projected sales and rent by Concession Location and Support Premises and Terminal Building, including sales per square foot and sales per enplanement, and a pro forma to include the projected Total Gross Concession Revenues, Concession Management Fee, estimated Uncollected Amounts and Allowance, and Rental Payment to the City;
- (8) Common Area Maintenance budget, methodology, and projected Subtenant charges as set forth in Section 3.09(A)(2);
- (9) Marketing, Advertising and Promotion Plan as set forth in Section 3.06; and
- (10) Maintenance Reserve Fund Schedule of Charges as set forth in Section 3.09(E)(2).

(D) The City and Concession Manager shall negotiate the Annual Comprehensive Concession Plan in good faith, and shall use best efforts to agree upon a mutually acceptable Annual Comprehensive Concession Plan within sixty (60) days of the date on which Concession Manager submitted the proposed Annual Comprehensive Concession Plan to the City. In the event the City and Concession Manager are unable to agree on an Annual Comprehensive Concession Plan on or before the date which is sixty (60) days from the date on which Concession Manager submitted the proposed Annual Comprehensive Concession Plan to the City, the dispute regarding the Annual Comprehensive Concession Plan shall be submitted to the dispute resolution procedures set forth in this Section 3.02. During the dispute resolution process, Concession Manager shall not enter into any Subleases, in whole or in part, or any amendments or modifications thereto, without on each occasion obtaining the prior approval of the City. The Parties agree hereto to use their best efforts to resolve disputes concerning the Annual Comprehensive Concession Plan in good faith, by informal negotiation and cooperation. Any disputes concerning the Annual Comprehensive Concession Plan which the City and Concession Manager mutually agree to submit to the dispute resolution procedures, shall be submitted to review by a committee (the "Dispute Resolution Committee") in accordance with the following provisions:

(1) Within thirty (30) days after the date hereof, each party shall appoint one committee member, and the third member shall be appointed by the members appointed by the City and the Concession Manager. If the members appointed by the City and Concession Manager fail to so agree on the third member within fifteen (15) days after their appointment, then said third member shall be appointed by an independent, neutral third party or entity mutually selected by the parties, upon application of either the City or Concession Manager after reasonable notice to the other party. In the event such third member requires compensation for serving as a member of the Dispute Resolution Committee, the City and Concession Manager shall agree upon reasonable compensation to the mutual satisfaction of the parties. Any party appointing a member hereunder shall give notice of such appointment to the other party within five (5) days of such appointment.

(2) Upon written request of either party, and as soon as reasonably possible, but not later than thirty (30) days after written such request, the Dispute Resolution Committee shall render a written decision which shall be by majority of the members thereof. Such decision shall be non-binding.

(E) Reserved.

(F) The Concession Manager shall submit a proposed Sublease as part of the proposed Sublease Package as outlined in Exhibit E of this Agreement. The City's review process with regard to the Sublease shall not be initiated by the City until a complete Sublease Package is received. If an incomplete package is received, City shall inform Concession Manager within seven (7) days of submission and request that the Concession Manager resubmit a complete Sublease Package within seven (7) days thereafter in accordance with the Sublease Package requirements set forth in Exhibit E. Upon receipt of a completed Sublease Package, the City shall review and respond to the submitted Sublease Package within thirty (30) days via letter and shall provide comments to the Sublease, reject the Sublease as unacceptable, or issue a Letter of Sublease Approval all to the Concession Manager. If the City has provided comments, the Concession Manager shall address those comments to the reasonable satisfaction of the City and

resubmit a revised Sublease within fifteen (15) days. Within fifteen (15) days thereafter, the City shall either approve or reject the Sublease. The time period provided herein may be modified from time to time if the parties so agree.

(G) The Concession Manager shall define in each Sublease the use for the individual Concession Location, that the Sublease is fully assignable to the City and the minimum capital investment required by the Subtenant.

All Subleases must also specify that:

(1) Operations conducted by and work performed by the Subtenant shall be consistent with and in accordance with the terms of this Agreement;

(2) Nothing contained in such Sublease shall be construed to impair the rights of the City under this Agreement;

(3) Nothing contained in such Sublease, or under this Agreement, shall create or purport to create any obligations of the City to any Subtenants;

(4) The City's approval of any such Sublease shall not create or purport to create any obligation of the City to any Subtenant;

(5) The City shall be expressly designated a third-party beneficiary of any Subtenant;

(6) Upon request by the City (at the City's option) and upon receipt of written notice from the City stating that this Agreement between the City and Concession Manager has been terminated, the Subtenant agrees that it will continue to perform its obligations under the Sublease for the benefit of the City. The Subtenant and the City shall be required to execute a subordination, non-disturbance and attornment agreement with the City, in form and substance acceptable to the City, which shall govern the rights and obligations of the City and the Subtenant in the event of termination of this Agreement, and which shall provide that, subject to the terms and conditions set forth herein, the City shall accept the Subtenant as a direct tenant under all of the terms of the Sublease in the event this Agreement is terminated;

(7) Subtenant shall be bound by the same requirements as Concession Manager, including, without limitation, confidentiality requirements as set forth in Section 13.21 herein, maintenance and preservation of records, an audit by government representatives, under this Agreement;

(8) Subtenant shall be bound by the provisions of Section 3.18(C) of this Agreement and Concession Manager shall be required to insert appropriate provisions in all Subleases;

(9) Compliance with 49 CFR Parts 23 and 26 and the City's ACDBE Program Requirements;

(10) The Concession Manager shall require all prospective Subtenants to complete campaign disclosure forms pursuant to 17-1400 of the Philadelphia Code. Prior to execution of any Sublease with any Subtenant, the Concession Manager shall be responsible for forwarding all such disclosure forms to the Finance Department for the City and confirming that a prospective Subtenant is in compliance with 17-1400 of the Philadelphia Code;

(11) Concession Manager shall require all prospective Subtenants to complete Campaign Disclosure Forms pursuant to 17-1400 of the Philadelphia Code; and

(12) Concession Manager shall require all prospective Subtenants to utilize the Displaced Worker Program as set forth in Exhibit L.

(H) No provisions in any Sublease shall relieve Concession Manager of any obligation under this Agreement. Concession Manager shall be fully responsible for the acts and omissions of its Subtenants or persons either directly or indirectly employed by Concession Manager.

(I) Any purported Sublease violation of this Section shall be of no force and effect.

(J) The Concession Manager shall be responsible for administration of each Sublease and shall enforce the terms and conditions of each Sublease and shall use all commercially reasonable remedies available to Concession Manager to, without limitation, collect all rent, fees, fund contributions, reimbursements, and any liquidated damages due under each Sublease; ensure that Subtenants meet the insurance requirements; analyze Subtenants' financial performance including whether the Subtenant is in default and what action, formal or informal, against the Subtenant is contemplated; coordinate with the City for concession advertising and promotions; temporary and/or permanent re-leasing of any Subleased Premises that become vacant; ensure that each Subtenant is otherwise compliant with their Sublease and to regain possession of Subleased Premises of defaulted Subtenants.

(K) The Concession Manager, following approval of a Sublease, shall cause the Subtenant to proceed with design, development and construction of its Subleased Premises at the Airport, including the following:

(1) Presentation of Initial Concept Plan. The Concession Manager shall cause the Subtenant, as appropriate, to develop for City approval, concept and design plans for each Concession Location and Support Premises (if applicable) within sixty (60) days after City approval of the Sublease (the "Initial Concept Plan"). The Concession Manager shall present all Concession Location designs to the City and obtain all necessary City approvals for the design and construction of such Concession Locations and Support Premises. The Initial Concept Plans shall include, at a minimum, the following: plan views; concept sketches; elevations; material boards; and project schedule.

(2) The Concession Manager and Subtenants shall comply with the Airport Tenant Design and Construction Manual, which can be found at: Tenant Design and Construction Manual, which can be found at: http://www.phl.org/Business/DesignandCodeManuals/Documents/Tenant_Design_Manual.pdf, and with the Philadelphia International Airport Architectural and Engineering Standards, which the Concession Manager shall obtain from the

Airport Engineering Department and shall make available to each Subtenant that will design any Subleased Premises improvements.

(3) Subsequent Plan Submittals. Following City approval of the Initial Concept Plan, the Concession Manager shall follow up with any required subsequent plan approvals. Such follow-up shall include assuring design standard compliance and appropriate construction coordination (such coordination shall be consistent with City Airport Design and Construction Procedures and Standards and any security requirements).

(4) Subtenant Construction. Following City and Concession Manager approval of Subtenant Plans and Specifications, the Construction Manager shall manage the Subtenant's construction of its Subleased Premises improvements, such construction to be performed at the expense of the Subtenant, provided, however, that if any design, construction and/or construction management Additional Services by the Concession Manager related to the Subleased Premises improvements have been agreed upon by the City and the Concession Manager pursuant to the Additional Services Agreement, such Additional Services will be performed in accordance with the Additional Services Agreement.

Section 3.03. Collection of Subtenant Payments and Fees.

The Concession Manager agrees that it is responsible for the collection of all rents, fees and charges due to the Concession Manager by Subtenants under a Sublease or other agreement (collectively, "Gross Concession Rent"). Such collection efforts shall be in a manner approved by the City, and shall be commercially reasonable and consistent with maximizing revenues to the City, including, without limitation, instituting suit. The components of Gross Concession Rent set forth in clauses (A), (B), (C), (F) and (G) below are components of Total Gross Concession Revenues and the components of Gross Concession Rent set forth in (D) and (E) below are excluded from Total Gross Concession Revenues. In consideration of the rights and privileges to be granted to the Subtenants under the Subleases, the Concession Manager shall ensure that each Sublease contains provisions included in Gross Concession Rent (but not all of the following are required to be contained in all Subleases), as follows:

(A) Minimum Annual Guarantee. Payment of a fixed dollar amount of rent (the "Minimum Annual Guarantee" or "MAG") by each Subtenant. Such MAG shall be established for each year of the Sublease. One-twelfth (1/12) of the MAG shall be paid in advance and without demand on the first day of each calendar month. The MAG shall be deemed delinquent if the Concession Manager does not receive payment by the tenth (10th) calendar day of the month. If the MAG is not received by the fifteenth (15th) calendar day of the month, then Concession Manager shall use commercially reasonable efforts to pursue the collection of the MAG, including declaring an Event of Default and issuing a default letter, as appropriate.

(B) Percentage of Gross Receipts. Payment of a percentage of gross receipts ("Percentage Rent") in excess of the MAG generated by each Subtenant as established during negotiation of the Sublease. Percentage Rent, if due, shall be deemed delinquent if not paid to the Concession Manager by the fifteenth (15th) calendar day after the end of the preceding calendar month. If the Percentage Rent is not received by the end of the month, Concession Manager shall issue a written notice to the Subtenant and if the Percentage Rent is still not paid by the 10th day of

the following month, then Concession Manager shall use commercially reasonable efforts to pursue the collection of the Percentage Rent, including declaring an Event of Default and issuing a default letter, as appropriate.

(C) Additional Storage Area Fees. Such fees shall be due and payable upon payment of the MAG, if applicable.

(D) Common Area Maintenance Charges. Such charges shall be due and payable upon payment of the MAG, if applicable.

(E) Marketing Fund charges. Such charges shall be due and payable upon payment of the MAG, if applicable.

(F) Penalties. The Concession Manager shall include a provision in each Sublease imposing penalties (the "Penalty" or "Penalties") against the Subtenant, if the Subtenant shall fail to perform in accordance with the Sublease. The Concession Manager shall be responsible for issuing all notices of violation and collecting all Penalties related thereto. All such collected Penalties shall be deemed to be part of Total Gross Concession Revenues. A list of violations and associated Penalties are set forth on Exhibit I, attached hereto and made a part hereof.

(G) Additional Rental as defined in the Sublease; provided, however, such amounts shall exclude any amounts paid as reimbursements to Concession Manager, such reimbursements to include, CAM common area maintenance charges, tax payments, insurance payments, tenant chargebacks and indemnity payments (such reimbursements being hereinafter referred to as "Excluded Additional Rental").

Section 3.04. Merchandising and Permitted Retail Operations.

Concession Manager shall cause the Subleased Premises to be operated in a manner consistent with the Annual Comprehensive Concession Plan and in accordance with Permitted Retail Operations. Without limiting the foregoing, Concession Manager shall cause at least one (1) Subtenant in each Terminal Building to stock and prominently display necessities for the traveling public, including aspirin, toiletries and other personal care items and travel necessities.

Concession Manager, upon notice from the City at any time during the Term, and in the City's discretion, shall enforce Subtenants' use clauses and the prohibitions contained therein, if any, against selling certain products. The City agrees that Concession Manager shall have the right to operate vending machines within the Terminal Buildings at mutually agreed upon Subleased Premises (excluding only areas constituting employee lounges and lunchrooms used solely by employees of the City, Subtenants and other staff of the Airport).

Section 3.05. Street Pricing.

Concession Manager shall require that all Subtenants operating any Concession Location charge prices for any products or services equivalent to the Street Price. The Sublease shall specifically set forth this requirement. The Street Price for any product or service sold by any Subtenant shall be determined as follows:

(A) The Street Price will be the price charged for the food, beverage, merchandise and/or services sold by a company with the same trade name commonly recognized by the public (e.g., McDonald's, or Rite Aid Drug) at comparable locations in the City and Bucks, Delaware, Montgomery and Chester Counties in Pennsylvania, and Camden and Burlington Counties in New Jersey (collectively the "Greater Philadelphia Area"). The price charged at a Concession Location shall be within the range of the prices charged for such goods and services by up to five mutually agreeable comparable locations trading under the same name in the Greater Philadelphia Area.

(B) If any food, beverage, merchandise and/or services is sold by a company that does not operate under the same trade name in the Greater Philadelphia Area then the Street Price shall be within the range of the prices charged for such goods and services by up to five mutually agreed upon locations of comparable businesses in the Greater Philadelphia Area where comparable products or services are sold in a comparable environment (e.g., Macy's department stores, Wawa convenience stores, Brooks Brothers, Starbucks, Acme Supermarkets, The Gap, Rite Aid, McDonalds restaurants, etc.). This Section 3.05(B) is intended to govern the Street Price of all goods and services that do not apply to Sections 3.05(A), (C) or (D) of this Agreement. The street pricing policy shall be displayed in every Concession Location.

(C) If the product or service offered is neither sold by businesses with the same trade name in non-airport locations, nor readily available from comparable businesses in the Greater Philadelphia Area, and does not fall within any other category described in this Section 3.05, the Street Price shall be based on reasonable comparisons mutually agreed to by Concession Manager and the City.

(D) With respect to Duty Free shops, the Street Price will be based on independent comparisons of duty free shops operating at Boston Logan International Airport, New York Kennedy International Airport, Atlanta Hartsfield International Airport, Miami International Airport, and Charlotte/Douglas International Airport.

(E) The Concession Manager shall monitor and ensure that all Subtenants remain in compliance with the Street Pricing provisions of the Subleases. The Concession Manager shall conduct, at its own cost, or require the Subtenants to conduct at their own cost, an annual survey of prices charged by comparable local food, beverage, retail, and passenger services operators to verify that Subtenant pricing is in compliance with Sublease provisions. The Concession Manager shall provide the City with the results of the annual pricing survey(s), and shall take whatever steps are necessary to resolve any discrepancies.

(F) Concession Manager, on behalf of the City, shall submit to the City for each Fiscal Year a quarterly Street Pricing report demonstrating compliance by Subtenants with the aforementioned pricing requirements. Such Street Pricing report shall be submitted electronically to the City. Additionally, pricing will be reviewed on an ad-hoc basis as an ongoing part of management walkthroughs. Concession Manager will conduct spot checks and require immediate changes in Subtenant prices that do not clearly fit within the Street Price parameters of the Sublease. For purposes of establishing the Street Price of an item, any difference in the size or quality of a product or service shall constitute a price differential.

(G) Concession Manager, on behalf of the City, shall maintain at all times, twenty-four (24) hours per day, a toll-free “hotline” accepting comments, questions, and complaints on Subtenants’ adherence to Street Prices, or such other means of accepting comments, questions and complaints that receives prior written approval from the City. Concession Manager shall further offer a “money back guarantee” to any purchaser who can prove that he/she purchased an item at any Concession Location that was not priced at the Street Price. Concession Manager shall advertise the existence of this service prominently and shall maintain records of the time of each call, the number of calls, and the substance of each call. Concession Manager shall compile and provide a copy of such records to the City as part of the Quarterly Report.

(H) The City shall supervise and monitor the compliance with the Street Price requirements of this Section 3.05 and shall notify Concession Manager of Subtenant violations of the Street Price policy. The City shall include in such notification copies of any receipts, advertising material or other material evidencing the Street Price violation. Concession Manager, on behalf of the City, shall monitor and enforce the Street Price requirements of this Section 3.05 and impose Penalties as set forth in Section 3.03(F).

(I) In selecting comparable locations for purposes of this Section 3.05 (A), (B) and (C) above, Concession Manager and the City agree that locations that are partially or fully protected from competition such as hotel lobby shops or sports arenas and locations that operate using an off-price or discount pricing structure shall not be included as comparable locations.

Section 3.06. Marketing, Advertising and Promotion.

The Concession Manager shall establish and implement a comprehensive marketing, advertising and promotion plan as it may be modified and revised from time to time (the “Marketing, Advertising and Promotion Plan”) and a fund collected from the Subtenants to implement the Marketing, Advertising and Promotion Plan (the “Marketing Fund”) for the Concession Locations, all of the foregoing as approved by the City, and as modified from time to time.

(A) **Marketing, Advertising and Promotion Plan Development.** Annually, in conjunction with the Annual Comprehensive Concession Plan, the Concession Manager agrees to submit to the City the Marketing, Advertising and Promotion Plan for the Terminal Concession Program, which shall include a comprehensive marketing, advertising and promotion budget and strategies for the following Calendar Year. The Marketing, Advertising and Promotion Plan shall include the coordination of promotion opportunities, including but not limited to, in-terminal flight information display monitors, and other opportunities that promote and advertise the Terminal Concession Program, as well as coordination with the local hospitality, transportation, retail and restaurant industries, government agencies, the marketing of the Airport. Furthermore, the Concession Manager shall plan, schedule and execute various promotional events at the Airport such as product samplings, book signings, demonstrations, fashion shows and store-opening celebrations.

(B) **Marketing, Advertising and Promotion Plan Implementation.** Concession Manager shall be responsible for monitoring the Marketing, Advertising and Promotion Plan. Quarterly, the Concession Manager shall provide a status report on the Marketing, Advertising and Promotion

Plan to the Subtenants, which will be available to the City for review. The direct costs of the implementation of the Marketing, Advertising and Promotion Plan, excluding the cost of the Concession Manager's own employees, may be charged against the Marketing Fund. In addition, Concession Manager shall monitor the Airport's market through periodic consumer surveys and shall regularly study new industry trends and deliver to the City copies of such studies.

(C) Establishment and Use of a Marketing Fund. Direct marketing, advertising and promotion costs incurred by the Concession Manager shall be allowed to be charged against the Marketing Fund. Any such expenditures that are not described in the Marketing, Advertising and Promotion Plan previously approved by the City shall require the prior written approval of the City.

(D) Minimum Marketing Advertising and Promotion Plan Requirements. The Marketing, Advertising and Promotion Plan will include the minimum requirements set forth in Exhibit G attached hereto and made a part hereof. Notwithstanding the minimum requirements, the City may work with Concession Manager to modify and revise the Marketing, Advertising and Promotion Plan from time to time.

Section 3.07. Management.

(A) Management and Personnel. Concession Manager shall maintain full time professional and experienced staff (which may be employees of Concession Manager or may be third-party contractors, as agreed to by the City) of not less than nine (9) people at the Airport during the Term of the Agreement to implement the Terminal Concession Program in accordance with this Agreement and to serve as a liaison with the City and the Subtenants in all manners consistent with this Agreement, subject to such future modifications agreed to by the Parties. The City reserves the right to approve the General Manager only and to require Concession Manager to remove and replace the General Manager if he is not performing up to standards consistent with the fulfillment of Concession Manager's obligations under this Agreement. In such event, the Concession Manager shall promptly remove and replace the General Manager with a competent and qualified substitute. The following are the minimum key professional staff that shall maintain full time positions at the Airport in accordance with this Agreement, subject to such future modifications agreed to by the Parties (the "Key Professional Staff").

(1) General Manager. The Concession Manager shall retain an on-site, experienced, full-time general manager ("General Manager"). The General Manager shall be fully authorized to represent and act for the Concession Manager in all matters pertaining to its operations under this Agreement. The General Manager shall be dedicated exclusively to the Terminal Concession Program. At a minimum, the General Manager must have five (5) years' experience in airport concession management, managing multiple stores, units or properties of a size, complexity, and sales volume similar to that of the Terminal Concession Program.

(2) Assistant General Manager. The Concession Manager shall retain a minimum of one (1) on-site, experienced, full-time assistant general manager ("Assistant General Manager"). If the Concession Manager employs more than one (1) Assistant General Manager, at least one (1) such Assistant General Manager must possess a minimum of five (5) years operational food service experience, if the General Manager does not have such food service

experience. At times when the General Manager is not present at the Airport, the Assistant General Manager shall act for the General Manager and be in charge of the Terminal Concession Program.

(3) Leasing Representative. A minimum of one (1) specific, dedicated full-time individual assigned to the Airport whose primary responsibility is subleasing the Concession Locations and Support Premises.

(4) Marketing Representative. A minimum of one (1) specific, dedicated full-time individual assigned to the Airport whose primary responsibility is managing the Airport concession marketing program in accordance with Section 3.06 and Exhibit G.

(5) Construction Management/Tenant Coordinator. A minimum of one (1) specific, on-site dedicated full-time individual assigned to the Airport during all times when Subtenant or other concession space-related construction is taking place whose primary responsibility is coordinating all such concession-related construction.

(6) ACDBE Personnel: Concession Manager shall provide personnel to manage the Concession Program and insure compliance by Concession Manager and its Subtenants with 49 CFR Parts 23 and 26 and the ACDBE Program Requirements in this Agreement, including the terms and conditions of the City's approval of Concession Manager's joint venture under 49 CFR Part 23. In addition, Concession Manager shall provide an ACDBE Coordinator assigned to the Terminal Concession Program whose primary responsibility is to ensure compliance specifically with 49 CFR Parts 23 and 26, and the ACDBE Program Requirements. Accordingly, the ACDBE Coordinator shall be familiar and experienced with all of the ACDBE Program Requirements.

(7) Administration. A minimum of one (1) individual assigned to the Airport whose primary responsibility is administrative, reporting, record keeping, coordinating security compliance and badging matters for the Concession Manager and all Subtenants, monitoring and reporting on Subtenants' compliance with the Philadelphia 21st Century Minimum Wage and Benefits Standard, Labor Harmony and the campaign contribution disclosures described in Section 8.10.

(8) Accounting and Financial Reporting. A minimum of one (1) individual on-site assigned to the Airport whose primary responsibility is concession program accounting, financial reporting, and financial record-keeping.

(9) Operations Manager. A minimum of one (1) individual assigned to the Airport whose primary responsibilities include coordinating all necessary maintenance and repairs regarding the Terminal Concession Program, scheduling and completion of all scheduled maintenance service for both Subtenant and Common Area facilities, reading and recording all utility meters in Subleased Premises, managing sustainability initiatives, participating in City-hosted job fairs for the Airport and connecting with the on-line job portal created by the City posting job opportunities, and the coordination and completion of fire suppression systems testing and inspections.

The Concession Manager shall provide the Airport with resumes for all personnel included above and such resumes shall be updated, as appropriate, but no less than once per Calendar Year.

Notwithstanding anything to the contrary set forth herein, the Concession Manager agrees that in addition to the staffing set forth in Section 3.07(A), executives at the corporate level of the Concession Manager, including Paul McGinn, Clarence LeJeune, Michael DiCosola and David Croasdale and/or any successor or replacement corporate level executives, shall devote the time required to fulfill the duties and responsibilities under this Agreement, including performance of Concession Management Services, all of which corporate level executive time and effort shall be included as part of the Concession Management Fee. The cost of additional badging administrator positions for the purpose of executing badging operations for the Concession Manager and Subtenants, as approved in advance by the City, may be included in CAM. The Concession Manager shall assign a single point-of-contact at the Concession Manager's corporate level of management to supervise the General Manager and be available to the Airport's management during business hours.

(B) Airport Office. The Concession Manager shall maintain an office at the Airport. The City shall provide space for an office and the Concession Manager shall not be required to pay rent therefor. The Concession Manager shall pay for utilities, any fit-out costs, furniture, and such other fees as may be specified elsewhere in this Agreement, including but not limited to, trash pickup, parking and badging.

(C) Employee Uniforms. Other than those employees specified in Section 3.07(A)(1)-(9) and those Subtenants who do not require employees to wear uniforms, all employees of Concession Manager and Subtenants shall wear appropriate uniforms and identification tags (except as otherwise approved by the City). Concession Manager shall insert appropriate provisions in each Sublease requiring all employees of each Subtenant to wear identification tags and appropriate uniforms or other dress commensurate with normal store policy (except where otherwise approved by the City), and Concession Manager shall enforce this requirement.

(D) Subtenant Monitoring. Concession Manager shall monitor each Subtenant's Subleased Premises daily for compliance with this Agreement and strictly enforce the terms and conditions of the Sublease with Concession Manager. Concession Manager shall conduct walkthroughs of the Terminal Buildings to monitor the Terminal Concession Program daily, and complete documented walkthroughs/physical property inspections no less than once a month. Secret shopping of each Concession Location shall be conducted on a bi-monthly basis. Secret shopper inspections shall be analyzed and reviewed with each Subtenant, focusing on aspects of the Concession Location as they appear to customers. Secret shopper reports shall be prepared bi-monthly and emailed to Subtenant. Customer comment cards received by the Concession Manager and the City shall be reviewed and addressed, as necessary. Subtenants shall be contacted for prompt remediation. If an area of non-compliance is identified, Concession Manager shall speak immediately with a Subtenant manager and shall impose the Penalties set forth in Exhibit I. Any potential need for legal action shall be reviewed with the City.

(E) Subtenant Audits. Concession Manager shall provide for periodic audits of Subtenant sales. Concession Manager shall submit annually an audit plan for the approval of the

City showing a rolling two (2) year schedule of audits to be performed by Concession Manager of the gross sales of certain Subtenants, which shall provide for a minimum audit of thirty-three percent (33%) of the Subtenants in each Calendar Year. Concession Manager may audit Subtenants not otherwise specified in the audit plan in its sole discretion.

(F) Meetings. The Concession Manager shall establish and conduct the following periodic meetings:

(1) Concession Manager shall meet with the City as needed, but not less than once per month to review and discuss operational issues, concept development plans, construction plans, and Sublease negotiations in accordance with its Annual Comprehensive Concession Plan. The Concession Manager shall provide during the meeting updates related but not limited to subleasing, sales, rent, facility appearance and maintenance, development construction, and design, ACDBE participation and compliance, capital projects, marketing activities, and other issues, as necessary.

(2) Concession Manager shall meet with each Subtenant not less than once each month to discuss the operation, marketing, and productivity of the Subtenant's Concession Locations.

(3) Concession Manager shall meet quarterly with all Subtenants to provide terminal information and review Airport developments, ongoing operational issues, operational procedure updates including badging and other security matter update, customer service initiatives, marketing and promotional activities, other issues, as necessary.

(4) In addition to all other meeting requirements in this Agreement, and as set forth in Exhibit F, Concession Manager shall participate in quarterly monitoring and enforcement meetings with the City to review the performance and compliance of Concession Manager and its Subtenants under the ACDBE Program Requirements and matters disclosed on Concession Manager's ACDBE Reports.

(5) Concession Manager shall meet annually with the City to review the Marketing Plan, identify emerging trends in airport food, beverage, and retail passenger services and review the Annual Comprehensive Concession Plan.

(6) No later than sixty (60) days prior to the beginning of each Calendar Year, designated representatives of the Concession Manager and the City shall conduct an annual meeting (the "Annual Meeting") to review and approve the key operational issues for the successive period or Calendar Year, including, without limitation, the Concession Manager's proposed Annual Comprehensive Concession Plan, Concession Manager's obligations relating to the implementation of the Annual Comprehensive Concession Plan, the annual Subtenant ACDBE Participation Plan, projections for Gross Concession Sales and Total Gross Concession Revenues, Minimum Annual Guarantee estimates, Percentage Rent projections, proposed Maintenance Reserve project and budget estimate, proposed Marketing, Advertising and Promotion Plan and any other relevant obligations.

(7) Concession Manager shall conduct new Subtenant orientation meetings for all new Subtenants as needed prior to opening.

(G) Evaluation and Oversight. The Concession Manager shall be responsible for continuing to evaluate the food, beverage, retail and passenger services operations conducted under this Agreement, including identifying any area where customer service and productivity of operations can be improved. In performing the continuing evaluation of the Terminal Concession Program, the Concession Manager shall provide an Emergency Preparedness Plan and customer service feedback, including the establishment of a customer service hotline and/or website. Concession Manager shall monitor and use commercially reasonable efforts to remedy problems and issues raised by Airport patrons with respect to the operation of the Leased Premises and the Subleased Premises, and shall investigate and answer all written customer complaints within five (5) days after receipt of same. Concession Manager shall deliver to the City copies of all such correspondence and the results of Concession Manager's investigation promptly after receipt and/or development of same.

Section 3.08. Operations.

(A) Hours of Operation. The Concession Manager shall ensure that Subtenants shall be open for business daily a minimum of forty-five (45) minutes before the first scheduled departing flight from the Terminal Building or concourse in which the Subtenant's Subleased Premises are located, and shall remain open for business until thirty (30) minutes after the last departure from the Terminal Building or concourse in which the Subtenant's Subleased Premises are located. Notwithstanding the foregoing, retail Subtenants located in the B/C Connector and the D/E Connector shall only be required to be open for business from 7:00 a.m. to 10:00 p.m. The City reserves the right to require the Concession Manager to direct the Subtenants to increase the hours of operation if airline schedules and passenger demand dictate (including inclement weather). Concession Manager shall monitor the hours of operation of Subtenants on a daily basis. Deviations from the approved hours shall initiate a verbal response from the Concession Manager to the store manager and a written response to the Subtenant's home office. Repeated violations of operating hours shall result in fines per the Subleases. Chronic disregard of hours of operation may lead to legal action up to and including default. Concession Manager shall assess Penalties as set forth in Section 3.03(F) for repeat violations. Concession Manager shall ensure that at least one (1) public food and beverage facility and at least one (1) public retail facility selling necessities for the traveling public (including aspirin, toiletries and other personal care items) at the Leased Premises or Subleased Premises, as the case may be, remain open twenty-four (24) hours each day, except as may be otherwise approved by the City. Deviations from the established hours of operation as set forth in the first sentence of this Section may only be implemented based on a written request from the Concession Manager with a justification for any requested changes. The City may agree in writing only to such deviations.

(B) Credit Cards. Concession Manager shall include as a provision in any Sublease that the Subtenant shall accept at least two (2) nationally-recognized credit cards (i.e., Master Card, Visa, and American Express) for any purchases made in the facilities and Concession Manager shall enforce such obligation.

(C) Cash Control and Accounting. The Concession Manager shall require Subtenants to maintain control of all of their gross receipts with cash registers capable of providing customer receipts indicating the date and time of purchase. The Concession Manager shall require

Subtenants to maintain an accounting system in accordance with GAAP to permit audits by the Concession Manager and the City periodically.

(D) Staffing and Service Levels. The Concession Manager shall use commercially reasonable efforts to ensure the highest standards of public service from all Subtenants. During the hours of operation required herein as set forth in Section 3.08(A), the Concession Manager shall ensure that all Subtenants provide personnel in sufficient number and with such qualifications necessary to provide first class and efficient service to the users of the Airport.

(E) Airport Security and Badging. Concession Manager shall ensure that all Subtenants, Subcontractors, and Concession Manager employees comply with the Airport Security Plan in Section 7 of the Philadelphia International Airport Rules and Regulations Manual, <http://www.phl.org/business/pages/airport-rules-and-regulations-.aspx>. The Concession Manager shall have all liability and responsibility with respect to security issues relating to Subtenant, Subcontractor and Concession Manager employee badging and security clearance requirements. The Concession Manager shall implement a badging plan for Subtenant, Subcontractor, and Concession Manager employees and serve as the liaison among the Concession Manager, the City and TSA with respect to Subtenant, Subcontractor and Concession Manager employees airport security compliance. Concession Manager shall provide assistance to the Subtenants, Subcontractors and Concession Manager employees by providing appropriate applications and other information and documentation supplied by the City for submission to the appropriate officials. Concession Manager's role in coordinating security compliance and badging matters includes, but is not limited to the following:

- (1) Ensuring accountability of all Concession Manager's sponsored badges;
- (2) Scheduling fingerprint appointments for Concession Manager, Subtenant and Subcontractor employees;
- (3) Ensuring accuracy and completion of all necessary paperwork for both new and renewal Airport security identification badges;
- (4) Providing timely notifications to all Subtenants and Subcontractors when CHRCs and STAs are cleared;
- (5) Ensuring that Subtenants, Subcontractors, and Concession Manager employees are up to date on all new procedures and changes to the Airport security identification badging process, including conducting meetings to review badging updates and other security matters;
- (6) Ensuring that Subtenants and Subcontractors and their sponsorship letters are up to date and ensuring that all authorized signers complete Authorized Signer Training annually;
- (7) Conducting badging inspections and quarterly badging audits and issuing badging violations as necessary;

(8) Collecting Airport security identification badges from all Subtenant, Subcontractor, and Concession Manager employees for whom employment has been terminated.

(9) Ensuring that Subtenants, Subcontractors, and Concession Manager employees are in compliance with the Airport security identification badge rules and regulations (as they may be modified and amended) pertaining to Airport issued media;

(10) Completing a monthly badging reconciliation report; and conducting prohibited items inspections and issuing violation notices, as necessary; and

(11) The current charge for each applicant/employee of each Subtenant, Subcontractor and Concession Manager is \$65 per applicant, which includes a \$32 fingerprint fee and a \$33 identification badge fee. All payments for these fees shall be paid by a company check or money order issued by the Concession Manager, Subtenant, or Subcontractor. The City or TSA may modify or otherwise revise and update the badging requirements. The Concession Manager shall be responsible for complying with all such updates and modified requirements, without charge.

(F) Telephone Service. Concession Manager shall ensure that telephone service is separately contracted and paid by the Concession Manager and the Subtenants. All Subtenants, including those operating RMUs, are required to have telephone service.

Section 3.09. Maintenance and Repairs.

Throughout the Term, the operation, maintenance and repair of the Leased Premises and the Subleased Premises (including all Common Areas) shall be the obligation and responsibility of Concession Manager. Concession Manager shall, at its own cost and expense, maintain or cause to be maintained, and shall keep or cause to be kept, the Leased Premises and the Subleased Premises in a good, safe, clean and orderly condition and repair consistent with the operation of a first-class retail center in a major transportation facility, maintained to a first-class standard as contemplated by this Agreement. Concession Manager shall insert appropriate provisions in all Subleases and Subcontracts covering work under this Agreement to require compliance by all Subtenants and Subcontractors with the requirements of this Section, and shall enforce such requirements. Concession Manager shall maintain a computerized log system for tracking, evaluating, and reporting the accomplishment of all maintenance activities.

(A) Common Area Maintenance. Concession Manager shall be responsible for providing common maintenance, trash disposal and hauling, customer service and distribution and delivery services to all Subtenants, "Common Area Maintenance."

(1) Services Provided. "Common Area Maintenance" or "CAM" shall include all Concession Manager tasks and responsibilities as outlined in the Common Area Maintenance Plan developed by the Concession Manager and approved by the City (the "Common Area Maintenance Plan"), as more fully described in this Section 3.09 (but shall exclude any maintenance and repair obligations of the City specifically set forth in Section 3.09(D) in this Agreement), including the following:

a) Common Tenant Services. Concession Manager shall provide custodial services on a daily basis (including all staff and related wages, salaries, fringe benefits, uniforms, supplies, communication equipment, and insurance) for the Common Area; trash and garbage removal from all Leased Premises including all Subleased Premises, including the proper disposal of all trash, garbage, and recycling; pest control and bug extermination services for all Leased Premises including all Subleased Premises; toll-free hotline or other means of accepting consumer complaints regarding Subtenant performance or pricing in accordance with Section 3.05; routine maintenance, and repair (including all wages, salaries and fringe benefits for staff or third-party contractors or consultants) and routine, non-capital replacement, as required, of all equipment, furnishings, fixtures, flooring materials and floor coverings and walls and wall coverings within the Common Area, excluding any structural repairs and the base building HVAC systems in the food courts in the following: Terminal A-West and A-East, the B/C Connector, the top of Terminal D, the D and E Hammerheads, and Terminal F (excluding any Subtenant installed equipment which shall be maintained by the Subtenant at its sole cost). Electrical systems shall be inspected and maintained as required, and may be coordinated to occur simultaneously with an overall inspection of the Airport's systems, such as for biennial infra-red survey of master panels. Life safety systems, such as fire alarms, smoke detectors, and sprinkler systems shall be tested and inspected in accordance with all applicable building and safety codes and a schedule required by the City and local safety officials. Any work on these systems shall be closely coordinated with City staff. All of the foregoing services shall be performed so as to assure that all Leased Premises, including all Subleased Premises, and Common Area is presented in a first-class appearance to the users of the Airport.

b) Trash Disposal and Hauling. Concession Manager shall rent appropriate compactors, dumpsters, and grease recycling receptacles for the disposal of all trash, garbage, grease, and recycling collected from the Leased Premises including all Subleased Premises. Such disposal from the Leased Premises including all Subleased Premises shall occur in the most direct route, without being stored in areas with visibility to the users of the Airport. Concession Manager shall provide for the timely hauling and/or emptying of such compactors, dumpsters, and receptacles and provide for the maintenance, repair, and cleaning of such equipment and any soiled area surrounding the foregoing. Concession Manager shall make certain that waste water from the foregoing cleaning operation shall not enter the City's storm water drainage system.

c) Customer Service. Concession Manager shall provide customer service training to all Subtenants on a quarterly basis (including the necessary trainers provided through third parties), venue, materials, catering, etc.). Concession Manager shall also provide secret shopping services to all Concession Locations on a quarterly basis in accordance with the Marketing, Advertising and Promotion Plan.

d) Delivery and Distribution. Concession Manager shall manage the receiving, delivery, and distribution process for all Subtenants to all landside and airside Subleased Premises, including the staffing (salaries, wages, fringe benefits, uniforms, insurance) and managing of loading docks (in locations designated by the City), provision and maintenance of necessary equipment, delivery/escort vehicle (and related insurance, maintenance, and fueling), provision of communications equipment, and all necessary supplies.

Concession Manager shall use for any deliveries only the service areas and service elevators marked on Exhibit B attached hereto and made a part hereof, which shall be provided by and maintained by the City, provided however, Concession Manager shall be responsible for routine cleaning in the event that any product that is being delivered or distributed spills in the elevator or service areas, Concession Manager shall immediately clean up any such spill. Such service areas and elevators shall be available to Concession Manager at such hours agreed to by the City and Concession Manager consistent with this Agreement, but in any event for such periods as are sufficient for the requirements of Concession Manager and the Subtenants, subject only to reasonable interruption for repair and maintenance. Concession Manager shall develop elevator and loading dock procedures and usage guidelines for the Concession Manager and Subtenants to be approved in writing by the City. Concession Manager may contract with a logistical support provider (hereinafter referred to as the "Distributor") to meet the logistical requirements of the Subtenants. The City shall use all reasonable efforts to provide the Concession Manager with space for the operation of a central delivery/distribution area of an appropriate size in order to provide common logistical support and storage for the Subtenants, such space to be provided without charge (no rent or utilities) to the Concession Manager, its Distributor, and the Subtenants. Notwithstanding the provision by the City of a space for delivery/distribution operations, the City reserves the right to develop a centralized receiving and distribution facility outside of the Terminal Buildings in the future and mandate that all concession receiving and distribution processes related to the Terminal Concession Program occur in such facility. Such space shall be provided and the City may charge the commercially reasonable actual costs associated with the operation of the facility (such as maintenance, repairs, and utilities). Any such charges imposed on Concession Manager may be included in CAM charges. The Concession Manager agrees to adhere to TSA and City directives and policies regarding access to airside facilities for its own employees and to require Subtenants to adhere to TSA and City directives and policies regarding access to airside facilities for their respective employees. The Concession Manager shall provide assistance to the Subtenants by providing appropriate applications and other information and documentation supplied by the City for submission to the appropriate officials. In the event that the City provides additional Support Premises at the Airport, the Concession Manager shall be responsible for their management, developing procedures and usage guidelines and collecting fees for the additional storage areas (see Section 3.03(C)). If an arrangement is in place, other than with Concession Manager, for the management of the distribution and delivery of goods and materials to Subtenants, then the City agrees to provide, or caused to be provided, the uninterrupted distribution and delivery of goods and materials to all Subtenants in the ordinary course of business as necessary for the Subtenants' operations. The Concession Manager shall work with any vendor that will provide these services to facilitate the smooth transition in the provision of these services.

e) Food Court Maintenance and Repairs. Concession Manager shall clean, maintain, and repair all food court common seating areas. Such services shall include the provision of the custodial (bussing) staff (including wages, salaries, fringe benefits, uniforms, and insurance) and supplies (and their associated uniforms, taxes, and benefits), necessary equipment, floor care (including supplies and equipment, including any rental costs therefore), HVAC repairs and maintenance, excluding any structural repairs and the base building HVAC systems in the food courts in the following: Terminal A-West and A-East, the B/C Connector, the top of Terminal D, the D and E Hammerheads, and Terminal F (excluding any Subtenant installed equipment which shall be maintained by the Subtenant at its sole cost), utilities for the food court common

seating areas and associated service corridors and storage areas (electricity, water, heating, lighting, air conditioning, sewer and other utilities chargeable to the operation and maintenance of the food court common seating areas and not reimbursed to Concession Manager by an Subtenant or other party), light bulb maintenance, pest control and bug extermination, health and safety inspections, property and liability insurance directly related to the food court common seating areas, window cleaning, and routine furniture and fixtures maintenance and repairs. Concession Manager shall handle changing light bulbs in the Leased Premises and Common Areas and such light bulb maintenance may be addressed in a group re-lamping program as approved in advance by the City. Concession Manager shall be responsible for the maintenance of food court chairs and tables, back hallways, and doors and shall address issues identified within three (3) calendar days of identification or notification by the City, or sooner, if required.

(2) Costs of Services. In order to recover the direct costs of the foregoing as specified in Section 3.09(A)(1), the Concession Manager may assess charges against each Subtenant in accordance with a budget and methodology to be reviewed and approved in advance by the City. The proper assessment and collection of CAM charges are the responsibility of the Concession Manager. All Subtenants may use and share in the prorated costs of the services listed in 1.a through 1.d above and the Concession Manager may not mark up the costs or charge the Subtenants additional administrative overhead fees or the costs of Key Professional Staff or Concession Manager personnel for these services beyond those personnel directly performing the services outlined in 1.a. through 1.d. above. The City acknowledges that the Concession Manager may perform any of the Common Area Maintenance services by third party contractors or by Concession Manager staff (including, for example, staff performing accounting, food court maintenance, badging, trash hauling, delivery and distribution, and field supervisory services) and that these costs may be included as CAM charges and shown on the Common Area Maintenance Plan. Additionally, Subtenants having Concession Locations in food courts may be assessed an additional CAM charge related to the provision of the services outlined in 1.e above. At the end of each Calendar Year, total payments shall be calculated and compared to actual spending. If necessary, the Subtenants shall receive a credit if actual expenses are under budget or they shall be invoiced for any cost overruns as part of the costs during the following Calendar Year. Any fees associated with special needs deliveries outside of the established delivery process that are not budgeted, such as off-hour deliveries for construction or new Subtenant equipment may be coordinated for direct billing to the Subtenant or contractor, such charges which shall be paid along with the other CAM charges by the affected Subtenants.

Notwithstanding the foregoing, any and all costs and expenses incurred by the Concession Manager in operating, maintaining, and repairing the Leased Premises including the Subleased Premises remain the responsibility of the Concession Manager irrespective of whether the Concession Manager has collected CAM charges from its Subtenants.

(B) Subleased Premises Infrastructure Maintenance. Throughout the Term, in addition to the repairs and maintenance responsibilities described in Section 3.09(A) above, Concession Manager shall ensure the proper and timely maintenance and repairs of Subleased Premises infrastructure equipment and facilities as set forth herein below.

(1) Services Provided. Concession Manager shall inspect and maintain, during non- operating hours, certain portions of the Subleased Premises infrastructure, including grease

traps, plumbing/sewer lines, cooking exhaust systems, and utility systems as further detailed below:

a) Grease Traps. Concession Manager shall inspect and clean the grease traps at each food service Concession Location at least twice per month or more frequently as needed. Specific exceptions to this requirement on a case-by-case basis may be approved in writing by the City. Concession Manager shall provide to the City on a monthly basis, a schedule documenting each Concession Location and the dates on which the grease traps are scheduled to be cleaned and when such cleaning actually occurred. The City may witness or inspect this cleaning process from time to time without prior notice to the Concession Manager.

b) In-Ground Grease Interceptor. Concession Manager shall inspect and pump the in-ground grease interceptors at least quarterly or more frequently as needed. Concession Manager shall provide to the City a quarterly schedule documenting each in-ground grease interceptor location and the dates on which the grease interceptors are scheduled to be pumped out and when such pumping actually occurred. The City may witness or inspect this activity from time to time without prior notice to the Concession Manager.

c) Grease Guards. Concession Manager shall inspect and rotate the grease guards at each food service Concession Location that utilizes grease guards at least quarterly or more frequently as needed. Concession Manager shall replace all grease guards annually.

d) Extermination. Concession Manager shall exterminate each food service Concession Location and food service Support Premises for pests at least twice monthly and shall exterminate each retail Concession Location and retail Support Premises at least once per month.

e) HVAC Systems. Concession Manager shall inspect and maintain the HVAC systems in the Subleased Premises at least quarterly.

f) Plumbing/Sewer Lines. Concession Manager shall prohibit its Subtenants from disposing of grease or solid materials in the drainage system, and shall snake all food service Subleased Premises drains back to the City's main and conduct any other necessary drain maintenance monthly or as needed.

g) Cooking Exhaust Systems. Concession Manager shall conduct or shall require its Subtenants to conduct inspections, cleaning, and maintenance of all elements of cooking exhaust systems at least once per month or more frequently, as needed, at each food service Concession Location with a rooftop exhaust system. Concession Manager shall ensure the protection of the roof membrane during any such inspection, cleaning and maintenance of the rooftop exhaust system. Concession Manager shall provide for the removal and cleanup of any grease product that may escape through the rooftop exhaust system and stain or otherwise soil the roof membrane or surrounding building components.

h) Utility Systems Serving the Leased Premises. Concession Manager shall maintain, repair and replace or shall require its Subtenants to maintain, repair and replace the gas, electrical, telephone, hot and cold water, heating and ventilation ductwork, fire sprinkler,

condensate, roof drainage, and sanitary and domestic waste utility branch lines that are solely for the use of a Subtenant or located within their Subleased Premises.

(2) Cost of Services. All direct costs and expenses incurred by Concession Manager with respect to the services set forth in this Section 3.09(B) may be passed through to the affected Subtenants as direct chargebacks so that the Concession Manager is reimbursed for the provided services. The Concession Manager may have an independent contractor perform these functions subject to prior approval by the City.

(C) Subtenant Maintenance.

(1) Services Provided. Concession Manager shall provide or require the Subtenants to provide the following maintenance and repair services. Concession Manager shall assist Subtenants in diagnosing issues and follow up with the Subtenants to ensure that any problems are resolved immediately.

a) Prepare and maintain, on a current basis, preventive maintenance schedules on all mechanical, electrical, and plumbing equipment and lines that they are responsible for maintaining and provide copies of such schedules to the Concession Manager and City upon request;

b) Report all malfunctions of the drainage and sewage systems, fire protection system, sprinkler system, alarm system, heat and air-conditioning systems, electrical systems, and plumbing, installed or located on or within the Subleased Premises to the Concession Manager in accordance with the City's regulations and immediately after discovery;

c) Maintain, repair and replace the electrical cables, conduits, wiring, fire alarm systems and wiring panels and associated equipment located within and serving their Subleased Premises.

d) Install and maintain utility meters in the Subleased Premises, as specified by the City, at the Subtenants' own cost and expense; and

e) Perform all repair, maintenance, replacement, construction and installation work in the Subleased Premises in accordance with City regulations, all applicable building and safety codes, and only after obtaining all necessary licenses and permits.

(2) Cost of Services. All costs and expenses incurred in the provision of Subtenant maintenance shall be borne directly by the Subtenants. All direct costs and expenses incurred by Concession Manager in the performance of Subtenant maintenance services set forth in this Section 3.09(C) on behalf of any Subtenant may be passed through to the affected Subtenants as direct chargebacks so that the Concession Manager is reimbursed for the provided services. The Concession Manager may have an independent contractor perform these functions subject to prior approval by the City.

(D) City Maintenance Responsibilities.

(1) The City shall repair, maintain and replace or cause to be repaired and maintained the Airport Retained Space (including the Airport Common Area), including, without limitation, making repairs to the structural components of the Terminal Buildings, the roof, base building HVAC, electrical and plumbing systems serving the Terminal Buildings (including the Airport Common Areas), all elevators, escalators and moving walkways, the roof, base building HVAC, (and the HVAC in the food courts in A-West, A-East, B/C Connector, top of Terminal D, Terminal D and E Hammerheads, and Terminal F, electrical and plumbing systems and all other utilities serving the Terminal Buildings (including the Airport Common Areas) generally, and all repairs to exterior windows and glass, and exterior doors so that the Airport Retained Space shall be maintained in the same standard to which Concession Manager is maintaining the Leased Premises and the Subleased Premises (collectively, the “Airport Maintenance and Repair Obligations”). In the event that any repairs are required by reason of the negligence or abuse of Concession Manager, any Subtenant or Subcontractor or any of their respective agents, principals, employees or invitees, or any other person using the Leased Premises and the Subleased Premises with Concession Manager’s consent, express or implied, the City may make repairs and charge the costs of the same to Concession Manager as Additional Rent. All maintenance and repair responsibilities regarding the Leased Premises and the Subleased Premises (other than the maintenance and repair obligations of the City with respect to the Terminal Buildings generally) shall be those of Concession Manager. Concession Manager agrees to cooperate with the City in all ways to facilitate the performance by the City of its obligations under this Section. Concession Manager shall insert appropriate provisions in all Subleases and Subcontracts covering work under this Agreement to require compliance of all Subtenants and Subcontractors with the requirements of this Section, and shall enforce such requirements. Notwithstanding the foregoing, nothing herein shall require the Concession Manager to perform any work pertaining to any structural components of the Leased Premises or the Terminal Buildings or any building systems serving areas of the Terminal Buildings other than the Leased Premises, provided however, such repair and maintenance may be considered an Additional Service and shall be treated as provided in the Additional Services Agreement attached hereto and made a part hereof as Exhibit C.

(2) Concession Manager shall coordinate with the City on the base building services that are handled by the City or its contractors. The City shall be responsible for the main distribution panels located in the Airport utility room(s) and the KWH meter and all other above mentioned items not serving the Leased Premises or Subleased Premises. The City may make inspections as often as it considers necessary to determine that the Concession Manager, Subtenants, or their Subcontractor(s) are performing proper maintenance of the Leased Premises and Subleased Premises. In the event that blockages or damage to sewer and/or plumbing lines occur and such blockages or damage are reasonably determined by the City to be due to the negligence of the Subtenant(s) or failure of the Concession Manager or Subtenant(s) to properly maintain their portion of the Leased Premises or Subleased Premises, then the City may request that the Concession Manager assess liquidated damages against the Subtenant(s).

(3) The City reserves the right to interrupt temporarily the heating, air conditioning, plumbing, and electrical services to make repairs, alterations, replacements, or improvements in said systems. The City shall have no responsibility or liability for failure to supply heat, air-conditioning, plumbing, and electrical service or when prevented from doing so by laws, orders, or regulations of any federal, State, or local agency as a result of strikes, accidents, or by any other cause whatsoever beyond the City’s control. During periods of City construction,

unforeseen interruptions in utility services may occur. The City shall have no liability for such interruptions; however the City shall provide the Concession Manager with as much advance notice as possible and shall use its best efforts to avoid interrupting the Subtenants' operations except as necessary.

(4) Concession Manager agrees that the City shall not be liable in damages, by abatement of Rent or otherwise, for failure to furnish or delay in furnishing any service or for any diminution in the quality or quantity thereof. Such failures or delays or diminution shall never be deemed to constitute an eviction or disturbance of Concession Manager's use and possession of the Leased Premises or relieve Concession Manager from paying Rent or performing any of its obligations under this Agreement.

(5) Notwithstanding the foregoing, if any utility to the Subleased Premises is supplied by the City and, due to the sole gross negligence of the City (including its agents and employees), such utility to the Subleased Premises is interrupted, forcing a Subtenant to close its business within the Subleased Premises for more than two (2) complete and consecutive days, then the Subtenant's MAG may abate for the period commencing on the third (3rd) day after the Subtenant closes its business within the Subleased Premises and shall continue until the earlier of: (i) the date such utility is restored to the Subleased Premises, or (ii) the date the Subtenant reopens its business in the Subleased Premises.

(6) The City shall have the right to terminate its obligations to Concession Manager under this Section 3.09(D) at any time beginning four (4) years after the Effective Date without liability to the Concession Manager. If the City exercises this right, then the Concession Manager and the City shall negotiate in good faith to provide for the performance of the foregoing obligations that the City was otherwise required to perform under this Section 3.09(D). The parties may agree that the performance of the foregoing obligations may be treated as Additional Services under the Additional Services Agreement. In the event that the parties are unable to reach agreement after good faith negotiations, then the Concession Manager shall have the right to terminate this Agreement upon ninety (90) days' notice to the City. Irrespective of whether the City exercises its termination right, the Concession Manager shall have no responsibility or liability whatsoever to perform all or any of the Airport Maintenance and Repair Obligations, except as expressly set forth in this Agreement. The City acknowledges that Paragraph 5f of the assurances that the Federal Aviation Administration (FAA) requires airports to give certain assurances in connection with each grant they receive from the FAA, and that Paragraph C.5.f. of these "Grant Assurances" requires the City to ensure that its aviation-related facilities are well maintained.

(E) Maintenance Reserve Fund.

(1) Services Provided. The Maintenance Reserve Fund shall be used for the repair (other than routine repairs as described in Section 3.09(A)(1)(a)), refurbishment, and replacement (including installation and directly-related third-party soft costs, if applicable), and/or purchase of new (including installation and directly-related third-party soft costs, if applicable) depreciable property and equipment. It may also be used for costs (hard and directly-related third-party soft costs) associated with scheduled and unscheduled Subtenant replacement,

Subtenant renewals, and Common Area refurbishment (beyond that described in Section 3.09(A)(1)(a)).

(2) **Costs of Services.** The Maintenance Reserve Fund shall be funded annually from Total Gross Concession Revenues as described in Section 4.03. Upon completion of all maintenance work, Concession Manager and the City shall inspect the work and, if satisfied, Concession Manager shall sign the work order as having been complete. A signed work order shall accompany a maintenance contractor's invoice in order for the invoice to be processed and paid by the Concession Manager. All charges to the Maintenance Reserve Fund shall require prior approval of the City. The procedure for gaining approval shall be as follows: (1) the Concession Manager shall submit a "Maintenance Reserve Fund Schedule of Charges" as part of the Annual Comprehensive Concession Plan. Once the Maintenance Reserve Fund Schedule of Charges is approved as part of the Annual Comprehensive Concession Plan approval, no further approval is needed; and (2) if a charge over Five Thousand Dollars (\$5,000) is not on the approved Maintenance Reserve Fund Schedule of Charges, then advance written approval must be obtained from the City. The Maintenance Reserve Fund shall be held and/or invested in an FDIC insured bank in a separate account not commingled with Concession Manager's other funds and only invested in low risk financial instruments, such as money market accounts, United States Treasury Obligations, commercial paper rated A1, P-1, or other similar instruments. All interest earned shall be used to supplement the Maintenance Reserve Fund. Included with each Monthly Report submitted by Concession Manager shall be a statement of Maintenance Reserve Fund activity, including the starting month's balance, tasks implemented, amounts spent, and remaining balance at the end of the month. For each Calendar Year for which there is activity in this account and/or funds remain in this account at the end of the Calendar Year, Concession Manager shall submit to the City, as a part of the Annual Audited Report, the balance at the beginning of the current Calendar Year, details of all activity during the current Calendar Year and the balance at the end of the current Calendar Year.

Section 3.10. Leased Premises and Subleased Premises Floor Plans.

Concession Manager shall maintain a comprehensive set of floor plans for the Leased Premises, Subleased Premises, storage and support space, and Common Areas on a CADD system and shall also provide access to the City, upon request during regular business hours. Plans shall be produced in multiple formats for different functions, including as lease outline drawings for Sublease exhibits and lease plans for marketing space to potential Subtenants. Subtenant shall update the floor plans on a quarterly basis unless Subtenant changes occur sooner in which case Concession Manager shall update the floor plans immediately.

Section 3.11. Refurbishment.

(A) In addition to the ongoing, routine maintenance described in Section 3.09, Concession Manager shall refurbish or remodel (or cause the refurbishing or remodeling of) all Concession Locations under Subleases having an initial term (not including renewals) of seven (7) years or more. The refurbishment or remodel shall occur in the middle of any Sublease term (the "Concession Location Refurbishments"). The City shall have the right, from time to time, to require Concession Manager to refurbish the Common Areas ("Common Area Refurbishments") when in the City's discretion such refurbishment is necessary in order to maintain the standards set

forth in the Proposal and this Agreement and Section 3.09. Concession Manager shall construct (or cause to be constructed) the Common Area Refurbishments, as promptly as possible, after notice from the City without regard to the time limits specified by the City. Any refurbishments specified in this Section 3.11 shall be performed in a manner consistent with the Retail Design Standards, the Airport Design and Construction Procedures and Standards and the Annual Comprehensive Concession Plan, all in a manner sufficient to maintain a first class standard. The cost of Common Area Refurbishments specified in this Section 3.11(A) shall be Additional Services under the Additional Services Agreement and the Concession Manager shall follow the procedures set forth therein.

(B) In addition to Concession Manager's refurbishment obligations under Section 3.11, Concession Manager shall cause each Concession Location to be completely refurbished upon Sublease renewals, replacement of Subtenants and upon the end of the term of a Sublease.

(C) Not later than six (6) months prior to the commencement of the refurbishment or remodeling required hereinabove, Concession Manager shall deliver to the City detailed Plans and Specifications for the City's approval. All submissions, approvals and construction shall follow the procedure described in Section 3.02(K) and otherwise in Article III.

Section 3.12. Utilities.

(A) Throughout the Term, to the extent not provided by the City at City's election, the Concession Manager at its sole cost and expense, shall take whatever action is required to obtain all utility services necessary for the operation of the Leased Premises and the Subleased Premises, and shall make the necessary arrangements with all utility providers to bring all required water, sanitary sewer, telephone, electric, gas and any and all other utility lines to and within the Leased Premises and the Subleased Premises, all in accordance with approved Plans and Specifications. To the extent permissible, extensions shall be made from the locations of the existing utility trunk lines to the Leased Premises and the Subleased Premises. Any and all required extensions of utility trunk lines, on the Leased Premises and the Subleased Premises, shall be done at Concession Manager's or Subtenants' sole cost and expense. Any and all required extensions of utility trunk lines, outside of the Leased Premises and the Subleased Premises shall be the responsibility of the City; provided, however, the City shall have the right to terminate this obligation under this Section 3.12(A) at any time beginning four (4) years after the Effective Date. If the City exercises this right, then the Concession Manager and the City shall negotiate in good faith to provide for the required extensions of utility trunk lines outside of the Leased Premises and the Subleased Premises that the City would otherwise be required to provide under this Section. The parties may agree that the foregoing services may be treated as Additional Services under the Additional Services Agreement. In the event that the parties are unable to reach agreement after good faith negotiations, then the Concession Manager shall have the right to terminate this Agreement upon ninety (90) days' notice to the City.

(B) Concession Manager shall be responsible for the collection of payments from Subtenants for all utilities (including electric, gas and water/sewer, where appropriate) used or consumed at all Subleased Premises plus applicable taxes. Concession Manager shall direct Subtenants to install meters as required by the City, at their sole cost and expense, in accordance with the Airport tenant design manual, at each Concession Location and Support Premises

subleased to them. Concession Manager shall be responsible for reading installed meters and Subtenant billings. Charges for such utility consumption shall be at rates established by the City for the Airport and shall be on a non-discriminatory basis. Concession Manager shall require Subtenants to pay utilities and cause payment to be made monthly by enforcing the payment provisions of each Sublease.

(C) The City makes no representations or warranties with respect to the availability or sufficiency of any utility service to the Leased Premises and the Subleased Premises. Anything to the contrary notwithstanding, the City shall not be liable or responsible for any unavailability, failure, stoppage, interruption or shortage of any utilities or other services, however or by whoever caused. Notwithstanding the foregoing of the contrary, the City agrees that the City will not take any intentional, purposeful or deliberate action to materially and adversely diminish the current level of utility service provided by the City, as of the date of this Agreement, to the Leased Premises and the Subleased Premises.

Section 3.13. Salaries.

Salaries of all employees of Concession Manager and its Subcontractors and Subtenants performing services under this Agreement shall be paid unconditionally and not less often than once per month without deduction or rebate on any account, except only for such payroll deductions as are mandated by law or permitted by the applicable regulations issued by the United States Secretary of Labor pursuant to the "Anti-Kickback" regulations of June 13, 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Title 18 U.S.C., Section 874, and title 40 U.S.C. Section 276c). Concession Manager shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all Subleases and Subcontracts covering work under this Agreement to ensure compliance of all Subtenants and Subcontractors with such regulations and with the other requirements of this Section, and shall be responsible for the submission of affidavits required thereunder, except as the United States Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.

Section 3.14. Trash Removal and Recycling.

Concession Manager shall contract with a refuse and recycling disposal company approved by the City for the handling, disposal and removal of all trash, garbage, recycling and other refuse from the Leased Premises and the Subleased Premises, and Concession Manager shall pay the costs associated with the handling and disposal of all trash, garbage, recycling and other refuse generated from the operation of the Leased Premises and the Subleased Premises. Concession Manager shall provide and use suitable City approved covered metal receptacles for all such garbage, trash, recycling and other refuse on the Leased Premises and the Subleased Premises. Concession Manager shall not pile boxes, cartons, barrels, pallets, debris or similar items in an unattractive or unsafe manner on or about the Leased Premises and the Subleased Premises or the Airport, but shall utilize the convenient and accessible trash and recycling collection areas designated by the City.

With respect to recycling, the Concession Manager shall and shall cause its Subtenants and Subcontractors to comply in all respects with Pennsylvania Act 101 and Philadelphia Code Sections 10-717 and 10-724 as well as Philadelphia Commercial Recycling Regulations.

Notwithstanding the provisions of this Section, the City reserves the right, upon thirty (30) days prior notice, to require Concession Manager and all Subtenants and Subcontractors to participate in any general Airport trash collection/disposal/recycling program adopted by the Airport.

Section 3.15. Signs.

Concession Manager shall not erect, maintain, or display in or on the storefronts of any part of the Leased Premises and the Subleased Premises any billboards or advertising signs except in the manner described in the Annual Comprehensive Concession Plan and previously approved by the City. The size, location and design of all storefront signage shall be subject to the prior written approval of the City. The City shall approve a proposed storefront sign, or provide its objections thereto, on or before the date which is fifteen (15) business days after Concession Manager's submission. In addition, Concession Manager shall have the right at its sole cost, to install directional signage and wayfinding systems in the Airport Common Areas provided that all such signage shall be subject to the prior written approval of the City. All installation, maintenance and repair of such signage shall be at Concession Manager's sole cost (but may be included in CAM charges).

Section 3.16. Mergers and Consolidations by Concession Manager.

Concession Manager shall not consolidate with or merge into another entity or permit one or more other entities to consolidate with or merge into it, or transfer or convey all or substantially all of its property, assets and licenses to another corporation, partnership, sole proprietorship, or limited liability company, without the prior written approval of the City. If such approval is granted, the corporation resulting from or surviving such merger or consolidation or the entity to which such transfer or conveyance is made shall: (A) assume in writing and agree to perform all of Concession Manager's obligations hereunder pursuant to documents approved by the City, including but not limited to the ACDBE Program Requirements in this Agreement; (B) be qualified to do business in the Commonwealth; and (C) if such entity shall not be organized and existing under the of the United States of America or any state or territory thereof or the District of Columbia, furnish to the City an irrevocable consent to service of process in, and to the jurisdiction of the courts of, the Commonwealth with respect to any action or suit, in law or in equity, brought by the City to enforce this Agreement.

Section 3.17. Performance by the City.

In the event Concession Manager fails to perform any of its obligations under this Agreement for any reason for a period of five (5) days after delivery by the City of notice in writing of such failure (or if such obligation cannot reasonably be performed in such five (5) day period, Concession Manager fails to commence to perform such obligation within such five (5) day period or thereafter fails to diligently pursue to completion such performance), then the City may, but shall not be obligated to, perform such obligations. Notwithstanding the foregoing, if Concession Manager's failure to perform its obligations under this Agreement would, in the City's opinion, endanger the safety of the public or the employees of the City, the City shall so state in the notice to Concession Manager, and the City may (but shall not be obligated to) perform Concession Manager's obligations immediately or at any time after the giving of such notice

(which may be telephonic or by facsimile). Upon any such performance by the City, Concession Manager shall immediately thereafter reimburse the City as part of Additional Rent for the full cost thereof, including reasonable attorneys or similar fees, with interest at the Default Rate from the date of any expenditure.

Section 3.18. Payment of Taxes.

(A) Except as otherwise provided herein, Concession Manager shall pay or cause to be paid during the Term as the same become due, all taxes, licensing fees and governmental charges of any kind whatsoever that may at any time be lawfully assessed or levied against or with respect to Concession Manager's interest in the Leased Premises (but excluding any taxes, licensing fees and governmental charges levied against Subtenants which do not constitute a lien against any part of the Leased Premises) or any machinery, equipment or other property installed or brought by Concession Manager therein or thereon and all assessments, licensing fees and charges lawfully made by any governmental body for public improvements related to the Leased Premises, including any occupancy or business privilege taxes. Upon receipt of notice thereof by the City, the City shall promptly give Concession Manager written notice of the levy or assessment of any such taxes, licensing fees or governmental charges, but the failure of the City to give such notice shall not affect the obligations of Concession Manager set forth in this Section. No payment by Concession Manager under this Section shall entitle Concession Manager to any diminution of Rent or other amounts payable under this Agreement. Concession Manager may, at its own risk, cost and expense, and at no cost to the City, contest by appropriate judicial or administrative proceedings, the applicability or the legal or constitutional validity of any such tax or assessment. Concession Manager shall be responsible for obtaining bills for all of said taxes and assessments directly from the taxing authority and shall promptly deliver to the City copies of receipts of payment. In the event the City receives any tax billings payable by Concession Manager hereunder, the City shall promptly forward said billings to the Concession Manager, provided however, that the City's failure to forward said billings shall not release Concession Manager from any obligations contained herein.

(B) Concession Manager shall pay or cause to be paid by Subtenants during the Term, as the same become due, Concession Manager's pro rata share of any real estate taxes that may at any time be lawfully assessed or levied against or with respect to Concession Manager's interest in the Leased Premises or pro rata portion of square footage leased to Concession Manager in any Terminal Building. Upon receipt of notice thereof by the City, the City shall promptly give Concession Manager written notice of the levy or assessment of any such taxes, but the failure of the City to give such notice shall not affect the obligation of Concession Manager set forth in this Section. No payment by Concession Manager under this Section shall entitle Concession Manager to any diminution of the Rental Payment or other amounts payable under this Agreement.

(C) For that portion of the Leased Premises in a Terminal Building located in Tinicum Township, Delaware County, Concession Manager shall notify its Subtenants that they are required to impose the earned income tax on their employees.

Section 3.19. Retail Merchandising Units.

In accordance with the RFP referenced in Recital C, the City may request that the Concession Manager manage the retail merchandise unit program (the “RMU Program”) at the Airport. In the event that the City in its sole discretion determines to implement the RMU Program, in addition to the provisions of this Agreement which shall govern the implementation and management of the RMU Program, the RMU Provisions outlined in Exhibit H attached hereto and made a part hereof shall apply.

ARTICLE IV. - FINANCIAL CONSIDERATION

Section 4.01. Payments to City.

In consideration of the demise of the Leased Premises and the Subleased Premises and the rights and privileges granted herein, Concession Manager shall pay to the City all Rent as required under this Agreement. (The Rental Payment and Additional Rent, as both are defined below, shall collectively be referred to as "Rent").

(A) **Rental Payment.** The Concession Manager shall pay the City the Rental Payment as set forth herein below. The Rental Payment is defined as Total Gross Concession Revenues less the Concession Management Fee plus Uncollected Amounts above the Allowance (the "Rental Payment").

(1) "Total Gross Concession Revenues" means all receipts of any kind and nature actually paid to the Concession Manager in connection with its management of the Terminal Concessions Program from any and every source, including, without limitation, all amounts paid to Concession Manager by Subtenants, (and other businesses and individuals other than concession operators by virtue of (or in connection with) this Agreement) including, but not limited to, Minimum Annual Guarantee, Percentage Rent, rent for storage units, late fees, additional fees and charges, Penalties, liquidated damages payments, net proceeds from the sale of a defaulted Subtenant's property, Additional Rental as defined in the Subleases, and any non-refundable key money paid by any Subtenants to Concession Manager remaining in Concession Manager's possession after final payment and completion of the project for which the key money was originally paid (the "Net Key Money"). Excluded from Total Gross Concession Revenues are as follows: Subtenant payments for marketing, logistical support, Total Net RMU Revenue (as defined in Exhibit H), Excluded Additional Rental, and any Additional Services Fees and chargebacks billed to Subtenants by Concession Manager in accordance with Sections 3.09(B) or 3.09(C). All of the foregoing exclusions shall not be marked up by the Concession Manager with any administrative or overhead fees. Any unspent funds for excluded items set forth hereinabove held by the Concession Manager on the Termination Date (or earlier termination) of this Agreement shall be delivered to the City after deducting any chargebacks due and owing to Concession, Manager in accordance with Section 3.09(B).

(2) "Concession Management Fee" means nine and seventy-five hundredths percent (9.75%) of the Total Gross Concession Revenues.

(3) "Uncollected Amounts" means, cumulatively, Total Gross Concession Revenues due from and payable by Subtenants per their respective Subleases from January 1, 2015 to the date on which the calculation of Uncollected Amounts is made less: (a) amounts paid by Subtenants, cumulatively, pursuant to Section 4.01(C)(1)(a) to the date on which the calculation of Uncollected Amounts is made, (b) Total Gross Concession Revenues due from and payable by Subtenant(s) subsequent to an Event of Default as defined in the Sublease and the notification thereof to City (provided, however, if a Subtenant(s) in default cures such Event of Default, then all subsequent Total Gross Concession Revenues due from and payable by such Subtenant(s), less all amounts paid by such Subtenant(s) subsequent to the Event of Default shall be added to Total

Gross Concession Revenues), and (c) Total Gross Concession Revenues due from and payable by such Subtenant that the City and Concession Manager mutually agree should be excluded.

(4) "Allowance" means one-half of one percent (0.5%) of cumulative Total Gross Concession Revenues as calculated as of the end of each Calendar Year.

(B) Additional Rent. The Concession Manager shall be obligated to pay the City as additional rent ("Additional Rent") all costs and expenses incurred by the City as a result of actions or inactions of the Concession Manager or any Subtenant or Subcontractor or their agents, principals, employees or invitees or any other person in connection with the use and occupancy of the Leased Premises and Subleased Premises or otherwise under this Agreement, including, without limitation the following: (1) unpaid taxes or other assessments; (2) insurance premiums; (3) costs and expenses associated with letters of credit or performance bonds; (4) costs and expenses associated with the indemnity provision set forth in Section 9.01 herein; and (5) maintenance and repair costs (emergency or ordinary course) as a result of the negligent use or occupancy of the Leased Premises or Subleased Premises or any part thereon.

(C) Time and Place of Payment.

(1) Rent. All Rent shall be payable in lawful money of the United States of America by immediately available wired funds according to the wiring instructions provided by the City or such other means as may be mutually agreed to by Concession Manager and the City without invoicing or demand (except as required for Additional Rent) and without setoff, at the address provided by the City.

a) the Rental Payment due to the City shall be paid as follows:

i. MAG Rental Payment: On or before the fifth (5th) day of each month during the Term, Concession Manager shall pay a portion of the Rental Payment which shall consist of one-twelfth (1/12th) of the current year's annual MAG payments due from all of the Subtenants less the Concession Management Fee on such amount (the "MAG Rental Payment"); provided, however, for January 2015 only, such MAG Rental Payment shall be made on January 15, 2015; and

ii. Remaining Rental Payment: On or before the last day of each month through the fourth Calendar Year of the Term, Concession Manager shall pay the total Rental Payment due to the City less: (a) the Concession Management Fee on such amount, and (b) the MAG Rental Payment set forth in the prior paragraph. Commencing in the fifth Calendar Year, on or before the twentieth (20th) day of each month, the Concession Manager shall pay the total Rental Payment due to the City less: (a) the Concession Management Fee on such amount, and (b) the MAG Rental Payment set forth in the prior paragraph.

iii. True-Up Rental Payment: The Concession Manager shall make a payment within three (3) business days after June 30th and December 31st, respectively, of each Calendar Year, to the City equal to the Total Gross Concession Revenues received by Concession Manager as of June 30th and December 31st, respectively, of each Calendar Year less (a) all previous MAG Rental Payments pursuant to clause (i) above, (b) all previous Remaining

Rental Payments pursuant to clause (ii) above, and (c) all previous Concession Management Fees paid as of such date.

iv. Uncollected Amounts above the Allowance: Concession Manager shall make an annual payment or receive a credit on December 31st of each Calendar Year in an amount equal to the difference between the Uncollected Amounts less the amount of the Allowance.

b) Additional Rent: The Additional Rent due to the City shall be paid by the Concession Manager within ten (10) days of receipt of an invoice from the City.

(2) Delinquent Rent. In the event Rent due hereunder shall not be paid by Concession Manager on the due date thereof and such failure continues beyond the applicable grace period as set forth in 11.01(A), Concession Manager shall pay to the City in addition to the Rent, interest at the Default Rate on all such sums from the due date thereof to the date the Rent is received by the City. The Concession Manager shall be entitled to one (1) written notice from the City during each Calendar Year in the event Rent due hereunder is not paid by the due date.

Section 4.02. Payments to the Concession Manager.

(A) Concession Management Fee. In consideration of the performance by the Concession Manager of the Concession Management Services as set forth in Article III of this Agreement and the performance by the Concession Manager of other obligations under this Agreement, the City shall pay to the Concession Manager the Concession Management Fee as defined in Section 4.01(A)(2). Notwithstanding the foregoing, the payment of the Concession Management Fee shall be subject to adjustment in accordance with Sections 2.01 and 11.10, if applicable.

(B) Additional Services Fee. The City may pay to the Concession Manager "Additional Services Fees" in accordance with the Additional Services Agreement in the event the Concession Manager shall have performed Additional Services.

(C) Time and Place Payment.

(1) Concession Management Fee: The Concession Management Fee as set forth in Section 4.01(A)(2) shall be retained by the Concession Manager from Total Gross Concession Revenues at the time the Rental Payments due to the City are made as set forth in Sections 4.01(C)(1)(a).

(2) Additional Services Fee: Any Additional Services Fee shall, if applicable, be paid in accordance with the provisions of the Additional Services Agreement.

Section 4.03. Maintenance Reserve Fund.

The Maintenance Reserve Fund shall be funded by the Concession Manager from Total Gross Concession Revenues in two (2) equal payments of one half of the approved Maintenance Reserve Fund Schedule of Charges as set forth in Section 3.09(E)(2) as a deduction from the MAG Rental Payment due for January of each Calendar Year and from the MAG Rental Payment due for

July of each Calendar Year. At the direction of the City, additional payments from the MAG Rental Payment to the Maintenance Reserve Fund may take place from time to time during the Calendar Year. For the initial Calendar Year, the Maintenance Reserve Fund will be established in the total amount of Three Hundred Thousand Dollars (\$300,000), which will be funded as directed above. Any balance in the Maintenance Reserve Fund at the end of any Calendar Year shall be carried forward to the next Calendar Year by the Concession Manager to fund the Maintenance Reserve Fund for the next Calendar Year. For each Calendar Year after the initial Calendar Year, the amount of the Maintenance Reserve Fund shall be based on the submission by the Concession Manager of a budget setting forth the anticipated use of such funds as established in the Maintenance Reserve Fund Schedule of Charges as set forth in Section 3.09(E)(2), that is part of the Annual Comprehensive Concession Plan. If necessary, the Maintenance Reserve Fund may be modified from time to time during any Calendar Year including the initial Calendar Year upon prior written approval by the City. Any unspent funds remaining in the Maintenance Reserve Fund at the end of the Term shall be delivered to the City after holding back any unspent funds for work performed but not yet billed or paid.

Section 4.04. No Set-offs or Deductions.

Under no circumstances or conditions, whether now existing or hereafter arising, or whether within or beyond the present contemplation of the Parties except to the extent expressly provided herein to the contrary, shall the City be expected or required to make any payment of any kind whatsoever by reason of its estate or interest in the Leased Premises and the Subleased Premises or by reason of any rights or interest of the City under this Agreement. Except as provided herein, Concession Manager shall timely pay all Rent and other sums due hereunder without any abatement, diminution, reduction, set-offs, deductions, counterclaims, carry forwards or carry backs.

Section 4.05. Maintenance of Records.

(A) At all times during the Term, Concession Manager shall prepare and maintain, in accordance with GAAP standards (wherever GAAP concepts apply) for operations similar to those being conducted with respect to the Leased Premises and the Subleased Premises, such adequate books, records and accounts as are relevant to the determination of Rental Payments due hereunder which shall show all Gross Concession Sales generated by each Subtenant at each Concession Location, Gross Concession Rent payable to and collected by Concession Manager from each Subtenant for each Concession Location and Support Premises, Total Gross Concession Revenue collected from any other source, including the Concession Manager, and any invoice submitted and/or paid for as Additional Services Fee. Such records shall include (i) copies of Total Gross Concession Revenues, sales, retail or excise tax returns filed with any governmental authority; (ii) bank deposit records; (iii) invoices; and (iv) such other records if any, which would normally be examined by an independent accountant pursuant to Generally Accepted Auditing Standards (“GAAS”) standards in performing an audit of Total Gross Concession Revenue, Gross Concession Sales, Gross Concession Rent from the Leased Premises and the Subleased Premises, and Additional Services Fee;

(B) The Books and Records shall be made available to the City at the Leased Premises (during the Term of the Agreement) or at Concession Manager’s corporate headquarters or via

electronic submission, as preferred by the City during the term of this Agreement and after the expiration of this Agreement for a period ending not less than five (5) years after the close of each Calendar Year; and

(C) Concession Manager shall use, and cause to be used, such cash registers and cash control devices acceptable to the City which shall accurately prepare a record of Gross Concession Sales for each Concession Location. In the event any Subtenant provides products or services in more than one product category and that Subtenant's Percentage Rent is calculated by product category, each sale must be individually tracked and reported so that the proper Percentage Rent due from such Subtenant to Concession Manager is applied to such sale.

(D) Concession Manager shall insert appropriate provisions in all Subleases and Subcontracts requiring compliance by all Subtenants and Subcontractors with the requirements of this Section, and shall enforce such requirements.

Section 4.06. Inspection and Audits of Records.

Concession Manager shall permit the City and its duly authorized representatives during the Term and for a period of five (5) years following the Termination Date or earlier termination of this Agreement, to:

(A) Examine, during normal business hours any and all of the records described in Section 4.05 and Section 4.07 and make copies of and take extracts from such records and from all other documents of Concession Manager and any Subtenant or Subcontractor relative to the Leased Premises and the Subleased Premises, all at the City's sole cost and expense; and

(B) At any time after forty-eight (48) hours' prior written notice to Concession Manager of its intention to do so, allow to be made a complete audit of the records described in Section 4.05 and Section 4.07 (including any records of any Subtenant or Subcontractor then in Concession Manager's possession or obtainable by Concession Manager) for any Calendar Year for which an Annual Audited Report therefor is required.

(C) Any audit as described in this Section shall be at the City's expense except that if such audit discloses that the actual Rental Payment for any Calendar Year was deficient by more than two percent (2%) of the amount reported in the Annual Audited Report thereof, the cost of such audit shall be paid by Concession Manager. The acceptance of Rental Payments by or on behalf of the City computed on the basis of statements furnished by Concession Manager in accordance with this Agreement shall be without prejudice to the City's rights to inspect and/or audit the records authorized under this Section, and upon the discovery following any such examination or audit of any discrepancy in the reporting of Total Gross Concession Revenues, Gross Concession Sales, or Gross Concession Rent whereby Rent was previously underpaid, such deficiency together with interest thereon at the Default Rate from the date such payment was due hereof, shall be immediately due and payable.

Section 4.07. Business Analysis and Reporting.

(A) Monthly Report. The Concession Manager shall evaluate on an ongoing basis and report to the City on or before the same date as the Rental Payment is due as outlined in Section

4.01(C)(1)a)ii., in an electronic format and a file type as designated by the City, as may be modified from time to time, the following Subtenant performance data, hereinafter referred to as the “Monthly Report”:

(1) For the Terminal Concession Program:

a) Prior month’s sales vs. historical sales from the prior year and month, with subtotals by Terminal Building and a total for the Airport.

b) Prior month’s revenue vs. historical revenue numbers from the prior year and month, with subtotals by major terminal location and a total for the Airport.

c) Year-to-date (through the end of the prior month), rolling monthly sales and revenue numbers vs. rolling historical sales and revenue numbers, with subtotals by Terminal Building and a total for the Airport.

d) Monthly aged receivables report, including identifying Subtenants who are in arrears in payment of rents or other fees and charges, the amounts of such arrearages, and collection strategies.

e) In addition to the ACDBE Reports required in Exhibit F of this Agreement and as part of the Annual Comprehensive Concession Plan requirements, Concession Manager shall (x) report all ACDBE Achievements on three (3) annual reports, which are: (i) November 1st for the immediately preceding federal fiscal year from October 1st through September 30th; (ii) May 1st for the immediately preceding contract year from January 1st through December 31st; and (iii) August 1st for the immediately preceding City fiscal year July 1st through June 30th, and (y) report at least ten (10) days prior to the annual subleasing meeting, which will review Concession Manager’s ACDBE achievement.

f) Monitoring and Reporting on compliance with the Philadelphia 21st Century Minimum Wage and Benefit Standard, as follows:

i. At least once each Calendar Year Concession Manager shall obtain from each Subtenant that by its Sublease Agreement terms is subject to the Philadelphia 21st Century Minimum Wage and Benefits Standard its written paid leave policy and procedures, including provisions for paid sick leave, and its policy for provision of health insurance to its full-time employees.

ii. Concession Manager shall notify each such Subtenant that it must provide to Concession Manager any updates or amendments to its paid leave policy and procedures and/or its policy for provision of health insurance to its full-time employees.

iii. Concession Manager shall obtain from each such Subtenant within thirty (30) days after the end of each calendar quarter payroll reports that show the hourly rate of pay that the Subtenant has paid from time to time to each employee at its Concession Location(s) during the preceding calendar quarter. For tipped employees, the quarterly payroll report shall be required to contain the Subtenant’s certification of the total minimum hourly wage received from time to time by each tipped employee (total of amounts received from the Subtenant

together with tips received by the employee). Such quarterly payroll reports shall identify employees by titles, but shall not include employees' names or other personal information such as address or social security number.

iv. Concession Manager shall from time to time audit the Books and Records of a random sample of such Subtenants (at least ten (10) each calendar quarter) to verify compliance with the Philadelphia 21st Century Minimum Wage and Benefits Standard requirements, as set forth in Section 8.04 of this Agreement.

v. Concession Manager shall notify each Subtenant to which the Philadelphia 21st Century Minimum Wage and Benefits Standard then applies promptly after this Agreement is executed, and will notify every other Subtenant to which the Philadelphia 21st Century Minimum Wage and Benefits Standard becomes applicable by the Subtenant entering into a Sublease or an amendment to a Sublease promptly after execution of every such Sublease or amendment, that the Subtenant may be subject to such audits by the Concession Manager, and that the Subtenant also may be subject to such audits by the City in its discretion.

vi. Concession Manager shall provide the quarterly reports of its monitoring and audits in such form as the City and the Concession Manager shall agree from time to time.

g) Summary of operating, marketing, and leasing accomplishments for the completed period as well as objectives for the coming period.

h) Summary of leasing status, monthly status meeting notes, and design and construction status reports.

i) Completion of reports, as needed, on behalf of City with regard to concession-related surveys or inquiries from industry publications or organizations.

(2) For each Concession Location:

a) Subtenant name, concept name, space number, square footage, open date, Sublease start date, Sublease end date, close date, Sublease amendments and dates.

b) Sales by Concession Location (food and non-alcoholic beverages versus alcoholic beverages for the food and beverage Concession Locations) with subtotals by type of concession: food and beverage (food and non-alcoholic beverages versus alcoholic beverages), retail, news/gift, duty free retail, and passenger services by major terminal location and concourse and a total for the Airport. Sales by RMU shall be provided separately. Concession Location numbers shall be included. Sales shall include the current month's sales, the sales in the same month the prior year, year-to-date sales for the current Calendar Year, year-to-date sales for the same period in the prior Calendar Year, and the percentage variance between all such current and prior sales. Data provided shall also include sales for the prior Calendar year and a projection of sales for the current Calendar Year and the percentage variance between these figures.

c) Total rent paid and owed by Concession Location number (broken down by Minimum Annual Guarantee and Percentage Rent) with subtotals by type of concession:

food and beverage (food and non-alcoholic beverages versus alcoholic beverages), retail, news/gift, duty free retail, and passenger services by Terminal Building and a total for the Airport. Rent for Support Premises shall be provided separately. Rent by RMU shall be provided separately, if applicable.

d) Monthly sales per square foot and per enplaned passenger for each of the Concession Locations at the Airport with subtotals by type of concession: food and beverage (food and non-alcoholic beverages versus alcoholic beverages), retail, news/gift, duty free retail, and passenger services by major terminal location and concourse and a total for the Airport. Monthly sales per square foot and per enplaned passenger for each RMU shall be provided separately. Concession Location numbers shall be included.

e) Annual sales per square foot shall include the current Calendar Year's sales per square foot (projected as necessary) and the prior Calendar Year's sales per square foot for each of the Concession Locations at the Airport with subtotals by type of concession; food and beverage (food and non-alcoholic beverages versus alcoholic beverages), retail, news/gift, duty free retail, and passenger services by major terminal location and concourse and a total for the Airport and the percentage variance between these sales per square foot figures. Annual sales per square foot by RMU shall be provided separately, if applicable. Concession Location numbers shall be included.

f) Concession rent, including MAG and Percentage Rent, per square foot and per enplaned passenger, and as a percentage of sales (effective rent) for each Concession Location with subtotals by type of concession: food and beverage (food and non-alcoholic beverages versus alcoholic beverages), retail, news/gift, duty free retail, and passenger services by Terminal Building and concourse and a total for the Airport. Concession rent for Support Premises shall be provided separately. Concession rent by RMU shall be provided separately. Concession Location numbers shall be included.

(B) Subtenant Reports. The Concession Manager shall obtain the following reports from Subtenants for each Concession Location:

(1) Monthly Sales Report. Monthly, the Concession Manager shall obtain from each Subtenant, a report for each Concession Location that includes a detailed Monthly Statement of Gross Concession Sales and the calculation of the amount of the Percentage Rent due for that period, which shall be certified by the Subtenant to be true subject to the criminal penalties provided for unsworn falsification to authorities in 18 Pa.C.S.A. § 4904. This statement shall be reviewed by the Concession Manager for sales trends and to verify that the correct Percentage Rent payment has been made by the Subtenant. After it has been reviewed by the Concession Manager, the Concession Manager shall compile the information provided in the individual certified Monthly Statements of Gross Concession Sales collected from the Subtenants into one document to be forwarded to the City by the twentieth (20th) calendar day of the month, in an electronic format and file type as designated by Airport. This compilation shall be certified by the Concession Manager to be accurately compiled from the Subtenants' statements, subject to 18 Pa.C.S.A. § 4904. In the event of any rent discrepancies, the Concession Manager shall notify the City, in writing, within thirty (30) days of detection of such discrepancies and detail the steps that are being taken to remedy each discrepancy.

(2) Annual Subtenant Statement. There shall be an annual reconciliation based on a Calendar Year conducted by each Subtenant of the Gross Concession Sales, Minimum Annual Guarantee, Percentage Rent payments and its detailed supporting calculation. Such Annual Subtenant Statement shall be certified by an officer or agent of Subtenant as accurate and completed based on such officer's or agent's examination of the books and records of the Subtenant subject to 18 Pa.C.S.A. §4904. The Concession Manager shall collect such certified annual statements from the Subtenants within sixty (60) days following the end of the Calendar year.

(3) Subtenant Audited Report. Concession Manager shall require each Subtenant to provide it with an annual audited report within ninety (90) days of the end of each Calendar Year, showing the Gross Concession Sales generated by such Subtenant at each Concession Location operated by such Subtenant. The annual audited reports provided by the Subtenant shall be prepared in accordance with GAAP standards and shall be certified by an officer of the Subtenant as being accurate and complete based on such officer's examination of the books, records and accounts of the Subtenant. City shall have the right, in its sole discretion, upon written request from Concession Manager, to waive the requirement that a given Subtenant provide Concession Manager with an annual audited report for a given Calendar Year provided that Concession Manager demonstrates to City that such a waiver will not have a demonstrable impact on the calculation of Rental Payments due the City under this Agreement. Notwithstanding anything in the preceding sentence to the contrary, the fact that the City waives the requirement that a given Subtenant provide Concession Manager with an annual audited report for a given Calendar Year will in no way limit Concession Manager's obligations under this Agreement including, without limitation, the obligation to provide the City with an Annual Audited Report and all sums due under this Agreement. Subtenants or licensees operating RMU's shall not be required to comply with this Section; provided, however, Subtenants which occupy RMU's pursuant to a signed agreement with a term in excess of one (1) year and Subtenants who occupy RMU's and also occupy space pursuant to a sublease for a permanent location shall be required to deliver audited reports for all Concession Locations operated.

(C) Annual Audited Report. Concession Manager shall provide the City within one hundred twenty (120) days of the end of the Calendar Year an Annual Audited Report, including the following on a monthly basis: Gross Concession Rent, Total Gross Concession Revenues, Rental Payment, Additional Rent and Additional Services Fee payments for the prior Calendar Year, accompanied by the opinion of an independent certified public accountant prepared in accordance with the then current auditing standards promulgated by the American Institute of Certified Public Accountants. Such Annual Audited Report shall also contain a list of the Total Gross Concession Revenues, by month, as shown on the books and records of the Concession Manager that were used to compute the Rental Payment paid to the City during the period. The City reserves the right to reject the Concession Manager's choice of independent CPA if said independent CPA does not, in the City's view, have the appropriate standing and reputation.

ARTICLE V. - REPRESENTATIONS AND WARRANTIES

Section 5.01. Representations and Warranties by the City.

The City makes the following representations and warranties as the basis for the undertakings on its part herein contained, each of which shall survive the expiration or sooner termination of this Agreement:

(A) The City is a political subdivision of the Commonwealth and has the power to enter into the transactions contemplated by this Agreement and to carry out its obligations hereunder.

(B) This Agreement has been duly authorized, executed and delivered by the City subject to City Council approval set forth in Section 13.18.

(C) This Agreement constitutes the valid and binding obligation of the City, enforceable against the City in accordance with its terms, subject to applicable bankruptcy, insolvency, moratorium and other laws affecting creditors' rights and remedies generally and by the application of equitable principles.

Section 5.02. Representations and Warranties by Concession Manager.

Concession Manager makes the following representations and warranties as the basis for the undertakings on its part herein contained, each of which shall survive the expiration or sooner termination of this Agreement:

(A) Concession Manager is a joint venture duly organized as a limited liability company, validly existing and in good standing under the laws of the State of Delaware, and is duly licensed, qualified and authorized to conduct business and is in good standing under the laws of the Commonwealth of Pennsylvania.

(B) Seventy percent (70%) of Concession Manager is owned by MarketPlace Philadelphia Limited Partnership, a limited partnership validly existing and in good standing under the laws of Delaware. Thirty percent (30%) of Concession Manager is owned by LeJeune and Associates, LLC, a limited liability company validly existing and in good standing under the laws of Pennsylvania.

(C) LeJeune and Associates, LLC is a PaUCP certified ACDBE joint venture owner of Concession Manager. LeJeune and Associates, LLC is fifty-one percent (51%) owned by Clarence LeJeune and forty-nine percent (49%) owned by Melwood Hannah.

(D) Concession Manager has the full power and authority to enter into and perform this Agreement, and by proper corporate action has been duly authorized to execute, deliver and perform this Agreement.

(E) This Agreement has been duly authorized, executed and delivered by Concession Manager.

(F) This Agreement constitutes the legal, valid and binding obligation of Concession Manager, enforceable against Concession Manager in accordance with its terms, subject to applicable bankruptcy, insolvency, moratorium and other laws affecting creditors' rights and remedies generally and by the application of equitable principles.

(G) All approvals or consents necessary in order for Concession Manager to execute and deliver this Agreement have been obtained.

(H) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, (i) conflict with or result in a breach, default or violation of (1) Concession Manager's organizational documents; (2) any law, regulation, ordinance, court order, injunction, or decree of any court administrative agency or governmental body, or any license or permit; or (3) any of the terms, conditions or provisions of any restriction, or any agreement or other instrument to which Concession Manager is now a party or by which it is bound, or (ii) result in the creation or imposition of any lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of Concession Manager under the terms of any instrument or agreement.

(I) There is no litigation, claim, investigation, challenge or other proceeding now pending or, to Concession Manager's knowledge after due and complete investigation, threatened, challenging the existence or powers of Concession Manager, or in any way affecting this Agreement or in any way having a material adverse effect on the operations, properties, business or finances of Concession Manager.

(J) Neither Concession Manager nor any Affiliate of Concession Manager nor any of Concession Manager's directors, officers, members, partners or employees, has any interest nor shall they acquire any interest, directly or indirectly, that would or may conflict in any manner or degree with Concession Manager's performance under this Agreement.

(K) None of Concession Manager or any Affiliate of Concession Manager, or any of Concession Manager's directors, officers, members, partners or employees has any interest, directly or indirectly in, nor shall they acquire any interest directly or indirectly in, any Subtenant.

(L) Neither Concession Manager nor any Affiliate of Concession Manager has any unpaid debt due and owing City and is not delinquent in the payment of any taxes due to City, except such debts or obligations for which Concession Manager or any Affiliate of Concession Manager, through its Department of Revenue, has executed an agreement to eliminate such delinquencies.

(M) Concession Manager has a valid current business privilege license to do business in the City.

(N) Concession Manager shall require each Subtenant (i) to hold a valid current business privilege license to do business in the City; and (ii) to execute a Certificate of Non-Indebtedness.

ARTICLE VI. - ADDITIONAL SERVICES

The City and the Concession Manager have entered into an Additional Services Agreement dated the Effective Date of this Agreement, a copy of which is attached hereto and made a part hereof as Exhibit C. Concession Manager may provide to the City certain Additional Services and Other Additional Services with respect to the Leased Premises or Subleased Premises, in accordance with the terms of the Additional Services Agreement. The Additional Services Agreement is ancillary to this Agreement. Unlike this Agreement, the Additional Services Agreement provides for payment of the Additional Services Fees by the City to the Concession Manager from City appropriated funding.

ARTICLE VII. – OPTIONAL SERVICES PROVIDED BY THE CITY

Concession Manager may, from time to time, request the City to perform any given maintenance, replacement or repair work for which Concession Manager is responsible pursuant to Section 3.09, or any previously authorized alterations. The City shall be under no obligation to perform any such services; however, if the City does perform any such services, it shall do so on a work order basis, and shall invoice Concession Manager therefor in an amount equal to the City's cost of providing such services, which costs shall include all direct and indirect costs, including but not limited to, all fringe benefits and overhead rates. Nothing in this Section is intended, or shall be construed to obligate Concession Manager to use the services of the City personnel for the performance of any maintenance, replacement or repair work for which Concession Manager is responsible pursuant to Section 3.09, or any previously authorized alterations.

ARTICLE VIII. - COMPLIANCE WITH LAWS

Section 8.01. Compliance with Laws.

Concession Manager shall, and shall require Subtenants to, observe and comply in all material respects with any and all Federal, Commonwealth or local statutes, ordinances, regulations, laws and standards in the development, construction, operation, management and use of the Leased Premises, and as may be necessary for the Concession Manager to obtain all required occupancy permits, licenses or certificates for the Leased Premises and the Subleased Premises, including the Rules and Regulations promulgated from time to time by the City, all as more fully set forth hereinbelow (collectively "Laws"). Concession Manager shall inform the CEO, in writing, of any notices of violations of any such applicable laws within forty-eight (48) hours of receipt thereof, and shall correct any violations within the time prescribed by law or immediately in the case of any emergency. In complying with Laws, the costs incurred by Concession Manager may be, with the agreement of the City and Concession Manager, includable in CAM, considered Additional Services or Other Additional Services under the Additional Services Agreement, reimbursable from the Maintenance Reserve Fund, included, for no additional fee, as part of Concession Management Services, or treated in any other way as may be agreed between the City and Concession Manager, and Concession Manager shall not be required to perform any work pertaining to any structural components of the Leased Premises or the Terminal Buildings or any building systems serving areas of the Terminal Buildings other than the Leased Premises.

Section 8.02. Nondiscrimination.

At all times during the Term, Concession Manager shall, and shall cause its Subtenants to:

(A) Comply with the provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d-2000d.7), Section 504 of the Federal Rehabilitation Act of 1973 (29 U.S.C. § 794), the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101-6107), and Section 520 of the Airport and Airway Improvement Act of 1982 (49 U.S.C. § 47123), as they may be amended from time to time, which together prohibit discrimination on the basis of race, color, national origin, sex, disability, age and religion.

(B) This Agreement is entered into under US DOT federal regulations 49 C.F.R. Parts 21 and 23 and the terms of the Philadelphia Home Rule Charter, as each may be amended from time to time, and in performing this Agreement, Concession Manager shall not discriminate or permit discrimination against any person because of race, color, religion, ancestry, national origin, sex, gender identity, sexual orientation, age or disability. In the event of such discrimination, the City may, in addition to any other rights or remedies available under this Agreement, at law or in equity, terminate this Agreement forthwith. Concession Manager agrees, in performing this Agreement, to comply with the provisions of the Fair Practices Ordinance of The Philadelphia Code (Chapter 9-1100) and the Mayor's Executive Order No. 4-86, as they may be amended from time to time, which prohibit, inter alia, discrimination against persons with AIDS in employment and services.

(C) In accordance with Chapter 17-400 of The Philadelphia Code, as it may be amended from time to time, hereby agree that its payment or reimbursement of membership fees or

other expenses associated with participation by its employees in an exclusionary private organization, insofar as such participation confers an employment advantage or constitutes or results in discrimination with regard to hiring, tenure of employment, promotions, terms, privileges or conditions of employment on the basis of race, color, sex, sexual orientation, religion, national origin or ancestry, constitutes, without limiting the generality of the Default and Remedies sections of this Agreement, a substantial breach of this Agreement entitling the City to all rights and remedies provided in this Agreement or otherwise available at law or equity. Concession Manager agrees to include this paragraph, with appropriate adjustments for the identity of the parties, in all Subleases and other subcontracts which are entered into for work to be performed pursuant to this Agreement.

(D) Cooperate with the Commission on Human Relations of The City of Philadelphia in any manner, which the Commission deems reasonable and necessary for the Commission to carry out its responsibilities under Chapter 17-400 of The Philadelphia Code. Failure to so cooperate shall constitute, without limiting the applicability of the Default and Remedies sections of this Agreement, termination for default, a substantial breach of this Agreement entitling the City to all rights and remedies provided herein or otherwise available at law or equity.

Section 8.03. Limited English Proficiency.

Concession Manager understands and agrees that no individual who is limited in his or her English language proficiency shall be denied access to services provided under this Agreement on the basis of that limitation. As a condition of accepting and executing this Agreement, the Concession Manager shall comply with all provisions of Title VI of the Civil Rights Act of 1964, the President of the United States of America Executive Orders No. 12250 and 13166, the Mayor of The City of Philadelphia Executive Order No. 04-01, "Access to Federally Funded City Programs and Activities for Individuals with Limited English Proficiency" dated September 29, 2001, and all regulations promulgated thereunder, as Title VI of the Civil Rights Act of 1964 and regulations may be amended from time to time, which are applicable to (A) to Concession Manager or any Subtenant or Subcontractor, (B) to the benefits, services, activities, facilities and programs provided in connection with this Agreement, (C) to the City or the Commonwealth, and (D) to the benefits, services, activities, facilities and programs of the City or of the Commonwealth, and, if any funds under this Agreement are provided by the federal government, which are applicable to the federal government and its benefits, services, activities, facilities and programs. Without limiting the applicability of the preceding sentence, Concession Manager shall comply with 45 C.F.R. § 80 et seq. and all other regulations promulgated under Title VI of the Civil Rights Act of 1964, as they may be amended from time to time, which are applicable to the benefits, services, programs and activities provided by the City through contracts with outside contractors.

Section 8.04. Philadelphia 21st Century Minimum Wage and Benefits Standard.

Chapter 17-1300 of the Philadelphia Code ("Code"): Philadelphia 21st Century Minimum Wage and Benefits Standard. Concession Manager acknowledges that Concession Manager is subject to Chapter 17-1300 of the Code. Concession Manager agrees that in any new Sublease to a Subtenant at the Airport, or any new amendment to any Existing Sublease, made on or after the Effective Date, Concession Manager will include in such new Sublease or new amendment a

provision requiring the Subtenant to abide by the minimum compensation standards as set forth in Chapter 17-1300 of the Code and as set forth beginning twelve paragraphs below.

Concession Manager shall provide its covered employees (persons who perform work for Concession Manager that arises directly out of this Agreement with the City) with the minimum wage standard and minimum benefits standard set forth in Section 17-1305 of the Code, which are summarized below and as further set forth in the remaining provisions of Chapter 17-1300 of the Code.

(A) Minimum Wage

As of January 1, 2015, provide its covered employees with an hourly wage, excluding benefits, that is no less than \$12/hour.

As of January 1, 2016 and during each year thereafter, provide its covered employees with an hourly wage, excluding benefits, that is no less than the result of multiplying \$12 by the then current CPI Multiplier as annually adjusted, as described in the paragraph below.

For purposes of determining the minimum hourly wage required under the paragraph above, the CPI Multiplier is an annual calculation made by the City's Director of Finance to take effect as of January 1 of each year. The CPI Multiplier is calculated by dividing the most recently published Consumer Price Index for all Urban Consumers (CPI-U). All Items Index, Philadelphia, Pennsylvania, as of January 1st of each year, by the most recently published CPI-U as of January 1, 2015. The then current minimum hourly wage applicable to City contractors and Subcontractors will be posted on the City's web site.

Notwithstanding the minimum wage provisions above, the minimum wage required by Chapter 17-1300 may not be less than 150% of the generally applicable federal minimum wage, currently 150% of \$7.25/hour, or \$10.88/hour. However, to the extent an increase in the federal minimum wage would increase the City-required minimum wage due to the 150% requirement (for example, if the federal minimum wage were raised to \$10/hour, such that 150% of that amount is \$15/hour), such new 150% requirement will take effect only if and when this Agreement is amended or replaced with a new agreement, and only after the effective date of the new federal requirement.

(B) Minimum Benefits

To the extent Concession Manager provides health benefits to any of its employees, provide each full-time, non-temporary, non-seasonal covered employee with health benefits at least as valuable as the least valuable health benefits that are provided to any other full-time employees of the Concession Manager; and

Provide to each full-time, non-temporary, non-seasonal covered employee at least the minimum number of earned sick leave days required by Code Section 17-1305(2) – generally fifty-six (56) hours/year if the employer has 11 or more employees or thirty-two (32) hours/year if the employer has 6 to 10 employees.

Upon request by the City, Concession Manager shall promptly provide to the City all documents and information as the City may require verifying its compliance with the requirements of Chapter 17-1300. Concession Manager shall notify each affected employee which wages are required to be paid pursuant to Chapter 17-1300.

Concession Manager is subject to Chapter 17-1300 and Concession Manager shall comply with all its requirements as they exist on the date the Concession Manager entered into this Agreement with the City or when the Agreement is amended. Should Concession Manager fail to comply with Chapter 17-1300, after notice and hearing before the Director of Finance or such other officer or agency designated by the Mayor, Concession Manager may be suspended from receiving financial assistance from the City or from bidding on and/or participating in future City contracts for up to three (3) years. Furthermore, the Philadelphia City Council may, by resolution adopted after a public hearing, determine that there are reasonable grounds to believe that Concession Manager has failed to comply with Chapter 17-1300, and that if such failure is established, then debarment would be an appropriate remedy for such failure. A copy of any such adopted resolution shall be forwarded to the Director of Finance, or such other officer or agency designated by the Mayor, who shall without undue delay provide appropriate notice and opportunity for hearing, and after such hearing, make a final determination as to whether there has been a violation of Chapter 17-1300 and whether debarment, as provided by Chapter 17-1300, should be imposed. Such debarment shall be in addition to any of the other sanctions or remedies set forth in Chapter 17-1300.

Notwithstanding anything to the contrary contained in this Agreement, (i) Concession Manager's covered employees shall be deemed third-party beneficiaries of Concession Manager's representation, warranty, and covenant to the City under this Section 8.04 only, and (ii) the covered employees of a Subtenant of Concession Manager, or any other Subcontractor to Concession Manager at any tier, providing services to a Subtenant or other Subcontractor shall be deemed third-party beneficiaries of their employer's representation, warranty and covenant to Concession Manager under the section of the Subtenant's Sublease or the other Subcontractor's agreement providing for compliance with Chapter 17-1300; provided, however, that under no circumstances shall an employee of a Subtenant or other Subcontractor be deemed a third-party beneficiary of any representation, warranty or covenant of Concession Manager under this Section 8.04 and/or this Agreement, nor shall an employee of a Subtenant or other Subcontractor have any rights against Concession Manager on account of such Subtenant's or other Subcontractor's breach of any of its representations, warranties or covenants under its Sublease or other Subcontract.

The City's Office of Labor Standards may grant a partial or total waiver of Chapter 17-1300 based on specific stipulated reasons elaborated in Section 17-1304 of the Code.

The language to be included in new Subleases or amendments to existing Subleases made on or after the Effective Date is as follows:

"If Tenant employs more than five (5) people, Tenant shall provide its covered employees (persons who perform work for Tenant that arises directly out of Tenant's Sublease with Landlord with the minimum wage standard and minimum benefits standard stated in Section 17-1305 of the Philadelphia Code ("Code"),

which are summarized below and as further set forth in the remaining provisions of Chapter 17-1300 of the Code:

(1) Minimum Wage

a) As of January 1, 2015 [or such later date as the amendment to Sublease is made], provide its covered employees with an hourly wage, excluding benefits, that is no less than \$12/hour.

b) As of January 1, 2016 [or such later date as the Sublease or amendment to Sublease is made] and during each year thereafter, provide its covered employees with an hourly wage, excluding benefits, that is no less than the result of multiplying \$12 by the then current CPI Multiplier as annually adjusted, as described in the paragraph below.

c) For purposes of determining the minimum hourly wage required under the paragraph above, the CPI Multiplier is an annual calculation made by the City's Director of Finance to take effect as of January 1 of each year. The CPI Multiplier is calculated by dividing the most recently published Consumer Price Index for all Urban Consumers (CPI-U) All Items Index, Philadelphia, Pennsylvania, as of January 1st of each year, by the most recently published CPI-U as of January 1, 2015. The then current minimum hourly wage applicable to City contractors and Subcontractors will be posted on the City's web site.

d) Notwithstanding the minimum wage provisions above, the minimum wage required by Chapter 17-1300 may not be less than 150% of the generally applicable federal minimum wage, currently 150% of \$7.25/hour, or \$10.88/hour. However, to the extent an increase in the federal minimum wage would increase the City-required minimum wage due to the 150% requirement (for example, if the federal minimum wage were raised to \$10/hour, such that 150% of that amount is \$15/hour), such new 150% requirement will take effect only if and when this Sublease is amended or replaced with a new agreement, and only after the effective date of the new federal requirement.

(2) Minimum Benefits

a) To the extent Tenant provides health benefits to any of its employees, provide each full-time, non-temporary, non-seasonal covered employee with health benefits at least as valuable as the least valuable health benefits that are provided to any other full-time employees of the Tenant; and

b) Provide to each full-time, non-temporary, non-seasonal covered employee at least the minimum number of earned sick leave days set forth in Code Section 17-1305(2) – generally fifty-six hours/year if the employer has 11 or more employees or thirty-two hours/year if the employer has 6 to 10 employees.

Tenant shall promptly provide to the City of Philadelphia ("City") and Landlord all documents and information as the City and Landlord may require verifying its compliance with the minimum compensation (including benefits) standards set forth in Section 17-1305 of the Code. Tenant shall notify each affected employee which wages are required to be paid pursuant to this Sublease.

Tenant hereby agrees to be subject to Chapter 17-1300 and Tenant shall comply with all its requirements as they exist on the date the Tenant entered into the Sublease with Landlord or when the Sublease is amended. Should Tenant fail to comply with Chapter 17-1300, Tenant may, after notice and hearing before the Director of Finance or such other officer or agency designated by the Mayor, be suspended from receiving financial assistance from the City or from bidding on and/or participating in future City contracts for up to three (3) years. Furthermore, the Philadelphia City Council may, by resolution adopted after a public hearing, determine that there are reasonable grounds to believe that Tenant has failed to comply with Chapter 17-1300, and that if such failure is established, then debarment would be an appropriate remedy for such failure. A copy of any such adopted resolution shall be forwarded to the Director of Finance, or such other officer or agency designated by the Mayor, who shall without undue delay provide appropriate notice and opportunity for hearing, and after such hearing, make a final determination as to whether there has been a violation of Chapter 17-1300 and whether debarment, as provided by Chapter 17-1300, should be imposed. Such debarment shall be in addition to any of the other sanctions or remedies set forth in Chapter 17-1300.

Notwithstanding anything to the contrary contained in this Sublease, Tenant's covered employees shall be deemed third-party beneficiaries of Tenant's representation, warranty, and covenant to the Landlord under this Section 8.04 only; provided, however, that under no circumstances shall an employee of Tenant be deemed a third-party beneficiary of any representation, warranty or covenant of Landlord under this Section 8.04 and/or this Sublease nor shall an employee of Tenant have any rights against Landlord on account of Tenant's breach of any of its representations, warranties or covenants under this Section 8.04 and/or this Sublease.

The City's Office of Labor Standards may grant a partial or total waiver of Chapter 17-1300 based on specific stipulated reasons elaborated in Section 17-1304 of the Code."

With respect to any Subcontractor of Concession Manager under this Agreement at any tier that is an "Employer" defined in Code Section 17-1303 other than a Subtenant (i. e., certain service contractors), Concession Manager shall apply all the requirements of Chapter 17-1300 to all such Subcontractors on and after the Effective Date, by including the provisions set forth above as to be included in Subtenants' Subleases (or amendments to Subleases), revised to change "Tenant," "Sublease" and "Landlord" to terms appropriate for each such Subcontract, in a written contract with each such Subcontractor.

Concession Manager shall monitor the compliance of its Subtenants and its Subcontractors at any tier with the provisions set forth above, and report to the City thereon, as set forth in Section 4.07(A)(1)(f) above and as otherwise directed from time to time by the City.

Section 8.05. Labor Harmony.

(A) The Airport depends upon revenue it receives from food and beverage concessions located on Airport property. Any interruption in these services at the Airport could result in substantial lost revenue for the Airport. In order to address concerns about the potential negative impact upon airport revenues by labor strife within the airport concessions program, as a further condition to this Agreement, which failure to satisfy shall be breach of this Agreement, Concession Manager shall require each Subtenant to be a signatory to a reasonable "Labor

Harmony Agreement” with any labor organization (as defined in 29 U.S.C. §152) seeking to represent the employees of the Subtenant as a condition precedent to any contract between it and the Concession Manager at the Airport.

Each Labor Harmony Agreement must contain a provision prohibiting the labor organization and its members, and in the case of a collective bargaining agreement, all employees covered by the agreement, from engaging from any picketing, work stoppages, boycotts or any other interference with the concessions operations of the Subtenant, for the duration of this Agreement.

A “Labor Harmony Agreement,” as used herein, means an agreement enforceable under 29 U.S.C. §185 entered into between the Subtenant and a labor organization which is, or seeks to be, the lawful collective bargaining representative for the employees of the Subtenant.

(B) This requirement shall not be applicable to the following Subtenants:

- (1) Subtenants which employ fifteen (15) or fewer employees;
- (2) A Locally Owned Small Business (“LOSB”) (defined herein); or
- (3) A Small Minority/Disadvantaged Business Entity (“Small ACDBE”) (defined herein) which employ thirty-five (35) or fewer employees.

(C) (1) A Small Minority/Disadvantaged Owned Business (“ACDBE”) shall be defined as a “Disadvantaged Business Enterprise” which is certified as a such under the U.S. Department of Transportation regulations pursuant to 49 C.F.R. Part 23 that employs thirty-five (35) or fewer employees at the Airport.

(2) Locally Owned Small Business (“LOSB”) shall be defined as a company that is majority owned by persons who reside within, or companies which prior to seeking Airport work have been headquartered (i.e. their principal place of business) within, the Philadelphia Metropolitan Statistical Area (“MSA”) and that employ 30 or fewer Employees at the Airport.

(3) Philadelphia Metropolitan Statistical Area (“MSA”) shall mean the area which encompasses the following counties:

- ◆ Bucks County, PA
- ◆ Chester County, PA
- ◆ Delaware County, PA
- ◆ Montgomery County, PA
- ◆ Philadelphia County, PA
- ◆ Burlington Country, NJ
- ◆ Camden County, NJ
- ◆ Gloucester County, NJ
- ◆ New Castle County, DE
- ◆ Cecil County, MD
- ◆ Salem County, NJ

(4) “Employees” shall be defined as the number of total badged employees for the Subtenant. In instances where an entity or person owns or controls multiple Subtenants, the total number of Employees shall be the sum of all badged employees working at all such commonly-owned Subtenants.

(D) The Concession Manager shall follow the protocols, as applicable, set forth in any access agreement between the City and a labor organization as described above.

(E) The Concession Manager shall follow the policies and procedures set forth in Exhibit L relating to displaced workers.

(F) The Concession Manager shall produce a list with the total number of Employees per Subtenant, on a quarterly basis.

(G) Notwithstanding the other provisions of this Section 8.05, Concession Manager shall perform its obligations under this Section 8.05 provided that the costs and expenses it incurs in performing such obligations are reimbursed to Concession Manager as Other Additional Services in accordance with the Additional Services Agreement.

Section 8.06. Airport Concession Disadvantaged Business Enterprise (“ACDBE”) Requirements.

(A) Insofar as concession operations, this Agreement is subject to U.S. Department of Transportation Regulations Title 49, Code of Federal Regulations, Parts 23 and (49 C.F.R. Parts 23 and 26), as amended from time to time; and the City’s ACDBE Program, as amended from time to time. Accordingly, Concession Manager covenants and agrees that it will cooperate with the City in performing its duties and obligations under this Agreement in order to implement the City’s ACDBE Program and facilitate the City’s compliance with 49 C.F.R. Parts 23 and 26.

(B) Concession Manager further expressly covenants and agrees that it shall fully carry out, comply with and perform its duties and obligations under this Agreement in accordance with the ACDBE Program Requirements which shall include: (a) the ACDBE requirements set forth in this Agreement, including but not limited to this Section 8.06 and Exhibit F of this Agreement attached hereto and expressly incorporated herein; and (b) U.S. Department of Transportation Regulations Title 49, Code of Federal Regulations, Parts 23 and (49 C.F.R. Parts 23 and 26), as amended from time to time; and (c) the City’s ACDBE Program, as amended from time to time.

(C) Accordingly, Concession Manager expressly covenants and agrees that the ACDBE Program Requirements shall apply to Concession Manager and any ACDBE or non-ACDBE Subtenant participating in the City’s ACDBE Program.

(D) In the performance of its duties and obligations under this Agreement, Concession Manager further agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the performance of this Agreement or the award or performance of any concession agreement, management contract, Sublease or Subcontract, purchase or lease agreement, or other agreement covered by 49 C.F.R. Part 23. Concession Manager shall include the foregoing statements in any and all subleases, concession agreements or contract covered by 49 C.F.R. Part 23 that it enters, and cause those businesses,

including but not limited to Concession Manager's Subtenants at the Airport, to similarly include the foregoing statement in their subsequent agreements.

(E) Without limitation, Concession Manager shall employ disadvantaged persons, (including minorities and females) as defined in 49 C.F.R. Part 23. Concession Manager, shall also, utilize ACDBE firms in the provision of goods and services such as equipment, supplies, uniforms, security and legal services in accordance with the goals approved by the City for ACDBE participation through goods and services provided directly to Concession Manager under this Agreement, which shall be reviewed by City and communicated to Concession Manager as a requirement of this Agreement on an annual basis.

(F) Concession Manager shall also comply with the ACDBE Program Requirements set forth in Exhibit F attached hereto and expressly incorporated herein. Accordingly, in performing its duties and obligations under this Agreement Concession Manager shall provide the following ACDBE Participation:

(1) Concession Manager ACDBE Participation Requirement: At all times during the Term of this Agreement, or any renewals or extensions of this Agreement, Concession Manager shall be thirty percent (30%) owned by a PaUCP certified ACDBE in accordance with 49 C.F.R. Part 23 and the City's ACDBE Program. In addition, in accordance with the forgoing requirements, thirty percent (30%) of the Concession Manager's management and operations, including the day to day management and operation of the joint venture and the Terminal Concession Program shall be performed by the Concession Manager's ACDBE joint venture owner. In accordance with the terms and conditions of the Concession Manager's joint venture agreement, Concession Manager expressly represents and warrants that the PaUCP certified ACDBE joint venture owner that owns thirty percent (30%) of Concession Manager and will perform all of the above management and operations services under this Agreement is LeJeune and Associates, LLC.

(2) Annual Concession Program ACDBE Goal: At all times during the Term of this Agreement, or any renewals or extensions of this Agreement, Concession Manager shall use good faith efforts to ensure that thirty-five percent (35%) of the annual gross sales of all concession operations at the Airport shall be performed by PaUCP certified ACDBE Subtenants operating and managing concessions at the Airport in accordance with 49 C.F.R. Part 23 during the entire Term of this Agreement, which shall be subject to a Good Faith Efforts Review by the City in accordance with the ACDBE Program. In addition, in the event Concession Manager enters into any City approved Sublease(s) with a Sublease term that extends beyond the expiration or termination of this Agreement, the above Concession Program ACDBE Goal shall apply and remain in effect until the expiration or termination of said sublease(s).

(3) Additional ACDBE Goods and Services Participation: Any and all ACDBE participation provided by PaUCP certified ACDBEs through direct goods and services to Concession Manager or to Concession Manager's Subtenants shall be in addition to the above ACDBE participation and goal requirements and subject to annual review, revision and written approval by the City. Accordingly, no substitution of ACDBE participation through goods and services provided by PaUCP certified ACDBEs shall be permitted to satisfy either the Concession

Manager ACDBE Participation Requirement or the Concession Program ACDBE Goal without the express written permission of the City, as set forth in this paragraph and Exhibit F.

(4) To satisfy the requirements of the above thirty percent (30%) Concession Manager ACDBE Participation Requirement, Concession Manager expressly agrees and covenants that it shall comply with the following ACDBE Requirements during the entire Term of this Agreement or any renewals or extensions of this Agreement:

a) Concession Manager shall be and remain a joint venture under the requirements of 49 CFR Part 23 and all applicable FAA Joint Venture Guidelines or directives and the terms and conditions of the City's written approval of Concession Manager's joint venture agreement, and shall manage and operate the Concession Program and the joint venture in accordance with the above requirements; and

b) Except as provided in the joint venture agreement, the ACDBE joint venture owner(s) of Concession Manager shall be a separate and independent company or companies from the Concession Manager's non-ACDBE joint venture owner(s). Accordingly, the ACDBE joint venture owner(s) shall not be employees of the non-ACDBE owner(s) or of their Affiliate(s) and shall not be dependent upon the non-ACDBE joint venture owner(s) or their Affiliate(s) for any form of temporary or permanent employment.

c) In accordance with 49 C.F.R. Part 23 and the ACDBE Program Requirements, the ACDBE joint venture owners of Concession Manager shall be:

i. At least fifty-one percent (51%) owned by a socially and economically disadvantaged person, as defined by 49 C.F.R. Part 23; and

ii. PaUCP certified as an ACDBE; provided, however, that if the ACDBE owner of Concession Manager fails to maintain its status as a PaUCP certified ACDBE during the Term of this Agreement, or any extension or renewal of this Agreement, due to the ACDBE no longer meeting the statutory or regulatory personal net worth requirements, such failure shall not be considered a default of Concession Manager's duties and obligations under this Agreement, so long as the City continues fully to count Concession Manager's ACDBE participation.

d) Changes in Joint Venture Ownership: In the event the ownership of the joint venture shall change for any reason, including but not limited to the transfer or sale of any ownership interest in the joint venture or any other assignment or transfer described in Article XII of this Agreement, the City expressly reserves the right, in its sole and absolute discretion, to terminate this Agreement, unless the City approves the change in ownership in accordance with this Agreement. In addition, Concession Manager expressly agrees to the following:

i. Concession Manager shall provide the City with notice of the change at least sixty (60) days prior to the date when the change will take effect.

ii. All changes in joint venture ownership shall be subject to the thirty percent (30%) PaUCP certified Concession Manager ACDBE Participation Requirement set forth in this Agreement and City approval of the ownership changes under 49 C.F.R. Part 23, the

FAA's Joint Venture Guidance and the ACDBE Program Requirements set forth in this Agreement.

iii. On or before Concession Manager's notice of a change in ownership, Concession Manager shall request approval of the change in joint venture ownership from the City. In the event the City does not approve a request under Article XII, and Concession Manager nonetheless proceeds with such transfer, then, it shall be within the City's discretion to terminate this Agreement as set forth above or review and approve the change in joint venture ownership for compliance with 49 C.F.R. Part 23, the FAA's Joint Venture Guidance and the ACDBE Program Requirements.

iv. If the City does not approve the change in ownership and Concession Manager nonetheless proceeds to complete the unapproved change in ownership, then the City, in its sole and absolute discretion, may terminate this Agreement and issue a new Request for Proposal (RFP) for new concession management at the Airport.

v. If the City approves the change in ownership, the Concession Manager shall remain obligated to perform under the terms and conditions of this Agreement, including but not limited to the ACDBE Program Requirements. Approval by the City, if given, may include additional requirements or conditions which shall become part of the ACDBE Program Requirements of this Agreement.

e) Dissolution, Discontinuation or End of the Joint Venture: In the event the joint venture is dissolved, discontinued or ended for any reason, the City reserves the right to terminate this Agreement. In addition, Concession Manager expressly agrees to the following:

i. Concession Manager shall provide the City with notice of the dissolution, discontinuation or other ending of the joint venture at least sixty (60) days prior to the date when the dissolution, discontinuation or ending of the joint venture shall take effect.

ii. The City reserves the right, at its sole and absolute discretion, to issue a new Request for Proposal (RFP) for new concession management at the Airport at any time after receiving notice of the dissolution, discontinuation or end of the joint venture.

iii. There shall be no automatic assignment of this Agreement or other assumption or transfer of this Agreement or any of the Concession Manager's rights, powers, duties or obligations under this Agreement or any other transfer described in Article XII of this Agreement to any entity, including one or more of the joint venture owners or any Affiliate of Concession Manager.

iv. If an assignment of this Agreement or other assumption or transfer of this Agreement or any of the Concession Manager's rights, powers, duties or obligations under this Agreement or any other transfer described in Article XII of this Agreement to any entity, including one or more of the joint venture owners or any Affiliate of Concession Manager, is proposed by the joint venture as the result of its dissolution, discontinuation or end, the City shall have sole and absolute discretion to accept or reject or impose requirements or

conditions on the proposed assignment, assumption or other transfer and said transfer shall be subject to the requirements of 49 CFR Parts 23 and 26, the City's ACDBE Program and all the ACDBE Program Requirements set forth in this Agreement.

v. If the City approves the assignment or transfer, the assignee or transferee shall be obligated to perform under the terms and conditions of this Agreement, including but not limited to the ACDBE Program Requirements. Approval by the City, if given, may include additional requirements or conditions which shall become part of the ACDBE Program Requirements of this Agreement.

(5) To comply with the thirty-five percent (35%) Concession Program ACDBE Goal commitment by Concession Manager, Concession Manager expressly agrees that during the Term of this Agreement or any extensions or renewals thereof, Concession Manager shall enter into Subleases and other tenancy agreements with concessionaires at the Airport. In addition, within thirty (30) days of the execution of this Agreement, Concession Manager shall submit its ACDBE Participation Plan for the entire Term of this Agreement to the City for approval under the ACDBE Program Requirements in this Agreement. Thereafter, Concession Manager's annual Subtenant ACDBE Participation Plan shall be submitted in accordance with the time requirements in this Agreement, including Exhibit F attached hereto.

(G) Concession Manager expressly agrees that the City shall have the right during the entire Term of this Agreement, and any extensions or renewals of the Term, to monitor and conduct compliance reviews of Concession Manager's performance under this Agreement to insure that Concession Manager is in Compliance with the ACDBE Program Requirements. Concession Manager shall cooperate fully with the City in: (i) providing any information, documentation, etc., required by the City or any other government agency involved in monitoring compliance with the City's ACDBE Program Requirements within five (5) days of said request; (ii) complying with the City's requirements for approving ACDBE substitutions or other participation substitutions; and (iii) complying with the City's requirements for participation in the ACDBE Program or otherwise complying with any other matter within the City's authority, obligations and/or responsibilities.

(H) Concession Manager shall (i) retain all records related to its ACDBE performance under this Agreement for a period of at least five (5) years following the termination of this Agreement; and (ii) conduct annual independent audits of its finances and provide copies of the annual audited financial statements to the City; (iii) provide and prepare ACDBE Reports and include in the ACDBE Reports a summary of all ACDBE concession activities at or in connection with the Leased Premises and a report of the employment utilization of disadvantaged persons, as defined by 49 C.F.R. Part 23, demonstrating compliance with the ACDBE Program Requirements and such other information relative to Concession Manager's ACDBE compliance as the City may require.

(I) Concession Manager's non-compliance with this Section 8.06 or any of the ACDBE Program Requirements in this Agreement shall be subject to the default and remedy provisions of Article XI of this Agreement including but not limited to termination for any act or omission by Concession Manager which causes the City to lose any portion, or all, of the City's

airport funding from the U.S. Department of Transportation. It shall be no defense to Concession Manager's liability to City that other parties may also be responsible.

Section 8.07. Airport Security Program.

(A) In accordance with the regulations issued by the U. S. Department of Homeland Security, Transportation Security Administration and found at 49 C.F.R. Part 1542, airports are required to have TSA-approved security programs. These programs are designed to control access to certain areas of airports and to control the movement of people and vehicles within those areas.

(B) The City has a TSA-approved security program for the Airport. Concession Manager is required, at all times during the Term, to comply with the City's security program for the Airport. At all times during the Term, Concession Manager must be in compliance with, and shall require all Subtenants, their employees, agents, contactors, Subcontractors to comply with the Airport Security Plan in Section 7 of the Philadelphia International Airport Rules and Regulations Manual, <http://www.phl.org/business/pages/airport-rulesand-regulations-.aspx>, 49 C.F.R. Part 1542 and all other applicable laws and regulations from time to time enacted or promulgated.

(C) The Concession Manager shall have all liability and responsibility with respect to security issues relating to Concession Manager employee badging and security clearance requirements. Concession Manager agrees to implement a badging plan for Concession Manager employees and serve as a liaison with respect to Concession Manager Airport security compliance. The Concession Manager shall provide assistance to the Subtenants by providing appropriate applications and other information and documentation supplied by the City for submission to the appropriate officials.

(D) Concession Manager shall be responsible for any breach of security on the Leased Premises or Subleased Premises by its agents, employees, contractors, Subtenants, affiliates, or invitees and Concession Manager further agrees to indemnify and hold harmless the City from and against any and all damages, penalties, fines, claims and costs resulting directly or indirectly from a breach of Concession Manager's responsibilities, covenants and agreements as set forth in this Section. The City shall provide Concession Manager with notice of and consult with Concession Manager regarding any claims that the City has knowledge are related to Concession Manager. The City shall defend all alleged security violations.

(E) In connection with the City's security program for the Airport, Concession Manager may receive, gain access to or otherwise obtain certain knowledge and information related to the City's overall Airport security program. Concession Manager acknowledges that all such knowledge and information is of a highly confidential nature. Concession Manager covenants and agrees that no person, whether an officer or employee of Concession Manager, any Subtenant or other third party, shall be permitted or gain access to such knowledge and information, unless such person has been approved by the City in advance, in writing which approval may be granted or withheld by the City in its sole discretion. Notwithstanding the foregoing, the Concession Manager is permitted to direct such security knowledge and information to its employees who require same to conduct Concession Manager's business or to comply with any law or regulation. Concession Manager further agrees to indemnify, hold

harmless and defend the City and other users of the Airport from and against any and all fines, claims, costs, expenses, damages and liabilities, including but not limited to all attorneys' fees and costs, resulting directly or indirectly from the breach of Concession Manager's covenants and agreements as set forth in this Section. The indemnification contained in this Section 8.07(E) applies to this Section 8.07 only.

(F) Violation of any of the provisions of this Section 8.07 shall be a material breach. In order to cure a breach under this Section, Concession Manager shall cooperate with the City in all respects reasonably necessary to assist in its defense related thereto in the City's sole discretion.

Section 8.08. Americans With Disabilities Act.

Concession Manager understands and agrees that no individual with a disability shall, on the basis of the disability, be excluded from participation in this Agreement or from activities or services provided under this Agreement. As a condition of accepting and executing this Agreement, Concession Manager shall comply with and shall cause all Subtenants and other Subcontractors to comply with all provisions of the ADA, and all regulations promulgated thereunder, as the ADA and regulations may be amended from time to time, which are applicable (A) to Concession Manager or any Subtenant or Subcontractor, (B) to the benefits, services, including the Concession Management Services, activities, facilities and programs provided in connection with this Agreement, (C) to the City or the Commonwealth, and (D) to the benefits, services, including the Concession Management Services, activities, facilities and programs of City or of the Commonwealth, and, if any funds under this Agreement are provided by the federal government, which are applicable to the federal government and its benefits, services, activities, facilities and programs. Without limiting the generality of the preceding sentence, Concession Manager shall comply with and shall cause all Subtenants and Subcontractors to comply with the "General Prohibitions Against Discrimination," 28 C.F.R. Section 35.130 and all other regulations promulgated under Title II of "The Americans With Disabilities Act," as they may be amended from time to time, which are applicable to the benefits, services, programs and activities provided by the City through contracts with outsider contractors.

Section 8.09. Sales & Use Tax; Federal Excise Tax.

The City is not subject to federal, state or local sales or use tax, or federal excise tax. Concession Manager hereby assigns to City all its rights, title and interest in any sales or use tax which may be refunded as a result of the purchase of any materials in connection with the Agreement, and the Concession Manager, unless directed by the City, shall not file a claim for any sales or use tax refund subject to the assignment. The Concession Manager authorizes the City, or its agent, in its own name or in the name of the Concession Manager, to file a claim for a refund of any sales or use tax subject to this assignment. To the extent it may be applicable under the Agreement, the Concession Manager covenants and agrees that it shall not bill the City for or otherwise pass-through to the City for payment any Federal Excise Tax paid in connection with the work under the Agreement; in consideration of the Concession Manager's foregoing covenant, the City hereby consents to any filing by the Concession Manager for a refund of any Federal Excise Tax paid in connection with the work under the Agreement. The Concession Manager agrees to include the above referenced paragraph in any subcontracts with Subcontractors, including Subtenants.

Section 8.10. Campaign Contribution Disclosures.

Concession Manager shall disclose, and shall require its Subtenants and Subcontractors to shall disclose, their campaign contributions to political candidates and incumbents who are running for, or currently serving in, a local (Philadelphia) or state-wide elected office anywhere within the Commonwealth (federal campaign contributions are not included); and whether Concession Manager or any representative of Concession Manager has received any requests for money or other items of value or advice on particular firms to satisfy minority-, woman- or disabled-owned business participation goals from City employees. The disclosure requirements are set forth on the City's eContract Philly website found at: <https://secure.phila.gov/eContract/>. If the Concession Manager or any of its Subtenants shall fail to comply with the provisions of this Section 8.10, then Concession Manager may assess Penalties set forth in Exhibit I.

Section 8.11. Business Interests in Northern Ireland.

(A) In accordance with Section 17-104 of The Philadelphia Code, the Concession Manager by execution of the Agreement hereby certifies and represents that (i) the Concession Manager including any parent company, subsidiary, exclusive distributor or company affiliated with Concession Manager) does not have, and will not have at any time during the term of the Agreement (including any extensions thereof), any investments, licenses, franchises, management agreements or operations in Northern Ireland and (ii) no product to be provided to the City under the Agreement will originate in Northern Ireland, unless Concession Manager has implemented the fair employment principles embodied in the MacBride Principles.

(B) In the performance of the Agreement, the Concession Manager agrees that it will not utilize any suppliers, Subcontractors or sub-consultants at any tier (i) who have (or whose parent, subsidiary, exclusive distributor or company affiliate have) any investments, licenses, franchises, management agreements or operations in Northern Ireland or (ii) who will provide products originating in Northern Ireland unless said supplier, sub-consultant or Subcontractor has implemented the fair employment principles embodied in the MacBride Principles. The Concession Manager further agrees to include the provisions of this subparagraph, with appropriate adjustments for the identity of the parties, in all subcontracts and supply contracts that are entered into in connection with the performance of the Agreement.

(C) The Concession Manager agrees to cooperate with the City's Director of Finance in any manner, which the said Director deems reasonable and necessary to carry out the Director's responsibilities under Section 17-104 of The Philadelphia Code. The Concession Manager expressly understands and agrees that any false certification or representation in connection with this Section and/or any failure to comply with the provisions of this Section shall constitute a substantial breach of this Agreement entitling the City to all rights and remedies provided in this Agreement or otherwise available in law (including, but not limited to, Section 17-104 of The Philadelphia Code) or equity. In addition, it is understood that false certification or representation is subject to prosecution under Title 18 Pa.C.S.A Section 4904.

Section 8.12. Business, Corporate and Slavery Era Insurance Disclosure.

In accordance with Section 17-104 of The Philadelphia Code, Concession Manager, after execution of the Agreement, shall complete within thirty (30) days, an affidavit certifying and representing that Concession Manager (including any parent company, subsidiary, exclusive distributor or company affiliated with Concession Manager) has searched any and all records of the Concession Manager or any predecessor company regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era. The names of any slaves or slaveholders described in those records must be disclosed in the affidavit. Concession Manager expressly understands and agrees that any false certification or representation in connection with the affidavit and/or any failure to comply with the provisions of these requirements shall constitute a substantial breach of the Agreement entitling the City to all rights and remedies provided in the Agreement or otherwise available in law (including, but not limited to, Section 17-104 of The Philadelphia Code) or equity and the contract will be deemed voidable. In addition, it is understood that false certification or representation is subject to prosecution under Title 18 Pa.C.S.A. Section 4904.

Section 8.13. Certificate of Non-Indebtedness.

(A) Concession Manager, in accordance with Chapter 17-1000 et seq. of the City Code, hereby certifies and represents that neither Concession Manager nor any Affiliate of Concession Manager is currently indebted to the City and will not at any time during the Term, including any renewal or extensions thereof, be indebted to the City, for or on account of any delinquent taxes (including, but not limited to, taxes collected by the City on behalf of the School District of Philadelphia), liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established. In addition to any other rights or remedies available to the City at law or in equity, Concession Manager acknowledges that any breach or failure to conform to this certification may, at the option of the City, result in the withholding of payments otherwise due Concession Manager, and, if such breach or failure is not resolved to the City's satisfaction within a reasonable time frame specified by the City in writing, may result in the offset of any such indebtedness against the Concession Management Fee and/or the termination of this Agreement as an Event of Default (in which case Concession Manager shall be liable for all excess costs, including attorney's fees, and other damages resulting from the termination).

(B) Concession Manager shall require all Subtenants and Subcontractors performing work in connection with this Agreement to be bound by the following provision and Concession Manager shall cooperate fully with the City in exercising the rights and remedies described below or otherwise available at law or in equity.

(C) Subcontractor hereby certifies and represents that Subcontractor and any entity or individual that owns or controls, or is controlled or owned by, or is under common control or ownership with Subcontractor is not currently indebted to the City and will not at any time during the Term (including any extensions or renewals thereof), be indebted to the City, for or on account of any delinquent taxes (including, but not limited to, taxes collected by the City on behalf of the School District of Philadelphia), liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established. In addition to any other

rights or remedies available to the City at law or in equity, Subcontractor acknowledges that any breach or failure to conform to this certification may, at the option and direction of the City, result in the withholding of payments otherwise due to Subcontractor for services rendered in connection with the Agreement and, if such breach or failure is not resolved to the City's satisfaction within a reasonable time frame specified by the City in writing, may result in the offset of any such indebtedness against said payments otherwise due to Subcontractor and/or the termination of Subcontractor for default (in which case Subcontractor will be liable for all excess costs and other damages resulting from the termination).

Section 8.14. Environmental Matters.

(A) Environmental Compliance

Concession Manager's conduct and use related to or arising from the Leased Premises or the Subleased Premises shall at all times be in compliance with all statutes, ordinances, regulations, and orders now existing or hereafter enacted by any applicable authority or requirements of common law, including, but not limited to Environmental Laws. Concession Manager shall and shall require Subtenants to obtain all permits, licenses, or approvals and shall make any notifications and modifications required to conduct its operations at the Leased Premises or Subleased Premises, as applicable, and comply with its obligations under this Agreement. Concession Manager shall at all times comply with the terms and conditions of any such permits, licenses, approvals, or notifications.

(B) Leased Premises/Subleased Premises Contamination

(1) Concession Manager shall not cause, and shall require that the Subtenants do not cause, Contamination arising from the use of or in connection with the Leased Premises or Subleased Premises. Concession Manager shall, and shall require Subtenants, at all times to handle Hazardous Substances and regulated substances, in a manner consistent with best management practices and applicable Environmental Laws. Notwithstanding the foregoing, the City agrees that the Concession Manager and the Subtenants, as applicable, may use small amounts of cleaning products, cooking fuels, business equipment materials (such as copy machine toner) and other small amounts of Hazardous Substances customarily handled or used in connection with the Permitted Uses under the Subleases, all of which must be stored in compliance with all Environmental Laws.

(2) In the event of a Release or threatened Release of Hazardous Substances into the environment relating to or arising out of Concession Manager or Subtenant's use or occupancy of the Leased Premises and/or Subleased Premises, as applicable, during the Term of this Agreement, Concession Manager shall immediately notify the City on the Airport's emergency number 215-937-3111, which shall be confirmed by Concession Manager in writing within forty-eight (48) hours, unless such Release or threatened Release is less than a reportable quantity, and the total volume of the Release can be immediately and completely remediated and poses no risk of harm to health, the environment or of permanent damage to City property.

(3) Any correction of a violation or condition which requires a cleanup, proper disposal, removal, repair or other remedial action by Concession Manager as noted herein, shall be

completed as soon as practicably possible consistent with best management practices. Any such action lasting longer than forty-five (45) days shall require the approval of the City. Such approval will not be unreasonably withheld.

(4) Upon stabilization of the Release site, Concession Manager shall develop, within a reasonable time frame, a remediation action plan; prepared by a licensed environmental firm, to be submitted to City for approval. Such a plan, at a minimum, must comply with all Environmental Laws.

(5) Once approved, Concession Manager shall proceed with execution of the plan as soon as reasonably possible and shall work expeditiously to fully remediate the Release. Upon completion, Concession Manager shall return the site to a condition equivalent to that which existed prior to the Release and shall submit to the City all test results, close out reports and related items for its record. If disagreement exists as to the pre-Release condition of the site, Concession Manager bears the burden of proving any pre-existing conditions present at time Concession Manager took control of Leased Premises or Subtenant took control of Subleased Premises, as applicable.

(6) Any uncorrected violation by Concession Manager of an Environmental Law or any condition which requires, or may require, a cleanup, proper disposal, removal, repair or other remedial action by Concession Manager under any Environmental Laws or pursuant to the terms of this Agreement that is not completed pursuant to this Article, or as otherwise required by any Environmental Laws, shall constitute an Event of Default under this Agreement.

(7) If Concession Manager fails to cleanup, properly dispose, remove, repair, complete other remedial actions or take any other corrective actions with respect to a Release at the Leased Premises as required under any Environmental Laws or pursuant to this Agreement, City may (but shall not be required to) take all steps it deems necessary to properly cleanup, dispose, remove, repair or otherwise correct the conditions resulting from the spill, leak discharge, Release or Contamination consistent with the terms of applicable Environment Laws and this Article. Any such cleanup, proper disposal, removal, repair, remedial or corrective actions shall be at Concession Manager's sole cost and expense and Concession Manager shall indemnify and pay for and/or reimburse the City for any and all costs (including administrative or attorney costs) the City incurs as a result of any such cleanup, disposal, removal, repair, remedial, corrective, and/or other action it takes.

(C) Indemnification

In addition to all other remedies available to City under this Agreement, at law or in equity, Concession Manager shall indemnify, defend and save harmless City, its officials, officers, agents, boards, commissions, employees, successors and assigns from and against any and all Environmental Claims, causes of action, liabilities, payment of liens, damages, impairments, penalties, fines or losses, whatever kind or nature, whether known or unknown, foreseeable or unforeseeable, regardless of the source, whether civil or criminal arising during the Term of this Agreement, (collectively, "Indemnified Environmental Claims"), including, but not limited to, any and all expenses City may incur in complying with any Environmental Laws (including the costs of inspection, testing, or audit) penalties or fines imposed by any governmental agency, (including

finances against City for Concession Manager's failure to comply), the expense of remediating, cleaning up or disposing of any Hazardous Substance or regulated materials at the Leased Premises or Subleased Premises, as applicable, any personal injury, death, natural resources or property damage (real or personal) arising out of or related to Hazardous Substances used (including storage or disposal) by Concession Manager or Subtenant all legal expenses and fees incidental to the investigation and defense of any Indemnified Environmental Claims, including but not limited to legal fees, court costs, expert witness and/or consultant fees, (and any costs related thereto), all consequential damages, diminution in value of the Leased Premises or Subleased Premises, damages for loss or restriction of use on the Leased Premises or Subleased Premises, and any costs relating to or arising from aggravation of or contribution to any Pre-existing Environmental Condition that arises from or is caused by the acts or omissions of Concession Manager, its agents, employees, contractors, licensees, Subtenants, or any other persons or entities acting by, through, under or on behalf of Concession Manager at the Leased Premises, or Subleased Premises, except to the extent arising out of the negligence or willful misconduct of City or any Pre-existing Environmental Condition. The foregoing indemnity shall survive the expiration or earlier termination of this Agreement. The City will use its reasonable efforts to notify Concession Manager upon its discovery and verification of such a claim. All Environmental Claims and related remediation and/or cleanup shall be conducted in accordance with Environmental Laws and pursuant to this Article.

(D) Notwithstanding the foregoing, the obligations and liability of Concession Manager under this Section 8.14 (including the foregoing indemnification) with respect to any acts or omissions of licensees or Subtenants shall be limited to Indemnified Environmental Claims arising from the Concession Manager's failure: (i) to insert in all Subleases or amendments to Existing Subleases entered into after the Effective Date, the sublease provisions required to be inserted pursuant to this Agreement, including responsibilities and obligations of Subtenants respecting compliance with Environmental Laws as more particularly set forth in Section 8.14 herein, and (ii) to use all commercially reasonable efforts to enforce compliance by all such Subtenants and licensees under the applicable Subleases to the fullest extent possible, including without limitation, declaring a default and instituting suit.

(E) Environmental Removal and Disposal by Concession Manager

Concession Manager shall be responsible for all remedial actions and the proper removal and disposal of all Hazardous Substances generated by Concession Manager or Subtenant, or resulting or arising from Concession Manager's or Subtenant's activities or operations at the Leased Premises or Subleased Premises, as applicable.

(F) Environmental Audit

The City shall have the right, but not the obligation, to conduct or cause to be conducted an audit to assess Concession Manager's or Subtenant's compliance with Environmental Laws (collectively, "Compliance Audit"). City shall provide Concession Manager or Subtenant reasonable opportunity to consult with and provide comments to City as to the design of the Compliance Audit. City shall conduct such Compliance Audit not more than once every two (2) years.

If the resulting Compliance Audit report reveals non-compliance by Concession Manager or Subtenant with any Environmental Laws at or affecting the Airport, or indicates that a release of Hazardous Substances has occurred on the Airport that was caused by Concession Manager or Subtenant, its agents, employees, licensees, invitees (not including passengers), or any other persons or entities acting by, through, under or on behalf of Concession Manager or Subtenant, or elsewhere if such non-compliance or release appears to have been attributable to Concession Manager's or Subtenant's use or operation at the Airport, its agents, employees or contractors or elsewhere if such Release was caused by Concession Manager or Subtenants, then Concession Manager shall be responsible or cause Subtenant to be responsible for such non-compliance and shall deliver to the City a remediation report ("Compliance Report") within forty-five (45) days of the submission of the Compliance Audit, containing an explanation of the non-compliance and a remediation plan that is consistent with this Article. Thereafter, the Concession Manager shall commence and expeditiously proceed to complete at its sole cost and expense, subject to the City's review and approval, the remediation plan.

If Concession Manager does not complete the required remedial actions as required by applicable Environmental Laws or pursuant to the terms of this Agreement, in the time periods set forth in the remediation plan or schedule, the City shall have the right, but not the obligation, to implement any remediation actions which it deems necessary or prudent to address such non-compliance.

(G) Inspection

The City may, at reasonable times after reasonable advance notice and in the presence of an employee or agent of Concession Manager, except in the event of an emergency, enter the Leased Premises or Subleased Premises, as applicable, to conduct reasonable inspections, tests, samplings, split samples or other investigations in connection with Concession Manager's obligations under the provisions of this Article. City will not unreasonably interfere with Concession Manager operations.

(H) Remedies

Nothing in this Section shall be construed or deemed to limit any remedies which City may have against Concession Manager hereunder, at law or equity.

(I) Survival

The provisions of this Article shall survive the termination of Concession Manager's tenancy or of this Agreement. No subsequent modification or termination of this Agreement by agreement of the Parties or otherwise shall be construed to waive or to modify any provision of this Section unless the termination or modification agreement or other document so states in writing.

(J) End of Occupancy

At least thirty (30) days prior to the final vacating of Leased Premises in connection with the termination or expiration of this Agreement, Airport may obtain an environmental assessment sufficient to assess site impacts associated with Concession Manager's occupancy, operations or activities on Leased Premises. Any Contamination on Leased Premises or Subleased Premises

that is caused by Concession Manager's or any Subtenant's, as applicable, occupancy, operations, or activities at the Airport disclosed in the environmental assessment prepared at the termination of this Agreement shall be the responsibility of Concession Manager, and Concession Manager shall be obligated promptly to effect the remediation of such Contamination in accordance with this Article, and in such event, the Concession Manager shall be responsible for any and all costs associated with conducting the Compliance Audit.

Section 8.15. Executive Order No. 7-14.

Concession Manager acknowledges that Concession Manager is subject to the Mayor's Executive Order 7-14 with an effective date of October 7, 2014. In accordance with Executive Order 7-14, Concession Manager shall and shall cause its Subtenants to:

(A) Report to the Office of the Inspector General ("OIG") for knowledge of violations subject to investigation by the OIG pursuant to this Executive Order No. 7-14;

(B) Cooperate fully with representatives of the OIG by providing complete and accurate information as well as the necessary assistance in matters under investigation;

(C) Keep conversations and contact with the OIG confidential, except and to the extent the OIG may authorize disclosure; and

(D) Instruct their employees that under no circumstances shall any employees or official take or threaten to take any action of any sort in an attempt to prevent anyone from providing to a City official information regarding conduct that is the subject of Section 3 of the Executive Order No. 7-14 or providing any information to, or cooperating with, the OIG, or retaliate against anyone for doing so or against anyone who is about to do so.

ARTICLE IX. - INDEMNIFICATION AND INSURANCE

Section 9.01. Indemnification.

(A) The Concession Manager agrees to defend, indemnify and hold harmless the City, its representatives, elected and appointed officials, officers, agents and employees from and against any and all loss, costs, liability, expenses, damages of whatever nature, causes of action, suits, claims, demands, judgments, awards and settlements including, without limitation, payments of claims or liability resulting from or occasioned by, wholly or in part, directly or indirectly, Concession Manager's act or omission or negligence or fault in connection with the Agreement, including, but not limited to, those in connection with any injury or death of any person or damage to or destruction of any property, the Contamination of the Leased Premises and any location used by a Subtenant or Concession Manager, failure to pay Subtenants or Subcontractors, any infringement or violation of any property right (including patent, trademark, copyright etc.), arising in the Agreement, and the use of the Leased Premises or any location used by the Concession Manager or any Subtenant, or any of their respective principals, officers, agents, employees, contractors or Subcontractors except to the extent any of the foregoing is due to the sole negligence of the City, its officials, officers, agents or employees.

The Concession Manager agrees, and shall require each Subtenant to agree, to defend, indemnify and hold harmless the City, its representatives, elected and appointed officials, officers, agents and employees from and against any and all claims or liability for compensation under any workers' compensation statute arising out of injuries sustained by any employee of the Concession Manager or any Subtenant except to the extent any of the foregoing is due to the sole negligence of the City, its officials, officers, agents or employees. The Concession Manager covenants that it shall cause its Subtenants, licensees, contractors and Subcontractors to maintain effect at all times workers' compensation insurance as required by law.

Without limiting the generality of any other provision hereof, the Concession Manager shall reimburse the City for the cost of any and all reasonable attorneys' fees and reasonable investigation expenses which may be incurred by the City in the defense and handling of said suits and claims and in enforcing the provisions of this Agreement. The provisions of this Section shall survive the expiration or sooner termination of this Agreement.

Section 9.02. Insurance.

(A) Unless otherwise approved by the City's Risk Management Division in writing, the Concession Manager shall, at its sole cost and expense (provided applicable insurance may be charged to Subtenants as CAM) procure and maintain, or cause to be procured and maintained, in full force and effect, the types and minimum limits of insurance specified below. The Concession Manager shall procure, or cause to be procured, all insurance from reputable insurers authorized to do business on a direct basis in the Commonwealth or otherwise acceptable to the City. All insurance herein shall be written on an "occurrence" basis and not a "claims-made" basis. In no event shall the Concession Manager perform any Concession Management Services or other work until the Concession Manager has delivered or caused to be delivered to the City's Risk Management Division, One Parkway Building, 1515 Arch Street, 14th Floor, Philadelphia, PA 19102, the required evidence of insurance certificates. All insurance coverages shall provide for at

least thirty (30) days prior written notice in the event coverage is materially changed, cancelled or non-renewed. The City, its officers, employees and agents, shall be included as additional insureds on the Commercial General and Umbrella Liability Insurance policies and loss payee or the property policies. The Concession Manager shall also deliver or cause to be delivered to the City evidence that the coverage afforded the City and its officers, employees and agents, as additional insureds, will be primary to any other coverage maintained by the additional insureds and shall not permit or require such other coverage to contribute to the payment of the loss.

(1) Workers' Compensation and Employers' Liability.

a) Workers' Compensation: Statutory Limits.

b) Employers' Liability: \$100,000 Each Accident – Bodily Injury by Accident; \$100,000 Each Employee – Bodily Injury by Disease; and \$500,000 Policy Limit – Bodily Injury by Disease.

c) Other states' insurance including Pennsylvania.

d) Waiver of Right to Recover from Others Endorsement (WC 00 03 13) where permitted by state law, naming the City, its officers, employees and agents and amended to apply to contracts under which the Concession Manager is not performing work.

(2) Commercial General Liability Insurance.

The insurance shall cover premises and operations, explosions, collapse and underground hazards; products liability and completed operations; independent contractors; contractual liability on a blanket basis or contractual liability specifically covering the Agreement; personal injury liability (with employee exclusion deleted), on Airport automobile coverage for all owned, non-owned or hired motor vehicles used in connection with the Concession Manager's obligations under the Agreement; fire legal liability with a limit of not less than One Hundred Thousand Dollars (\$100,000); and broad form property damage against bodily injury and property damage claims. The commercial general liability coverage shall be subject to a limit of liability not less than a combined single limit of (i) Ten Million Dollars (\$10,000,000) per occurrence and in the aggregate, with respect to activity not taking place in, on or affecting the Airport operations area, and (ii) Twenty Five Million Dollars (\$25,000,000) per occurrence and in the aggregate, with respect to activity in, on or affecting the Airport operations area. Concession Manager shall ensure that these limits are available for this location at all times. Such coverage shall be adjusted pursuant to the provisions of this Section.

(3) Automobile Liability Insurance.

a) Limit of Liability: \$5,000,000 per occurrence combined single limit for bodily injury (including death) and property damage liability.

b) Such requirement shall be \$10,000,000 per occurrence for vehicles with access to the airfield.

c) Coverage: Owned, non-owned, and hired vehicles.

(4) All Risk Property Insurance.

a) The Concession Manager, at no cost or expense to the City, will keep or cause to be kept all personal property and stock owned by Concession Manager and leasehold improvements now and hereafter located on the Leased Premises insured against "All Risk" of Loss with an insurer in an amount at least equal to the replacement value. Any deductible amount relating to "All Risk" coverage shall not exceed One Hundred Thousand Dollars (\$100,000), unless otherwise approved by the City.

b) Business and rental interruption insurance covering loss of income, rents and necessary continuing expenses for interruptions caused by any occurrence covered by any insurance require hereunder, in coverage limits reasonably acceptable to the City and as at the time are customarily insured against with respect to operations similar in character, size, general location, use and occupancy to the Leased Premises.

c) Insurance against loss due to any increased cost of repair, reconstruction, debris removal or demolition by reason of any changes in laws or ordinances pertaining thereto, provided that such insurance is available at regular rates and commonly obtained with respect to improvements similar in character, size, general location, use and occupancy to the Leased Premises, in amounts reasonably acceptable to the City and as at the time are customarily insured against with respect to improvements similar in character, size, general location, use and occupancy to the Leased Premises.

d) Insurance against such other hazards, risks or perils, and in such amounts as reasonably may be requested by the City and as at the time are customarily insured against with respect to improvements similar in character, size, general location, use and occupancy to the Leased Premises.

e) Builders risk coverage in an amount to be reasonably determined by the City prior to commencement of the construction of the concession-related improvements. The coverage will be required to remain in full force and effect during the construction of the concession-related improvements by the Concession Manager or Subtenant and any subsequent reconstruction and cover the Concession Manager and all Subtenants during the construction or reconstruction of the Leased Premises and the Subleased Premises. Concession Manager agrees that prior to commencing any construction or renovation work on or to the Leased Premises and Subleased Premises, Concession Manager shall receive written approval from the City and shall require all contractors and Subcontractors doing said work to maintain all insurance requirements and indemnify the City in the same manner required of Concession Manager as outlined in this Agreement. In addition, Concession Manager shall require the Subtenants, contractors and Subcontractors to submit certificates of insurance.

f) Any other insurance applicable to the operation of the Leased Premises in amounts and containing provisions as the City may reasonably require, provided that such insurance is in amounts and upon terms as are cost effective and commercially reasonable and provided further that such insurance is readily available upon commercial reasonable terms.

The requirement for advance documentation of insurance coverage may be waived in such situations where such waiver will benefit the City, but under no circumstances shall Concession Manager or any Subtenants or Subcontractor actually begin work (or continue work, in the case of renewal) without providing the required evidence of insurance. The City reserves the right to require Concession Manager to furnish certified insurance summaries and/or written responses from its authorized insurer representatives to all inquiries made pertaining to the insurance required under the Agreement at any time upon ten (10) days written notice to Concession Manager.

Each of the aforementioned certificates shall provide that no act or omission or negligence or fault of the City shall invalidate the coverage, that such policies shall be primary to any other policies of insurance available to the City and its officers, employees and agents, and each certificate shall provide that such policies cannot be terminated, cancelled or materially changed in any manner that may materially adversely affect the City, until after the issuing company has provided thirty (30) days prior written notice. Concession Manager shall forward a copy of any such notice to the City and City Risk Manager within ten (10) days of receipt. Any and all deductibles in the insurance policies described above shall be assumed by and be for the account of, and at the sole risk of the Concession Manager. The Concession Manager shall deliver to the City, ten (10) days before the date of the renewal of any policy of insurance required hereunder, a renewal certificate that shall conform to the requirements set forth in this Section for the original certificates. The City shall have the right to modify or waive the insurance obligations of Concession Manager as required by this Agreement.

(B) Settlement and Payment of Claims. Except as otherwise specified, the loss, if any, under any policies provided for in this Section shall be adjusted with the insurance companies by Concession Manager subject to the approval of the City. Proceeds of insurance resulting from any property loss shall be paid by check made payable to Concession Manager and delivered to Concession Manager. Upon approval by the City of Concession Manager's repair and replacement plans, Concession Manager shall use such proceeds for the purpose of paying for the cost of restoring the Leased Premises and the Subleased Premises pursuant to Concession Manager's obligations under this Agreement. Proceeds from any liability insurance shall be used to discharge the liability to which such proceeds pertain.

(C) Failure to Insure. Failure by Concession Manager to take out or maintain, or the taking out or maintenance of any insurance required hereunder shall not relieve Concession Manager from any liability under this Agreement, nor shall the insurance requirements hereof be construed to conflict with or otherwise limit any contractual obligations, including those of indemnification, of Concession Manager contained herein. If Concession Manager fails to maintain the full insurance coverage required by this Agreement, the City may (but shall be under no obligation to) take out the required policies of insurance. All amounts advanced by the City in payment of the required premiums for such insurance shall become an additional financial obligation of Concession Manager to the City, which amounts Concession Manager agrees to pay on demand, with interest at the Default Rate from the time of any expenditure.

(D) Prohibition on Acts Affecting Insurance Coverage. Concession Manager shall not do or permit to be done anything, either by act or omission, which shall cause the cancellation of any policy of property insurance for the Airport, the Leased Premises and the Subleased Premises

or any part thereof. If Concession Manager shall do or permit to be done anything, either by act or omission that shall cause an increase in the premiums for insurance for the Airport, the Leased Premises and the Subleased Premises or any part thereof, Concession Manager shall either pay the amount of such increase, or purchase additional insurance in form and substance satisfactory to the City. Concession Manager shall comply with all safety requirements and recommendations made by the City or any insurance company. The City acknowledges that this Agreement and the rights and obligation of the Parties contained herein do not contravene any policies of insurance on which the City is a named or additional insured.

(E) Insurance Under Separate Contracts. All contracts and agreements between Concession Manager and any third parties relating to the design, construction and financing of the concession-related improvements which contain insurance and indemnification provisions in favor of Concession Manager, and to the extent not covered by the City-controlled insurance policies, shall also extend the protection afforded by such insurance and indemnification provisions in favor of the City.

(F) Waiver of Subrogation. The City and Concession Manager hereby each waive any and every claim for recovery from the other for any and all loss of or damage to the property of the other to the extent of insurance policies maintained or required to be maintained under this Agreement including any deductibles by either Party. Inasmuch as this mutual waiver will preclude the assignment of any such claim by subrogation (or otherwise) to an insurance company (or other person), the City and Concession Manager each agree to give to each insurance company which has issued, or in the future may issue, to it or them policies of physical damage insurance, written notice of the terms of this mutual waiver, and to have said insurance policies properly endorsed, if necessary, to prevent the invalidation of said insurance coverage by reason of said waiver, Concession Manager shall require each Concession Manager to include similar waivers of subrogation in favor of the City and Concession Manager in the Subleases entered into with such Concession Managers.

(G) Waiver of Claims. To the extent not prohibited by law, neither Party, its officers, agents and employees, shall be liable for any damage resulting from the loss of use thereof sustained by either Party or by other persons due to the Leased Premises and the Subleased Premises or any part thereof or any appurtenances thereof becoming out of repair, or due to the happening of any accident or event in or about the Airport, including the Leased Premises and the Subleased Premises, or due to the act or neglect of any tenant or occupant of the Airport or of any other person. This provision shall apply particularly, but not exclusively, to damage caused by gas, electric, snow, frost, steam, sewage, sewer gas or odors, fire, water or by the bursting or leaking of pipes, faucets, sprinklers, plumbing fixtures and windows, and shall apply without distinction as to the person whose act or neglect was responsible for the damage and whether the damage was due to any of the causes specifically enumerated above or to some other cause of an entirely different kind. Both Parties further agree that all personal property of either Party upon the Leased Premises and the Subleased Premises or within the Airport shall be at the risk of the owner of such property only, and that the other Party shall not be liable for any loss or damage thereto or theft thereof.

(H) Subtenant Insurance. Concession Manager shall require the Subtenants to maintain and provide evidence of insurance coverages in types and amounts approved by the City, with

coverages to be in full force and effect for the term of the Subtenant's occupancy. With respect to Subtenants whose business operations at the Concession Location include the sale, distribution or use of alcoholic beverages, such required insurance coverages shall include, without limitation, liquor law legal liability insurance for bodily injury and property damage insuring against loss, damage, liability, suits, claims, costs and expenses by reason of the manufacture, storage, sale, distribution, use or giving away of alcoholic liquors in, from and about the Concession Location occupied by such Subtenant and the Leased Premises and the Subleased Premises, whether such liability, arises under any present or future law, statute or ordinance of the Commonwealth or any other governmental authority, relating to the sale or other disposition of fermented alcoholic or other intoxicating liquors in, from, on or about the Concession Location occupied by such Subtenant or the Leased Premises and the Subleased Premises, in such coverage limits to be determined by the City but not exceeding Ten Million Dollars (\$10,000,000) per occurrence in the aggregate. Further, it will be the responsibility of Concession Manager to maintain a file of the Subtenants' certificates of insurance and ascertain that it is current. The City reserves the right to review Concession Manager's insurance file at any time during regular business hours.

ARTICLE X. - RESTORATION OF DAMAGED IMPROVEMENTS

Section 10.01. Damage.

(A) If any part of the Leased Premises and/or the Subleased Premises shall be destroyed or damaged in whole or in part by fire or other casualty, promptly after the occurrence of such damage, the City shall estimate the cost of restoration and the length of time that will be required to repair and restore the damage to the Leased Premises (including any Subleased Premises) and shall notify Concession Manager of such estimate. In the event that the damage does not constitute Major Damage and sufficient insurance proceeds are available in accordance with Section 9.02(B) to repair the damage to the Leased Premises and/or the Subleased Premises and any adjacent affected Airport Retained Space within eighteen (18) months from the date of such damage, then Concession Manager shall repair such damage and restore the Leased Premises and Subleased Premises. The Parties shall thereafter determine after good faith negotiations whether 1) the Airport Retained Space should be restored first or 2) whether the Leased Premises and/or the Subleased Premises should be restored by the Concession Manager and the City should proceed with the Airport Retained Space restoration on a parallel track. In either event, such Leased Premises and/or Subleased Premises shall only be restored to the extent of insurance proceeds actually received by Concession Manager, provided Concession Manager shall maintain the coverage and the amounts required in Section 9.02 of this Agreement. In the event (1) that the Concession Manager determines and the City agrees that the insurance proceeds available are insufficient, (2) the repair and restoration of the Airport Retained Space or the Leased Premises and/or Subleased Premises cannot be substantially completed within eighteen (18) months from the date of such damage, or (3) any Major Damage occurs, then (x) Concession Manager and the City shall negotiate in good faith any amendments to this Agreement necessitated by the changes in the Leased Premises (including any Subleased Premises) and the Airport Retained Space brought about by the casualty, which negotiations may include the applicability of Section 2.01 with respect to any portion of the Leased Premises permanently taken in connection with such casualty and if the City and Concession Manager cannot agree, then the Parties agree that the dispute resolution provisions set forth in Section 13.25 shall be applicable, or (y) in the event of the occurrence of any Major Damage, either Party upon ninety (90) days' notice commencing on the date of such occurrence may elect to terminate this Agreement. Notwithstanding the foregoing, Concession Manager's right to make such election shall be subject to the condition that there shall be valid and subsisting insurance as set forth in Section 9.02(A)(4), as required by this Agreement.

(B) In the event that all or substantially all of the Airport Retained Space in one or more Terminal Buildings shall be destroyed or damaged by fire or other casualty (a "Major Airport Casualty"), the City shall have the right, for a period for ninety (90) days commencing on the date of such occurrence, to elect whether or not to repair the damage to the Airport Retained Space as otherwise required under this Article X. During such ninety (90) day period, if the City shall elect not to repair the damaged Airport Retained Space, then the City shall issue a "Casualty Termination Notice." Notwithstanding the foregoing, during such ninety (90) day period, the City shall meet and consult with Concession Manager regarding the damage to the Airport Retained Space and estimate the costs and time to repair such damage. In the event the City, within such ninety (90) day period, elects not to repair such damage, then this Agreement shall terminate upon Concession Manager's receipt of such Casualty Termination Notice, and all Rent due hereunder shall be prorated to the date of cancellation; provided, however, if less than fifty percent (50%) of

the Airport Retained Space is damaged by such casualty, Concession Manager may elect, within ninety (90) days of its receipt of the Casualty Termination Notice, to cancel the termination of this Agreement and provide for and agree to a partial termination of this Agreement only as to those portions of the Leased Premises that were affected by the casualty, and to keep this Agreement in place as to the Leased Premises unaffected by the casualty. If the Concession Manager makes such election, then the City and Concession Manager shall negotiate in good faith any amendments to this Agreement necessitated by the changes in the Leased Premises and the Airport Retained Space brought about by the casualty. If the City and Concession Manager cannot agree, then the Parties shall submit such dispute to the provisions of Section 13.25. Until such time as the affected Leased Premises and Airport Retained Space is restored, the Concession Manager and the City shall continue to perform their respective obligations under this Agreement, and the provisions of Section 2.01 shall be applicable to any portions of the Leased Premises affected by such casualty. If the City terminates this Agreement as set forth in this Section, and within two (2) years of such casualty, the City commences to restore or rebuild the Airport in its current location or elsewhere, then, with the approval of Concession Manager, all of the terms of this Agreement shall be reinstated, provided that no Event of Default existed beyond any applicable grace or cure period at the time of termination and further provided that if Concession Manager was diligently proceeding to cure an Event of Default at the time of termination and such cure was suspended by such termination, then Concession Manager shall be permitted to continue the process of curing such Event of Default, if possible, and the Term shall be extended by an amount of time equal to the time between the date this Agreement is terminated pursuant to this provision and the date that this Agreement is reinstated.

(C) In the event that this Agreement is terminated in accordance with this Section 10.01, Concession Manager shall receive the proceeds of insurance and, to the extent of the proceeds received, shall promptly remove its damaged or destroyed improvements, remove all debris from the Leased Premises and the Subleased Premises resulting therefrom, and thereafter leave the Leased Premises and the Subleased Premises vacant. Any proceeds remaining after the Concession Manager removes the damaged or destroyed improvements and all debris from the Leased Premises and the Subleased Premises shall be treated as Total Gross Concession Revenues hereunder and shall be paid to the City, less the Concession Management Fee retained by Concession Manager. The City, at its election, shall have the sole right to settle and adjust the insurance claims pertaining to the damage in relation to the Airport Retained Space, and to receive and retain the proceeds thereof.

(D) In the event that the Parties determine that the insurance proceeds available are insufficient to repair and restore the Leased Premises (including any Subleased Premises) and the City declines, after thirty (30) days written notice from Concession Manager, to contribute the balance required to fully repair and restore the Leased Premises and/or the Subleased Premises, then Concession Manager shall have the right (1) to terminate this Agreement, or (2) to agree to a partial termination of this Agreement only as to those portions of the Leased Premises that were affected by the casualty and that are not being restored, and to keep this Agreement in place as to the Leased Premises unaffected by the casualty and/or being restored. If the Concession Manager elects clause (2) above, then the City and Concession Manager shall negotiate in good faith any amendments to this Agreement necessitated by the changes in the Leased Premises and the Airport Retained Space brought about by the casualty. If the City and Concession Manager cannot agree, then the Parties agree that the dispute resolution provisions set forth in Section 13.25 shall be

applicable. Notwithstanding the foregoing, Concession Manager's right to make such election shall be subject to the condition that there shall be valid and subsisting insurance as set forth in Section 9.02(A)(4), as required by this Agreement.

Section 10.02. Obligation to Restore.

(A) If this Agreement is not terminated, in accordance with the provisions of Section 10.01 and such casualty has damaged or destroyed any portion of the Airport Retained Space adjacent to damaged or destroyed Leased Premises or Subleased Premises, the City shall restore the Airport Retained Space (including, without limitation, the Airport Common Areas, the structural components and roof, central HVAC, electrical (except the electrical distribution system installed by Concession Manager), and plumbing services, subfloor and exterior windows and glass) to the condition existing on the Commencement Date, according to the original as-built plans and specifications. Upon completion of the City's Airport Retained Space work, if any, Concession Manager shall proceed to rebuild the Leased Premises or Subleased Premises in accordance with the provisions of this Article X, except that Concession Manager shall not be obligated to spend an amount in excess of the proceeds of insurance available with respect thereto. The cost and expense that the City and Concession Manager may agree under the Additional Services Agreement for the Concession Manager to incur to rebuild the Leased Premises or Subleased Premises in excess of insurance proceeds actually paid to Concession Manager shall be paid as provided in the Additional Services Agreement.

(B) Prior to the commencement of such replacement, repair, rebuilding or restoration of the Leased Premises or Subleased Premises, Concession Manager shall deliver to the City a report of an independent consultant acceptable to the City setting forth:

- (1) An estimate of the total cost of the same;
- (2) The estimated date upon which such replacement, repair, rebuilding or restoration shall be substantially completed; and
- (3) Statement to the effect that insurance proceeds are projected to be sufficient to pay the costs of the replacement, repair, rebuilding or restoration.

(C) The City shall use reasonable efforts to provide suitable relocation space (the "Casualty Relocation Premises") within the Airport Retained Space during such period of restoration. Concession Manager may, at its option, relocate such of the Subleased Premises as it chooses to relocate to any such Casualty Relocation Premises provided by the City, provided that payment of the costs associated with any such relocation including moving expenses shall be negotiated in accordance with the Additional Services Agreement.

In no event shall the City be required to repair, alter, replace, restore, or rebuild any Leased Premises, or any portion thereof, nor to pay any of the costs or expenses thereof.

Section 10.03. City Right to Terminate Without Penalty. The City shall have the right to terminate its obligations to Concession Manager under Sections 10.1 and 10.2 at any time beginning four (4) years after the Effective Date. If the City exercises this right, the Concession Manager shall have the right to terminate this Agreement upon ninety (90) days' notice to the City.

ARTICLE XI. - DEFAULT AND REMEDIES

Section 11.01. Events of Default.

The occurrence of any of the following shall constitute an Event of Default:

(A) The failure to pay all Rent within five (5) days of the date due, or the failure to satisfy any other monetary obligations as provided in this Agreement.

(B) Concession Manager shall become insolvent, as such term is defined under Section 101 of the Bankruptcy Code as the same may be amended from time to time or similar law in any foreign jurisdiction; or shall fail to pay its debts generally as they mature; or shall seek the benefit of any present or future federal, state or foreign insolvency statute; or shall make a general assignment for the benefit of creditors, or shall file a voluntary petition in bankruptcy or a petition or answer seeking an arrangement of its indebtedness under the Bankruptcy Code or under any other law or statute of the United States or of any State thereof or any foreign jurisdiction, or consent to the appointment of a receiver, trustee, custodian, liquidator or other similar official, of all or substantially all of its property; or an order for relief shall be entered by or against Concession Manager under any chapter of the Bankruptcy Code or similar law in any foreign jurisdiction.

(C) By order or decree of a court, Concession Manager shall be adjudged a debtor or bankrupt or an order shall be made approving a petition filed by any of its creditors or by any of its stockholders, seeking its reorganization or the readjustment of its indebtedness under the Bankruptcy Code or under any other law or statute of the United States or any State thereof or any foreign jurisdiction and such order or decree shall not be or vacated within sixty (60) days of its issuance.

(D) A petition under any chapter of the Bankruptcy Code or an action under any federal or state or foreign insolvency law or statute shall be filed against Concession Manager and shall not be dismissed within sixty (60) days after the filing thereof.

(E) By or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer, a receiver, trustee, custodian, liquidator or other similar official shall take possession or control of all or substantially all of the property of Concession Manager which shall not be discharged within sixty (60) days after such taking of possession or control.

(F) Concession Manager shall become dissolved.

(G) The letting, license or other interest or rights of Concession Manager hereunder shall be transferred to, pass to, or devolve upon, by operation of law or otherwise, any other person, firm, corporation or other entity, by, in connection with or as a result of any bankruptcy, insolvency, trusteeship, liquidations or other proceedings or occurrence described in subsections (B) through (F) of this Section.

(H) Concession Manager shall become a merged corporation in a merger without the prior written approval of the City.

(I) A lien shall be filed against the Leased Premises and the Subleased Premises or any portion thereof because of or relating to any act or omission of Concession Manager or any Subtenant, and shall not be discharged within thirty (30) days after receipt of notice or other knowledge thereof by Concession Manager, unless Concession Manager shall within the aforesaid thirty (30) days after receipt of notice post a bond so that no lien attaches to protect the interests of the City.

(J) Concession Manager shall (1) fail to comply with Section 8.06 and/or the ACDBE Program Requirements in this Agreement, (2) or shall fail to keep, perform, fulfill, comply with or observe any promise, covenant, term, or other provision of this Agreement, including, but not limited to, the requirements and obligations in the Annual Comprehensive Concession Plan, or the annual Subtenant ACDBE Participation Plan, in each case of clause (1) or (2) above for a period of fifteen (15) days after notice specifying such failure is given Concession Manager by the City; provided, however, that any such failure which can be remedied, but which cannot with due diligence be remedied within such fifteen (15) day period, shall not constitute an Event of Default if corrective action is instituted by Concession Manager within the applicable period and diligently pursued until the failure is remedied, so long as such applicable period does not exceed ninety (90) days, subject to Force Majeure.

(K) Except as provided herein, Concession Manager shall fail, in any respect, to develop, construct, equip, lease or operate the Leased Premises and the Subleased Premises in accordance with the Annual Comprehensive Concession Plan for a period of fifteen (15) days after notice specifying such failure is given Concession Manager by the City; provided however, that any such failure which can be remedied, but which cannot with due diligence be remedied within such fifteen (15) day period, shall not constitute an Event of Default if corrective action is instituted by Concession Manager within the appropriate period and diligently pursued until the failure is remedied, so long as such applicable period does not exceed ninety (90) days, subject to Force Majeure.

(L) Concession Manager shall fail to comply with Article III, and such failure continues beyond the applicable notice and grace period as specified in Section 11.01(J).

(M) A violation of law which results in a guilty plea, a plea of nolo contendere, or conviction of a criminal offense, by Concession Manager, or any of their respective directors, members, officers, partners or key management employees directly or indirectly relating to this Agreement, and which may threaten, in the judgment of City, the performance of this Agreement in accordance with its terms.

(N) If any of the representations and warranties of Concession Manager set forth in Section 5.02 shall fail to be true and correct in any material respect.

(O) Any voluntary or involuntary sale, assignment, transfer, conveyance, pledge or encumbrance of any of the outstanding voting shares or interests of Concession Manager, or the sale or creation of any additional shares or interests in Concession Manager which does not conform to the terms of Section 12.01 of this Agreement.

(P) Concession Manager shall fail to install, implement, monitor and enforce the consumer complaints mechanisms on Street Pricing and money-back guarantee pursuant to Section 3.05 as required by the City, or Concession Manager shall fail to monitor and enforce its Street Pricing policy on behalf of the City, [as set forth in Section 3.05] and such failure continues beyond the applicable notice and grace periods as specified in Section 11.01(J).

(Q) Concession Manager shall fail to comply with Article VIII and such failure continues beyond the applicable notice and grace periods as specified in Section 11.01(J).

(R) Concession Manager shall fail to monitor, report and enforce Subtenants' compliance with Philadelphia 21st Century Minimum Wage and Benefits Standard as set forth in Section 8.04 and such failure continues beyond the applicable notice and grace periods as specified in Section 11.01(J).

(S) Concession Manager shall fail to manage and coordinate security compliance and badging for its employees and Subtenants and their employees and such failure continues beyond the applicable notice and grace periods as specified in Section 11.01(J).

(T) Concession Manager shall fail to cause MPLP to comply with the provisions of the Transition Agreement and such failure continues beyond the expiration of applicable notice and grace periods, if any, set forth in the Transition Agreement.

(U) Concession Manager shall fail to comply with the provisions of the Additional Services Agreement and such failure continues for a period of fifteen (15) days after notice specifying such failure is given Concession Manager by the City; provided, however, that any such failure which can be remedied, but which cannot with due diligence be remedied within such fifteen (15) day period, shall not constitute an Event of Default if corrective action is instituted by Concession Manager within the applicable period and diligently pursued until the failure is remedied, so long as such applicable period does not exceed ninety (90) days, subject to Force Majeure.

Section 11.02. Remedies of the City Upon Default.

(A) Notwithstanding any other provision in this Agreement, Concession Manager agrees that upon the occurrence of any Event of Default in the performance of any term of this Agreement:

(1) The City shall be entitled to terminate this Agreement and recover (i) all Rent and other charges which have accrued prior to the date of said Event of Default and which is then due and payable, (ii) damages for the period following the termination of the Term, based upon any and all amounts which Concession Manager would have been obligated to pay for the balance of the Term calculated as provided below, and the City may declare such sums to be immediately due and payable, and (iii) any and all sums under Section 11.07. It is agreed that in determining the amount of such damage for the period after termination of any future payments which would have been due to the City, the City may make such determination based upon the sum thereof for the full year immediately prior to the Event of Default. All amounts which would have been due and payable after termination for the balance of the Term shall be discounted to present value at the then Prime Rate (as described in the definition of "Default Rate" in Article I), and such

discounted estimate shall be referred to as the "Lost Profit Sum." The Lost Profit Sum less the fair rental value of the Leased Premises and the Subleased Premises for the balance of the Term, discounted as aforesaid (hereinafter referred to as the "Accelerated Rent Amount"), shall be immediately due and payable. The fair rental value of the Leased Premises (including the Subleased Premises) shall be calculated (adjusted) giving due consideration to any investment in lessee improvements by third parties other than by Lessee or Subtenants, this Agreement shall be deemed terminated and Concession Manager shall immediately quit and surrender to the City the Leased Premises and the Subleased Premises in accordance with Section 11.02(A)(2). Concession Manager's liability for the payment of the Lost Profit Sum shall survive the termination of this Agreement;

(2) The City may, at any time after the occurrence of any Event of Default, whether or not this Agreement has been terminated as aforesaid, reenter and repossess the Leased Premises and the Subleased Premises and any part thereof with or without process of law, provided no undue force shall be used, and shall have the option, but not the obligation to relet all or any part of the Leased Premises and the Subleased Premises; provided that the City shall not be required to accept any tenant proposed by Concession Manager or observe any instruction given the City about such a reletting. The failure of the City to relet the Leased Premises and the Subleased Premises or any part or parts thereof shall not release or affect Concession Manager's liability hereunder, nor shall the City be liable for failure to relet, or in the event of reletting, for failure to collect the rent thereof, and in no event shall Concession Manager be entitled to receive any excess of net rents collected over sums payable by Concession Manager to the City hereunder. No such reentry or taking possession of the Leased Premises and the Subleased Premises shall be construed as an election on the City's part to terminate this Agreement unless a written notice of such election by the City is given to Concession Manager. Notwithstanding any such reletting without termination, the City may at any time thereafter elect to terminate this Agreement for any previous breach and default. For the purpose of such reletting, the City may decorate or make repairs, changes, alterations or additions in or to the Leased Premises and the Subleased Premises to the extent deemed by the City desirable or convenient, and the cost of such decoration, repairs, changes, alterations or additions shall be charged to and payable by Concession Manager to the City as Additional Rent hereunder. Any sums collected by the City from any new or then-existing Subtenants shall be credited against the balance of the Rent due hereunder as aforesaid. Concession Manager shall pay the City monthly, on the days when installment payments of Rent would have been payable under this Agreement, the amount due hereunder less the amount obtained by the City from such Subtenants. The City shall use reasonable efforts to mitigate its damages;

(3) Without terminating this Agreement, demand the Lost Profit Sum as if, by the terms and provision of this Agreement, the entire Lost Profit Sum were on that date due and payable in advance;

(4) In the event the City elects to terminate this Agreement, the City may, at the City's sole option, serve notice upon Concession Manager that this Agreement and the then unexpired Term hereof shall cease and expire and become absolutely void on the date specified in such notice, to be no less than five (5) days after the date of such notice, without any right on the part of Concession Manager thereafter to save the forfeiture by payment of any sum due or by the performance of any term, provision, covenant, agreement or condition broken; and, thereupon and

at the expiration of the time limit in such notice, this Agreement and the Term hereof granted, as well as the right, title and interest of Concession Manager hereunder, shall wholly cease and expire and become void in the same manner and with the same force and effect (except as to Concession Manager's liability) as if the date fixed in such notice were the date herein stated for expiration of the Term. Thereupon, Concession Manager shall immediately quit and surrender to the City the Leased Premises and the Subleased Premises by summary proceedings, detainer, ejectment or otherwise and remove itself and all other occupants thereof and, at the City's option, any property thereon without being liable to indictment, prosecution or damages therefor. No such expiration or termination of this Agreement shall relieve Concession Manager of this liability and obligations under this Agreement, whether or not the shall be relet, all of which shall survive such expiration or termination;

(5) Concession Manager further hereby expressly authorizes and empowers (which power is coupled with an interest) the City, upon the occurrence of an Event of Default which continues after notice and any applicable grace period, to exercise the remedy of self-help and to enter upon the Leased Premises and the Subleased Premises, distraint upon and remove therefrom all inventory, equipment, machinery, trade fixtures and personal property of whatsoever kind of nature, whether owned by Concession Manager or by others, and to proceed without judicial decree, writ of execution or assistance or involvement of constables or the City's and Concession Manager's officers, to conduct a private sale, by auction or sealed bid without restriction. Concession Manager hereby waives the benefit of all laws, whether now in force or hereafter enacted, exempting any personal property on the Leased Premises and the Subleased Premises from sale or levy, whether execution thereon is had by order of any court or assistance or involvement of constables or the City's and Concession Manager's officers, or through self-help, by private sale herein above authorized; and/or

(6) The City shall have the right of injunctive relief, in the event of a breach or default or threat thereof by Concession Manager of any of the agreements, conditions, covenants or terms hereof, to restrain the same and the right to invoke any remedy allowed by law or in equity, whether or not other remedies, indemnity or reimbursements are herein provided. The rights and remedies given to the City in this Agreement are distinct, separate and cumulative remedies; and no one of them, whether or not exercised by the City, shall be deemed to be in exclusion of any other.

(B) Concession Manager expressly waives the benefits of all laws, now or hereafter in force, exempting any of Concession Manager's property on the Leased Premises and the Subleased Premises or elsewhere from distraint, levy or sale in any legal proceedings taken by the City to enforce any rights under this Lease. Concession Manager further waives the right of inquisition on any real estate that may be levied upon to collect any amount which may become due under the terms and conditions of this Agreement and does hereby voluntarily condemn the same and authorize the Prothonotary to enter a Writ of Execution or other process upon Concession Manager's voluntary condemnation, and further agrees that said real estate may be sold on a Writ of Execution or other process. If proceedings shall be commenced by the City to recover possession under the Acts of Assembly, either at the end of the Term of any extension thereof or on sooner termination thereof for nonpayment of rent or any other reason, Concession Manager specifically waives the right to the three (3) months' notice and/or the fifteen (15) or thirty (30) days' notice required by the Act of April 5, 1957, No. 20, and agrees that five (5) days'

notice shall be sufficient in either or any such case. The right to enter judgment against Concession Manager and to enforce all of the other provisions of this Agreement hereinabove provided for may be exercised by any assignee of the City's right, title and interest in this Agreement, in such assignee's own name, notwithstanding the fact that any or all assignments of said right, title and interest may not be executed and/or witnessed in accordance with the Act of Assembly and any and all laws regulating the manner and/or form in which such assignments shall be executed and witnessed.

(C) When this Agreement shall be determined broken by condition, either during the Term or any renewal or extension thereof, and also when and as soon as the Term hereby created or any extension thereof shall have expired, it shall be lawful for any attorney as attorney for Concession Manager to file an agreement for entering in any competent court an action or suit and to CONFESS JUDGMENT IN EJECTMENT AGAINST CONCESSION MANAGER and all persons or entities claiming under Concession Manager for the recovery by the City of possession of the Leased Premises and the Subleased Premises, for which this Agreement shall be sufficient warrant; whereupon, if the City so desires, a writ of habere facias possessionem may issue forthwith, without any prior writ or proceeding whatsoever, and provided, that, if for any reason after such action shall have been commenced the same shall be determined and the possession of the Leased Premises and the Subleased Premises hereby demised shall remain in or be restored to Concession Manager, the City shall have the right, upon any subsequent default or defaults or upon the termination or expiration of this Agreement, to bring one or more actions or suits to recover possession of the Leased Premises and the Subleased Premises. In any action or suit of ejectment, the City shall first cause to be filed an affidavit made by it or someone acting for it setting forth the facts necessary to authorize the entry of judgment, and if a true copy of this Agreement (and a copy of such affidavit shall be sufficient evidence) shall be filed in such action, it shall not be necessary to file the original as a warrant of attorney, any rule of court, custom or practice to the contrary notwithstanding.

(D) Concession Manager, for itself and on behalf of any and all persons claiming through or under it (including Subtenants or creditors of all kinds), does hereby waive and surrender all right and privilege which they, or any of them, might have under or by reason of any present or future law, to redeem the Leased Premises and the Subleased Premises or to have a continuance of this Agreement for the Term, as it may have been extended, after having been dispossessed or ejected therefrom by process of law or under the terms of this Agreement or after the termination of this Agreement as herein provided.

(E) Neither this Agreement nor any rights or privileges hereunder shall be an asset of Concession Manager in any bankruptcy, insolvency or reorganization proceeding. If the City shall not be permitted to terminate this Agreement because of the provisions of the United States Bankruptcy Code, Concession Manager or any trustee for it shall, within ten (10) days upon request by the City to the Bankruptcy Court, assume or reject this Agreement unless all defaults hereunder shall have been cured, the City shall have been compensated for any monetary loss resulting from such default and the City shall be provided with reasonable adequate assurance of full and timely performance of all provisions, terms, and conditions of this Agreement on the part of Concession Manager to be performed.

Section 11.03. Reserved.

Section 11.04. No Remedy Exclusive.

The remedies set forth in this Section 11.04 shall be in addition to all other remedies which are or may be available to the City at law or in equity. No termination of this Agreement or the taking or recovering of the Leased Premises and the Subleased Premises shall deprive the City of any of its remedies or actions against Concession Manager for rentals due for damages or for the breach of any covenant herein contained, nor shall the bringing of any action for rentals due or breach of any covenant, or the resort to any other remedy herein provided for the recovery of rentals due to be construed as a waiver of the right to obtain possession of the Leased Premises and the Subleased Premises.

Section 11.05. No Waiver.

A failure by either party to take any action with respect to any default or violation of any of the terms, covenants or conditions of this Agreement shall not in any respect limit, prejudice, diminish or constitute a waiver of any rights of such party to act with respect to any prior, contemporaneous or subsequent violation or default or with respect to any continuation or repetition of the original violation or default. The acceptance by the City of payment for any period or periods after a default or violation of any of the terms, conditions and covenants of this Agreement shall not constitute a waiver or diminution of, nor create any limitation upon any right of the City pursuant to this Agreement to terminate this Agreement for subsequent violation or default, or for continuation or repetition of the original violation or default.

Section 11.06. Surrender of Possession.

Upon the expiration of the Term or upon the earlier termination of Concession Manager's right of possession, whether by lapse of time, defaulting Subtenant pursuant to Section 2.03, or otherwise at the option of the City as herein provided, Concession Manager shall forthwith surrender the Leased Premises and the Subleased Premises to the City in good order, repair and condition, ordinary wear excepted (and shall remove any and all improvements required by the City to be removed as a condition of the City's approval thereof). Any interest of Concession Manager in the alterations, improvements (including but not limited to all floor coverings) and additions to the Leased Premises and the Subleased Premises made or paid for by the City or Concession Manager shall, without compensation to Concession Manager, become the City's property at the termination of this Agreement by lapse of time or otherwise and such alterations, improvements and additions shall be relinquished to the City in good condition, ordinary wear excepted. Upon the termination of the Term or of Concession Manager's right of possession Concession Manager shall remove its office furniture, trade fixtures, office equipment and all other items of Concession Manager's property on the Leased Premises and the Subleased Premises. Concession Manager shall pay to the City upon demand the cost of repairing any damage to the Leased Premises and the Subleased Premises and to the Terminal Buildings caused by any such removal. If Concession Manager shall fail or refuse to remove any such property from the Leased Premises and the Subleased Premises, Concession Manager shall be conclusively presumed to have abandoned the same, and title thereto shall thereupon pass to the City without any cost either by set-off, credit, allowance or otherwise, and the City may, at its option, accept the

title to such property or at Concession Manager's expense may (i) remove the same or any part in any manner that the City shall choose, repairing any damage to the Leased Premises and the Subleased Premises caused by such removal, and (ii) store, destroy or otherwise dispose of the same without incurring liability to Concession Manager or any other person.

Section 11.07. Holding Over.

If Concession Manager retains all or any portion of the Leased Premises and the Subleased Premises after the termination of this Agreement by lapse of time or otherwise, such holding over, at the City's option, shall constitute the creation of a tenancy at will with respect to such retained portion, terminable by the City at any time without notice, at a rental equal to one hundred fifty percent (150%) of the fair market value of such retained portion of the Leased Premises and the Subleased Premises. All provisions of this Agreement shall remain in full force and effect during such holding over period.

Section 11.08. Reserved.

Section 11.09. Condemnation.

If the Terminal Buildings or any portion thereof shall be taken or condemned by any competent authority for any public or quasi-public use or purpose and such taking makes it necessary or desirable to remodel or reconstruct the Terminal Building or any part thereof, then this Agreement and all obligations of Concession Manager to make Rental Payments respecting such part taken by condemnation and all other amounts due under this Agreement shall abate as of the date that Concession Manager's right to possession of a material part of the Leased Premises and the Subleased Premises is denied, and shall resume upon substantial completion of the remodeling or reconstruction of the Terminal Buildings and the resumption of business in the Leased Premises and the Subleased Premises. If any nonmaterial portion of the Terminal Buildings shall be so taken or condemned, this Agreement shall not abate, but an equitable adjustment shall be made to Rental Payment during such period of remodeling or reconstruction. Concession Manager shall be entitled to make a separate claim against the condemning authority for the unamortized cost of construction of Concession Manager Improvements, Concession Manager's leasehold interest, relocating and moving expenses and business interruption costs, and shall not share in the City's claim.

Section 11.10. Airport Modifications.

It is understood and agreed by the Parties that major Airport modifications may take place during the Term of this Agreement. The Concession Manager agrees that the City's determination respecting whether it is necessary or proper to make any such modifications shall be made solely by the City and shall be final. To facilitate the planning, design or construction of any such modifications, the City may, upon reasonable notice sufficient to permit Concession Manager to notify the Subtenants of any affected Subleased Premises, direct Concession Manager to vacate such portions of the Leased Premises and the Subleased Premises as is necessary, provided that (A) the City shall reimburse affected Subtenants for the unamortized cost of tenant improvements performed by any such Subtenant in connection with each Sublease, and (B) any taken Concession Locations will be treated as Taken Space pursuant to Section 2.01(A) and the Concession Manager

shall be entitled to Recapture Compensation (if payable) in accordance with Section 2.01(A). To the extent the City determines that it would be desirable to relocate such Subtenant to a new location in available space in the Airport, the City and Concession Manager shall identify such space and determine whether or not to negotiate with any particular Subtenant for the new location. If the City and Concession Manager determine to negotiate with any Subtenant for a new location, the City shall negotiate in good faith with the Subtenant the amount, if any, for reasonable moving expenses and tenant fit out allowances for the new location. If the City, Concession Manager and Subtenant agree to terms for relocating the Subtenant, then the City shall not be obligated to pay the unamortized investment of the Subtenant as provided above. Furthermore, the new location shall become part of the Leased Premises or the Subleased Premises, as the case may be. The City shall have no obligation to relocate any tenant until it resolves these issues to its satisfaction in its sole discretion. It is understood and agreed that, except for Recapture Compensation, there shall be no liability by the City to Concession Manager for any damages or loss of profits or cost by reason of such vacating of the Leased Premises and the Subleased Premises or removal or relocation of improvements or restoration of the Leased Premises and the Subleased Premises.

ARTICLE XII. - ASSIGNMENT AND SUBLETTING

Section 12.01. Assignment and Sublease by Concession Manager.

(A) Except as otherwise provided in this Agreement, Concession Manager covenants that it shall not assign, sublet, transfer, convey, sell, mortgage, pledge, hypothecate or encumber this Agreement, the Leased Premises and the Subleased Premises or any part thereof, or any rights of the Concession Manager hereunder or allow the use of the Leased Premises and the Subleased Premises by any other person without on each occasion obtaining the prior written consent of the City. This prohibition shall prohibit assignment by a receiver or trustee in any federal or state bankruptcy, insolvency or other proceedings or by operation of law.

(B) Concession Manager shall provide to the City written notice of and request approval from the City of any sale, assignment or transfer of this Agreement or any of the outstanding shares of or interests in Concession Manager at least sixty (60) days in advance of such event. Any sale, assignment or transfer of this Agreement or to another joint venture or any of the outstanding shares of or interests in Concession Manager must comply with the ACDBE Program Requirements in this Agreement, including but not limited to, the requirements in Section 8.06 regarding changes in the Concession Manager's joint venture ownership or the dissolution, discontinuation or end of the Concession Manager's joint venture and all other requirements for joint venture approval in this Agreement. Accordingly, with respect to any merger or consolidation involving Concession Manager or the sale, assignment, transfer, conveyance, mortgage, hypothecation pledge or encumbrance of twenty-five percent (25%) or more of any outstanding shares of or interests in Concession Manager, or the issuance of any additional shares of or interests in Concession Manager, Concession Manager shall provide to the City written notice of and request approval from the City at least sixty (60) days in advance of such event and shall provide the following evidence with regard to the prospective transferee or new controlling party (the "transferee"):

(1) An affidavit from the transferee certifying that it has never been convicted of a crime involving moral turpitude, including but not limited to criminal fraud, or is presently under an indictment charging such crime; and

(2) An affidavit from the transferee certifying that it has never had a final judgment in an action for fraud, deceit or misrepresentation entered against such transferee in any court of competent jurisdiction; and

(3) Evidence, as required by the City that the transferee has sufficient experience and expertise to maintain and operate the Leased Premises and the Subleased Premises for the remaining Term and in accordance with the ACDBE Program Requirements; and

(4) Evidence, as required by the City, that the transferee satisfies the requirements for joint ventures as set forth in 49 C.F.R. Part 23, the FAA's Joint Venture Guidance and the ACDBE Program Requirements of this Agreement.

(5) Evidence, as required by the City, that the financial condition and resources of transferee is such that the transferee shall be able to maintain and operate the Leased Premises and the Subleased Premises for the remaining Term.

(6) Any merger or consolidation involving Concession Manager or the sale, assignment, transfer, conveyance, mortgage, hypothecation, pledge or encumbrance of twenty-five percent (25%) or more of any of the outstanding shares of or interests in Concession Manager or the issuance of any additional shares of or interests in Concession Manager without the prior written consent of the City, shall be deemed to be an assignment prohibited by this Article XII. Any purported assignment in violation of this Article XII shall be of no force and effect and shall be an Event of Default under this Agreement.

Consent by the City to any type of transfer described in this Section or elsewhere in this Agreement shall not in any way be constructed to relieve Concession Manager from obtaining further authorization from the City for any subsequent transfer of any nature whatsoever.

(C) Notwithstanding any assignment, sublet or any other transfer of this Agreement, the Leased Premises and/or the Subleased Premises or any rights hereunder, Concession Manager shall remain fully liable for the payment of all of its rentals due hereunder and fully responsible for the performance of all of its other obligations hereunder.

(D) Any and all requests by Concession Manager for City approval under this Article XII shall be made in writing and sent to the City and shall include copies of the proposed documents of transfer and the evidence with regard to the transferee specified in this Section. Concession Manager shall also provide the City with all requested ACDBE documents, including, but not limited to documents relating to joint venture ownership and PAUCP certification and any proposed sublease of the Leased Premises. All documents of transfer shall completely disclose any and all monetary consideration paid to Concession Manager, or its Affiliates, or any of the existing or future joint venture owners, in connection with transfer.

(E) If any transfer of Concession Manager's interest hereunder shall occur, whether or not prohibited by this Section, the City may collect the Rent due pursuant to Article IV hereof from any assignee, Subtenant, or transferee of the Concession Manager and in such event shall apply the net amount collected to the Rent payable by the Concession Manager hereunder without such action by the City releasing Concession Manager from this Agreement or any of its obligations hereunder. If any transfer prohibited by this Section shall occur without authorization of the City and the City collects the Rental Payment from any assignee, Subtenant or transferee of Concession Manager and applies the net amount collected in the manner described in the preceding sentence, such actions by the City shall not be deemed to be a waiver of the covenant contained in this Section or constitute acceptance of such assignee, Subtenant or transferee by the City.

Section 12.02. Assignment by the City.

The City shall have the right to assign this Agreement at any time to any successors or assigns to the City's right, title and interest in the Airport, including any airport authority or private airport operator. Upon such assignment, the City shall be forever relieved of any and all obligations pertaining to this Agreement.

Section 12.03. Dissolve, Discontinue or End.

In the event the City does not approve a request under Article XII, and Concession Manager nonetheless proceeds with such transfer, then, the City reserves the right to terminate this Agreement and issue a new RFP. Accordingly, nothing in this Article XII shall limit or restrict the City's rights under the ACDBE Requirements in Section 8.06 of this Agreement to terminate this Agreement and issue a new RFP for a change in the Concession Manager's joint venture ownership or dissolution, discontinuation or end of the joint venture.

ARTICLE XIII. - GENERAL PROVISIONS

Section 13.01. Non-Interference with Operation of Airport.

Concession Manager, by accepting this Agreement, expressly agrees for itself and its successors and assigns that it will not make use of the Leased Premises and the Subleased Premises in any manner which might interfere with the landing and taking off of aircraft at the Airport under current or future conditions or which might otherwise constitute a hazard.

Section 13.02. Supervening Law/Agreement with Government.

(A) No Exclusive Right. Nothing herein contained shall be construed as granting or authorizing the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act or any other statute, ordinance, regulation or policy of any governmental agency having jurisdiction over the Airport and/or the activities that take place at the Airport.

(B) Subordination to Agreements with United States.

(1) This Agreement is subject and subordinate to the provisions of any existing or future agreement made between the City and the United States relative to the operation or maintenance of the Airport, the execution of which has been made or may be required by the provisions of the Federal Aviation Act of 1958, as amended, or any future act affecting the operation or maintenance of the Airport,

(2) All provisions of this Agreement shall be subordinate to the rights of the

(3) United States to lease, occupy, use, operate or otherwise assume control of the Airport, or any part thereof, during time of war or national emergency, and any provisions inconsistent with the provision of such lease to, or assumption of control by, the United States shall be suspended.

(C) Restrictions of Record. This Agreement is subject and subordinate to all restrictions of record affecting the Airport and the use thereof and all federal statutes and regulations affecting the same, and shall be subject and subordinate to the provisions of any and all existing and future agreements made between the City and the Commonwealth of Pennsylvania and/or the United States relative to the operation and management of the Airport, the execution of which has been or will be required as a condition precedent to the transfer of Commonwealth or federal rights or property to the City for Airport purposes, or to the granting or expenditure of Commonwealth or federal funds or passenger facility charges for the extension, expansion or development of the Airport, including the expenditure of federal funds for the development of the Airport in accordance with the provisions of the Airport and Airway Development Act, as it has been amended from time to time.

(D) Assurance Agreements. This Agreement is subject and subordinate to the terms of any "Sponsor's Assurance Agreement" or like agreement that has been or may be furnished to the FAA by the City or required by Law. In the event that the FAA or its successors required modifications or changes in this Agreement as a condition precedent to the granting of its approval or to the obtaining of funds for improvements at the Airport or as a requirement of any prior grants,

Concession Manager hereby approves any and all modifications, amendments, revisions, supplements or deletions of any of the terms, conditions or requirements of this Agreement as may reasonably be required.

Section 13.03. Certain Rights Reserved by the City.

The City shall have the following rights, each of which the City may exercise without notice to Concession Manager and without liability to Concession Manager for damage or injury to property, person or business on account of the exercise thereof, and the exercise of any such rights shall not constitute an eviction or disturbance of Concession Manager's use or possession of the Leased Premises (including the Subleased Premises) and shall not give rise to any claim or set-off or abatement of Rent or any other claim provided that the City shall use best efforts to not materially interfere with or disturb Concession Manager's or Subtenant's use or possession of the Leased Premises and the Subleased Premises and the operation of Concession Manager's or Subtenant's business therein:

(A) To change the name or street address of the Terminal Buildings or the Airport.

(B) To install, affix and maintain any and all signs on the exterior and on the interior of the Terminal Buildings.

(C) To decorate or to make repairs, alterations, additions, or improvements, whether structural or otherwise, in and about the Terminal Buildings or any part thereof, and for such purposes to enter upon the Leased Premises and the Subleased Premises, and during the continuance of any of said work, to temporarily close doors, entryway, public space and corridors in the Terminal Buildings and to interrupt or temporarily suspend services or use of facilities, all without affecting any of Concession Manager's obligations hereunder, so long as the Leased Premises and the Subleased Premises are reasonably accessible and usable.

(D) To maintain a central key box at the Airport Communications center for housing door keys and keys for all entry doors for all of the Leased Premises at all time. Concession Manager shall furnish the City additional duplicate keys as required, and agrees to change no locks, and not to affix locks on doors without the prior written consent of the City. Notwithstanding the provisions for the City's access to Leased Premises and the Subleased Premises Concession Manager releases the City of all responsibility arising out of theft, robbery, pilferage and personal assault. Upon the expiration of the Term or Concession Manager's right to possession, Concession Manager shall immediately return all keys to the City and shall immediately disclose to the City the combination of any safes, cabinets or vaults left in the Leased Premises and the Subleased Premises.

(E) To approve the weight, size and location of safes, vaults and other heavy equipment and articles in and about the Leased Premises and the Subleased Premises and the Terminal Buildings so as not to exceed the legal load per square foot designated by the structural engineers for the Airport, and to require all such items and furniture and similar items to be moved into or out of the Terminal Buildings and Leased Premises and the Subleased Premises only at such times and in such manner as the City shall direct in writing. Concession Manager shall not install or operate machinery or any mechanical devices of a nature not directly related to Concession Manager's

ordinary use of the Leased Premises and the Subleased Premises without the prior written consent of the City. Movements of Concession Manager's property into or out of the Terminal Buildings, or Leased Premises and the Subleased Premises and within the Terminal Buildings are entirely at the risk and responsibility of Concession Manager, and the City reserves the right to require permits before allowing any proper to be moved into or out of the Terminal Buildings or Leased Premises and the Subleased Premises.

(F) To establish controls for the purpose of regulating all property and packages, both personal and otherwise, to be moved into or out of the Terminal Buildings and Leased Premises and the Subleased Premises.

(G) To regulate delivery and service of supplies and the usage of the apron area, loading docks, receiving areas and freight elevators.

(H) To show the Leased Premises and the Subleased Premises to prospective tenants at reasonable times and, if vacated or abandoned to prepare the Leased Premises and the Subleased Premises for re-occupancy.

(I) To erect, use and maintain pipes, ducts, wiring and conduits, and appurtenances thereto, in and through the Leased Premises and the Subleased Premises at reasonable locations.

(J) To enter the Leased Premises and the Subleased Premises for the purpose of periodic inspection for fire protection, maintenance and compliance with the terms of this Agreement; provided, however, that except in the case of emergency, such right shall be exercised upon reasonable prior notice to Concession Manager and with an opportunity for Concession Manager to have an employee or agent present.

Section 13.04. License Fees and Permits.

Concession Manager shall obtain and pay for all licenses, permits, fees or other authorizations as required under Federal, Commonwealth or local laws and regulations insofar as they are necessary to comply with the requirements of this Agreement and the privileges extended hereunder. Upon termination of this Agreement, Concession Manager shall cooperate with the City and any successor operator in the transfer of all licenses and permits necessary to operate at the Airport to the extent transferable, and in connection therewith, Concession Manager shall execute all documents required by any licensing authority to facilitate the issuance of permits to such successor operator.

Section 13.05. Applicable Law.

This Agreement shall be deemed to have been made in, and shall be construed in accordance with the laws of the Commonwealth.

Section 13.06. Waiver.

This Agreement may not be changed, amended, terminated augmented, rescinded, or discharged (other than by performance), in whole or in part, except by an Amendment. Except to the extent that a Party may have otherwise agreed in writing, no waiver by that Party of any

provision of this Agreement or breach by the other Party of any of its obligations or representations under this Agreement shall be deemed to be a waiver of any other provision or subsequent or prior breach of the same or any other obligations or representation by the other Party, nor shall any forbearance by the first Party to seek a remedy for any noncompliance or breach by the other Party of its rights and remedies with respect to such noncompliance or breach.

Section 13.07. No Joint Venture.

The Parties do not intend to create, and nothing contained in this Agreement shall be construed as creating, a joint venture arrangement or partnership or association between the City and Concession Manager. Nothing contained in this Agreement is intended to create or establish any relationship other than that of lessor and Concession Manager, and nothing herein shall be construed to make Concession Manager the representative or agent of the City for any purpose whatsoever.

Section 13.08. No Third-Party Beneficiaries.

Nothing in this Agreement expressed or implied, is intended or shall be construed to confer upon or give to any person, firm, corporation, joint venture, or legal entity, other than the Parties, any rights remedies, or other benefits under or by reason of this Agreement.

Section 13.09. Counterparts.

This Agreement may be executed simultaneously in multiple counterparts, each of which shall be deemed an original, but all of which taken together shall constitute but one and the same instrument.

Section 13.10. Reserved.

Section 13.11. Reserved.

Section 13.12. Survival.

Any and all provisions set forth in this Agreement which, by its or their nature, would reasonably be expected to be performed after the termination of this Agreement shall survive and be enforceable after such termination. Any and all liabilities, actual or contingent, which shall have arisen in connection with this Agreement, shall survive any termination of this Agreement. Any express statement of survival contained in any Section shall not be construed to affect the survival of any other Section, which shall be determined pursuant to this Section.

Section 13.13. Binding Effect.

Each of the provisions of this Agreement shall extend to and shall, as the case may require, bind or inure to the benefit not only of the City and of Concession Manager, but also of their respective successors or assigns, provided this clause shall not permit any assignment by Concession Manager contrary to the provisions of this Agreement.

Section 13.14. Entire Agreement: Order of Precedence; Amendment.

This Agreement together with the Exhibits, the RFP and the Proposal contain all of the terms and conditions agreed upon by the Parties, and no other contract, document or agreement, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any Party hereto or to vary any of the terms contained in this Agreement. In the event of conflict or variance between this Agreement and any provision, term or condition contained in the RFP or the Proposal, this Agreement shall govern, except to the extent (if any) that this Agreement expressly provides otherwise. In the event of conflict or variance between the RFP and the Proposal, the RFP shall govern. Interpretations and inconsistencies shall be resolved by giving precedence in the following order:

- (A) This Agreement;
- (B) The RFP; and then,
- (C) The Proposal.

Section 13.15. The City's Title.

The City's title to the Leased Premises and the Subleased Premises and the Airport is and always shall be paramount to the interest of Concession Manager in the Leased Premises and the Subleased Premises. Nothing herein contained empowers Concession Manager to commit or engage in any act which can, shall or may encumber the title of the City.

Section 13.16. Partial Invalidity.

If any term, provision or condition contained in this Agreement shall, to any extent, be invalid or unenforceable, or in violation of any applicable law, the remainder of this Agreement (or the application of such term, provision or condition to persons or circumstances other than those in respect of which it is invalid or unenforceable or in violation of any applicable law) shall not be affected thereby, and each and every other term, provision and condition of this Agreement shall be valid and enforceable to the fullest extent possible permitted by law.

Section 13.17. Force Majeure.

Neither Party hereto shall be liable to the other for any failure, delay or interruption in performing its obligations hereunder to the extent due to acts, events or conditions beyond its control, including, but not limited to, acts of God, acts of a public enemy, terrorism, war, blockade, security problems, weather conditions, insurrection, strikes, boycotts, picketing, slow-downs, work stoppages or other labor actions affecting the rights or obligations of the City or Concession Manager hereunder, or their respective contractors or Subcontractors, except to the extent that such failure, delay or interruption directly or indirectly results from failure, delay or interruption, directly or indirectly results from failure on the part of the City or Concession Manager to use reasonable care to prevent, or make reasonable efforts to cure, such failure, delay or interruption; provided, however, that nothing in this Section is intended or shall be construed to abate, postpone or in any respect diminish Concession Manager's obligations to make any payments due to the City pursuant to this Agreement.

Section 13.18. City Council Approval.

The Parties agree that this Agreement is subject to the approval of City Council of the City of Philadelphia and shall not be effective until an Ordinance is passed by City Council, and such Ordinance shall have become law.

Section 13.19. Estoppel Certificate.

(A) Concession Manager agrees, that, from time to time, upon not less than ten (10) days prior request by the City, Concession Manager or Concession Manager's duly authorized representative, having knowledge of the following facts, will deliver to the City a statement in writing certifying:

(1) That this Agreement is unmodified and in full force and effect (or if there have been modifications, a description of such modifications and that the Agreement as modified is in full force and effect);

(2) The dates to which the Rent and other charges have been paid; and

(3) That the City is not in default under any provision of this Agreement, or, if in default, the nature thereof in detail; and such further matters as may be reasonably requested by the City, it being intended that any such statement may be relied upon by any subsequent purchaser or transferee of all or any part of the City's interest in the Terminal Buildings.

(B) The City agrees, that from time to time, upon not less than twenty (20) days prior request by Concession Manager, the City of the City's duly authorized representative, having knowledge of the following facts, will deliver to Concession Manager a statement in writing certifying:

(1) That this Agreement is unmodified and in full force and effect (or if there have been modifications, a description of such modifications and that this Agreement as modified is in full force and effect);

(2) The dates to which the Rent and other charges have been paid; and

(3) That Concession Manager is not in default under any provision of this Agreement, or, if in default, the nature thereof in detail; and such further matters as may be reasonably requested by Concession Manager.

Section 13.20. Notices.

(A) Subject to Section 13.20(B) below, any notice, demand, request or other communication which any Party hereto may be required or may desire to give under this Agreement shall be in writing and shall be deemed to have been properly given (i) if hand delivered (effective upon delivery) by receipted courier, (ii) if mailed (effective three (3) days after mailing) by United States registered or certified mail, postage prepaid, return receipt requested, or (iii) if sent by a nationally recognized and receipted overnight delivery service (effective one (1) day after delivery to such courier), in each case addressed as follows:

If to the City: Division of Aviation
The City of Philadelphia
Executive Offices, Terminal D
Philadelphia International Airport
Philadelphia, PA 19153
Attention: Chief Executive Officer
Telephone: (215) 937-6760
Facsimile: (215) 937-6759

With a Copy to: Procurement Department
1401 John F. Kennedy Boulevard, Suite 170
Philadelphia, PA 19102
Attention: Procurement Commissioner
Telephone: (215) 686-4767
Facsimile: (215) 686-4767

With a Copy to: The City of Philadelphia
City Solicitor's Office
One Parkway Building
1515 Arch Street, 16th Floor
Philadelphia, PA 19102
Attention: Transportation Unit, Chief Deputy
City Solicitor, Regulatory Affairs
Telephone: (215) 683-5186
Facsimile: (215) 683-5175

If to Concession
Manager: Paul O. McGinn, President
MarketPlace PHL, LLC
One Wells Avenue
Newton, MA 02459
Telephone: (617) 243-7400
Facsimile: (617) 243-7459

With copies to: Bart Mellits, Esquire
Ballard Spahr LLP
1735 Market Street, 51st Floor
Philadelphia, PA 19103-7599
Telephone: (215) 864-8701
Facsimile: (215) 864-9895

or to such other address as either Party shall designate by written notice in the manner herein provided.

(B) With respect to notices and requests pertaining to day to day operation of the Terminal Concession Program, notices, in addition to the methods described above, may be sent by email and such notices shall be sent to the following:

As to the City:

Division of Aviation
The City of Philadelphia
Executive Offices, Terminal D
Philadelphia International Airport
Philadelphia, PA 19153
Attention: Chief Executive Officer
Telephone: (215) 937-6760
Facsimile: (215) 937-6759
Email: james.tyrrell@PHL.org

And as to the Concession Manager:

Paul O. McGinn, President
MarketPlace PHL, LLC
One Wells Avenue
Newton, MA 02459
Telephone: (617) 243-7400
Facsimile: (617) 243-7459
Email: pmcginn@marketplacedev.com

With copies to:

Mel Hannah, Vice President – General Manager
MarketPlace PHL, LLC
Philadelphia International Airport
Terminal E, Upper Level
Philadelphia, PA 19153
Telephone: (215) 937-1200
Facsimile: (215) 937-1206
Email: mhannah@philamarketplace.com

Section 13.21. Disclosure of Confidential and Proprietary Information.

In connection with the Terminal Concession Services to be performed by the Concession Manager under the Agreement, the Concession Manager acknowledges that it may receive, gain access to or otherwise obtain certain information that is not generally available to the public. Concession Manager agrees that it will treat any such information as confidential and proprietary and will take reasonable precautions to ensure that any such confidential and proprietary information is not disseminated to any other person or entity. In the event that the Concession Manager fails to comply with the foregoing, such failure shall be deemed to be an Event of Default, and Concession Manager shall indemnify the City in accordance with Section 9.01 of the Agreement.

Section 13.22. Conflict of Interest.

No elected or appointed official, director, officer, agent, or employee of the City may have any concession or privilege, or any direct or indirect interest or connection with any concession, privilege, license or right pertaining in any way to the Airport. Ownership of stock in a publicly-held corporation shall not be considered a violation of this Section.

Section 13.23. Representatives.

Each of the City and Concession Manager shall designate a representative who, except as otherwise provided hereunder, shall be authorized to act for each of the City and Concession Manager, respectively, with respect to any actions to be taken by either of them under the terms of this Agreement. Concession Manager's and the City's representative shall be designated in a written notice delivered to the other Party. Any Party hereto may change its designated representative by notice to the other Party pursuant to the provisions of Section 13.20.

Section 13.24. Performance Bond; Letter of Credit.

On or prior to the Commencement Date, Concession Manager shall provide to the City a performance bond (the "Performance Bond") or an irrevocable letter of credit (the "Letter of Credit") in the amount of Three Million Dollars (\$3,000,000). In the sole discretion of the City, the amount of the Performance Bond or Letter of Credit shall be subject to adjustment at the end of each Calendar Year and any optional renewal to an amount equal to ten percent (10%) of the estimated Total Gross Concession Revenues for the following Calendar Year, but never less than Two Million Dollars (\$2,000,000). In the event the Concession Manager provides the City with a Performance Bond, the Performance Bond shall be issued by a reputable bonding company authorized to do business on a direct basis in the Commonwealth and otherwise acceptable to the City.

In the event the Concession Manager determines to provide the City with the Letter of Credit, the Letter of Credit shall be a clean, irrevocable stand-by letter of credit issued by a commercial bank acceptable in form and substance to the City in its sole and absolute discretion. The Letter of Credit shall provide that the issuer engages to honor the City's draft or drafts on sight when accompanied by the original letter of credit and a certificate executed by any one of the following authorized representatives of the City: the CEO, the City's Director of Commerce, the City's Treasurer, the City's Risk Manager, the City's Director of Finance, or the City Solicitor, stating that an Event of Default has occurred under the Agreement and that the Concession Manager has failed after the expiration of any applicable notice and grace periods to cure such Event of Default. A draft or drafts may be drawn upon from time to time in whole or in part, in the amount of that portion of Rent or other charges, that is then owed (by acceleration or otherwise) to the City, or such other amount necessary to compensate the City for Concession Manager's failure to perform or otherwise be in compliance under the Agreement. The Letter of Credit shall expire no earlier than thirty (30) days following the expiration of the Term or any renewal (as the same may be extended), provided the form and substance thereof and the bank issuing the Letter of Credit are satisfactory to the City in its absolute and sole discretion. If the Letter of Credit will expire prior to thirty (30) days prior to the expiration of the Term or any renewal, Concession Manager shall from time to time, as necessary, renew or replace the original and any subsequent

Letter of Credit not less than thirty (30) days prior to its stated expiration date so that it will remain in full force and effect until thirty (30) days after the expiration of the Term or any renewal of this Agreement. Failure to secure the Performance Bond or Letter of Credit shall be considered an Event of Default under this Agreement.

Section 13.25. Disputes; Waiver of Jury Trial.

(A) The Parties agree hereto to use their best efforts to resolve disputes under this Agreement, in good faith, by informal negotiation and cooperation. Any dispute that, by terms of this Agreement is to be submitted to the dispute resolution procedures of this Section 13.25, shall be submitted in accordance with the following provisions:

(1) In the event of dispute arising under this Agreement pertaining to the payment or apportionment of sums certain stipulated hereunder, or any other matters specified to be resolved pursuant to the terms of this Section 13.25, such dispute shall be referred to a mediator for non-binding mediation. The Party requesting mediation shall notify the other Party thereof in writing, and the Parties shall mutually agree upon the selection of a mediator (the "Mediator") within fifteen (15) business days thereafter. In the event that the Parties cannot agree upon the selection of a Mediator, each Party shall choose a mediator within fifteen (15) business days of such notification, and within ten (10) business days thereafter the two (2) selected mediators shall choose a third mediator (collectively, the "Mediators"). Any decision rendered by the Mediator(s) shall be accompanied by a written opinion of the Mediator(s) giving the reasons for the decision. This provision for non-binding mediation shall be specifically enforceable by the Parties. Each Party shall pay its own expenses of mediation and the expenses of the Mediator(s) shall be equally shared; provided, however, that if in the opinion of the Mediator(s) any claim or any defense or objection thereto was unreasonable, the Mediator(s) may assess, as part of their award, all or any part of the mediation expenses of the other Party and of the Mediator(s) against the Party raising such unreasonable claim, defense or objection. In the event that either or both Parties are not satisfied with the non-binding determination of the Mediator(s), such dispute may be referred to a panel of Arbitrators, as set forth in Subsection 2, for de novo determination.

(2) In the event either or both Parties are not satisfied with the non-binding determination of the Mediator(s), such dispute shall be referred de novo to a panel of three (3) arbitrators for binding arbitration. The Party requesting arbitration shall notify the other Party thereof in writing, each Party shall choose an arbitrator within fifteen (15) business days of such notification, and within ten (10) business days thereafter, the two (2) selected arbitrators shall choose a third arbitrator (collectively, the "Arbitrators"). The Arbitrators shall conduct the arbitration in accordance with American Arbitration Association Commercial Arbitration Rules. Any decision rendered by the Arbitrators shall be accompanied by a written opinion of the Arbitrators giving the reasons for the decision. This provision for binding arbitration shall be specifically enforceable by the Parties. The Arbitrators are not empowered to award damages in excess of compensatory damages and each Party shall pay its own expenses of arbitration and the expenses of the Arbitrators shall be equally shared; provided, however, that if in the opinion of the Arbitrators any claim or any defense or objection thereto was unreasonable, the Arbitrators may assess, as part of their award, all or any part of the arbitration expenses of the other Party and of the Arbitrators against the Party raising such unreasonable claim, defense or objection. The decision of the Arbitrators shall be final and binding upon the Parties, their successors and assigns.

(3) In the selection of Arbitrators and Mediators in connection with this Section, the arbitrators and mediators shall have prior experience in airport retail Concession Management.

(B) To the extent permitted by law, the City and Concession Manager hereby knowingly, voluntarily and intentionally waive their respective rights to trial by jury in any action or proceeding, in law or in equity, in connection with this Agreement or the Leased Premises and the Subleased Premises and agree that all actions or proceedings arising directly, indirectly or otherwise in connection with this Agreement or the Leased Premises and the Subleased Premises shall be litigated in courts having a situs within The City of Philadelphia, Commonwealth of Pennsylvania. Concession Manager hereby irrevocably consents and submits to the jurisdiction of any local, state Federal court located within The City of Philadelphia, Commonwealth of Pennsylvania.

Section 13.26. Headings.

The article and section headings throughout this Agreement are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the construction, interpretation or meaning of the provisions of this Agreement.

Section 13.27. Memorandum of Agreement.

Recording of this Agreement is prohibited except as allowed in this Section 13.27. The Parties acknowledge that a short form memorandum describing the Leased Premises and the Subleased Premises and stating the Term and other information necessary as a matter of law to provide notice of this Agreement, may be executed and recorded.

IN WITNESS WHEREOF, the City and Concession Manager have caused these presents to be executed by their respective duly authorized officers as of the day and year first written above.

Approved As To Form:
Shelley R. Smith
City Solicitor

THE CITY OF PHILADELPHIA
acting through its Procurement Department

By: _____
Senior Attorney

By: _____
Hugh Ortman
Procurement Commissioner

Approved as to Form:
Shelley R. Smith
City Solicitor

THE CITY OF PHILADELPHIA
acting through its Department of Commerce,
Division of Aviation

By: _____
Senior Attorney

By: _____
Rina Cutler
Deputy Mayor, Transportation
and Utilities

ATTEST/CORPORATE SEAL

CONCESSION MANAGER:

MARKETPLACE PHL, LLC

MarketPlace Philadelphia, Limited
Partnership, its Managing Member

By: _____

By: MarketPlace Philadelphia Inc., its
General Partner

Attest: _____

By: _____
Paul O. McGinn, President

Its: _____
Secretary or Treasurer
(Corporate Seal)

LeJeune and Associates, LLC, Member

By: _____
Clarence LeJeune, Managing Member

Exhibit A
Transition Agreement

TRANSITION AGREEMENT

By and Among

MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP,

THE CITY OF PHILADELPHIA

and

MARKETPLACE PHL, LLC

Dated as of

_____ 1, 2014

Effective as of

December 31, 2014

TABLE OF CONTENTS

	Page
ARTICLE I	
SECTION 1.1 Definitions in Recitals.....	4
SECTION 1.2 Use of Terms Defined in Indenture or Improvements Lease.....	4
ARTICLE II	
SECTION 2.1 Termination of Improvements Lease.....	4
SECTION 2.2 Title to Project Facilities and Renovations.....	5
ARTICLE III	
SECTION 3.1 Termination of Indenture.....	5
SECTION 3.2 Disposition of Trustee-held Funds	5
ARTICLE IV	
SECTION 4.1 Termination of 2012 License Agreement and 2012 Sublicense Agreement.....	6
ARTICLE V	
SECTION 5.1 Termination of Master Lease; Assignment of Subleases; Commencement of New Agreement.....	6
ARTICLE VI	
SECTION 6.1 Insurance.....	9
ARTICLE VII	
SECTION 7.1 Notices.....	9
SECTION 7.2 Counterparts.....	10
SECTION 7.3 Severability.....	11
SECTION 7.4 Governing Law.....	11
SECTION 7.5 Assignment.....	11
SECTION 7.6 Headings.....	11
SECTION 7.7 No Agency.....	11
SECTION 7.8 No Waiver of Immunity.....	11

THIS TRANSITION AGREEMENT (the "Agreement") dated as of _____, 2014, effective as of December 31, 2014 by and among MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP, as successor to Marketplace Redwood Limited Partnership (the "Company"), a limited partnership duly organized and validly existing under the laws of the State of Delaware, THE CITY OF PHILADELPHIA acting by and through its DEPARTMENT OF COMMERCE, DIVISION OF AVIATION (the "City"), and MARKETPLACE PHL, LLC (the "New Company"), a Delaware joint venture formed as a limited liability company with its principal place of business at One Wells Avenue, Newton, MA 02459.

WITNESSETH THAT:

A. The City and the Company have entered into a Second Amended and Restated Master Lease, Development and Concession Agreement and Sub-Sublease, Development and Concession Agreement dated January 31, 2001, as amended by a First Amendment dated as of November 1, 2001, a Second Amendment dated as of April 9, 2013 and effective June 30, 2013, and a Third Amendment dated as of July 7, 2014 and effective as of June 30, 2014 (collectively, the "Master Lease"), which provides that the Company shall lease and develop the food, beverage, retail and services facilities at the Philadelphia International Airport (the "Airport") of certain portions of Terminals A, B, C, D and E, and which further provides that the Company shall sub-sublease and develop the food, beverage, retail and services facilities at the Airport in Terminal F and the International Arrivals Hall.

B. The Company applied to the Philadelphia Authority for Industrial Development (the "Issuer") for assistance in financing an economic development project (the "Company Project") consisting of: (i) payment or reimbursement of the costs of the construction and acquisition of food, beverage, retail and services facilities to serve the traveling public in Terminal F and the International Arrivals Hall and the costs of the renovation of the food, beverage, retail and services facilities serving the traveling public in Terminals A, D and E (the "2001A Project Facilities") at the Airport; (ii) the purchase by the Issuer of the existing infrastructure for food, beverage, retail and services facilities serving the traveling public in Terminals A, B, C, D, and E at the Airport (the "2001B Project Facilities" and together with the 2001A Project Facilities, the "Project Facilities"), the proceeds from such sale to be used by the Company to retire certain indebtedness of the Company with respect to the 2001B Project Facilities and to reimburse the Company for certain costs of the 2001B Project Facilities previously paid by the Company; and (iii) the funding of a deposit to the Equity Escrow Fund established under the Indenture (as defined herein) in accordance with Section 6.11 thereof.

C. The Issuer purchased from the Company the Project Facilities and leased the Project Facilities to the Company pursuant to an Improvements Lease dated as of November 1, 2001 and amended as of June 2, 2008 (the "Improvements Lease") between the Issuer and the Company, under which the Company is required to make, among other things, rental payments at the times and in the installments sufficient to provide the Issuer with the amounts necessary to pay the debt service on the 2001 Bonds (as defined herein), all as set forth in the Improvements Lease.

D. In order to provide for (i) the costs of the Company Project; (ii) the funding of a Debt Service Reserve Fund for the 2001 Bonds; (iii) the payment of capitalized

interest on the 2001A Bonds (as defined herein) during the construction period of the 2001A Project Facilities; (iv) the payment of costs of issuing the 2001 Bonds, including the premium on the Bond Insurance Policy (as defined in the Indenture); (v) the payment of any Swap Payments (as defined in the Indenture) during the construction period of the 2001A Project Facilities; and (vi) the initial funding of the Issuer Indemnity Fund (defined below) (collectively, the “Project”), the Issuer issued and sold its \$6,700,000 Special Facilities Revenue Bonds (Marketplace Redwood LP Project at Philadelphia International Airport), Series 2001A (the “2001A Bonds”), and its \$21,085,000 Special Facilities Revenue Bonds (MarketPlace Redwood LP Project at Philadelphia International Airport), Series 2001B (Federally Taxable) (the “2001B Bonds” and together with the 2001A Bonds, the “2001 Bonds”), under the terms of a Trust Indenture dated as of November 1, 2001 (as amended or supplemented, the “Indenture”) by and between the Issuer and The Bank of New York Mellon Trust Company, N.A., as successor trustee (the “Trustee”).

E. The proceeds of the 2001A Bonds were used by the Issuer to (i) purchase a portion of the 2001A Project Facilities, including the payment of a portion of the costs of the 2001A Project Facilities; (ii) fund a portion of the Debt Service Reserve Fund for the 2001 Bonds; (iii) pay a portion of the costs of issuance of the 2001A Bonds, including payment of the premium on the Bond Insurance Policy; (iv) pay capitalized interest on a portion of the 2001A Bonds during the construction period of the 2001A Project Facilities; and (v) pay any Swap Payments (as defined in the Indenture) during the construction period.

F. The proceeds of the 2001B Bonds were used by the Issuer to (i) purchase the 2001B Project Facilities and the Company used amounts received from such sale to retire existing indebtedness of the Company with respect to the 2001B Project Facilities and for the reimbursement to the Company of certain costs of the 2001B Project Facilities, which in aggregate amount did not exceed the un-amortized Capitalized Cost (as defined in the Master Lease) of the 2001B Project Facilities; (ii) purchase a portion of the 2001A Project Facilities including the payment of a portion of the costs of the 2001A Project Facilities; (iii) fund a portion of the Debt Service Reserve Fund for the 2001 Bonds; (iv) initially fund the Issuer Indemnity Fund; and (v) pay the costs of issuance of the 2001B Bonds and a portion of the costs of issuance of the 2001A Bonds, including payment of the premium on the Bond Insurance Policy.

G. The scheduled payment when due of the principal of and interest on the 2001 Bonds was insured by the Bond Insurance Policy issued by Ambac Assurance Corporation.

H. The payment of the purchase price of the 2001 Bonds upon optional or mandatory tender was supported by a Liquidity Facility (as defined in the Indenture) issued by Landesbank Baden-Wurtemberg, acting through its New York Branch.

I. To provide for the remarketing of 2001 Bonds that are tendered for purchase, the Company entered into a Remarketing Agreement (as defined in the Indenture) with the Remarketing Agent (as defined in the Indenture).

J. The Company entered into a Swap Agreement (as defined in the Indenture) with respect to the 2001A Bonds and a Swap Agreement with respect to the 2001B Bonds with a Swap Counterparty (as defined in the Indenture) pursuant to which the Company was obligated to

make Swap Payments and the Termination Payment (as defined in the Indenture) under each Swap Agreement. All amounts payable to the Company under the Swap Agreements were payable by the 2001 Bonds Swap Counterparty directly to the Trustee for deposit under the Indenture.

K. In order to secure the payments required to be made by the Company under the Improvements Lease, including any amounts due or that may become due to the Bank under the Liquidity Facility Agreement and any amounts due or that may become due to a Swap Counterparty under any Swap Agreement, the Company executed and delivered to the Trustee (i) an Open End Leasehold Mortgage and Security Agreement dated as of November 1, 2001 (the "Leasehold Mortgage"), (ii) an Assignment of Leases and Rents dated as of November 1, 2001 (the "Assignment of Leases and Rents") and (iii) an Assignment of Improvements Lease dated as of November 1, 2001 (the "Assignment of Improvements Lease").

L. In order to further secure the Bonds, the Issuer assigned all its rights, benefits, title and interest in the Improvements Lease and all moneys payable thereunder (except for the Issuer's Unassigned Rights) to the Trustee as and to the extent provided in the Indenture.

M. In May, 2011 the Company (i) redeemed the 2001 Bonds prior to their stated maturity, and (ii) terminated the Swap Agreements. As a result of the redemption of the 2001 Bonds, the Bond Insurance Policy, the Liquidity Facility Agreement and the Remarketing Agreement terminated in accordance with their respective terms.

N. The City and the Issuer entered into a License Agreement dated as of June 2, 2008, as amended by a First Amendment to License Agreement dated as of December 31, 2009 and effective as of July 1, 2009 (the "2008 License Agreement"), and the Issuer and the Company entered into a Sublicense Agreement dated as of June 2, 2008, as amended by a First Amendment to Sublicense Agreement dated as of December 31, 2009 and effective as of July 1, 2009 (the "2008 Sublicense Agreement") pursuant to which, respectively, the City granted a license to the Issuer, and the Issuer granted a sublicense to the Company, to perform the Renovations described in the 2008 License Agreement and the 2008 Sublicense Agreement (the "2008 Renovations"). The terms of the 2008 License Agreement and the 2008 Sublicense Agreement expired on June 2, 2012. Upon the termination of the 2008 Sublicense Agreement, all surviving rights of the Issuer thereunder, including the right to require the Company to pay Facilities Fees (as defined therein) to the City, were assigned to and assumed by the City automatically in accordance with Section 2(c) thereof.

O. The City and the Issuer entered into a License Agreement dated as of June 2, 2012 (the "2012 License Agreement"), and the Issuer and the Company entered into a Sublicense Agreement dated as of June 2, 2012 (the "2012 Sublicense Agreement") pursuant to which, respectively, the City granted a license to the Issuer, and the Issuer granted a sublicense to the Company, to perform the Renovations described in the 2012 License Agreement and the 2012 Sublicense Agreement (the "2012 Renovations," and together with the 2008 Renovations, the "Renovations"). The terms of the 2012 License Agreement and the 2012 Sublicense Agreement have subsequently been extended to December 31, 2014.

P. The City and the Company have agreed to terminate the Master Lease effective as of December 31, 2014. On January 1, 2015 (the "Effective Date"), the City and the

New Company will enter into a lease, license, concession agreement, management agreement or other agreement or a combination thereof (collectively, the "New Agreement") pursuant to which the New Company will lease, manage and/or develop the food, beverage, retail and services facilities at the Airport.

Q. The parties hereto are entering into this Agreement in order to provide for certain matters in connection with the Improvements Lease, the Indenture, the Master Lease, the 2008 License Agreement, the 2008 Sublicense Agreement, the 2012 License Agreement, the 2012 Sublicense Agreement and the New Agreement.

R. The execution and delivery of this Agreement have been in all respects duly and validly authorized in accordance with applicable law by appropriate action of the governing bodies of each of the parties hereto.

NOW, THEREFORE, in consideration of the foregoing and intending to be legally bound, the Company, the City and the New Company hereby agree as follows:

ARTICLE I

SECTION 1.1 Definitions in Recitals.

In this Agreement (except as otherwise expressly provided or unless the context otherwise requires) the following terms shall have the meanings specified in the foregoing recitals:

Airport	Indenture	Trustee
Assignment of Leases and Rents	Issuer	2001 Bonds
Assignment of Improvements	Leasehold Mortgage	2001A Bonds
Lease	2008 License Agreement	2001B Bonds
City	2012 License Agreement	2001A Project Facilities
Commonwealth	Master Lease	2001B Project Facilities
Company	New Agreement	2008 Renovations
Company Project	New Company	2012 Renovations
Effective Date	Project Facilities	2008 Sublicense Agreement
Improvements Lease	Renovations	2012 Sublicense Agreement

SECTION 1.2 Use of Terms Defined in Indenture or Improvements Lease.

Terms used in this Agreement which are defined in the Indenture, the Master Lease or the Improvements Lease and are not otherwise defined in this Agreement shall have the meanings set forth in the Indenture, the Master Lease or the Improvements Lease, as applicable, unless the context or use clearly indicates another meaning or intent.

ARTICLE II

SECTION 2.1 Termination of Improvements Lease. The term of the Improvements Lease expired not later than June 30, 2013, in accordance with Section 8.1(a) thereof, except for the obligations of the Company under Section 5.10 thereof (relating to

indemnification of the Issuer by the Company) and all other obligations of the Company with respect to the Issuer's Unassigned Rights which the Company agreed would survive the termination of the Improvements Lease.

SECTION 2.2 Title to Project Facilities and Renovations. The Company and the City agree that (i) in accordance with Section 8.1(b) of the Improvements Lease, all ownership of and title to the Project Facilities vested automatically and exclusively in the City not later than July 1, 2013, (ii) in accordance with the terms of the 2012 License Agreement and the 2012 Sublicense Agreement, all ownership of and title to the Renovations shall vest automatically and exclusively in the City upon termination of the 2012 License Agreement and the 2012 Sublicense Agreement pursuant to Section 4.1 hereof, (iii) each of them shall execute and deliver such bills of sale or other instruments as the City or the New Company may request in order to evidence the City's ownership of and title to the Project Facilities and the Renovations and (iv) each of them shall execute such instruments of release or satisfaction as the City or the New Company may request in order to terminate of record the Improvements Lease, the Leasehold Mortgage, the Assignment of Leases and Rents, the Assignment of Improvements Lease, the 2008 License Agreement, 2012 License Agreement, the 2008 Sublicense Agreement, the 2012 Sublicense Agreement and any UCC-1 Financing Statements relating to any of the foregoing.

ARTICLE III

SECTION 3.1 Termination of Indenture. In accordance with Section 9.1 of the Indenture (relating to discharge of the lien of the Indenture) the Issuer has paid or caused to be paid the principal of and interest on the 2001 Bonds and all sums of money due or to become due according to the provisions of the Indenture.

SECTION 3.2 Disposition of Trustee-held Funds.

(a) The Trustee has represented to the Company that all of the funds and accounts established under the Indenture have been closed and that the Trustee is holding no money in such funds and accounts.

(b) The Issuer is holding \$1,500,000 (plus accrued interest not yet paid to the Company) in cash in the Issuer Indemnity Fund.

(c) The Company and the City agree that any cash remaining in the Maintenance Reserve Fund will be classified as Gross Receipts at December 31, 2014 and be accounted for in the Amount Available for Profit Sharing calculation at December 31, 2014.

(d) The Company and the City agree that the amounts held on deposit in the Issuer Indemnity Fund shall be paid to the City and the Company, respectively, on June 30, 2016, subject to the application of such amounts in accordance with the provisions of Section 4(f) of the Improvement Lease, in the amounts determined in accordance with the Letter of Instructions executed by the City and the Company on June 2, 2008, a copy of which is attached hereto as Exhibit "A".

ARTICLE IV

SECTION 4.1 Termination of 2012 License Agreement and 2012 Sublicense Agreement.

(a) The City and the Company agree that (i) the terms of the 2008 License Agreement and the 2008 Sublicense Agreement expired on June 2, 2012, (ii) the term of the 2012 License Agreement and the 2012 Sublicense Agreement will expire effective at 11:59 p.m. on December 31, 2014, and (iii) that the Company shall have no liability for the payment of Facilities Fees under the 2008 License Agreement, the 2008 Sublicense Agreement, the 2012 License Agreement or the 2012 Sublicense Agreement to the City on or after the Effective Date.

(b) Upon the expiration of the 2012 License Agreement and the 2012 Sublicense Agreement, all ownership and title to the Renovations shall vest automatically and exclusively in the City in accordance with the terms of the 2012 License Agreement and the 2012 Sublicense Agreement.

ARTICLE V

SECTION 5.1 Termination of Master Lease; Assignment of Subleases; Commencement of New Agreement.

(a) The City, the Company and the New Company agree to take such actions and execute such instruments as may be necessary or appropriate to effectuate (i) the assignment of existing subleases, sub-subleases, storage agreements, license agreements and all other arrangements pursuant to which Subtenants occupy or use Project Facilities or Renovations (collectively, the "Subleases") from the Company, as sublessor (or sub-sublessor, as the case may be) to the City and from the City, as lessor (or sublessor, as the case may be), to the New Company, as sublessor (or sub-sublessor, as the case may be); and (ii) the transfer from the Company to the City, and from the City to the New Company of all property held by the Company or the City pursuant to the terms of such Subleases or arising therefrom, including Security Deposits (as herein defined). Section 2.1(e) of the Subleases provides that, upon the expiration of the term of the Master Lease, the Subleases (as defined herein) shall terminate; provided, however, at the request of the City (at the City's option) and upon receipt of written notice from the City (the "City Notice") stating that the Master Lease has been terminated, the subtenant or sub-subtenant, as the case may be, thereunder (collectively the "Subtenants") agrees that it will continue to perform its obligations under the respective Sublease for the benefit of the City. Accordingly, the City agrees: (i) that upon or prior to the expiration of the term of the Master Lease, the City shall provide the City Notice to the Subtenants in accordance with Section 2.1(k) of the Subleases, which notice shall be prepared by the Company and acceptable to the New Company and the City and shall provide, among other things, that the New Agreement is replacing the Master Lease, and that the New Company is replacing the Company and the City as the sublandlord under the Subleases and (ii) that simultaneously with the execution of the New Agreement, the City shall assign all of the Subleases that were assigned to the City as set forth above to the New Company. The City, the Company and the New Company agree that, effective at 11:59 p.m. on December 31, 2014,

the term of the Master Lease shall expire and the term of the New Agreement shall commence on the Effective Date.

(b) With respect to the Subleases, the Company, the New Company and the City agree that (i) attached hereto as Exhibit B is a complete and accurate list of all Subleases existing as of the date of this Agreement that will be assigned by the Company to the City and by the City to the New Company, together with all security deposits, construction deposits or other amounts deposited with the Company and the City, as applicable, as security for obligations of Subtenants under such Subleases (the "Security Deposits") and (ii) the status of the Subleases shall be unaffected by the assignments. The forms of assignments are attached hereto as Exhibit C and Exhibit D.

(c) Revenue and expense transition from Master Lease to New Agreement: Revenue (as defined herein) owed, but not collected, from Subtenants for any period prior to January 1, 2015 shall be accounted for under the Master Lease. In the event that, on or after January 1, 2015, any Subtenant is in arrears in the payment of Revenue for months prior to January 1, 2015 under the Master Lease, then any Revenue (net of the reasonable costs of collection) collected by the New Company after January 1, 2015 from such Subtenant shall be accounted for as follows: first, such Revenue shall be accounted for under the New Agreement for any Revenue due the New Company under the New Agreement for any period occurring from and after January 1, 2015 but before the month in which the Revenue is received; second, such Revenue shall be accounted for under the New Agreement for any Revenue due the New Company under the New Agreement for the month in which the Revenue is received; and third, such collected Revenue belonging to the Company shall be transferred from the New Company to the Company and shall be accounted for under the Master Lease for any Revenue due the Company under the Master Lease applicable to the period prior to January 1, 2015. The Company shall be solely responsible for and use all commercially reasonable efforts to collect all of its arrearages. The New Company shall bear no monetary or legal responsibility for either collecting or reconciling the Company's efforts to close out all of its business matters under the Master Lease but the New Company will make reasonable accommodations to assist the Company in its efforts to close out all its business matters under the Master Lease.

(d) The Company will establish a reserve fund based upon a budget submitted and approved by the City ("Master Lease Close-Out Reserve Fund" or "Reserve Fund"). The amount of \$400,000 shall be placed in the Reserve Fund from Revenue received under the Master Lease to pay for the direct, actual, reasonable and necessary costs and expenses incurred by the Company to close out the Master Lease. The types of expenses that may be included in the budget (but are not limited to) legal collection fees and accounting third-party audit fees. All expenditures from the Reserve Fund shall be based on actual invoices from third-parties. The Company shall prepare a report detailing the current quarter's and year-to-date actual expenditures as compared to the budgeted line items previously submitted to and approved by the City. The foregoing report, as well as all supporting paid invoices, shall be due fifteen (15) days after the then current quarter and on or before December 31, 2015. Any funds remaining in the Reserve Fund as of December 31, 2015 shall be classified as Gross Receipts at December 31, 2014 and be accounted for in the Amount Available for Profit Sharing calculation at December 31, 2014.

(e) The City, the Company and the New Company acknowledge and agree that certain expenses shall have been incurred or accrued on or before December 31, 2014 in connection with the transition from the Master Lease to the New Agreement of a type that have not been previously incurred during the term of the Master Lease. These expenses shall be direct, actual, reasonable and necessary expenses that have been pre-approved by the City, provided however, such expenses shall not be offset against the Reserve Fund. The foregoing expenses may include, but are not limited to, employee severance pay and payments for accrued vacation days. The City, the Company and the New Company agree that such pre-approved expenses will be treated as Permitted Operating Expenses under the Master Lease.

(f) The City and the Company agree that the final reconciliation of amounts payable by the City to the Company, or by the Company to the City, in accordance with the terms of the Master Lease for the six month period ending December 31, 2014 shall be in accordance with the audit to be performed by Mitchell & Titus, certified public accountants, of the Amount Available for Profit Sharing under the Master Lease for the six month period ending December 31, 2014, after taking into account the amounts expended in accordance with Section 3.2(d)(ii) of this Agreement in connection with the termination of the Master Lease and the commencement of the term of the New Agreement. Payment by the City or the Company of amounts determined in accordance with such final reconciliation shall be made not later than December 31, 2015.

(g) The City, the Company and the New Company agree that for purposes of the final reconciliation to be prepared in accordance with subsection (c), and for all other purposes in connection with the expiration of the term of the Master Lease and the commencement of the term of the New Agreement, rents (whether minimum rents, percentage rents, penalties, etc.), common area maintenance payments and other amounts to be reimbursed by the subtenants, accounts receivable and other tenant charges (collectively, the "Revenue") shall be collected by and the responsibility of the Company and shall be distributed in accordance with the Master Lease if earned prior to the Effective Date and shall be collected by and the responsibility of the New Company and distributed in accordance with the New Agreement if earned on or after the Effective Date. By way of illustration: (i) a payment received by the Company as payment of tenant rent charges for a period commencing on or after the Effective Date will be transferred to the New Company and distributed in accordance with the New Agreement; and (ii) a payment received by the New Company for tenant rent charges prior to the Effective Date will be transferred to the Company and distributed in accordance with the Master Lease.

(h) Notwithstanding anything to the contrary contained in this Agreement, with respect to Annual Percentage Rent (as defined in the Subleases), if any, payable under the Subleases, (i) that portion of any Annual Percentage Rent collected by the New Company pertaining to an entire lease year or accounting period of a Subtenant which ends on a date prior to January 1, 2015 shall be accounted for under the Master Lease, and (ii) that portion of any Annual Percentage Rent collected by the New Company pertaining to that portion of a lease year or accounting period of such Subtenant covering a period prior to January 1, 2015 where such lease year or accounting period begins prior to January 1, 2015, but ends after January 1, 2015, shall be accounted for under the Master Lease. For example,

the amount of Annual Percentage Rent due to the Company and the New Company for a Subtenant whose sales year is July 1 to June 30 shall be determined based upon the following:

(i) for the Company: the applicable percentage(s), as appropriate, in the Sublease multiplied by the positive difference of the Gross Concession Sales (as defined in the Sublease) occurring between July 1, 2014 and December 31, 2014 less one-half of the Annual Percentage Rent Breakpoint (as defined in the Sublease) or Breakpoints, as applicable, both in accordance with each Sublease;

(ii) for the New Company: the applicable percentage(s), as appropriate, in the Sublease multiplied by the positive difference of the Gross Concession Sales occurring between January 1, 2015 and June 30, 2015 less one-half of the Annual Percentage Rent Breakpoint or Breakpoints, as applicable, both in accordance with each Sublease; and

(iii) exceptions from (i) and (ii) above are subject to approval by the City.

(i) If at any time after January 1, 2015, the amount of an item intended to be adjusted in accordance with this Agreement shall prove to be incorrect (whether as a result of an error in calculation or a lack of complete and accurate information as of the time of adjustment), the party in whose favor the error was made shall promptly pay to the other party the sum necessary to correct such error upon receipt of proof of such error, provided that such proof is delivered to the party from whom payment is requested on or before December 31, 2015.

(j) Upon request, at any time after January 1, 2015, the parties hereto will execute and deliver such further instruments of termination, assignment, conveyance and/or transfer and take such other action as the requesting party may reasonably request to effectuate the intentions of the parties as set forth in this Agreement.

ARTICLE VI

SECTION 6.1 Insurance.

The Company and the New Company agree that each of them shall procure and maintain such insurance with respect to the other party in such amounts and covering such hazards as they shall mutually agree upon.

ARTICLE VII

SECTION 7.1 Notices.

All notices, certificates, requests or other communications hereunder shall be in writing and addressed as follows:

If to the Company
or the New Company: MarketPlace Philadelphia Limited Partnership
One Wells Avenue
Newton, MA 02459
Attn: Paul McGinn
President
Fax: (617) 243-7459

and a copy to: Ballard Spahr LLP
1735 Market Street
51st Floor
Philadelphia, PA 19103-7599
Attn: Bart Mellits, Esq.
Fax: (215) 864-9895

If to the City: Division of Aviation
The City of Philadelphia
Executive Offices, Terminal D
Philadelphia International Airport
Philadelphia, PA 19153
Attn: Chief Executive Officer
Fax: (215) 937-6759

with a copy to: The City of Philadelphia, City Solicitor's Office
One Parkway Building
1515 Arch Street, 16th Floor
Philadelphia, PA 19102
Attn: Transportation Unit, Chief Deputy
City Solicitor, Regulatory Affairs
Fax: (215) 683-5175

The Company, the New Company and the City by written notice given hereunder to the Persons listed above, may designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent. A copy of any notice to any party hereto shall also be given to the other parties hereto. Each such notice, request or other communication shall be deemed given (i) if delivered by hand, when delivered to the address specified in this Section, (ii) if mailed, on the third day after such notice was mailed (or one business day if shipped via nationally recognized overnight delivery service), or (iii) if given by facsimile before 5:00 p.m. local time Philadelphia, Pennsylvania, upon confirmation of receipt, and if after 5:00 p.m. on the next day assuming confirmation of receipt on or before such day.

SECTION 7.2 Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same instrument.

SECTION 7.3 Severability.

If any provision of this Agreement is determined by a court to be invalid or unenforceable, such determination shall not affect any other provision hereof, each of which shall be construed and enforced as if the invalid or unenforceable portion were not contained herein. Such invalidity or unenforceability shall not affect any valid and enforceable application thereof, and each such provision shall be deemed to be effective, operative and entered into in the manner and to the full extent permitted by applicable law.

SECTION 7.4 Governing Law.

This Agreement shall be deemed to be a contract made under the laws of the Commonwealth and for all purposes shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania without regard to principles of conflicts of law.

SECTION 7.5 Assignment.

No party to this Agreement shall assign any interest herein, either in whole or in part, without the prior written consent of the other parties hereto.

SECTION 7.6 Headings.

The captions or headings in this Agreement are for convenience of reference only and shall not control or affect the meaning or construction of any provision hereof.

SECTION 7.7 No Agency.

Notwithstanding any provisions hereof, this Agreement does not constitute an appointment of the Company or the New Company as an agent or representative of the City for any purpose whatsoever, and neither a partnership nor a joint venture is created hereby.

SECTION 7.8 No Waiver of Immunity.

Nothing herein shall be construed to waive or amend any defense or immunity which the City or its officials, members, officers, agents, employees, or representatives may have under Title 42 Chapter 85 of the Pennsylvania Consolidated Statutes Annotated. The parties expressly acknowledge that this Section 7.8 is intended to preclude any third party from having any rights whatsoever against the City. The rights and/or obligations set forth in this Section 7.8 shall survive any termination, cancellation or expiration of this Agreement.

IN WITNESS WHEREOF, the Company, the City and the New Company, intending to be legally bound, have caused this Agreement to be duly executed in their respective names, all as of the date first above written.

MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP, a Delaware Limited Partnership

BY: MARKETPLACE PHILADELPHIA, INC., a Massachusetts corporation, its General Partner

By: _____
Paul O. McGinn
President

Approved As To Form:
Shelley R. Smith, City Solicitor

THE CITY OF PHILADELPHIA, acting through its DEPARTMENT OF COMMERCE, DIVISION OF AVIATION

By: _____
Senior Attorney

By: _____
Rina Cutler
Deputy Mayor, Transportation and Utilities

ATTEST/CORPORATE SEAL

MARKETPLACE PHL, LLC

By: _____
Attest: _____
Its: _____
Secretary or Treasurer

MarketPlace Philadelphia Limited Partnership, its Managing Member

By: MarketPlace Philadelphia Inc., its General Partner

Corporate Seal

By: _____
Paul O. McGinn, President

LeJeune and Associates, LLC, Member

By: _____
Clarence LeJeune, Managing Member

EXHIBIT A

Distribution of Issuer Indemnity Fund

Letter of Instruction

This Letter of Instruction between The City of Philadelphia (the "City") and MarketPlace Redwood Limited Partnership ("MRLP") dated this 2nd day of June, 2008.

Background

MRLP has entered into an Improvements Lease (the "Lease") with the Philadelphia Authority of Industrial Development ("PAID") dated as of November 1, 2001, and amended as of June 2, 2008, (the "Amendment") which, among other things, provided in Section 4.5 thereof for the creation of an Issuer Indemnity Fund (the "Fund") which required MRLP to place \$750,000 in the Fund to be increased at the termination of the Lease by a Surety Bond, as defined therein, in the amount of \$1,500,000. The Amendment permits \$740,000 from the Fund to be withdrawn under circumstances set forth therein with the Fund to be replenished in accordance with the terms of the Amendment and, at the termination of the Lease, to have the sum of \$1,500,000 in the Fund. Section 4.5(g) provides that, on or shortly after May 15, 2016, the Fund shall be distributed to the City and MRLP in the proportion and in the manner directed by them in written instruction provided to PAID. The parties wish to memorialize the method to arrive at the amount to be distributed.

NOW, THEREFORE, intending to be legally bound, the parties agree as follows:

The Second Amended and Restated Master Lease, Development and Concession Agreement and Sub-Sublease, Development and Concession Agreement by and between The City of Philadelphia and MarketPlace Redwood Limited Partnership dated January 31, 2001, as amended, ("Master Lease") provides for an annual independent audit (Schedule of City of Philadelphia's Profit Participation) of the Amount Available for Profit Sharing (as defined therein) ("AAPS"). The audited schedule shows the amount of the City's participation in AAPS and, therefore by deduction, the amount of MRLP's participation in AAPS by applying the Base Rent (as defined in the Master Lease) formula in the Master Lease to the AAPS. The City and MRLP agree to utilize the audited calculation of the percentage of the City's share of AAPS (City's portion of profits divided by the AAPS) and the percentage of MRLP's share of AAPS (MRLP's portion of profits divided by the AAPS) for each year in which funds are required to be contributed to the Fund for the final distribution upon termination of the Fund of the remaining monies by PAID. The Fund shall be distributed by applying to the total funds contributed the percentage amount of the City's and MRLP's AAPS for each such year with each year's percentage being determined based upon the funds contributed for the specific year and then to apply the aggregate share of each party's contributed funds to AAPS for the combined years. The parties have agreed to leave \$10,000 in the Fund which shall be returned to the parties at the termination of the Fund in the same aggregate proportion of the Funds as contributed to the parties over the entire period of such contributions. The parties have agreed to accumulate in the Fund the investment income earned by the Fund and distribute it in the same manner as specified in the previous sentence.

By way of example, if the following occurs;

<u>Fiscal Year</u>	<u>City Percentage of AAPS</u>	<u>MRLP Percentage of AAPS</u>
June 30, 2012	85%	15%
June 30, 2013	88%	12%

<u>Fiscal Year Ends</u>	<u>Total Amount Contributed</u>	<u>City Share</u>	<u>MRLP Share</u>
June 30, 2012	\$645,000	\$548,250	\$96,750
June 30, 2013	845,000	743,600	101,400

Aggregate City Percentage Contributed 86.69%

Aggregate MRLP Percentage Contributed 13.31 %

Original \$10,000 in the Fund to be distributed in accordance with each party's Aggregate Percentage Contributed

City Distribution at Termination \$1,300,520

MRLP Distribution at Termination \$199,480

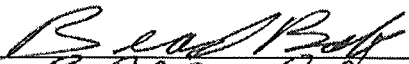
Investment Income to be accumulated in the Fund and ultimately distributed in accordance with each party's Aggregate Percentage Contributed

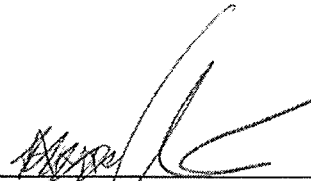
The numbers contained herein are by way of example only. The parties agree to utilize the actual audited numbers and the amounts actually contributed to the Fund.

IN WITNESS WHEREOF, the parties, have hereto executed this Letter of Instruction on the date and year first above written.

THE CITY OF PHILADELPHIA


Approved As To Form
Shelley R. Smith, City Solicitor

By: 
Name: BRAD BERK
Title: Deputy City Solicitor

By: 
Name: ARON ALTMAN
Title: DIRECTOR OF CONTRACTS

MARKETPLACE REDWOOD LIMITED PARTNERSHIP

ATTEST:

By: 
Name: DAVID CROWSDALE
Title: ASST. CLERK
MARKETPLACE PHILADELPHIA, INC.

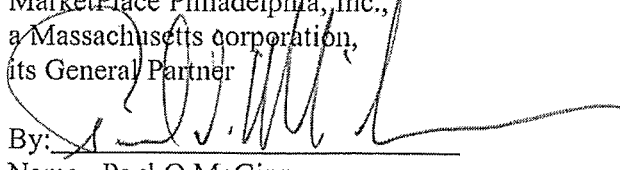
By: MarketPlace Philadelphia, Inc.,
a Massachusetts corporation,
its General Partner
By: 
Name: Paul O McGinn
Title: President

EXHIBIT B

List of Subleases and Related Deposits

PHILADELPHIA INTERNATIONAL AIRPORT
LIST OF SUBLEASES/OCCUPANCY AGREEMENTS

TRADE NAME	SPACE #	SUBLEASE
Afaze	B3	Sublease dated December 23, 2009 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and AFAZE OF PHILADELPHIA, LLC, a New Jersey limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of March 1, 2010; Address Change Notice dated March 30, 2011; Assignment Agreement dated December 12, 2011; and Notice of Asset Sale dated June 26, 2013.
Aldo Lambert's	C9-C	Sublease dated July 25, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and TWO LAMBERTI BROTHERS, LLC, a Pennsylvania limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of July 25, 2013.
Angelina's Panini Bar	AW18-A	Sublease dated August 8, 2012 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and MAR AIR TERM A INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of September 1, 2012.
Asian Chao	BC10	Sublease dated February 1, 2009 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and JIA LE, LLC, a Florida limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of February 1, 2009; Address Change Email dated May 3, 2010; Address Change Email dated April 29, 2011; and Amendment and Extension of Sublease dated September 16, 2011.
Au Bon Pain	AWS, C1, E14	Sublease dated May 1, 2012 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and ABP CORPORATION, a Delaware Corporation, of the other part. Amended and/or affected by: Rent Commencement Date Agreement dated May 2, 2012; Nondisturbance, Subordination and Attornment Agreement dated as of September 1, 2012; Opening Notice for Space C1 as of December 6, 2012; and Opening Notice for Space AWS as of December 28, 2012.
Au Bon Pain	FH10	Sublease dated September 26, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and ABP/PHL CARE, LLC, a Delaware limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of October 1, 2013; and Opening Notice as of October 31, 2013.
Auntie Anne's	C12-B, D6-E	Sublease dated December 16, 2009 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and JAV SANTOSHI, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of March 29, 2010; and Amendment No. 1 of Sublease dated as of May 18, 2010.
Auntie Anne's BC Baggage	BCK2-L1, B5-B	Sublease dated July 20, 2009 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and CL TWIST, LLC, a Pennsylvania limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of July 20, 2009; and Chattel Lien Waiver dated as of September 9, 2009.
Bank of America	ATM	Sublease dated July 16, 2008 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and BANK OF AMERICA, N.A., a national banking association, of the other part. Amended and/or affected by: Landlord Change Notice dated October 13, 2009; Office Relocation Notice from Tenant dated May 2, 2012; and Amendment and Extension of Sublease dated as of January 8, 2013.
The Body Shop	BC3	Sublease dated March 22, 2010 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and BUTH-NA-BODHAIGE, INC., a Delaware corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of March 23, 2010; and Amendment and Extension of Sublease dated as of January 17, 2013.

PHILADELPHIA INTERNATIONAL AIRPORT
LIST OF SUBLEASES/OCCUPANCY AGREEMENTS

Bose Corporation	BC25	Sublease dated August 19, 2003 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and BOSE CORPORATION, a Delaware corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of August 19, 2003; Amendment and Extension of Sublease dated as of November 1, 2008; Amendment and Extension of Sublease II dated as of July 14, 2009; Tenant Address Change Notice dated January 26, 2010; Amendment and Extension of Sublease III dated as of July 9, 2010; Amendment and Extension of Sublease IV dated as of June 17, 2011; and Amendment and Extension of Sublease V dated as of December 31, 2012.
Brighton	BC31	Sublease dated May 9, 2005 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PARADISE-PLEASANT NEWS, LLC, a Pennsylvania limited liability company, of the other part. Amended and/or affected by: Letter Agreement dated May 9, 2005, Nondisturbance, Subordination and Attornment Agreement dated as of June 13, 2005; Consent to Transfer dated as of May 28, 2010; Amendment of Sublease dated as of January 14, 2013; and Amendment No. 2 of Sublease dated as of March 13, 2014.
Brooks Brothers	BC17-AB	Sublease dated May 9, 2005 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PARADISE-PLEASANT NEWS, LLC, a Pennsylvania limited liability company, of the other part. Amended and/or affected by: Letter Agreement dated May 9, 2005, Nondisturbance, Subordination and Attornment Agreement dated as of June 13, 2005; Consent to Transfer dated as of May 28, 2010; Amendment of Sublease dated as of January 14, 2013; and Amendment No. 2 of Sublease dated as of March 13, 2014.
Brookstone	AW7-AB	Sublease dated September 24, 2002 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and BROOKSTONE PROPERTIES, INC., a Delaware limited partnership, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of undated; and Notice from Tenant dated February 27, 2006.
Burrito Eilito	C6	Sublease dated October 18, 2011 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and AIRMEALS-PHILADELPHIA, LLC, a Pennsylvania limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of October 18, 2011; Chattel Lien Waiver dated as of December 16, 2011; and Address Change for Tenant's Attorney received via telephone June 13, 2013.
Cantina Laredo	E12	Sublease dated November 2, 2009 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PHILLY CONCESSION ENTERPRISES, INC., a Michigan corporation, of the other part. Amended and/or affected by: Letter Agreement dated November 2, 2009; and Nondisturbance, Subordination and Attornment Agreement dated as of November 2, 2009.
Chick-Fil-A	BC7	Sublease dated October 20, 2004 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and CREATIVE HOST SERVICES, INC, a California corporation, of the other part. Amended and/or affected by: Delivery of Premises Letter dated November 29, 2004; Address Correction Email dated December 21, 2004; Amendment No. 1 of Sublease dated as of April 19, 2005; Consent of Stock Transfer dated as of June 15, 2006; Notice of Change of Corporate Name dated January 31, 2008; Compliance Letter dated October 14, 2008; Landlord Name Change Notice dated October 13, 2009; Notice from Landlord dated October 16, 2009; Notice from Landlord dated November 24, 2009; Notice from Landlord dated May 26, 2010; Notice from Landlord dated December 16, 2010; and Assignment, Assumption and Amendment of Sublease dated as of February 19, 2012.
Chickie & Pete's	D1	Sublease dated January 27, 2011 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and CPC INTERNATIONAL LLC, a Pennsylvania limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of February 15, 2011; and Letter Agreement dated November 17, 2011.
Chickie & Pete's	E6-A, C-11, AW15	Sublease dated March 6, 2007 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and CPC INTERNATIONAL LLC, a Pennsylvania limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of March 6, 2007; Chattel Lien Waiver dated as of January 7, 2008; Amendment No. 1 of Sublease dated as of January 30, 2008; Amendment No. 2 of Sublease dated as of March 12, 2008; Landlord Name Change Notice dated October 13, 2009; Amendment No. 3 of Sublease dated as of January 27, 2011; and Amendment No. 4 of Sublease dated as of March 1, 2013.

PHILADELPHIA INTERNATIONAL AIRPORT
LIST OF SUBLEASES/OCCUPANCY AGREEMENTS

Chipotle	FH13	Sublease dated July 16, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and CHIPOTLE MEXICAN GRILL OF COLORADO, LLC, a Colorado limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of July 16, 2013; Opening Notice dated October 31, 2013; and Amendment and Stipulation of Term of Sublease dated as of December 6, 2013.
CIBO Bistro	B7	Sublease dated June 17, 2010 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and OTG MANAGEMENT PH, LLC, a Delaware limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of July 1, 2010.
Cibo Express Gourmet	C8-A	Sublease dated June 17, 2010 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and OTG MANAGEMENT PH, LLC, a Delaware limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of July 1, 2010.
CNBC	AE3-B, AE9-A, B1, B10-B, BSN6, C4, CSNG, D10, DSNG, E5-B	Sublease dated May 9, 2005 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PARADISE-PLEASANT NEWS, LLC, a Pennsylvania limited liability company, of the other part. Amended and/or affected by: Letter Agreement dated May 9, 2005; Nondisturbance, Subordination and Attornment Agreement dated as of June 13, 2005; Amendment No. 1 of Sublease dated as of November 19, 2007; Amendment No. 2 of Sublease dated as of September 15, 2008; Notice from Landlord dated May 14, 2009; Consent to Transfer dated as of May 28, 2010; Amendment No. 3 of Sublease dated as of January 14, 2013; Notice to Vacate dated February 20, 2013; and Notice to Quit Premises dated February 27, 2013. *ALSO AMENDMENT NO. 4 IN W/ CITY FOR APPROVAL.
Currito Burrito	AE5-A	Sublease dated July 17, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and RAMY ENTERPRISES, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of July 17, 2013.
Currito Burrito	D3-B	Sublease dated July 9, 2010 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and RAMY ENTERPRISES, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of July 9, 2010.
Dunkin Donuts	AW14	See Hudson News.
Dunkin Donuts	BC32	Sublease dated June 21, 2006 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and BCG PHILADELPHIA INTERNATIONAL LLC, a Pennsylvania limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of undated.
Dunkin Donuts	D8	Sublease dated June 21, 2006 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and BCG PHILADELPHIA INTERNATIONAL LLC, a Philadelphia limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of undated; and Rent Commencement Date Agreement dated March 1, 2008.
Earl of Sandwich	D3-A	Agreement dated May 24, 2010 by and between EARL OF SANDWICH (USA), LLC, a Florida limited liability company, of the one part, and PHILLY CONCESSION ENTERPRISES, INC., a Michigan corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of January 20, 2010; and Letter Agreement dated March 29, 2011.
Eat at Joe's	B12-A	Sublease dated July 6, 2010 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and E.A.J.: PH, AIRPORT, INC., a Delaware corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of July 6, 2010; and Amendment No. 1 of Sublease dated as of August 5, 2010.

PHILADELPHIA INTERNATIONAL AIRPORT
LIST OF SUBLEASES/OCCUPANCY AGREEMENTS

Explore Philadelphia	AEC3-A	Sublease dated May 9, 2005 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PARADISES-PLEASANT NEWS, LLC, a Pennsylvania limited liability company, of the other part. Amended and/or affected by: Letter Agreement dated May 9, 2005; Nondisturbance, Subordination and Attornment Agreement dated as of June 13, 2005; Consent to Transfer dated as of May 28, 2010; Amendment of Sublease dated as of January 14, 2013; and Amendment No. 2 of Sublease dated as of March 13, 2014.
Famous Famiglia	AW12-A	Sublease dated November 10, 2010 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and FAMIGLIA-DEBARTOLO, LLC, a limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of November 10, 2010.
Famous King of Pizza	D6-A	Sublease dated June 1, 2008 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PHILADELPHIA FAMOUS KING OF PIZZA, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of March 16, 2009. *TERM OF SUBLEASE EXPIRED AND TENANT OPERATING UNDER THE SUBLEASE AS A TAW.
Far East	FH8	Sublease dated June 13, 2014 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and MIDFIELD CONCESSION ENTERPRISES, INC., a Michigan corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of June 13, 2014.
Finish Line	BC15	Sublease dated September 4, 2014 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and THE FINISH LINE, INC., an Indiana corporation, of the other part. Amended and/or affected by: None.
Fire & Ice	BC22	Sublease dated August 20, 2008 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and FIRE AND ICE II OF PHILADELPHIA, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: None.
Fire & Ice III	FH3	Sublease dated undated, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and FIRE AND ICE III OF PHILADELPHIA, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of July 25, 2013; and Opening Notice dated October 3, 2013.
Flight Meals	AW19	Sublease dated July 31, 2007 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PAUL N. FERRA, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of July 31, 2007; Ownership Change to Lease Agreement Notice including Unanimous Consent Resolution and copy of Stock here Certificate dated April 25, 2008; Tenant Address Change Notice email dated April 2, 2009; Tenant Address Change Notice dated April 17, 2009; Landlord Change of Name Notice dated October 13, 2009; and Amendment No. 1 of Sublease dated as of June 20, 2011.
Gap, Inc.	BC1	Sublease dated March 17, 1998 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and THE GAP, INC., a Delaware corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of March 17, 1998; Amendment No. 1 of Sublease dated as of April 22, 2002; Amendment No. 2 and Extension of Sublease dated as of January 24, 2005; Letter Agreement re: Trade Name Change dated March 27, 2006; Letter Agreement re: Signage dated August 18, 2008; Amendment No. 3 of Sublease dated as of July 21, 2009; Landlord Name Change Notice dated October 13, 2009; and Month-to-Month Letter Agreement dated January 7, 2013.
Good 2 Go II	E1-B	Occupancy Agreement dated March 8, 2011 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and GOOD 2 GO, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: None. *TERM OF OCCUPANCY AGREEMENT EXPIRED AND TENANT OPERATING THEREUNDER ON A MONTH TO MONTH BASIS.
Good 2 Go II	F8	Sublease dated July 2, 2009 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and GOOD 2 GO II INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of July 2, 2009; Landlord Name Change Notice dated October 13, 2009; and Letter Agreement dated as of May 28, 2010.

PHILADELPHIA INTERNATIONAL AIRPORT
LIST OF SUBLEASES/OCCUPANCY AGREEMENTS

Good 2 Go	FH22	Sublease dated August 29, 2012 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and GOOD 2 GO II INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of August 29, 2012; Notice from Landlord dated November 15, 2012; Opening Notice dated March 15, 2013; and Amendment and Extension of Sublease dated as of January 14, 2014.
Green Leaf	D9	Sublease dated October 20, 2011 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and DOLCE VITA PHILADELPHIA, LLC, a Delaware limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of October 20, 2011.
Guava & Java	B5-A	Sublease dated May 11, 2010 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and GUAVA & JAVA PHL INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of May 11, 2010.
Guava & Java	E-6B, AE4-A	Sublease dated May 14, 2007 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and GUAVA & JAVA PHL INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of May 14, 2007; Amendment No. 1 of Sublease dated as of December 4, 2007; and Amendment No. 2 of Sublease dated as of November 13, 2008.
Harley Davidson	BC28-AB	Sublease dated May 9, 2005 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PARADISES-PLEASANT NEWS, LLC, a Pennsylvania limited liability company, of the other part. Amended and/or affected by: Letter Agreement dated May 9, 2005; Nondisturbance, Subordination and Attornment Agreement dated as of June 13, 2005; Consent to Transfer dated as of May 28, 2010; Amendment of Sublease dated as of January 14, 2013; and Amendment No. 2 of Sublease dated as of March 13, 2013.
Healthy Gourmet	AW11	Sublease dated July 31, 2012 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and MAR AIR TERM A INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of September 1, 2012; and Opening Notice dated July 31, 2013.
Heritage Books	BC5	See CNBC News.
Hudson News	AW17, AW21, AW8, FH15, FH4, F7	Sublease dated March 22, 2001 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and HUDSON-HOPPER PHILADELPHIA J.V., a joint venture organized under the laws of the State of New Jersey, of the other part. Amended and/or affected by: Grand Opening Letter Agreement dated May 16, 2001; Nondisturbance, Subordination and Attornment Agreement dated as of May 11, 2001; Sublease Outline dated June 28, 2001; Letter Agreement dated as of February 12, 2002; Amendment No. 1 of Sublease dated as of May 17, 2002; Amendment No. 2 of Sublease dated as of August 12, 2003; Landlord Notice to Vacate Premises dated September 30, 2004; Consent and Agreement dated as of March 12, 2008; Notification of Change in Tenant Corporate Form dated February 5, 2010; Landlord Notice to Vacate Premises dated June 2, 2011; and Opening Notice for FH04 and FH15 dated October 1, 2013.
InMotion	BC30	Sublease dated August 9, 2009 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PROJECT HORIZON, INC., a Florida corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of August 9, 2009; and Assignment, Assumption and Amendment of Sublease with Landlord Consent dated as of September 30, 2013.
InMotion	DE-8	Sublease dated August 29, 2008 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PROJECT HORIZON, INC., a Florida corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of August 29, 2008; Grand Opening Change Notice dated October 16, 2008; Grand Opening Change Notice dated December 17, 2008; and Assignment, Assumption and Amendment of Sublease with Landlord Consent dated as of September 30, 2013.

PHILADELPHIA INTERNATIONAL AIRPORT
LIST OF SUBLEASES/OCCUPANCY AGREEMENTS

International Shoppe	AW16, AW9, AW1, AET7	Sublease dated January 13, 2003 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and ISADA, LLC, a New York limited liability company, of the other part. Amended and/or affected by: Concession Agreement dated January 13, 2003; Nondisturbance, Subordination and Attornment Agreement dated as of January 13, 2003; Amendment No. 1 of Sublease dated as of November 23, 2004; Amendment No. 2 of Sublease dated as of May 20, 2005; Agreement dated as of February 1, 2006; Amendment No. 3 of Sublease dated as of February 15, 2006; Amendment No. 4 of Sublease dated as of February 15, 2006; Amendment No. 5 of Sublease dated as of November 21, 2007; Restructuring Notice dated May 14, 2008; Landlord Name Change Notice dated October 13, 2009; Amendment No. 6 of Sublease dated as of April 1, 2011; Amendment No. 7 of Sublease dated as of January 26, 2012; Opening Notice for Space AW16 dated December 22, 2012; Closing Notice for Space AW9 dated January 7, 2013; Opening Notice for Space AW9 dated May 24, 2013; Tenant Counsel Address Change Notice dated June 7, 2013; and Opening Notice for Space AW1 dated August 21, 2013.
Jack Duggans PHL	AE-4B	Sublease dated April 22, 2008 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and JACK DUGGAN'S PHL, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Chattel Lien Waiver dated as of December 3, 2008; Amendment No. 1 of Sublease dated as of March 1, 2013; Amendment No. 2 of Sublease dated as of June 11, 2014; and Notice of Delivery of Premises dated August 13, 2014.
Jamba Juice	C9-A	Sublease dated October 4, 2012 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and NEW YORK ICE CREAM, INC., a New York corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of November 19, 2012; Chattel Lien Waiver dated as of March 6, 2013; Opening Notice dated March 12, 2013; and Disadvantaged Business Enterprise Statement and Letter of Intent.
Jamba Juice	D6-D	Sublease dated December 6, 2010 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and NEW YORK ICE CREAM, INC., a New York corporation, of the other part. Amended and/or affected by: Letter Agreement dated June 10, 2011.
Jet Rock	B10-A	Sublease dated September 17, 1996 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and AIRBEV, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of September 16, 1996; Amendment No. 1 of Sublease dated as of January 1, 1997; Amendment Execution Confirmation Letter dated October 21, 1998; Prime Landlord Address Notice dated December 1, 1998; Amendment No. 2 of Sublease dated as of April 1, 1999; Tenant Address Change Notice dated November 16, 1999; Amendment No. 3 and Extension of Sublease dated as of December 17, 2007; Landlord Name Change Notice dated October 13, 2009; Amendment No. 4 of Sublease dated as of August 9, 2011; Tenant Address Change Notice dated February 21, 2012; Short Term Storage Agreement dated January 3, 2014; and Tenant-at-Will Letter Agreement dated as of December 31, 2013.
Jet Rock -D	D11	Sublease dated April 3, 2002 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and D TERMINAL, L.P., a Pennsylvania limited partnership, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of February 28, 2002; Amendment No. 1 of Sublease dated as of December 18, 2002; Landlord Name Change Notice dated October 13, 2009; Amendment No. 2 of Sublease dated as of August 9, 2011; Tenant Address Change Notice dated February 21, 2012; and Tenant-at-Will Letter Agreement dated as of October 31, 2012.
Johnston & Murphy	BC2	Sublease dated March 12, 1998 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and GENESCO INC., a Tennessee corporation, of the other part. Amended and/or affected by: Certificate dated January 6, 1998; Officer's Certificate Regarding Corporate Seal dated January 6, 1988; Delivery of Premises Notice dated March 31, 1998; Nondisturbance, Subordination and Attornment Agreement dated as of March 12, 1998; Officer's Certificate Regarding Corporate Seal dated January 11, 1999; Amendment No. 1 of Sublease dated as of February 17, 1999; Amendment No. 2 and Extension of Sublease dated as of September 28, 2004; Amendment No. 3 and Extension of Sublease dated as of November 8, 2005; Amendment No. 4 of Sublease dated as of June 16, 2006; Landlord Name Change Notice dated October 13, 2009; and Amendment No. 5 and Extension of Sublease dated as of May 8, 2014.
Kiehls	FH26	See Hudson News.

PHILADELPHIA INTERNATIONAL AIRPORT
LIST OF SUBLEASES/OCCUPANCY AGREEMENTS

La Tapenade	AW13	Sublease dated May 9, 2014 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and HOST INTERNATIONAL, INC., a Delaware corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of May 9, 2014; and Delivery of Premises Notice dated August 13, 2014.
Le Bus	FH14	Sublease dated January 11, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and GUAVA & JAVA PHL INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of January 11, 2013; and Opening Notice dated October 31, 2013.
Le Bus Café	BC18-A	Sublease dated August 8, 2011 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and GUAVA & JAVA PHL INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of September 20, 2011.
Legal Seafood	BC13	Sublease dated November 4, 2009 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and LEGAL SEA FOODS, INC., a Delaware corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of November 24, 2009; Delivery of Premises Notice dated November 10, 2009; Notice from Tenant dated April 2, 2010; Amendment No. 1 of Sublease dated April 26, 2010; Certificate of Conversion dated May 17, 2010; State of Pennsylvania Certification dated May 21, 2010; Notice from Tenant dated May 27, 2010; Short Term Storage Agreement dated December 11, 2012; Short Term Storage Agreement dated June 28, 2013; and Closing Notice dated January 6, 2014.
Lick	DE9	Sublease dated September 4, 2014 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and THE MARSHALL RETAIL GROUP, LLC, a Delaware limited liability company, of the other part. Amended and/or affected by: None.
Lids Corporation	BC24	Sublease dated February 1, 2009 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and HATWORLD, INC., a Minnesota corporation, of the other part. Amended and/or affected by: None.
Lids/Lids Kids	DE-7	Sublease dated August 21, 2008 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and HATWORLD, INC., a Minnesota corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of August 21, 2008; Grand Opening Date Change Notice dated October 16, 2008; and Grand Opening Date Change Notice dated December 17, 2008.
Life is Good	EK1	See Hudson News.
Local Tavern	FH17	Sublease dated October 3, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and OTG MANAGEMENT PHL, LLC, a Delaware limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of October 25, 2013; Short Term Storage Agreement dated as of October 3, 2013; and Amendment No. 1 to Short Term Storage Agreement dated as of February 28, 2014.
L'Occitane	BC29-B	Sublease dated June 13, 2014 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PHILADELPHIA L'OCCITANE AIRPORT VENTURE, LLC, a Delaware limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of June 13, 2014.
Magic Shoe Shine	AE-S-3	Occupancy Agreement dated March 1, 2008 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and MAGIC SHOE SHINE of the other part. Amended and/or affected by: Amendment No. 1 and Extension of Occupancy Agreement dated as of undated; Letter Agreement dated March 23, 2012; and Letter Agreement dated June 1, 2014.
Magic Shoe Shine	SS-B1	Occupancy Agreement dated March 1, 2008 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and MAGIC SHOE SHINE of the other part. Amended and/or affected by: Amendment No. 1 and Extension of Occupancy Agreement dated as of undated; Letter Agreement dated March 23, 2012; and Letter Agreement dated June 1, 2014.

PHILADELPHIA INTERNATIONAL AIRPORT
LIST OF SUBLEASES/OCCUPANCY AGREEMENTS

Magic Shoe Shine	BC-S-7	Occupancy Agreement dated March 1, 2008 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and MAGIC SHOE SHINE of the other part. Amended and/or affected by: Amendment No. 1 and Extension of Occupancy Agreement dated as of undated; Letter Agreement dated March 23, 2012; and Letter Agreement dated June 1, 2014.
Magic Shoe Shine	F-S-3	Occupancy Agreement dated March 1, 2008 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and MAGIC SHOE SHINE of the other part. Amended and/or affected by: Amendment No. 1 and Extension of Occupancy Agreement dated as of undated; Letter Agreement dated March 23, 2012; and Letter Agreement dated June 1, 2014.
Maki of Japan	AW12-B	Sublease dated February 1, 2009 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and LIA LE, LLC, a Delaware limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of undated; Change of Address Email dated May 3, 2010; Change of Address Email dated April 29, 2011; and Amendment and Extension of Sublease dated as of September 16, 2011.
Maki of Japan	E8-B	Sublease dated July 2, 2009 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and LIA LE, LLC a Delaware limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of July 2, 2009; Change of Address Email dated May 3, 2010; Change of Address Email dated April 29, 2011; and Amendment and Extension of Sublease dated as of September 16, 2011.
McDonald's	AW18-B	Sublease dated January 22, 2002 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and MCDONALD'S CORPORATION, a Delaware corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of May 8, 2002; Amendment No. 1 of Sublease dated as of April 7, 2003; Declaration dated May 29, 2003; and Assignment, Assumption and Amendment No. 2 of Sublease dated as of March 7, 2013.
McDonald's	E1S	Sublease dated November 12, 2009 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and MCDONALD'S CORPORATION, a Delaware corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of November 24, 2009; Supplement to Sublease dated March 16, 2010; and Assignment, Assumption and Amendment No. 1 of Sublease dated as of March 7, 2013.
Biconic (f/k/a Mindworks)	EK2	See Stellar News; dated July 9, 2009.
Minute Suites	AB6	Sublease dated August 3, 2010 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and MINUTE SUITES, LLC, a Delaware limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of August 3, 2010.
Morning Start Vending	VEND	Sublease dated January 1, 2006 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and NATALIE DIODATA, individually, of the other part. Amended and/or affected by: Amendment and Extension of Sublease dated as of May 18, 2009; and Second Amendment and Extension of Sublease dated as of April 23, 2014. *TERM OF SUBLEASE EXPIRED AND TENANT OPERATING UNDER THE SUBLEASE AS A TAW.
Pandora	BC29A	Sublease dated May 13, 2014 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PARADISE-PLEASANT NEWS, LLC, a Pennsylvania limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of May 13, 2014.
Peet's Coffee & Tea	DE-6	Sublease dated August 27, 2008 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and SSP AMERICA GLADCO, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of October 6, 2008; Grand Opening Date Change Notice dated October 16, 2008; Grand Opening Date Change Notice dated December 17, 2008; Landlord Name Change Notice dated October 13, 2009; and Assignment, Assumption and Amendment of Sublease dated as of August 9, 2011.

PHILADELPHIA INTERNATIONAL AIRPORT
LIST OF SUBLEASES/OCCUPANCY AGREEMENTS

Pennsylvania Market II	ES-A	Sublease dated May 9, 2005 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PARADISE-LEASANT NEWS, LLC, a Pennsylvania limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of June 13, 2005; Consent to Transfer dated as of May 28, 2010; Amendment of Sublease dated as of January 14, 2013; and Amendment No. 2 of Sublease dated as of March 13, 2014.
Philadelphia America	BC16	Sublease dated September 9, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and OLDE MILL COMPANY, INC., a Delaware corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of October 1, 2013.
Philly Steak & Gyro	BC6	Sublease dated May 19, 2006 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PS&G BC CONNECTOR, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of undated; and 2010 Amendment of Sublease dated as of April 20, 2011.
Philly Steak & Gyro Co.	C9-B	Sublease dated October 19, 2010 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and P&S, AIRPORT INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of November 5, 2010.
Pinkberry	BC11	Sublease dated March 6, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and OLYMPIC SUPPLY INC., a Maryland corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of undated; and Letter Agreement dated March 6, 2013.
Popeye's Chicken	C12-A	Sublease dated November 30, 2012 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and MAR AIR PHIL TERM C INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of November 30, 2012; and Opening Notice dated February 7, 2013.
Pretzel Factory	FH5	Sublease dated March 11, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PHILLY PRETZEL FACTORY, LLC, a Pennsylvania limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of undated; and Opening Notice dated October 31, 2014.
Re:Vive	FH21	Sublease dated November 5, 2012 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and OTG MANAGEMENT PH, LLC, a Delaware limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of November 5, 2012; Notice from Landlord dated as of November 15, 2012; and Opening Notice dated March 15, 2013.
Red Mango	FH6	Sublease dated March 29, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PHILLY CONCESSION ENTERPRISES, INC., a Michigan corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of April 24, 2013; and Opening Notice dated October 31, 2013.
Roster	BC4	Sublease dated July 12, 2012 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and COLOR INC., a Massachusetts corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of July 12, 2012.
Ruby Blue	DE4	Sublease dated September 4, 2014 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and THE MARSHALL RETAIL GROUP, LLC, a Delaware limited liability company, of the other part. Amended and/or affected by: None.
Salad Works	AE5-B	Sublease dated February 1, 2008 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and JAY SANTOSHI, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Letter Agreement dated February 1, 2008; Change of Address Email dated October 27, 2009; and Amendment and Extension of Sublease dated as of July 1, 2013.

PHILADELPHIA INTERNATIONAL AIRPORT
LIST OF SUBLEASES/OCCUPANCY AGREEMENTS

Sbarro	E8-C	Sublease dated _____, 2014 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and SEVEN HILLS, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: None. EXPECTED TO BE SIGNED SHORTLY.
Sbarro	FH9	Sublease dated July 25, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and SEVEN HILLS, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of July 25, 2013, and Opening Notice dated October 31, 2013.
Sky Asian Bistro	C5	Sublease dated August 2, 2011 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and OTG MANAGEMENT PHL, LLC, a Delaware limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of August 29, 2011.
Smashburger	FH7	Sublease dated March 6, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and NEW YORK ICE CREAM, INC., a New York corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of March 6, 2013; Chated Lien Waiver dated as of August 20, 2013; and Opening Notice dated October 31, 2013.
Solstice	FH2	See Hudson News.
Soundbalance	FH19	Sublease dated March 28, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and SOUNDBALANCE PHL, LLC, a Florida limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of April 26, 2013; Opening Notice dated October 1, 2013; and Assignment, Assumption and Admission Agreement dated as of September 30, 2013.
Starbucks	BC26	Sublease dated April 16, 2014 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and HOST INTERNATIONAL, INC., a Delaware corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of April 16, 2014; and Opening Notice dated June 23, 2014.
Stellar News	FH23	Sublease dated July 25, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and STELLAR PARTNERS, INC., a Florida corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of July 25, 2013; and Amendment and Extension of Sublease dated as of June 30, 2014.
Stellar News	E13, F6, DE-10, DK-1, D5-A, E3	Sublease dated July 9, 2009 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and STELLAR PARTNERS, INC., a Florida corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of undated; Delivery of Premises Notice for E13 dated November 12, 2009; Delivery of Premises Notice for E3 and DK1 dated February 1, 2010; Amendment No. 1 of Sublease dated as of July 27, 2010; Amendment No. 2 of Sublease dated as of October 19, 2010; Amendment No. 3 of Sublease dated as of November 30, 2012; and Amendment No. 4 of Sublease dated as of June 30, 2014.
Subway	BC8	Sublease dated May 13, 2014 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and STROTHER ENTERPRISES, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of May 13, 2014; and Opening Notice dated July 1, 2014.
Sunglass Hut International	BC21	Sublease dated August 7, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and AIR SUN JOINT VENTURE of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of August 7, 2013.
Swarovski	BC14	Sublease dated November 14, 2006 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and SWAROVSKI RETAIL VENTURES, LTD., a Rhode Island corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of October 19, 2007; Landlord Name Change Notice dated October 13, 2009; Assignment, Assumption and Amendment of Sublease dated as of July 14, 2011; and Amendment and Extension of Sublease dated as of February 1, 2012.

PHILADELPHIA INTERNATIONAL AIRPORT
LIST OF SUBLEASES/OCCUPANCY AGREEMENTS

Sweet Flights	C8-B	Sublease dated March 9, 2010 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and S.S. CANDY CORP., a Pennsylvania corporation, of the other part. Amended and/or affected by: undated Nondisturbance, Subordination and Attornment Agreement. *TERM OF SUBLEASE EXPIRED AND TENANT OPERATING UNDER THE SUBLEASE AS A TAW.
Taxco	B2	Sublease dated October 5, 2004 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and TAXCO STIRLING CO, INC., a Virginia corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of October 25, 2004; Amendment No. 1 of Sublease dated as of November 23, 2004; Amendment No. 2 of Sublease dated as of August 25, 2009; and Address Change Notice dated September 3, 2009.
Tech Interaction	B4	Sublease dated January 5, 2012 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and LU INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of January 5, 2012.
Tech Interaction	C7	Sublease dated January 5, 2012 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and LU INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of January 5, 2012.
Tech Showcase	DE-1	Sublease dated July 29, 2008 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and LU INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of July 29, 2008; Grand Opening Date Change Notice dated October 16, 2008; Grand Opening Date Change Notice dated December 17, 2008; and Amendment of Sublease dated as of December 23, 2011.
Time to Fly	BC19	Occupancy Agreement dated February 29, 2012 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and BOMBI CORP., a Pennsylvania corporation, of the other part. Amended and/or affected by: Amendment No. 1 and Extension of Occupancy Agreement dated as of August 7, 2013.
Tony Luke's	FH12	Sublease dated May 16, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and SEVEN HILLS, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of March 6, 2013; and Opening Notice dated October 31, 2013.
Travelex	AB2	Sublease dated March 6, 2013 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and TRAVELEX CURRENCY SERVICES, INC., a Delaware corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of March 6, 2013; and Opening Notice dated December 29, 2012.
Travelex	AW10, AW2, AW20, AE12, D13, AB4	Sublease dated June 1, 2010 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and TRAVELEX CURRENCY SERVICES, INC., a Delaware corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of November 10, 2010.
TUMI	BC20	Sublease dated January 19, 2012 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and TUMI STORES, INC., a New Jersey corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of February 23, 2012; and Address Change Email dated March 8, 2012.
TUMI	DE2	Sublease dated _____ 2014 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and TUMI STORES, INC., a New Jersey corporation, of the other part. Amended and/or affected by: None. EXPECTED TO BE SIGNED SHORTLY.
Villa Pizza	AE5-C	Sublease dated April 9, 2007 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and GRILLWORKS, INC., a Pennsylvania corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of _____; Amendment No. 1 of Sublease dated as of September 4, 2007; Consent to Sublease dated as of May 7, 2008; Corporate Certificate dated May 7, 2008; and Amendment No. 2 of Sublease dated as of September 25, 2008.

PHILADELPHIA INTERNATIONAL AIRPORT
LIST OF SUBLEASES/OCCUPANCY AGREEMENTS

Villa Pizza	B-8AB	Sublease dated April 19, 2007 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PHILLY STEAK & GRINDERS, INC., a Pennsylvania corporation of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of undated; Consent to Sublease dated May 7, 2008; Corporate Certificate dated May 7, 2008; and Amendment No. 1 of Sublease dated as of October 30, 2009.
Vino Volo	AW6	Sublease dated March 24, 2011 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and TASTE, INC., a California corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of March 24, 2011; and Address Change Email dated May 16, 2011.
Vino Volo	B13	Sublease dated January 19, 2010 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and TASTE, INC., a California corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of undated; and Address Change Email dated May 16, 2011.
Vino Volo	BC27 -AB	Sublease dated December 31, 2007 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and TASTE, INC., a California corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of undated; Chattel Lien Waiver dated as of undated; Landlord Name Change Notice dated October 13, 2009; Address Change Email dated May 16, 2011; and Amendment and Extension of Sublease dated as of April 16, 2014.
Vino Volo	DE-5	Sublease dated August 27, 2008 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and TASTE, INC., a California corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of undated; Grand Opening Date Change Notice dated October 16, 2008; Grand Opening Date Change Notice dated December 17, 2008; and Address Change Email dated May 16, 2011.
Wendy's	BC9	Sublease dated November 20, 2009 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and PHILLY CONCESSION ENTERPRISES, INC., a Michigan corporation, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of undated; and Short Term Storage Agreement dated as of July 1, 2010.
XpressSpa	C2/C3	Sublease dated December 6, 2011 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and XPRESSSPA PHILADELPHIA AIRPORT, LLC, a New York limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of February 3, 2012; Opening Notice dated February 12, 2013; Opening Notice dated April 16, 2013; and Amendment No. 1 of Sublease dated as of August 26, 2013.
XpressSpa	FH1	Sublease dated August 29, 2012 by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and XPRESSSPA PHILADELPHIA AIRPORT, LLC, a New York limited liability company, of the other part. Amended and/or affected by: Nondisturbance, Subordination and Attornment Agreement dated as of August 29, 2012; and Opening Notice dated October 1, 2013.

License Agreement

TRADE NAME	SPACE #	
Philly Soft Pretzel	AW-C-1	License Agreement dated July 1, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and CLK MANAGEMENT.
Mpulse	AW-2	License Agreement dated June 1, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and IVERIA GROUP.
Philly Soft Pretzel	AE-C-1	License Agreement dated July 1, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and CLK MANAGEMENT.
Mpulse	AE-C-2	License Agreement dated June 1, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and IVERIA GROUP.
See's Candy	B-C-1	License Agreement dated September 1, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and MORGAN GROUP VENTURES, INC.
Time Express	B-C-2	License Agreement dated July 1, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and BOMBI CORP.
Magic Pens	B-C-4	License Agreement dated July 1, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and IMAGINEART, GROUP, LLC.
Uniquely Philly	B-C-9	License Agreement dated May 6, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and MORGAN GROUP VENTURES, INC.
Landau Jewelry	B-C-10	License Agreement dated September 1, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and LANDAU, INC.
Philly Bends & Twists	B-C-13	License Agreement dated July 1, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and JAGWINDER SINGH.
Mpulse	B-C-14	License Agreement dated July 11, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and IVERIA GROUP.
Hershey's Ice Cream	B-C-16	License Agreement dated August 8, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and AIM CONCESSIONS, LLC.
The Neat Company	C-C-1	License Agreement dated October 17, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and The Neat Company.
Psch Nails	C-C-2	License Agreement dated October 17, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and CLK MANAGEMENT.
Magic Massage	C-C-8	License Agreement dated September 15, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and ENOVATIVE TECHNOLOGIES.
Philly Pretzels	C-C-9	License Agreement dated July 1, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and JANE ROSE.
Landau Jewelry	C-C-10 & 11	License Agreement dated July 5, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and LANDAU, INC.
Philly Soft Pretzel	D-C-1	License Agreement dated July 1, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and CLK MANAGEMENT.
Xpress Spa	D-12	License Agreement dated July 1, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and XPRESSSPA PHILADELPHIA AIRPORT, LLC.
IS Beauty	DE- 3	License Agreement dated August 29, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and INTERNATIONAL SHOPPES, LLC, a New York limited liability company.
Yummy Pretzels	E-C-3	License Agreement dated July 1, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and AL HOPKINS.
Yummy Pretzels	F-C-1	License Agreement dated July 1, 2014 by and between MARKETPLACE PHILADELPHIA MANAGEMENT LIMITED PARTNERSHIP (f/k/a Marketplace Redwood Limited Partnership), a Delaware limited partnership, of the one part, and AL HOPKINS.

**MarketPlace Philadelphia LP
List of Subtenant Security Deposits**

Tenant	Unit	Deposit
Cash Security Deposits:		
Afaze	B3	21,250.00
Angelina's Panini	AW18-A	37,500.00
Au Bon Storage	ST-FH-1A	1,030.00
AuBon Pain	F14/F8B	12,500.00
Auntie Annes-C	C12-B	50,000.00
Best Quality Lunch Truck	AW-LT-2	700.00
Bingley	C-C-6	2,500.00
British Airways-stor	ST-AE4-B	850.00
Burrito Elito	C6	25,000.00
Chick-Fil-A Storage	ST-AB-41	200.00
Chick-Fil-A Storage	Storage-D	1,287.50
Chipotle	FH13	10,416.67
Cibo	DHH-1	200.00
Currito Burrito	AE5-A	10,000.00
Currito Burrito	D3-B	10,000.00
Dogs on the Fly	BCK3-LL	1,500.00
Eat at Joes	ST-AB29	202.50
Famous Famiglia	ST-IS-08	200.00
Famous King of Pizza	D6-A	9,166.66
Far East	FH8	6,250.00
Far East storage	ST-FH-1F	455.00
Flight Meals	AW-19	25,000.00
Healthy Gourmet	AW11	18,750.00
Heritage Books	BC5	28,750.00
Hershey	B-C-16	2,500.00
Hudson	S-FTS-7	500.00
Int'l Shoppes		250,000.00
Innovative vending	IVSAWB	1,000.00
Jack Duggans	ST-AB-45	416.67
Jamba Juice	C9-A	13,334.00
Lamberti	C9-C	56,250.00
Landau	B-C-10	3,250.00
Landau	C-C-10	3,250.00
Le Bus Café	BC18-A	37,500.00
Le Bus Café	FH14	12,500.00
Le Bus Café Storage	ST-FH-1H	455.00
Magic Pens	B-C-4	3,000.00
Magic Pens	ST-AB-28	233.33
Magic Shoe shine	SS-D-1/SS-B-1	3,500.00
Minute Suites	AB6	17,500.00
Morning Start Vending	Vend	7,500.00
Mpulse	AE-C-2	2,500.00
Mpulse	AW-C-2	2,500.00

**MarketPlace Philadelphia LP
List of Subtenant Security Deposits**

Tenant	Unit	Deposit
Mpulse	E-C-8	2,500.00
Magic Massage	C-C-8	2,500.00
Neat Company	C-C-10	2,500.00
Pa Market	SD-13	236.25
Peet's Coffee	DE-6	37,500.00
Philadelphia America	BC16	22,750.00
Philly Bends & Twists [B]	B-C-13	500.00
Philly Pretzels	C-C-9	500.00
Philly Soft Pretzels	AE-C-1	1,000.00
Philly Soft Pretzels	AW-C-1	1,000.00
Philly Soft Pretzels	D-C-1	2,000.00
Philly Steak & Gyro	BC6	50,000.00
Philly Steak & Gyro	C9-B	50,000.00
Pinkberry	BC11	31,250.00
Popeye's	C12-A	25,000.00
Posh Nails	C-C-2	2,000.00
Pretzel Factory	FH5	9,000.00
Ralston Publications	AB40	233.33
Red Mango	FH6	4,166.67
Rosa's Lunch Truck	AW-LT-1	500.00
Roster	BC4	4,083.33
Roster	ST-AB-06	260.00
Saladworks	AE5-B	50,000.00
Sbarros	FH9	12,500.00
See's Candies	B-C-1	1,500.00
Smashburger	FH7	12,500.00
Starbucks	ST-AB-27	840.00
Starbucks	ST-AE4-C	1,917.66
Subway	BC8	-
Subway -Stor	ST-AB-22	-
Sweet Flights Storage	ST-AB-07	250.00
Tech in a Sec	B-C-11	1,500.00
Tech in a Sec	C-C-2	1,500.00
Tech Interaction	B4	-
Tech Interaction	C7	25,000.00
Tech Showcase	DE-1	37,500.00
Time to Fly - BC	BC19	11,667.00
Time to Fly [B]	B-C-2	500.00
Tony Luke	FH12	7,083.33
TUMI	BC20	13,334.00
Uniquely Philly	B-C-9	2,500.00
Vino Volo	AW6	18,750.00
Vino Volo	BC27-A/B	31,250.00
Xpresspa	AB37	412.50
XpresSpa	D12	1,000.00
XpresSpa	FH1	15,000.00

**MarketPlace Philadelphia LP
List of Subtenant Security Deposits**

Tenant	Unit	Deposit
Xpresspa	M32	16,250.00
XpresSpa	ST-FH-1G	455.00
XpresSpa	D4	5,000.00
Yummy Pretzels III	AE-C-1	1,000.00
Yummy Pretzels III	AW-C-1	1,000.00
Yummy Pretzels III	E-C-3	1,000.00
Yummy Pretzels III	F-C-1	1,000.00
Zoom Systems	Z-AW1/F1/F2	3,750.00
Zoom Systems	Z-AW-2	1,250.00
Zoom Systems	Z-AW-3	1,250.00
Zoom Systems	Z-E-1	1,250.00
Total Cash Security Deposit		1,220,586.40

Letter of Credit Security Deposits:

Auntie Annes	B5-B/BCK2-LL	137,500.00
Bank of America	ATM's	320,000.00
Cantina Laredo	E12	41,666.67
Chick-Fil-A	BC7	83,300.00
Chickie & Petes	E6-A	100,000.00
Chickie & Petes	D1	50,000.00
Earl of Sandwich	D3-A	10,416.67
Famous Famiglia	AW12-A	56,250.00
Guava & Java	B5-A	25,000.00
Guava Java	A and E	100,000.00
In-Motion Pictures	M29-A	21,250.00
In-Motion Pictures	DE-8	25,000.00
Jack Duggans	AE4-B	30,000.00
Jet Rock B	L10	75,000.00
Jet Rock D	L51	62,500.00
Mindworks	Ek2	10,000.00
Paradies-Brighton	M29-A	6,500.00
Paradies-Brooks Bros	M19	19,500.00
Paradies-CNBC	all spaces	603,073.75
Paradies-Explore Phila	A3-A	11,700.00
Paradies-Harley	M27-A	10,400.00
Paradies-Pandora	BC29-A	15,000.00
Sky Asian	C5	95,000.00
Soundbalance	FH19	18,750.00
Starbucks (HMS Host)	BC26	37,500.00
Stellar Books	DE-10	21,250.00
Stellar News	D5A	41,250.00
Stellar News	E13	33,000.00
Stellar News	DK1	104,500.00
Stellar News	E3	85,250.00
Stellar News	FH23	105,000.00
Swarovski	M16	15,000.00
Sweet Flights	C8-B	45,750.00
Travelex America	all spaces	275,000.00
Vino Volo	DE-5	43,750.00

**MarketPlace Philadelphia LP
List of Subtenant Security Deposits**

Tenant	Unit	Deposit
Wendy's	BC9	20,000.00
Hudson Group	all spaces	368,125.00
Total Letter of Credit Security Deposit		<u>3,123,182.09</u>
Total Subtenant Security Deposits		<u><u>4,343,768.49</u></u>

**MarketPlace Philadelphia LP
List of Subtenant Construction Deposits**

Tenant	Unit	Deposit
Atcon Construction	AuBonPain M31-a	5,000.00
Atcon Construction	Au Bon Pain-AW	5,000.00
Atcon Construction	Brookstone M25	2,500.00
Phillips Enterprise	Jet Rock -B	5,000.00
Phillips Enterprise	Jack Dugan - AE4B	4,800.00
E.A.J. PHL Airport	Eat at Joes B12A	7,523.41
International Shoppes	International Shoppes AW16	14,450.00
Legal Seafood	Legal Seafood	5,000.00
International Shoppes	International Shoppes AW9	15,000.00
Hudson News AP	Hudson F7	15,000.00
Hudson News AP	Dunkin Donuts AW16	15,000.00
Hudson News AP	Kiehl's FH26	15,000.00
Lamberti Brothers	Aldo Lamberti	14,825.00
Paradies	CNBC-D10	15,000.00
Legal Seafood	Legal Seafood BC13	7,500.00
Int'l Shoppee	International Shoppes AE7	15,000.00
Paradies	Pandora BC29-A	15,000.00
Paradies	CNBC E5-B	5,000.00
Paradies	CNBC AE3B	15,000.00
Taste, Inc.	VinoVolo BC27	15,000.00
L'Occitane	L'Occitane BC29-B	15,000.00
Russ Kelly	Finish Line BC15	15,000.00
Marshall Group	Lick Candy	15,000.00
Marshall Group	Ruby Blue	15,000.00
Jack Duggan's	Hold Room	15,000.00
HMS Host	LaTapenade	15,000.00
TUMI	Tumi DE2	15,000.00
Total Subtenant Construction Deposits		<u>316,598.41</u>

EXHIBIT C

Form of Assignment

ASSIGNMENT AND ASSUMPTION AGREEMENT

(MarketPlace Philadelphia to City)

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT is made as of this _____ day of _____, 2014 but effective for all purposes as of Effective Date defined below, by and between THE CITY OF PHILADELPHIA, PENNSYLVANIA (“Assignee”), a city of the first class organized under the laws of the Commonwealth of Pennsylvania, and MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (the “Assignor”), a limited liability company duly organized and validly existing under the laws of the State of Delaware.

WITNESSETH:

WHEREAS, Assignee and Assignor are parties to that certain Second Amended and Restated Master Lease, Development and Concession Agreement and Sub-Sublease, Development and Concession Agreement dated January 31, 2001, as amended (the “Existing Master Lease”) with the Assignor regarding the leasing and management by the Assignee of the food service and retail concessions at Philadelphia International Airport (the “Airport”); and

WHEREAS, Assignee, Assignor and MarketPlace PHL, LLC have entered into a Transition Agreement dated as of _____ (the “Transition Agreement”) regarding, among other things, the transfer of the Subleases and Security Deposits (as hereinafter defined) from Assignor to Assignee; and

WHEREAS, Section 5.1 of the Transition Agreement contemplates that Assignor will assign to Assignee and Assignee shall assume the Subleases and the Security Deposits.

NOW, THEREFORE, in consideration of the premises herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto do hereby agree as follows:

1. As of 11:50 on December 31, 2014 (the “Effective Date”), Assignor transfers and assigns to Assignee all right, title and interest of Assignor in and to (a) all leases, subleases and other occupancy agreements relating to or affecting the Leased Premises, together with all guarantees of obligations of tenants, subtenants, and other parties under such leases, subleases, and agreements, all as specified in the agreements more fully described in Exhibit A attached hereto and incorporated herein by reference (individually, a “Sublease” and collectively, the “Subleases”), and (b) the then outstanding balance of all security deposits, key deposits and prepaid rents, together with all interest accrued thereon (collectively, the “Security Deposits”), all as more fully described on Exhibit B attached hereto and incorporated herein by reference.

2. Assignee assumes all the duties and obligations of Assignor under the Leases and the Security Deposits arising from and after the Effective Date.

3. This Agreement, shall be binding upon and inure to the benefit of the parties hereto, their respective legal representatives, successors and assigns and shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania and may not be modified or amended except by written agreement signed by both parties.

[Signatures on following page]

IN WITNESS WHEREOF, the parties have executed this agreement under seal on the day and year first above written.

Approved As To Form:
Shelley R. Smith
City Solicitor

THE CITY OF PHILADELPHIA
acting through its Procurement Department

By: _____
Senior Attorney

By: _____
Hugh Ortman
Procurement Commissioner

Approved as to Form:
Shelley R. Smith
City Solicitor

THE CITY OF PHILADELPHIA
acting through its Department of Commerce,
Division of Aviation

By: _____
Senior Attorney

By: _____
Rina Cutler
Deputy Mayor, Transportation
and Utilities

MARKETPLACE PHL, LLC

ATTEST/CORPORATE SEAL

MarketPlace Philadelphia Limited
Partnership, its Managing Member

By: _____

By: MarketPlace Philadelphia Inc., its
General Partner

Attest: _____

By: _____
Paul O. McGinn, President

Its: _____
Secretary or Treasurer
(Corporate Seal)

LeJeune and Associates, LLC, Member

By: _____
Clarence LeJeune, Managing Member

Exhibit A

Subleases

Exhibit B
Security Deposits

EXHIBIT D

Form of Assignment

ASSIGNMENT AND ASSUMPTION AGREEMENT

(City to MarketPlace PHL, LLC)

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT is made as of this _____ day of _____, 2014 but effective for all purposes as of January 1, 2015, by and between THE CITY OF PHILADELPHIA, PENNSYLVANIA (“Assignor”), a city of the first class organized under the laws of the Commonwealth of Pennsylvania, and MARKETPLACE PHL, LLC (the “Assignee”), a limited liability company duly organized and validly existing under the laws of the State of Delaware.

WITNESSETH:

WHEREAS, Assignee has entered into a Master Lease and Concession Management Agreement dated as of _____ (the “Master Lease”) with Assignor regarding the leasing and management by the Assignee of the food service and retail concessions at Philadelphia International Airport (the “Airport”); and

WHEREAS, MarketPlace Philadelphia Limited Partnership (“MPLP”) has previously assigned its interest in the Subleases and Security Deposits (as hereinafter defined) to the City; and

WHEREAS, Assignee, Assignor and MPLP have entered into a Transition Agreement dated as of _____ (the “Transition Agreement”) regarding, among other things, the transfer of the Subleases and Security Deposits from Assignor to Assignee; and

WHEREAS, Section 5.1 of the Transition Agreement contemplates that Assignor will assign to Assignee and a Assignee shall assume the Subleases and the Security Deposits.

NOW, THEREFORE, in consideration of the premises herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereto do hereby agree as follows:

1. As of January 1, 2015 (the “Effective Date”), Assignor transfers and assigns to Assignee all right, title and interest of Assignor in and to (a) all leases, subleases and other occupancy agreements relating to or affecting the Leased Premises, together with all guarantees of obligations of tenants, subtenants, and other parties under such leases, subleases, and agreements, all as specified in the agreements more fully described in Exhibit A attached hereto and incorporated herein by reference (individually, a “Sublease” and collectively, the “Subleases”), and (b) the then outstanding balance of all security deposits, key deposits and prepaid rents, together with all interest accrued thereon (collectively, the “Security Deposits”), all as more fully described on Exhibit B attached hereto and incorporated herein by reference..

2. Assignee assumes all the duties and obligations of Assignor under the Leases and the Security Deposits as of the Effective Date.

3. This Agreement, shall be binding upon and inure to the benefit of the parties hereto, their respective legal representatives, successors and assigns and shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania and may not be modified or amended except by written agreement signed by both parties.

[Signatures on following page]

IN WITNESS WHEREOF, the parties have executed this agreement under seal on the day and year first above written.

Approved As To Form:
Shelley R. Smith
City Solicitor

THE CITY OF PHILADELPHIA
acting through its Procurement Department

By: _____
Senior Attorney

By: _____
Hugh Ortman
Procurement Commissioner

Approved as to Form:
Shelley R. Smith
City Solicitor

THE CITY OF PHILADELPHIA
acting through its Department of Commerce,
Division of Aviation

By: _____
Senior Attorney

By: _____
Rina Cutler
Deputy Mayor, Transportation
and Utilities

ATTEST/CORPORATE SEAL

MARKETPLACE PHL, LLC

MarketPlace Philadelphia Limited
Partnership, its Managing Member

By: _____

By: MarketPlace Philadelphia Inc., its
General Partner

Attest: _____

By: _____
Paul O. McGinn, President

Its: _____
Secretary or Treasurer
(Corporate Seal)

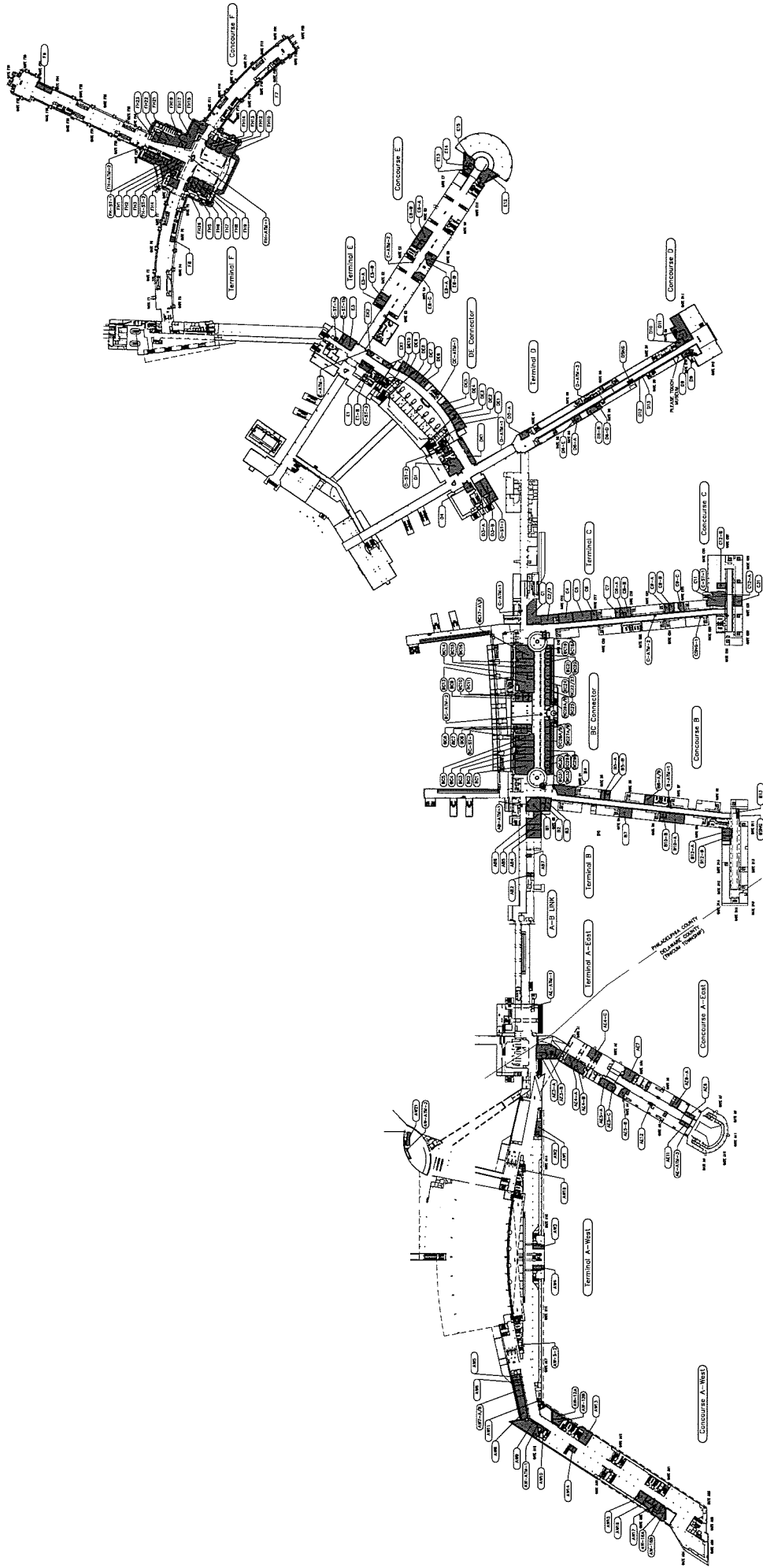
LeJeune and Associates, LLC, Member

By: _____
Clarence LeJeune, Managing Member

EXHIBIT B
SECURITY DEPOSITS

Exhibit B

Leased Premises and Subleased Premises



General	Sublease Premises
Retail	Food and Beverage
Storage	

Contract Exhibit B
 Terminals A West thru F
 Level 2
 Sublease Premises Plan -
 Concourse Level

Date: 10.27.2014

EX1B

Philadelphia International Airport
 Contract Exhibit B - Sublease Premises Plan - Concourse Level

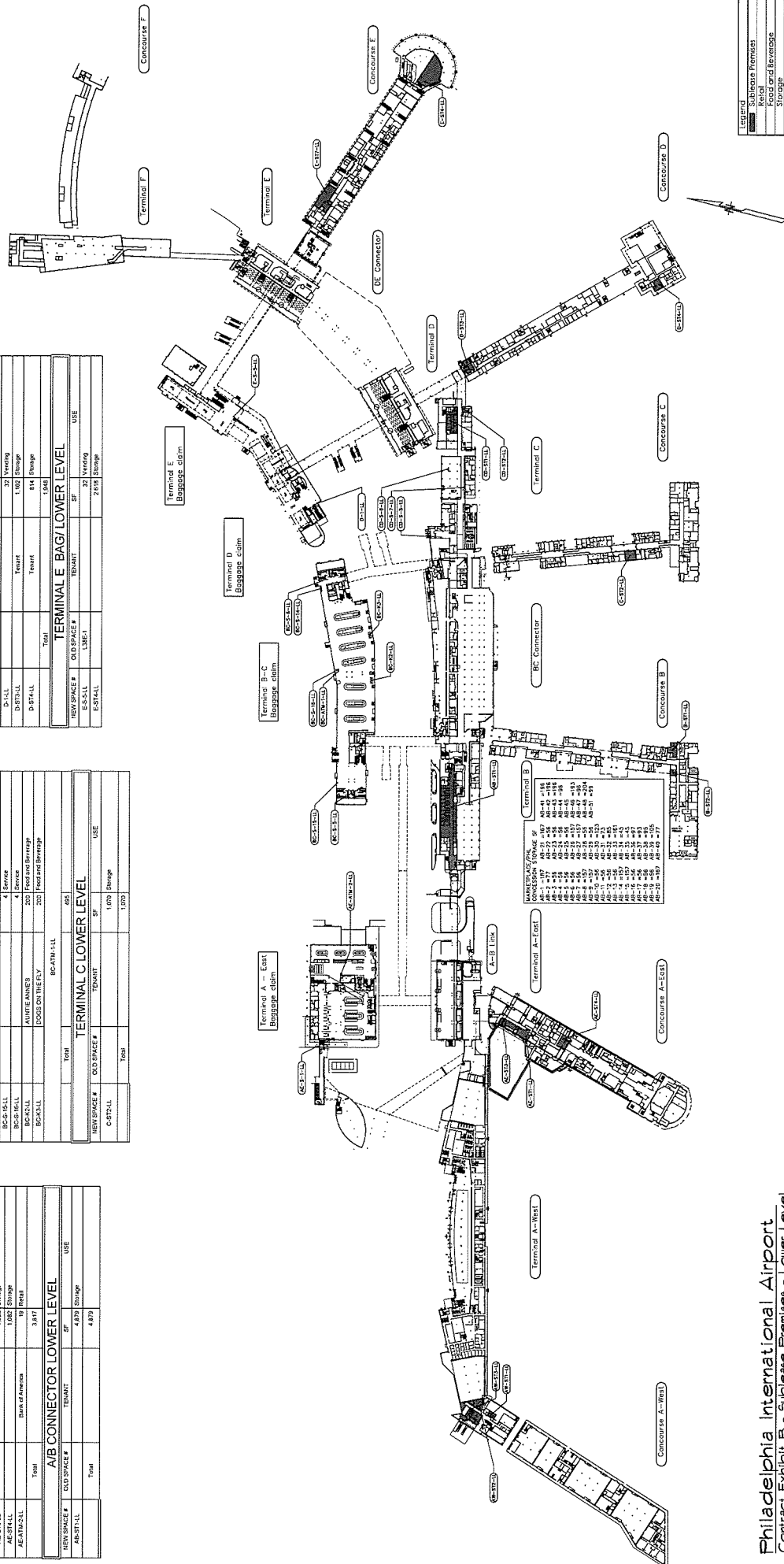
MARKETPLACE PHILADELPHIA
 Philadelphia International Airport, Philadelphia PA



CONCOURSE A (West) LOWER LEVEL			
NEW SPACE #	OLD SPACE #	TENANT	USE
AW-ST11L	0		Storage
AW-ST11L	111		Storage
AW-ST11L	414		Storage
AW-ST11L	527		Storage
Total	646		
TERMINAL A (E85) BAG			
NEW SPACE #	OLD SPACE #	TENANT	USE
AE-ST11L	0		Verand
AE-ST11L	133		Storage
AE-ST11L	1028		Storage
AE-ST11L	1927		Storage
AE-ATM-21L	19	Bank of America	Retail
Total	3267		
A/B CONNECTOR LOWER LEVEL			
NEW SPACE #	OLD SPACE #	TENANT	USE
AB-ST11L	0		Storage
AB-ST11L	489		Storage
Total	489		

TERMINAL B LOWER LEVEL			
NEW SPACE #	OLD SPACE #	TENANT	USE
B-ST11L	112		Storage
B-ST11L	322		Storage
B-ST11L	164		Storage
Total	598		
B/C CONNECTOR LOWER LEVEL			
NEW SPACE #	OLD SPACE #	TENANT	USE
BC-S-11L	32		Verand
BC-S-11L	32		Verand
BC-S-11L	4		Service
BC-S-11L	4		Service
BC-S-11L	203	MARKET JAMES	Food & Beverage
BC-S-11L	203	MARKET JAMES	Food & Beverage
BC-S-11L	203	MARKET JAMES	Food & Beverage
Total	495		
TERMINAL C LOWER LEVEL			
NEW SPACE #	OLD SPACE #	TENANT	USE
C-ST11L	0		Storage
C-ST11L	1070		Storage
Total	1070		

C/D CONNECTOR LOWER LEVEL			
NEW SPACE #	OLD SPACE #	TENANT	USE
CD-S-11L	0		Verand
CD-S-11L	32		Verand
CD-S-11L	32		Verand
CD-S-11L	170		Storage
CD-S-11L	17		Storage
Total	200		
TERMINAL D BAG			
NEW SPACE #	OLD SPACE #	TENANT	USE
D-1-1L	32		Verand
D-1-1L	1102		Storage
D-1-1L	814		Storage
Total	1948		
TERMINAL E BAG/LOWER LEVEL			
NEW SPACE #	OLD SPACE #	TENANT	USE
E-S-11L	0		Storage
E-S-11L	2418		Storage
E-S-11L	0		Storage
Total	2418		



Legend
Sublease Premises
Retail
Food and Beverage
Storage

Contract Exhibit B
 Terminals A West thru F
 Lower Level
 Sublease Premises -
 Lower Level
 Issue: 10.27.2014
 EX1C

MARKETPLACE PHILADELPHIA

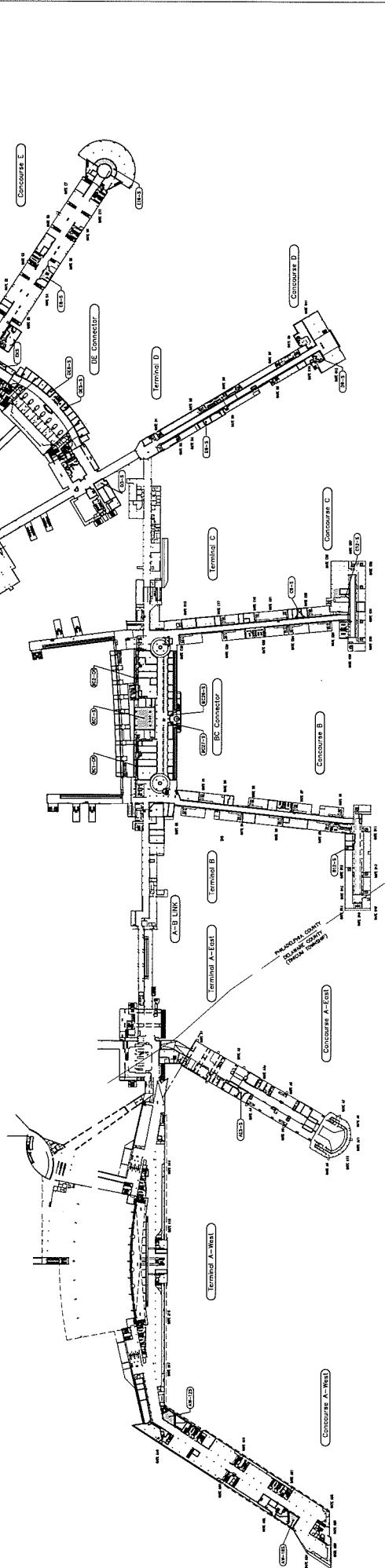
Philadelphia International Airport, Philadelphia, PA

Philadelphia International Airport
 Contract Exhibit B - Sublease Premises - Lower Level



CONCOURSE A (West)			
NEW SPACE #	OLD SPACE #	USE	Date Issued
AW15-S	C-15	Food Court Seating	8/27/2007
AW18-S	L-15	Food Court Seating	8/27/2007
Total	2,900		
CONCOURSE A (East)			
NEW SPACE #	OLD SPACE #	USE	Date Issued
AE15-S	L-15	Food Court Seating	11/20/2007
AE18-S	L-15	Food Court Seating	11/20/2007
Total	3,341		
B/C CONNECTOR			
NEW SPACE #	OLD SPACE #	USE	Date Issued
BC1-S	5,632	Food Court Seating	
BC1-S-5	281	Seating Area	7/2/2013
BC1-S-6	218	Seating Area	7/2/2013
BC1-S-7		View View Seating	
BC1-S-8		Corridor	
BC1-S-9		Corridor	
Total	6,149		
CONCOURSE B			
NEW SPACE #	OLD SPACE #	USE	Date Issued
B12-S	L12-S	Food Court Seating	10/20/08
Total	492		
CONCOURSE C			
NEW SPACE #	OLD SPACE #	USE	Date Issued
C15-S	L15-S	Food Court Seating	11/20/08
C15-S	L15-S	Food Court Seating	11/20/08
Total	1,680		

TERMINAL D			
NEW SPACE #	OLD SPACE #	USE	Date Issued
D15-S	L15-S	Food Court Seating	8/2/2007
D18-S	L15-S	Food Court Seating	8/2/2007
Total	3,316		
CONCOURSE D			
NEW SPACE #	OLD SPACE #	USE	Date Issued
DN1-S	L12-S	Food Court Seating	5/21/2007
DN1-S	624	Food Court Seating	5/21/2007
Total	1,736		
D/E CONNECTOR			
NEW SPACE #	OLD SPACE #	USE	Date Issued
DE1-S	540	Seating Area	7/2/2008
DE1-S-5	531	Seating Area	7/2/2008
DE1-S-6	1,073		
Total	2,144		
TERMINAL E			
NEW SPACE #	OLD SPACE #	USE	Date Issued
E15-S	818	Seating	7/15/2009
Total	818		
CONCOURSE E			
NEW SPACE #	OLD SPACE #	USE	Date Issued
E15-S	1,403	Food Court Seating	12/20/2007
E15-S	1,951	Food Court Seating	2/20/2008
Total	3,354		
TERMINAL F HUB			
NEW SPACE #	OLD SPACE #	USE	Date Issued
F15-S	3,320	Food Court Seating	10/14/2013
F15-S	1,640	Food Court Seating	10/14/2013
Total	4,960		



LEGEND	CONCESSION COMMON AREAS
(Symbol)	Food Courts
(Symbol)	Restrooms

Contract Exhibit B
 Terminals A West thru F
 Level 2
 Concession Common Areas - Concourse Level
 Date: 10.27.2014 Issues: EX2

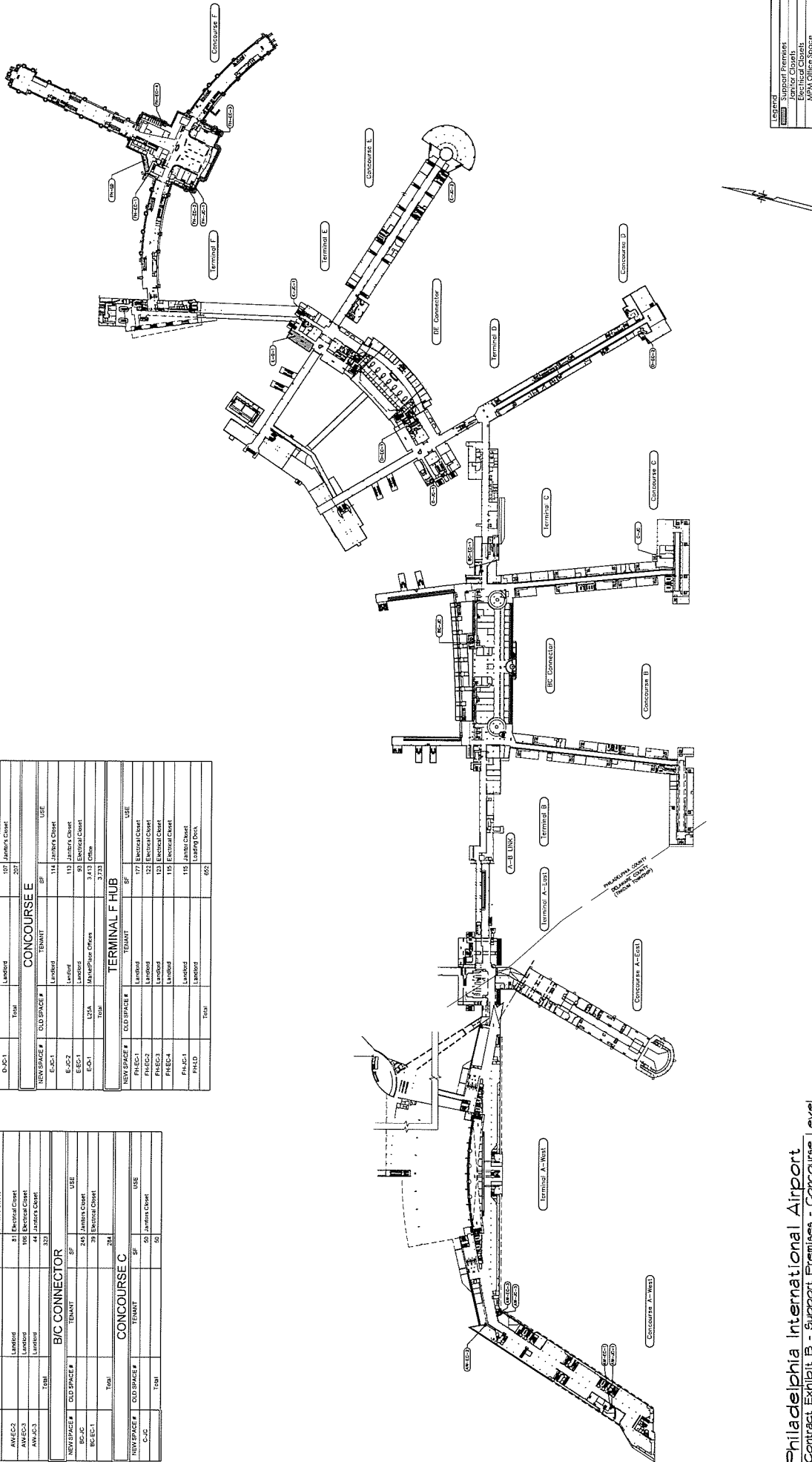
MARKETPLACE PHILADELPHIA
 Philadelphia International Airport, Philadelphia PA

Philadelphia International Airport
 Contract Exhibit B - Concession Common Areas - Concourse Level



CONCOURSE A (West)				
NEW SPACE #	OLD SPACE #	TENANT	SF	USE
AW-EC-1	CL-F	Landside	45	Electrical Closet
AW-JC-1		Landside	47	Janitor's Closet
AW-EC-2		Landside	31	Electrical Closet
AW-EC-3		Landside	44	Janitor's Closet
TBM			321	
B/C CONNECTOR				
NEW SPACE #	OLD SPACE #	TENANT	SF	USE
BC-JC		Landside	245	Janitor's Closet
BC-EC-1		Landside	29	Electrical Closet
Total			324	
CONCOURSE C				
NEW SPACE #	OLD SPACE #	TENANT	SF	USE
C-C		Landside	50	Janitor's Closet
TBM			26	

CONCOURSE D				
NEW SPACE #	OLD SPACE #	TENANT	SF	USE
D-EC-1		Landside	160	Electrical Closet
D-JC-1		Landside	107	Janitor's Closet
Total			267	
CONCOURSE E				
NEW SPACE #	OLD SPACE #	TENANT	SF	USE
E-JC-1		Landside	114	Janitor's Closet
E-JC-2		Landside	113	Janitor's Closet
E-EC-1		Landside	93	Electrical Closet
E-EC-2		Landside	3,413	Office
TBM			2,228	
TERMINAL F HUB				
NEW SPACE #	OLD SPACE #	TENANT	SF	USE
FH-EC-1		Landside	177	Electrical Closet
FH-EC-2		Landside	122	Electrical Closet
FH-EC-3		Landside	130	Electrical Closet
FH-EC-4		Landside	173	Electrical Closet
FH-JC-1		Landside	115	Janitor's Closet
FH-LD		Landside	625	Loading Dock
Total			625	



Legend	Support Premises
NEW SPACE	Janitor's Closets
OLD SPACE	Electrical Closets
	Office Space
	Loading Dock

Contract Exhibit B
 Terminals A West thru F
 Level 2
 Support Premises -
 Concourse Level

MARKETPLACE PHILADELPHIA
 Philadelphia International Airport, Philadelphia PA

Philadelphia International Airport
 Contract Exhibit B - Support Premises - Concourse Level

Exhibit C
Additional Services Agreement

ADDITIONAL SERVICES AGREEMENT

ANCILLARY TO MASTER LEASE AND CONCESSION MANAGEMENT AGREEMENT

THIS ADDITIONAL SERVICES AGREEMENT (the “ASA”) is made and entered into this _____ day of _____, _____ effective the 1st day of January, 2015 (the “Effective Date”), by and between THE CITY OF PHILADELPHIA, a Pennsylvania municipal corporation acting by and through its DEPARTMENT OF COMMERCE, DIVISION OF AVIATION (the “City”), and MARKETPLACE PHL, LLC, (the “Concession Manager”) a Delaware joint venture formed as a limited liability company with its principal place of business at One Wells Avenue, Newton, MA 02459. This ASA is ancillary to a Master Lease and Concession Management Agreement (the “Master Lease”) made and entered into by the City and the Concession Manager effective as of the Effective Date.

RECITALS

A. The City owns and operates Philadelphia International Airport (the “Airport”) located in The City of Philadelphia and Delaware County, Commonwealth of Pennsylvania, and has the power to grant rights and privileges with respect thereto.

B. Under the Master Lease, the City and the Concession Manager have agreed for the Concession Manager to perform certain services for a fee to be deducted from rent collected on behalf of the City by the Concession Manager from its subtenants at the Airport.

C. The Master Lease provides that the City may wish for the Concession Manager to provide, and that the Concession Manager is willing to arrange with the City to provide, additional services to benefit the Leased Premises (as defined in the Master Lease) and/or the Airport’s retail concession program. Design and construction services to renovate portions of the Leased Premises have been identified by the Parties as such additional services that the City may request and the Concession Manager may provide, and the Parties may agree for the Concession Manager to provide other additional services, all in accordance with this ASA.

D. Section 8-200(3) of the Philadelphia Home Rule Charter limits the term of certain contracts with the City to four years. The initial term of the Master Lease is seven years. In order to comply with Section 8-200(3) of the Philadelphia Home Rule Charter, the Parties’ arrangements for additional services are in this discrete agreement, which will have a maximum term of four years.

AGREEMENTS

The foregoing recitals are hereby incorporated into and made a part of this ASA.

In consideration of the mutual covenants and considerations herein contained, and intending to be legally bound hereby, the City and the Concession Manager hereby agree and covenant as follows:

ARTICLE I- DEFINITIONS

All capitalized terms used herein but not defined in this ASA shall have the meanings set forth in Section 1.01 of the Master Lease. Definitions of some essential, but not all, terms used in this ASA and defined in the Master Lease are repeated below. Also set forth below are definitions of terms used in this ASA and not defined in the Master Lease. All references to Sections are to sections of this ASA unless a reference to a section of the Master Lease is specified. The following terms, for the purposes of this ASA, shall have the meanings set forth below:

“Additional Services” shall be such design, construction, and construction management services as the Parties to this ASA agree for the Concession Manager to provide with respect to the Leased Premises and/or the Airport’s retail concession program under Article III of this ASA, and any other services that the Parties may agree for the Concession Manager to provide with respect to the Leased Premises and/or the Airport’s retail concession program under Article IV of this ASA.

“Additional Services Fees” shall be the payments made by the City to the Concession Manager in response to a Design/Construction Costs Reimbursement Request pursuant to Article III of this ASA or in response to an Other Additional Services Reimbursement Request pursuant to Article IV of this ASA.

“Airport Design and Construction Procedures and Standards” consist of the manual developed and adopted by the Division of Aviation Design and Construction Engineering Department as “The Philadelphia Airport System Tenant Design and Construction Manual” and the “Philadelphia International Airport Architectural and Engineering Standards” adopted by the same Department, which together describe the codes, standards, details, products and practices to be followed by tenants and design and construction teams for Airport terminal (including retail) and airfield improvements as they may be modified and revised from time to time.

“Capital Budget” means the budget proposed and from time to time revised by Concession Manager and approved by the City in accordance with Section 3.01 of this ASA.

“City Controller” is the Controller of the City of Philadelphia, as set forth in Section 3.10(c).

“Completion Statement” is as defined in Section 3.12.

“Concession Manager Constituents” is as described in Section 2.06.

“Concession Manager’s Architect” means a firm engaged by Concession Manager and approved by the City to prepare plans and specifications related to the applicable Project or such other licensed architect or firm of architects as may be selected by Concession Manager and approved by the City in connection with other design matters arising under this ASA.

“Confidential Information” is as described in Section 2.06.

“Construction Documents” shall have the meaning set forth in Section 3.07.

“Construction Manager” means an entity and/or one or more individuals selected by the Concession Manager and approved by the City, who shall be responsible for review of the design and management of the construction of improvements to the Leased Premises, Subleased Premises, and/or for such other construction-related functions as Concession Manager may designate with the approval of the City.

“Design and Construction Costs” means the following types of reasonable and necessary costs actually incurred by Concession Manager for labor, services, materials and supplies used in the design, development, construction or refurbishment of the Leased Premises and/or other Airport premises used for the Airport’s retail concession program and approved by the City pursuant to this ASA -- initially as a budgeted expenditure and, after incurrence, as a reimbursable expenditure -- including (A) reasonable fees paid to architects, designers, engineers, surveyors, and construction managers, including costs of insurance and bonding associated with design and construction, and the cost of machinery supplied for construction on the Leased Premises and/or other Airport premises used for the Airport’s retail concession program (whether purchased, leased or rented); (B) the cost of furniture, fixtures and equipment purchased for and installed on the Leased Premises and/or other Airport premises used for the Airport’s retail concession program; (C) the cost of obtaining and maintaining all necessary permits; (D) costs of construction, labor, supplies and materials; (E) any allocable costs of Concession Manager’s off-Airport-site employees and contracted professionals (legal, accounting, etc.) providing developmental, budgeting (pursuant to Section 3.01 or Section 4.02 of this ASA or otherwise) and any other reasonable and necessary costs related to the Project; (F) interest and any other financing costs for the working capital needed by Concession Manager to pay the Design and Construction Costs listed above in advance of being reimbursed by the City; and (G) any other costs that may be negotiated between the Parties as evidenced by a mutually approved budget for the respective Project. Costs associated with subtenant occupancy of the Leased Premises and paid by the applicable subtenants (i. e., any cost the subtenant might incur to fit out and make the concession fully operational, including, for example, design, construction, permits, equipment, and machinery costs) are not Design and Construction Costs for purposes of this ASA.

“Design/Construction Costs Reimbursement Request” is as defined in Section 3.10(a).

“Dispute Notice” is as defined in Section 3.11(a).

“DSBE” is a Disabled Owned Business Enterprise, as set forth in Section 3.03.

“Effective Date” shall have the meaning set forth in the introductory paragraph.

“Initial Budget Negotiation Period” is as forth in Section 3.01(a).

“Initial Resolution Period” is as defined in Section 3.11(a).

“Initial Term” is the period from January 1, 2015, through December 31, 2018.

“Materials” are as defined in Section 3.07.

“MBE” is a Minority Owned Business Enterprise, as set forth in Section 3.03.

“Mediator Selection Period” is as defined in Section 3.11(b).

“Modification Negotiation Period” is as forth in Section 3.01(c).

“OEO” is the City’s Office of Economic Opportunity.

“Option” means the City’s option to renew this ASA described in Section 2.01.

“Other Additional Services” are as set forth in Section 4.01.

“Other Additional Services Budget” is as set forth in Section 4.02.

“Other Additional Services Costs Reimbursement Request” is as set forth in Section 4.03(a).

“Parties” means the City and the Concession Manager.

“Plans and Specifications” means, for purposes of this ASA, the final plans and specifications used for the construction of any Project, as prepared by Concession Manager’s Architect and approved by the City and by the Concession Manager pursuant to Section 3.09.

“Policy” is the Antidiscrimination Policy established by City Executive Order 03-12, as set forth in Section 3.03.

“Project” is as defined in Section 3.03.

“Renewal Term” is as described in Section 2.01.

“Secured Party” is as described in Section 3.18.

“Sensitive Security Information” is as described in Section 2.06.

“Subsequent Budget Negotiation Period” is as forth in Section 3.01(b).

The “Term” of this Agreement includes the Initial Term and any Renewal Term(s).

“Termination Notice” is as described in Section 2.02.

“Underlying Documentation” is as defined in Section 3.10(b).

“WBE” is a Woman Owned Business Enterprise, as set forth in Section 3.03.

ARTICLE II– TERM AND TERMINATION; INCORPORATION OF EXHIBITS AND
MASTER LEASE PROVISIONS

Section 2 01. Term. The initial term of this ASA will be four (4) years, beginning January 1, 2015, and ending December 31, 2018, unless sooner terminated pursuant to this ASA (“Initial Term”). The City shall have the option (the “Option”) to renew the ASA for up to six (6) renewal terms (each a “Renewal Term”) upon written notice to the Concession Manager

delivered not less than twelve (12) months prior to the expiration of the existing Term in the case of any of the first three Renewal Terms, and . The first Renewal Term shall be for a period of three (3) years, the second Renewal Term shall be for a period of three (3) years thereafter, and the third Renewal Term shall be for a period of two (2) years thereafter. Each of the three remaining optional Renewal Terms will be for any period of one (1) year or less that the City in its sole discretion determines and specifies in its notice of the exercise of its option upon written notice to the Concession Manager delivered prior to the expiration of the existing Term and in connection with an agreement by the Parties to extend the term of the Master Lease. The exercise by the City of any of its six renewal Options shall be in its absolute and sole discretion and the City's decision shall be final. Any Renewal Term will be subject to the termination provisions of this ASA.

Section 2 02. Termination by the City. Notwithstanding anything to the contrary contained in this ASA and notwithstanding any notice that may be given, or other action that may be taken, by the City pursuant to Section 11.01 of the Master Lease or the existence of any grace period in connection therewith, the City will have the right at any time during the Initial Term or any Renewal Term, to terminate this ASA upon thirty (30) days' prior written notice to the Concession Manager in accordance with Section 13.20 of the Master Lease ("Termination Notice"). As of the date of termination set forth in the Termination Notice, the Concession Manager, and its contractors performing Additional Services, will cease performing the Additional Services and vacate the Leased Premises, subject to any rights provided to Concession Manager by the Master Lease, and, except as otherwise provided, this ASA will terminate on the termination date set forth in the Termination Notice and be of no further force or effect; provided, however, that the Concession Manager shall be reimbursed, in accordance with the terms of this ASA, for (x) all outstanding Design/Construction Costs Reimbursement Request(s) and Other Additional Services Costs Reimbursement Request(s) filed prior to the termination date; and (y) the cost of other Additional Services approved as of the termination date for the Concession Manager to incur in a Capital Budget or in an Other Additional Services Budget, and submitted to the City in final Design/Construction Costs Reimbursement Request(s) and/or Other Additional Costs Reimbursement Request(s) (any of which may include fees, costs, liquidated damages and expenses required to be paid by Concession Manager to third parties in connection with the early termination of contracts and agreements entered into by Concession Manager in connection with the provision of Additional Services), filed no later than thirty (30) days after the termination date set forth in the Termination Notice and, notwithstanding the termination hereof, the terms and conditions otherwise applicable to such Design/Construction Costs Reimbursement Request(s) and Other Additional Services Costs Reimbursement Request(s) will apply. Early termination-related fees, costs, liquidated damages and expenses as described above generally will not have been included in an approved Capital Budget or Other Additional Services Budget, but will nevertheless be reimbursable provided that the Concession Manager provides evidence and certification of such costs.

Section 2 03. Automatic Termination if Master Lease Terminates. In addition to the City having the right affirmatively to terminate this ASA as set forth in Section 2.02, this ASA will terminate automatically if and when the Master Lease is terminated by either Party in accordance with its terms or expires without being renewed. Promptly upon such automatic termination the Concession Manager, and its contractors performing Additional Services, will cease performing the Additional Services and vacate the Leased Premises, subject to any rights provided to

Concession Manager by the Master Lease, and, except as otherwise provided, this ASA will terminate on the Master Lease termination or expiration date and be of no further force or effect; provided, however, that the Concession Manager shall be reimbursed, in accordance with the terms of this ASA for (x) all outstanding Design/Construction Costs Reimbursement Request(s) and Other Additional Services Costs Reimbursement Request(s) filed prior to the termination date; and (y) the cost of other Additional Services approved as of the termination date for the Concession Manager to incur in a Capital Budget or in an Other Additional Services Budget, and submitted to the City in final Design/Construction Costs Reimbursement Request(s) and/or Other Additional Costs Reimbursement Request(s) (any of which may include fees, costs, liquidated damages and expenses required to be paid by Concession Manager to third parties in connection with the early termination of contracts and agreements entered into by Concession Manager in connection with the provision of Additional Services), filed no later than thirty (30) days after the Master Lease termination or expiration date and, notwithstanding the termination hereof, the terms and conditions otherwise applicable to such Design/Construction Costs Reimbursement Request(s)) and Other Additional Services Costs Reimbursement Request(s) will apply. Early termination-related fees, costs, liquidated damages and expenses as described above generally will not have been included in an approved Capital Budget or Other Additional Services Budget, but will nevertheless be reimbursable provided that the Concession Manager provides evidence and certification of such costs.

Section 2 04. Incorporation of Exhibits

The following Exhibits are hereby incorporated into and made a part of this ASA:

Exhibit A	Antidiscrimination Policy
Exhibit B	Invoice Summary Sheet

Section 2 05. Incorporation of Master Lease Provisions

The following sections of the Master Lease, as they may be amended by agreement of the Parties from time to time, shall apply to this ASA as if they were set out in full herein and are hereby incorporated into and made part of this ASA:

Section 3.13	Salaries
Section 3.14	Trash Removal and Recycling (2 nd and 3 rd paragraphs concerning recycling only)
ARTICLE V	REPRESENTATIONS AND WARRANTIES
Section 8.01	Compliance with Laws
Section 8.02	Nondiscrimination
Section 8.03	Limited English Proficiency
Section 8.04	Philadelphia 21 st Century Minimum Wage and Benefits Standard
Section 8.07	Airport Security Program
Section 8.08	Americans with Disabilities Act
Section 8.09	Sales & Use Tax; Federal Excise Tax
Section 8.10	Campaign Contribution Disclosures
Section 8.11	Business Interests in Northern Ireland
Section 8.13	Certificate of Non-Indebtedness

Section 8.14	Environmental Matters
Section 9.01	Indemnification
Section 9.02	Insurance
ARTICLE X	RESTORATION OF DAMAGED IMPROVEMENTS
Section 13.01	Non-Interference with Operation of Airport
Section 13.02	Supervening Law/Agreement with Government
Section 13.03	Certain Rights Reserved by the City
Section 13.05	Applicable Law
Section 13.06	Waiver
Section 13.07	No Joint Venture
Section 13.08	No Third-Party Beneficiaries
Section 13.09	Counterparts
Section 13.13	Binding Effect
Section 13.16	Partial Invalidity
Section 13.17	Force Majeure
Section 13.20	Notices
Section 13.26	Headings

Section 2.06. Additional Airport Security Program Provisions

Section 8.07 of the Master Lease, titled “Airport Security Program,” is incorporated in this ASA by Section 2.05 above. Additionally, the following airport security program provisions apply to Additional Services provided under this ASA:

For any Additional Services, the Concession Manager must, and must ensure that all its contractors and subcontractors performing any Project will, at all times be in compliance with the City’s security program for the Airport. A primary component of such compliance is Airport badging of workers on Airport premises, and compliance by those workers with the security procedures with respect to which they are trained before receiving security badges. The Concession Manager will be responsible for any breach of security on or around the site of any Project which occurs as a result of the negligence and/or misconduct of the Concession Manager, its agents, employees, contractors, subcontractors, or invitees and the Concession Manager further agrees to indemnify, hold harmless and defend City from and against any and all damages, penalties, fines, claims, costs, including attorney’s fees, resulting directly or indirectly from the breach of the Concession Manager’s responsibilities, covenants and agreements as set forth in this Section 2.06, provided, however, that the City will bring no cause of action against any officer, director, agent, employee, affiliate or subsidiary of the Concession Manager and its constituent members, partners or owner of any interest, direct or indirect (“Concession Manager Constituents”) therein in connection with the indemnity provided in this Section 2.06, it being expressly agreed that the City will make no attempt to enforce the indemnity against anything other than the assets of the Concession Manager; provided, however, to the extent any officer, director or employee of the Concession Manager directly and willfully violates the provisions of this Section 2.06, nothing herein shall prevent the City from seeking recourse against the party or persons responsible for such direct and willful violation. Nothing contained herein shall be deemed to permit the City

to seek recourse against the Concession Manager Constituents for any other matter contained in this ASA. The Concession Manager or its contractors or subcontractors may request from the City “Confidential Information” (any documents, including, but not limited to, building plans, blueprints, schematic drawings, technical specifications and diagrams (including draft, preliminary and final formats) which depict the internal layout and structural and security elements of the Airport that are provided to architects, engineers and contractors in order that they may perform work on, or related to any Project; and any information concerning such matters contained in any other form or medium, including oral information, any of which may or may not be designated or marked “confidential” or the like). Such Confidential Information may also be “Sensitive Security Information” (defined by the federal government as “sensitive, but unclassified information developed in the conduct of security or research and development activities, the unauthorized disclosure of which would be detrimental to transportation security;” marked as follows: “WARNING: THIS DOCUMENT CONTAINS SENSITIVE SECURITY INFORMATION THAT IS CONTROLLED UNDER 49 CFR PART 1520. NO PART OF THIS DOCUMENT MAY BE RELEASED TO PERSONS WITHOUT A NEED TO KNOW, AS DEFINED IN 49 CFR 1520, EXCEPT WITH THE WRITTEN PERMISSION OF THE ADMINISTRATOR OF THE TRANSPORTATION SECURITY ADMINISTRATION, ARLINGTON, VA 22202. UNAUTHORIZED RELEASE MAY RESULT IN CIVIL PENALTY OR OTHER ACTION. FOR U.S. GOVERNMENT AGENCIES, PUBLIC RELEASE IS GOVERNED BY 5 U.S.C. 552.”). If any such Confidential Information is so requested, the Concession Manager will, before obtaining or permitting its contractors or subcontractors to obtain any such Confidential Information, request from City and execute with City a Confidentiality and Non-Disclosure Agreement.

Section 2 07. Additional Insurance Provisions

Section 9.02 of the Master Lease, titled “Insurance,” is incorporated in this ASA by Section 2.05 above. Additionally, the following insurance requirements apply to Additional Services provided under this ASA:

Insurance to be Required of Concession Manager’s Design Professionals and Construction Contractors:

For any design or construction work contracted for by the Concession Manager and agreed by the City and the Concession Manager to be Additional Services in accordance with this ASA, insurance will be required as follows:

- a) Insurance for the Concession Manager’s Design Professionals. Any architect or engineer hired by the Concession Manager, directly or indirectly, to perform any design services for any Project will be required to obtain and maintain in full force and effect during any construction period professional liability insurance as follows:
 - (i) Professional liability insurance Limit of Liability: \$1,000,000, with a deductible not to exceed \$50,000.

- (ii) Coverage: Errors and omissions including liability assumed under Contract.
 - (iii) Professional liability insurance may be written on a claims-made basis provided that coverage for occurrences happening during the performance of the services required under this ASA shall be maintained in full force and effect under the policy or “tail” coverage for a period of at least two (2) years after completion of the design of any Project.
- b) Insurance for the Concession Manager’s Construction Contractors. Any contractor hired by the Concession Manager, directly or indirectly, to perform any construction, renovations or repairs to the areas, objects or items constituting any Project will be required to obtain and maintain in full force and effect during any construction period:
- (i) A commercial general liability insurance policy in minimum limits, unless otherwise specified, of \$1,000,000 per occurrence for bodily injury and \$1,000,000 per occurrence for property damage.
 - (ii) An automobile liability insurance policy covering owned, non-owned and hired vehicles in minimum limits, unless otherwise specified, of \$1,000,000 per person, \$1,000,000 per occurrence for bodily injury and \$1,000,000 per occurrence for property damage.
 - (iii) A worker’s compensation policy affording statutory coverage and containing statutory limits and employer’s liability insurance at limits of \$100,000 per accident/\$100,000 each employee/\$500,000 policy limit.

ARTICLE III – DESIGN, CONSTRUCTION, AND CONSTRUCTION MANAGEMENT
ADDITIONAL SERVICES

Section 3 01. Capital Budget

(a) Initial Capital Budget. Within sixty (60) days after execution of this ASA and the Master Lease, the Concession Manager will prepare and provide to the City its proposed budget of Design and Construction Costs that it expects, consistent with Section 3.02(K) of the Master Lease, to result in Additional Services Fees payable to the Concession Manager for renovations to the Leased Premises for the calendar years 2015 and 2016 and the first six months of 2017. Within that proposed budget, projected expenditures for the first six months of 2015, and for each of July 1, 2015-June 30, 2016 and July 1, 2016-June 30, 2017, will be provided separately. That proposed budget will be the initial Additional Services “Capital Budget” prepared, approved, and modified in accordance with this ASA. The same information as is included in that Capital Budget, appropriately updated and provided for a calendar year, also will be provided as part of the Concession Manager’s Annual Comprehensive Concession Plan in accordance with Section 3.02(C)(5) of the Master Lease. That proposed Capital Budget will, after submission by the Concession Manager, be negotiated in good faith by the City and the

Concession Manager for up to thirty (30) days (the “Initial Budget Negotiation Period”). If the Capital Budget cannot be agreed upon within the Initial Budget Negotiation Period despite such good faith negotiations, the good faith projections of the City shall control and shall constitute the Capital Budget; provided however, Concession Manager may decline to provide the applicable Additional Services by written notice to the City sent within thirty (30) days following the expiration of the Initial Budget Negotiation Period. The Capital Budget will contain cost estimates for various components of the renovations along with a narrative of the assumptions utilized to develop the Capital Budget. The Concession Manager shall not incur any Design and Construction Costs that it expects to result in Additional Services Fees until after a Capital Budget containing budgeted amounts of those costs has been approved in writing by Concession Manager and the City’s Deputy Director of Aviation, Property Management/Business Development, and its Deputy Director of Aviation, Finance and Administration.

(b) Subsequent Capital Budgets. Not later than April 1, 2016, and April 1 of each year thereafter, the Concession Manager will provide to the City an updated proposed Capital Budget of Design and Construction Costs that it expects, consistent with Section 3.02(K) of the Master Lease, to result in Additional Fees payable to the Concession Manager for renovations to the Leased Premises for the two-year period beginning July 1 of the same year. The submission will provide a status report on all Projects submitted and approved in the prior Capital Budget in addition to information concerning proposed new projects. Budgeted expenditures will be provided separately for each of the two July 1-June 30 City fiscal years covered by that proposed Capital Budget. The same information as is included in that Capital Budget, appropriately updated and provided for a calendar year, also will be provided as part of the Concession Manager’s Annual Comprehensive Concession Plan in accordance with Section 3.02(C)(5) of the Master Lease. Such subsequent Capital Budgets will contain all line items for projects on which work is projected to continue during the two-year period covered by the applicable revised Capital Budget, but will not contain information concerning projects that are conservatively projected to be completed before the start of the two-year period covered by the applicable revised Capital Budget. That proposed Capital Budget will, after submission by the Concession Manager, be negotiated in good faith by the City and the Concession Manager for up to thirty (30) days (the “Subsequent Budget Negotiation Period”). If the Capital Budget cannot be agreed upon within the Subsequent Budget Negotiation Period despite such good faith negotiations, the good faith projections of the City shall control and shall constitute the Capital Budget; provided however, Concession Manager may decline to provide the applicable Additional Services by written notice to the City sent within thirty (30) days following the expiration of the Subsequent Budget Negotiation Period. The Capital Budget will contain cost estimates for various components of the renovations along with a narrative of the assumptions utilized to develop the Capital Budget. The Concession Manager shall not incur any Design and Construction Costs that it expects to result in Additional Services Fees until after a Capital Budget containing budgeted amounts of those costs has been approved in writing by the Concession Manager and City’s Deputy Director of Aviation, Property Management/Business Development, and its Deputy Director of Aviation, Finance and Administration.

(c) Capital Budget Modifications. Either the Concession Manager or the City may at any time propose in writing a modification, including an addition or a deletion, to the most recently approved Capital Budget. That proposed modification will, after submission to the other party, be negotiated in good faith by the City and the Concession Manager for up to thirty

(30) days (the “Modification Negotiation Period”). If the modification cannot be agreed upon within thirty (30) days despite such good faith negotiations, the good faith projections of the City shall control and shall constitute the Capital Budget modification; provided however, Concession Manager may decline to provide the applicable Additional Services by written notice to the City sent within thirty (30) days following the expiration of the Modification Negotiation Period. If the proposed modification is a deletion, the resulting Capital Budget modification will not undermine the reimbursability of a cost contained in the latest approved Capital Budget and incurred by the Concession Manager before it has proposed or received notice from the City of the proposed modification/deletion, provided that the Concession Manager will cooperate with the City to arrange to eliminate or reduce the Concession Manager’s obligation to pay any such proposed deleted budgeted cost to the greatest extent feasible (provided that the foregoing shall not require Concession Manager to forgive any construction management fee payable to Concession Manager or an affiliate thereof, in accordance with an approved Capital Budget or approved modification to a Capital Budget, that was earned prior to the date of such proposed deleted budget item). The Concession Manager shall not incur any additional Design and Construction Costs proposed as a Capital Budget modification until after the modification containing budgeted amounts of those costs has been approved in writing by the Concession Manager and City’s Deputy Director of Aviation, Property Management/Business Development, and its Deputy Director of Aviation, Finance and Administration.

Section 3 02. Approval of Contractors. The City may at any time require City approval of the specific firm(s) to be contracted with by the Concession Manager for any Additional Services (for any one or more projects) in advance of the Concession Manager entering into a contract with such firm for such services, and the Concession Manager will comply with any such requirement that the City provides in writing. The Concession Manager will provide to the City at any time upon receipt of the City’s written request a copy of the Concession Manager’s proposed or executed contract with any firm the Concession Manager plans to use or is using for Additional Services.

Section 3 03. Antidiscrimination Policy. City Executive Order 03-12 establishes an Antidiscrimination Policy (“Policy”) for the participation of Minority Owned Business Enterprises (“MBEs”), Woman Owned Business Enterprises (“WBEs”) and Disabled Owned Business Enterprises (“DSBEs”) in City Contracts and City Related Special Projects (both as defined in Executive Order 03-12). In accordance with the Policy, the Concession Manager agrees to include this Policy in all bids and requests for proposals for any design, construction or construction management work that is agreed by the Parties to be Additional Services to be performed under contract by the Concession Manager. This Policy will not be applied to other Additional Services work arranged for under Article IV of this ASA. This Policy will apply on a project-by-project basis to each Project (including the design, construction, and/or construction management components thereof) to be undertaken by Concession Manager as Additional Services in accordance with this Article III. For purposes of this ASA, a “Project” will be design, construction, and/or construction management work that is contained in an approved Capital Budget for renovation of a particular Concession Location, or of multiple Concession Locations contracted for together, or for other discrete renovations (for example, a new facility for storage of Subtenant supplies, major renovation of common areas, etc.). Before Concession Manager contracts for any work on any Project, the Concession Manager will cooperate with the City’s Office of Economic Opportunity (“OEO”) to develop participation ranges for that Project

as is more fully described in Exhibit A to this ASA. If construction work on a Project is not budgeted for or for some other reason is not describable to OEO at the time design work on the Project is to be contracted for, separate Antidiscrimination Policies may be obtained for the design work and for the construction and/or construction management work on the Project. The applicable OEO forms will be made part of Concession Manager's contract(s) for every Project work component.

Section 3 04. Prevailing Wage. The Concession Manager will require all its contractors and subcontractors performing construction work Additional Services to comply with Philadelphia Code Section 17-107, concerning the payment of prevailing wages (as defined in Philadelphia Code Section 17-107(1)(m)).

Section 3 05. Construction Payment and Performance Bonds. Prior to the commencement of construction work on any Project, if the Project is reasonably expected or projected to cost more than Twenty-Five Thousand Dollars (\$25,000) in construction costs, the Concession Manager will cause its construction contractor(s) to purchase, and deliver to the City, performance and payment bonds naming the City and the Concession Manager as multiple obligees, on forms approved by the City and provided by a bonding company on the City approved list and otherwise acceptable to the City, as follows:

(a) A contract surety bond in a sum equal to one hundred percent (100%) of the actual amount of the budgeted cost for each such Project performed pursuant to this ASA. Such bond will guarantee the faithful performance of necessary construction and completion of improvements in accordance with the Plans, and will indemnify, defend and hold harmless the City against any losses and liability, damages, expenses, claims and judgments caused by or resulting from any failure of the Concession Manager and/or its contractor(s) to perform completely the work described therein, except to the extent caused by the negligence or willful misconduct of the City.

(b) A payment bond with the contractor or contractors as principal, in a sum equal to one hundred percent (100%) of the actual amount budgeted for each such Project performed pursuant to this ASA. Said bond will guarantee payment of all wages for labor and services engaged and of all bills for materials, supplies and equipment used in the performance of any such construction contract.

Section 3 06. Warranties of Design and Construction Work. The Concession Manager shall obtain from each architect, engineer, or architecture or engineering firm with which it contracts for design work as provided in this Article III such person's or firm's written agreement that the design work shall be performed in accordance with applicable professional standards and in accordance with all applicable laws and the provisions of this ASA. The Concession Manager shall obtain from each construction contractor with which it contracts for construction work as provided in this Article III such contractor's written agreement that such construction work shall be performed and constructed in a good and workmanlike manner, free of defects, in accordance with commercially acceptable construction practices, using high quality commercially acceptable materials, and in accordance with all applicable laws and the provisions of this ASA. The Concession Manager will cause each such architect, engineer, architecture or engineering firm,

and construction manager to provide in writing that the City is a third party beneficiary of all such agreements.

Section 3 07. Ownership of Design Work Product. The Concession Manager will ensure that its contracts with architects and engineers for design work in accordance with this Article III provide that the City at all times holds title to the Materials (“Materials” means any and all reports, records, documents, documentation, information, supplies, plans, original drawings, specifications, computations, sketches, renderings, arrangements, videos, pamphlets, advertisements, statistics, and other data, computer tapes, computer software, and other tangible work product or materials prepared or developed by the Concession Manager or by any contractor or subcontractor of the Concession Manager pursuant to this ASA. “Materials” includes the Construction Documents. “Construction Documents” means all final drawings, plans and specifications as the same may be modified from time to time subject to the City’s approval of such modification or modifications, if applicable) related to the work performed pursuant to this Article III. Subject to applicable law, all Materials shall be the sole and absolute property of the City and the City shall have title thereto and unrestricted use thereof. To the extent that any Materials relating to the design Additional Services developed by or for the Concession Manager embody a copyrightable work, including, but not limited to, a “compilation” as that term is used in 17 U.S.C. §101, as amended from time to time, the Concession Manager agrees, and shall ensure that each of its contractors and subcontractors agrees, that such copyrightable work(s) shall be considered as one or more “works made for hire” by the architect or engineer or architecture or engineering firm that created such Materials for the City, as that term is used in 17 U.S.C. §§101 and 201(b), as amended from time to time. To the extent that any Materials relating to the design Additional Services developed by or for the Concession Manager embody one or more copyrightable works but are neither a “compilation” nor any other form of “work made for hire,” the Concession Manager hereby assigns, and will ensure that its agreements with each contractor and subcontractor provide that such contractor or subcontractor assigns, all copyrights in all of such works to the City, and agrees to execute instruments evidencing such assignment. The Concession Manager shall cause all Materials developed or produced by the Concession Manager and each of its contractors and subcontractors pursuant to this Article III which embody a copyrightable work to bear the following designation: “© The City of Philadelphia” [complete then current year in blank line]. The Concession Manager shall make available to the City, upon the City’s request, a copy of any Materials prepared by or for the Concession Manager in performance of this ASA, at no cost to the City. The Concession Manager hereby grants, and shall require each of its contractors and subcontractors hereunder to grant, to the City and to others authorized by the City, a royalty-free, nonexclusive and irrevocable right to publish, translate, reproduce, deliver and perform all studies, media, curricula, reports and other Materials delivered and not owned by the City under this ASA but which relate to the design work performed pursuant to this Article III, Materials or this ASA; provided, however, that neither the Concession Manager nor any of its contractors or subcontractors shall be required to grant such right to the City or others with respect to any Materials for which the Concession Manager or such contractor or subcontractor would be liable to pay compensation to third parties because of such grant. Materials shall be furnished to the City and others as requested by the City in accordance with the schedule set forth in this ASA or upon completion or termination of this ASA, whichever occurs first. The City shall have the right to utilize any and all of the aforesaid items for the work to be performed pursuant to this Article III or in the event the City expands or makes an addition to such a project, corrects any

deficiencies in the project, causes the work to be performed pursuant to this Article III or any portion thereof or other project related thereto to be constructed after the termination of this ASA, or for other future design use.

Section 3 08. Non-Disclosure of Design Work Product. During the Term of this ASA and thereafter, except with the prior written consent of the Airport's Chief Executive Officer or his designee, Concession Manager will not, and will require that none of its contractors or subcontractors hereunder will:

1. Issue, publish or divulge any Materials developed or used in the performance of this ASA in any public statement, thesis, writing, lecture or other verbal or written communication except as reasonably necessary in order to perform the applicable Project (including, without limitation, in order to obtain the permits and approvals necessary to perform, complete and occupy the Projects) or as required by court order or by law; or

2. Disclose, or use to its advantage or gain, confidential information of any nature acquired from the City or acquired as a result of the Concession Manager's or the contractor's or subcontractor's activities in connection with this ASA.

Section 3 09. Approval of Plans. The Concession Manager will obtain the City's prior written approval of Plans and Specifications for any Project work to be performed pursuant to this Article III. Prior to the commencement of any construction work pursuant to this Article III, the Concession Manager will submit to the City: (i) Plans and Specifications detailed in a manner usual and customary for such category of work as provided by Airport regulations, and as provided in the Airport Design and Construction Procedures and Standards, which Plans and Specifications will include, where appropriate, completed detailed architectural, mechanical, heating, ventilating/air conditioning, electrical, plumbing, design and structural plans and specifications; (ii) a schedule of completion; and (iii) a certification by the Concession Manager's architect(s) and/or engineer(s) stating the expected life of the proposed work and the estimated cost of completion. The City will have the right to approve any and all the Plans and Specifications within thirty (30) days after the City's receipt thereof. In the event the City does not approve Plans and Specifications as submitted, the City will notify the Concession Manager of the reasons therefor and the Concession Manager will resolve to the satisfaction of the City any items of dispute. If the Concession Manager has not received word of either approval or disapproval of any Plans and Specifications within thirty (30) days after the City's receipt thereof, the Concession Manager may notify the City in accordance with Section 13.20 of the Master Lease of such inaction, and if the Concession Manager continues not to have received any word of either approval or disapproval as of seven (7) business days after the date of the City's receipt of such notice, such Plans and Specifications will be deemed approved.

Section 3 10. Additional Services Fees Payments for Design and Construction Work.

(a) Submission of Design/Construction Costs Reimbursement Request. The City will pay the Concession Manager for Design and Construction Costs budgeted for as set forth in Section 3.01, and reasonably close in actual amount to the budgeted amount (provided, however, that if the actual amount to be incurred by the Concession Manager would exceed the budgeted line item by the greater of \$5,000.00 or 10%, then the larger amount must be approved in writing

by the City's Deputy Director of Aviation, Property Management/Business Development, and its Deputy Director of Aviation, Finance and Administration, or the designee of each of them, before the Concession Manager incurs such larger amount), by reimbursing the Concession Manager for such Design and Construction Costs as set forth in this Section 3.10. Subject to completion of the requirements set forth below and subject to limitation as set forth in this Section 3.10, the City will pay to the Concession Manager within seventy-five (75) days of receipt by the City of a written request from the Concession Manager for such payment ("Design/Construction Costs Reimbursement Request") as follows:

(i) entire Design/Construction Costs Reimbursement Request package (see Section 3.10(b) below) to be sent on paper to the following:

(ii) one copy to Engineering Manager, Airport Engineering, Executive Offices, Terminals D-E, Philadelphia International Airport, Philadelphia, PA 19153; and

(iii) two copies to Project Manager, Airport Capital Program Management Group, Executive Offices, Terminals D-E, Philadelphia International Airport, Philadelphia, PA 19153; and

(iv) a copy of the cover letter accompanying each such Design/Construction Costs Reimbursement Request to be sent by e-mail to each of:

(i) Deputy Director, Operations & Facilities, Executive Offices, Terminals D-E, Philadelphia International Airport, Philadelphia, PA 19153; and

(ii) Divisional Deputy City Solicitor, Transportation Division, Executive Offices, Terminals D-E, Philadelphia International Airport, Philadelphia, PA 19153;

and provided further that such recipients of such requests and cover letters are subject to change by the City in its sole discretion from time to time, provided that such change(s) will be submitted promptly to the Concession Manager in writing.

(b) Contents of Project Design/Construction Costs Reimbursement Request. Each Design/Construction Costs Reimbursement Request will contain first an Invoice Summary Sheet in the form attached hereto as Exhibit B, will contain the general partner and Construction Manager certification described in the next following paragraph, and will be accompanied by bills, invoices, and other documents evidencing the services or materials supplied and their costs, and such other supporting documents as the City may request from time to time (collectively, the "Underlying Documentation").

(c) General Partner and Construction Manager Certification. The Underlying Documentation submitted with a Design/Construction Costs Reimbursement Request must be accompanied by a certificate signed by the general partner of the Concession Manager and the Concession Manager's Construction Manager, whose signatures will constitute certification that (a) the services and materials described in the Underlying Documentation were satisfactorily received by the Concession Manager, (b) the listed price of such services and materials is

accurate and the cost thereof is commercially reasonable, (c) the Underlying Documentation is accurate and true in all other respects, and (d) the bills, invoices or documents requesting payment were paid in full, or will be paid in full upon receipt of payment from the City, by the Concession Manager; provided, further, that the City and the Controller of the City of Philadelphia (“City Controller”) each will have the right to request and the Concession Manager will promptly provide, copies of subcontractors’ bills, invoices or other documents that the City or the City Controller may request in conducting their evaluations of Design/Construction Costs Reimbursement Requests and the Underlying Documentation.

(d) Requests. Design/Construction Costs Reimbursement Requests may be submitted by the Concession Manager to the City as necessary, but no more frequently than 12 times per year and no Design/Construction Costs Reimbursement Request may exceed the total dollar amount of all bills, invoices and other supporting documents submitted with the request.

(e) Design/Construction Costs Reimbursement Request Processing. Processing of each Design/Construction Costs Reimbursement Request will be as follows (or as the City may determine otherwise in its reasonably exercised sole discretion from time to time): (a) approval to process by Airport engineering project manager; (b) preparation of a receipt of contracted performance by Airport capital program management group; (c) approval of the receipt of contracted performance by Airport chief engineer; (d) approval of the invoice by Airport Deputy Director, Property Management/Business Development; (e) approval of the invoice by Airport Chief Executive Officer (if the amount requested requires such approval); (f) preparation of a voucher by Airport capital program management group; (g) funding authorization of the voucher by Airport Deputy Director, Finance & Administration; (h) approval of the voucher by the City Department of Finance; (i) audit and approval of the Design/Construction Costs Reimbursement Request by the City Controller; and (j) issuance of a wire transfer by the Treasurer of the City to the Concession Manager, provided, however, that any reviewer of the invoice may, with reasonable basis therefor, request of the Concession Manager any needed explanation or additional documentation before approving, or may disapprove some or all of the Design/Construction Costs Reimbursement Request if the design or construction work does not appear to have been performed in substantial accordance with all the terms and conditions of this ASA, or if, following the reviewer’s having requested the Concession Manager therefor, the reviewer has insufficient documentation to reasonably support approval; and provided further that any such disapproval will state with specificity the portion(s) of the Design/Construction Costs Reimbursement Request disapproved and the specific reason(s) for such disapproval, will be provided to the Concession Manager in writing promptly, and may be disputed by the Concession Manager in accordance with Section 3.11 below. If one or more line items in any Design/Construction Costs Reimbursement Request is disputed by the City, its capital program management group will ask the Concession Manager to resubmit the Design/Construction Costs Reimbursement Request without the disputed item(s) to facilitate prompt processing for payment of the Design/Construction Costs Reimbursement Request.

(f) Amount to be Paid. The City will not pay the Concession Manager any monies in excess of the total amount of money requested in the Design/Construction Costs Reimbursement Requests received and approved for payment by the City, reduced by any amount disapproved for payment to the Concession Manager by the City, or disapproved by the City Controller, and will not pay to the Concession Manager any monies for which its request for payment and its

performance under this ASA in connection with such request for payment do not comply with all the terms and conditions of this Article III.

(g) All Payments to Concession Manager. The City will not make any direct payments to any contractor of the Concession Manager of money for costs and expenses of design/construction work, but may only pay the Concession Manager in accordance with this ASA. The City will make all payments under this Section 3.10 by wire transfer to the Concession Manager.

Section 3 11. Dispute Resolution.

(a) In the event of dispute arising under this ASA pertaining to any Design/Construction Costs Reimbursement Request, Other Additional Services Costs Reimbursement Request, or any bill, invoice, budget or similar document submitted by the Concession Manager, or any other matters specified to be resolved pursuant to the terms of this Section 3.11, such dispute shall be referred to a mediator for non-binding mediation as set forth herein. In the event of such a dispute, the disputing Party agrees to provide to the other Party prompt written notice of its dispute ("Dispute Notice") (in any case, no later than sixty (60) days after receipt of the Design/Construction Costs Reimbursement Request or Other Additional Services Costs Reimbursement Request with any dispute thereafter deemed to be waived) and the Parties will endeavor, in good faith, to settle such dispute(s), but if resolution thereof is not possible within thirty (30) days of the date of such Dispute Notice (the "Initial Resolution Period"), then the Parties will submit the dispute(s) to non-binding mediation.

(b) The Parties may agree to appoint jointly a single, mutually acceptable mediator. The mediator will be appointed within ten (10) days after the end of the Initial Resolution Period (the "Mediator Selection Period"). The fees of, and authorized expenses incurred by, the mediator(s) will be evenly divided between the City and the Concession Manager. Mediation sessions will commence within twenty (20) days after the end of the Mediator Selection Period.

(c) The City and the Concession Manager will mediate in good faith for a minimum period of fifteen (15) days beginning on the day of the first mediation session. If the dispute is not resolved by the mediation, then either party thereto may terminate the mediation upon ten (10) days written notice to the other party. Either party may pursue other available remedies after the expiration of such notice period. The City and the Concession Manager will negotiate, in good faith, mutually acceptable rules of procedure for matters relating to the mediation that are not expressly provided for in this Section 3.11. The Parties agree that the mediation provided for in this Section 3.11 is a compromise negotiation for purposes of all international, federal and state rules of evidence.

(d) All mediation proceedings and all conduct, statements, documents, promises, offers, views, and opinions, whether oral or written, made or submitted in the course of the mediation by either party, its agents, employees, representatives, or other invitees to the mediation, or by the mediator(s) (who are the Parties' joint agent(s) for purposes of these compromise negotiations) are confidential; will where appropriate be deemed to be attorney client privileged; and will in no event be discoverable or admissible for any purposes, including impeachment, in any litigation or other proceeding involving the Parties; and will not be

disclosed to anyone not an agent, employee, expert or other witness, or representative for one of the Parties.

(e) The mediator shall determine whether to allow and the extent of any information sharing among the parties. Participation in and exhaustion of the informal dispute resolution procedure and the mediation process provided for in this Section 3.11 is a condition precedent to either party commencing litigation or pursuing any other available remedy in relation to the dispute. Each party will bear its own costs of mediation.

(f) Notwithstanding anything in this Section 3.11 to the contrary, the City will pay promptly any undisputed Design/Construction Costs Reimbursement Request, Other Additional Services Costs Reimbursement Request, or portion thereof not in dispute, in accordance with the remaining provisions of this Article III or Article IV, as the case may be.

Section 3 12. Completion of Each Project. After approval by the City of the Plans and Specifications for a Project, which Plans and Specifications will then be deemed a part hereof, the Concession Manager will commence and diligently pursue completion of that Project. Subject to the terms hereof, any Project will be deemed completed upon the last date that the Concession Manager has furnished to the City a written statement, acceptable to the City in its sole discretion, from the general partner of the Concession Manager and the Concession Manager's architect of record, each certifying that such Project has been completed in accordance with the Plans and Specifications approved by the City ("Completion Statement"). The Concession Manager will furnish to the City such a Completion Statement promptly following completion of each Project. The Concession Manager will provide to the City, within a reasonable amount of time after providing each Completion Statement to the City, conformed as-built drawings of such Project in electronic AutoCAD file and reproducible hard copy format. In case of the City's notice to the Concession Manager of its failure to so provide drawings, the City may withhold any payment otherwise due to the Concession Manager until the drawings have been provided, provided that no such withholding will be made before seven (7) business days after the City has provided to the Concession Manager written notice of such failure, and the Concession Manager's failure has neither been remedied nor explained to the reasonable satisfaction of the City and continues after such period following such notice. The Concession Manager at the direction of the City in its discretion at any time, will deliver to the City copies of any or all contracts executed by the Concession Manager or any contractor or subcontractor to the Concession Manager in connection with performance of any or all of the Projects. Except for any delay caused by the City, and subject to Force Majeure, the Concession Manager will complete each Project according to the schedule(s) approved in writing by the City.

Section 3 13. No City Warranty. Review and/or approval of any Plans and Specifications by the City, or acceptance of any Project (and/or any other work performed by the Concession Manager) by the City, will not constitute any representation, warranty or guaranty by the City as to the substance or quality of the documents, Project or other matter or work reviewed, approved or accepted. No person or firm should rely in any way on such approval and at all times the Concession Manager, its agents, contractors and subcontractors, must use their own independent judgment as to the accuracy and quality of all such documents and other matters. The provisions of this Section 3.13 will apply to each separate Project.

Section 3 14. Projects Property of City. All fixtures, installations and/or other items, including all Projects, attached or affixed to the Airport property by the Concession Manager or any other party acting on its behalf will be the property of the City during the Term and, concurrently with the expiration or termination of this ASA, will remain owned by the City thereafter, provided, however, that the City shall receive ownership to Project construction work only after its cost has been reimbursed by the City under this ASA.

Section 3 15. Records. The Concession Manager will keep full, complete, and accurate books of account and other records related to the Projects in accordance with generally accepted accounting principles and make them available promptly upon at least three (3) days prior written notice from the City for inspection within the City of Philadelphia upon the City's request. Upon prior written notice to the Concession Manager, the City or its duly authorized representative will have the right at all reasonable times and places to inspect and audit the Concession Manager's books of account and other records with respect to the Projects maintained as required by this ASA.

Section 3 16. Release.

(a) Release by Concession Manager. Except to the extent set forth herein, the Concession Manager, for itself, its partners, officers and directors of partners, employees, employees of partners, and agents, will release the City and its officers, officials, employees, directors, representatives and agents from any and all claims, actions, damages, losses, costs, expenses, or liabilities of every kind, except those caused by the City's gross negligence or willful misconduct, which the Concession Manager or any of them may have at any time arising in connection with the Project or this ASA. Neither the City nor its agents, servants, and employees will be liable for, and the Concession Manager hereby releases and relieves such parties from, any and all liability in connection with any and all damage to or loss of property, loss or interruption of business occurring to the Concession Manager, its Subtenants, invitees or any other person in or about or arising out of any Project from, without limitation, (i) any fire, other casualty, accident, occurrence or condition in or upon the Project; (ii) any defect in or failure of: (1) plumbing, sprinkling, electrical, HVAC systems, or any other equipment or systems of the Project and (2) any stairways, railings or walkways on, or installed on the Project; (iii) any steam, fuel, oil, water, rain or snow that may leak into, issue or flow from any part of the Project or from the drains, pipes or plumbing, sewer or other installation of same, or from any other place or quarter; (iv) the breaking or disrepair of any installations, equipment and other systems; (v) the falling of any fixture or wall or ceiling materials; (vi) broken glass; (vii) latent or patent defects; (viii) the exercise of any rights by the City under the terms and conditions of this ASA; (ix) any acts or omissions of the other tenants or occupants of nearby buildings; (x) any acts or omissions of other persons; or (xi) theft, act of God or public enemy, injunction, riot, strike, insurrection, war, court order, or any order of any governmental authorities having jurisdiction over the Project; except to the extent any of the foregoing are caused by the gross negligence or willful misconduct of the City, as the case may be, and then liability will only run to the party responsible for such gross negligence or willful misconduct.

(b) No Waiver of Defenses or Immunities. Nothing in this ASA will be construed to waive or amend any defense or immunity which the City or its officers, agents, officials,

members, representatives, or employees may have under Title 42, Chapter 85 of the Pennsylvania Consolidated Statutes Annotated, as amended, or other applicable law.

Section 3 17. Care of Projects.

The Concession Manager hereby agrees to:

(a) Refuse Removal. Provide a complete and proper arrangement for the frequent and adequate sanitary handling and disposal, away from the Airport, of all trash, garbage and other refuse caused as a result of Concession Manager's contractors' and their subcontractors' activities in connection with any Project. Provide and use compactor-type metal receptacles or other City-approved alternate equipment for all such garbage, trash and other refuse. Piling of boxes, cartons, barrels, pallets, or other similar items, in an unsightly or unsafe manner, on or about the Project, is prohibited. If required by the City, join in and participate in any joint trash collection and recycling program with the City and other third parties.

(b) Remove Property Upon Termination. Upon the termination of this ASA in any manner whatsoever, remove the Concession Manager's property and that of any other person claiming by, through or under the Concession Manager, with the exception of such property to remain on the Airport as part of the Project(s) (whether pursuant to the Master Lease, or an agreement between the City and either Concession Manager or one or more successor parties to manage airport concessions after the expiration of the Master Lease or otherwise), and quit and deliver the Project, subject to any rights the Concession Manager may enjoy under any other provision of this ASA, the Master Lease, or an agreement between the City and either Concession Manager or one or more successor parties to manage airport concessions after the expiration of the Master Lease, to the City peaceably and quietly in as good order and condition as the same exist as of the date of such termination. Property not removed by the Concession Manager from the Project at the termination of this ASA, however terminated, may be considered abandoned and the City may dispose of the same as it deems expedient with reasonable cost to be billed to the Concession Manager, except to the extent such property is used by Concession Manager pursuant to its rights under the Master Lease, or an agreement between the City and either Concession Manager or one or more successor parties to manage airport concessions after the expiration of the Master Lease.

(c) No Lien. Not permit a mechanic's lien for any labor or materials to attach to the whole or any part of any Project; require the execution and filing of lien waivers satisfactory to the City by all contractors and subcontractors; and agree that if a mechanic's lien is filed upon all or any portion of any Project, it will protect and save harmless the City against any loss, liability or expense whatsoever, by reason thereof and will defend at its own expense such actions or proceedings as may be necessary to remove such lien from the records within ten (10) days of notice to the Concession Manager of the existence of said lien.

Section 3 18. Subordination. The provisions concerning Projects in this ASA will be subject and subordinate at all times to the lien of any mortgages and/or ground leases and/or other encumbrances, including airport revenue bonds, now or hereafter placed on any portion of the Airport by the City without the necessity of any further instrument or act on the part of the Concession Manager to effectuate such subordination, but the Concession Manager covenants

and agrees to execute and deliver upon demand such further instrument or instruments evidencing such subordination of this ASA to the lien of any such mortgage or mortgages and/or ground rent and/or other encumbrances as will be desired by any mortgagee or proposed mortgagee or by any person. Notwithstanding the foregoing, the party secured by any such mortgage, ground lease or encumbrance (the “Secured Party”) will have the right to recognize this ASA and, in the event of any foreclosure sale or other possession, by a Secured Party, this ASA will continue in full force and effect at the option of the Secured Party, and the Concession Manager will execute, acknowledge and deliver any instrument that has for its purpose and effect a subordination to the lien of this ASA.

ARTICLE IV – OTHER ADDITIONAL SERVICES

Section 4 01. Request or Proposal to Perform Other Additional Services

The City may request the Concession Manager to perform, or the Concession Manager may propose to perform, Additional Services other than design, construction and construction management Additional Services (“Other Additional Services”). If the Concession Manager proposes to perform such Other Additional Services, the City may within thirty (30) days of receipt of a written proposal respond in writing that it does not wish for the Concession Manager to perform such Other Additional Services, in which case the matter shall be resolved. If the City desires that Concession Manager perform such Other Additional Services, Section 4.02 shall govern. Other Additional Services may include, for example, without limitation, performance of studies, analysis, planning, project management and administration, merchandising, leasing, legal, budgeting and projections, additional reporting or accounting, or performance of services that the City desires, including implementation of Section 8.05 of the Master Lease (Labor Harmony).

Section 4 02. Budget and Contract(s) for Other Additional Services

If the City has requested Other Additional Services which the Concession Manager is willing to provide, or if the Concession Manager has proposed to provide Other Additional Services and the City desires the Concession Manager to provide such Other Additional Services, the Concession Manager will prepare and provide promptly to the City its proposed budget for such Other Additional Services that it expects to result in Additional Services Fees payable to the Concession Manager. The proposed budget will contain cost estimates for various components of the Other Additional Services along with a narrative of the assumptions utilized to develop the proposed budget line items. That proposed “Other Additional Services Budget” will, after submission by the Concession Manager, be negotiated in good faith by the City and the Concession Manager for up to thirty (30) days. If the proposed Other Additional Services Budget cannot be agreed upon within thirty (30) days despite such good faith negotiations, the parties will resolve their dispute with respect thereto in accordance with Section 3.11 of this ASA, or the City may at any time thereafter until the parties reach agreement decline such proposed Other Additional Services by written notice to Concession Manager, or Concession Manager may at any time thereafter until the parties reach agreement withdraw its request to perform such Other Additional Services by written notice to the City. The Concession Manager shall not incur any Other Additional Services costs that it expects may be reimbursable until after a budget containing budgeted amounts of those costs has been approved in writing by

Concession Manager, the City's Deputy Director of Aviation, Property Management/Business Development, and its Deputy Director of Aviation, Finance and Administration. The first-approved Other Additional Services Budget will cover a period through at least the next-upcoming City fiscal year (July-June), and will be updated as the process described above is completed for any new Other Additional Services, with the updated budget always to cover all then-approved Other Additional Services through at least the entire next-upcoming City fiscal year. Upon the City's request, the Concession Manager will provide to the City's Deputy Director of Aviation, Property Management/Business Development, or his designee, the contract(s) by which the Concession Manager proposes to obtain the Other Additional Services, for approval by the City in advance of the Concession Manager entering into the contract.

Section 4 03. Payment of Additional Services Fees for Other Additional Services

(a) The City will pay the Concession Manager for Other Additional Services budgeted for as set forth in Section 4.02, and reasonably close in actual amount to the budgeted amount (provided, however, that if the actual amount to be incurred by the Concession Manager would exceed the budgeted line item by the greater of \$5,000.00 or 10%, then the larger amount must be approved in writing by the City's Deputy Director of Aviation, Property Management/Business Development, and its Deputy Director of Aviation, Finance and Administration, or the designee of each of them, before the Concession Manager incurs such larger amount), by reimbursing the Concession Manager for the approved budgeted items as set forth in this Section 4.03. Subject to completion of the requirements set forth below and subject to limitation as set forth in this Section 4.03, the City will pay to the Concession Manager within seventy-five (75) days of receipt by the City of a written request from the Concession Manager for such payment ("Other Additional Services Costs Reimbursement Request") by submitting such request to the City as directed from time to time by the City's Deputy Director of Aviation, Property Management/Business Development, or his designee.

(b) Contents of Other Additional Services Costs Reimbursement Request. Each Other Additional Services Costs Reimbursement Request will contain Concession Manager's general partner's certification as described in the next following sentence, and will be accompanied by bills, invoices, and other documents evidencing the services or materials supplied and their costs, and such other supporting documents as the City may request from time to time. The certificate must be signed by the general partner of the Concession Manager, whose signature will constitute certification that (a) the services and materials described in the Other Additional Services Reimbursement Request were satisfactorily received by the Concession Manager, (b) the listed price of such services and materials is accurate and the cost thereof is commercially reasonable, (c) the documentation accompanying the Other Additional Services Reimbursement Request is accurate and true in all other respects, and (d) the bills, invoices or documents requesting payment were paid in full or will be paid in full upon receipt of payment from the City, by the Concession Manager; provided, further, that the City and the City Controller each will have the right to request and the Concession Manager will promptly provide, copies of subcontractors' bills, invoices or other documents that the City or the City

[Remainder of this page is left blank intentionally.]

Controller may request in conducting their evaluations of Other Additional Services Reimbursement Requests.

IN WITNESS WHEREOF, the City and Concession Manager have caused these presents to be executed by their respective duly authorized officers as of the day and year first written above.

Approved as to Form:
Shelley R. Smith
City Solicitor

THE CITY OF PHILADELPHIA
acting through its Department of Commerce,
Division of Aviation

By: _____
Senior Attorney

By: _____
Rina Cutler
Deputy Mayor, Transportation
and Utilities

CONCESSION MANAGER:

MARKETPLACE PHL, LLC

ATTEST/CORPORATE SEAL

MarketPlace Philadelphia, Limited
Partnership, its Managing Member

By: _____

By: MarketPlace Philadelphia Inc., its
General Partner

Attest: _____

By: _____
Paul O. McGinn, President

Its: _____
Secretary or Treasurer
(Corporate Seal)

LeJeune and Associates, LLC, Member

By: _____
Clarence LeJeune, Managing Member

EXHIBIT A

**CITY OF PHILADELPHIA
OFFICE OF ECONOMIC OPPORTUNITY
ANTIDISCRIMINATION POLICY
FORMS, INSTRUCTIONS AND SPECIAL CONTRACT PROVISIONS**

OVERVIEW, M/W/DSBE PARTICIPATION RANGES AND WORKFORCE GOALS

Under the authority of Executive Order No. 03-12, the City of Philadelphia has established an antidiscrimination policy ("Policy") relating to the participation of Minority (MBE), Woman (WBE) and Disabled (DSBE) Owned Business Enterprises in City contracts and City Related Special Projects. Executive Order 03-12 is administered by the City's Office of Economic Opportunity ("OEO").

The purpose of this Policy is to provide equal opportunity for all businesses and to assure that City funds are not used, directly or indirectly, to promote, reinforce or perpetuate discriminatory practices. The City is committed to fostering an environment in which all businesses are free to participate in business opportunities without the impediments of discrimination and participate in all City contracts and Special Projects on an equitable basis. In addition, the City, as informed by the Mayor's Advisory Commission on Construction Industry Diversity, is committed to increasing Philadelphia's existing building trades workforce to include 32% minority representation and 7% female representation.

The City, acting through its Department of Commerce, Division of Aviation ("Division of Aviation") has entered into an Additional Services Agreement with MARKETPLACE PHL, LLC ("Marketplace") for the purpose of arranging for Marketplace to perform certain design and construction services to renovate retail concession premises at Philadelphia International Airport leased to Marketplace (the "Improvements"). The Improvements consist of various discrete projects, for each of which the City has appropriated capital funding. One of those projects is the _____, for which the Division of Aviation and Marketplace have agreed to budget _____ Dollars in capital funding for [design, construction, and/or construction management] services. Accordingly, Marketplace has agreed to cooperate with OEO to establish participation ranges for this City Related Special Project and to require Marketplace, through its contracts for the improvements, to implement and ensure that the M/W/DSBE participation ranges and workforce goals established herein are met to the maximum extent feasible by Marketplace's contractors ("contractors").

The OEO has approved the following projected ranges of participation for this City Related Special Project which serve as a guide in determining each contractor's responsibility:

MBE __% - __%
WBE __% - __%
DSBE __% - __%

These ranges represent the percentage of MBE, WBE, and DSBE (collectively, "M/W/DSBE") participation that should be attained by M/W/DSBEs from business opportunities existing in the available market absent discrimination in the solicitation and selection of these businesses and through contractor's exercise of Best and Good Faith Efforts. Best and Good Faith Efforts are those efforts, the scope, intensity and appropriateness of which are taken to achieve meaningful and representative opportunities for participation by M/W/DSBEs. Marketplace agrees to include these M/W/DSBE participation ranges in all bids related to the improvements. Marketplace's contractors' commitments with M/W/DSBEs will be included on a Solicitation For Participation and Commitment Form along with any supporting documentation (more fully discussed below) as an element of responsiveness to each bid. OEO will evaluate Marketplace's contractors' responsiveness.

Marketplace also agrees to include the following Workforce Goals in all bids related to the improvements and require that its contractors exhaust Best and Good Faith Efforts to employ minority persons and females in its workforce of apprentices and journeymen at the following levels¹:

- Minority Apprentices – 50% of all hours worked by all apprentices
- Minority Journeymen – 32% of all journey hours worked across all trades
- Female Apprentices – 7% of all hours worked by all apprentices
- Female Journeypersons - 7% of all hours worked across all trades

The submission of false information in connection with the Antidiscrimination Policy is subject to the penalties of 18 Pa.C.S. §4904 relating to unsworn falsification to authorities and 18 Pa.C.S. §4107.2 (a)(4) relating to fraudulently obtaining public moneys reserved for or allocated or available to minority business enterprises or women's business enterprises.

A. M/WBE PARTICIPATION

1. Only firms that are certified by an approved certifying agency² and identified in the OEO Certification Registry by the time of contract award will be credited toward the participation ranges. An OEO Certification Registry is maintained by the OEO and is available online at www.phila.gov/OEO/directory. Firms owned and controlled by minority persons, women or disabled persons, which are certified as MBE, WBE, DSBE or DBE by an approved certifying agency may apply to the OEO for listing in its OEO Certification Registry.

2. No contractor that seeks to meet the participation range(s) by entering into a subcontract with any M/W/DSBE shall be considered to meet the range(s) if the M/WBE does not perform a commercially useful function (“CUF”). An M/W/DSBE performs a Commercially Useful Function when it performs a distinct element of a contract (as required by the services to be performed as established by the bid) which is worthy of the dollar amount of the M/W/DSBE Subcontract and the M/W/DSBE carries out its responsibilities by managing and supervising the services involved and actually self-performing at least twenty percent (20%) of the services of the Subcontract with its own employees. For a supply effort, an M/W/DSBE supplier performs a Commercially Useful Function when it is responsible for sourcing the material, negotiating price, determining quality and quantity, ordering the material and paying for it from its own funds. Commercial usefulness will be evaluated and determined by the OEO as informed by prevailing industry standards and the M/W/DSBE’s NAIC codes (which are found in the OEO Registry). Participation that is not commercially useful will not receive credit from OEO.

3. In order to maximize opportunities for as many businesses as possible, a firm that is certified in two or more categories (e.g., MBE and WBE) will only be credited toward one participation range as either an MBE or WBE. The firm will not be credited toward more than one category. Contractors will note with their submission which category, MBE or WBE is submitted for credit.

4. An MBE, WBE or DSBE submitting as the prime contractor is required, like all other contractors, to submit a bid that is responsive to the Policy. The MBE, WBE or DSBE prime will receive credit towards the participation range for its certification category (e.g., MBE range or WBE range). In addition, the participation of an M/W/DSBE partner, as part of a joint venture created for a contract, may be credited

¹ These goals, which have been adopted by the Economic Opportunity Cabinet, are the recommendations of the Mayor’s Commission on Construction Industry Diversity.

² Approved certifying agencies are identified on the OEO webpage found at www.phila.gov/OEO. Applicant is strongly encouraged to search the Pennsylvania Unified Certification Program (“PaUCP”) Directory which offers a robust listing of DBEs; the PaUCP Directory is found at www.paucp.com.

towards the participation ranges only to the extent of the M/W/DSBE partner's ownership interest in the joint venture in accordance with the following criteria:

- The MBE, WBE or DSBE partner(s) must be identified in the OEO Registry prior to contract award;
- The M/W/DSBE partner(s) must derive substantial benefit from the arrangement;
- The M/W/DSBE partner(s) must be substantially involved in all phases of the contract including planning, staffing and daily management;
- The business arrangement must be customary (i.e., each partner shares in the risk and profits of the joint venture commensurate with their ownership interest, contributes working capital and other resources, etc.).

5. M/W/DSBE Subcontractors must perform at least twenty percent (20%) of the total amount of work to be performed under the Subcontract with their own employees.

6. In listing participation commitments on the Solicitation for Participation and Commitment Form, contractors are required to list a detailed description of the services or supply effort, the dollar amount of the quotation, and percentage of the contract the participation represents. In calculating the percentage amount, contractors may apply the standard mathematical rules in rounding off numbers. The OEO reserves the right to request clarifying information from contractors in the event of an inconsistency or ambiguity in the Solicitation For Participation and Commitment Form.

B. RESPONSIVENESS

1. A bid responsive to the Policy is one which contains documentary evidence of the M/W/DSBEs that have been solicited and that will be used by the contractor on the contract, if awarded; where the bid satisfies the M/W/DSBE participation ranges, contractor is rebuttably presumed not to have discriminated in its selection of contract participants.

2. Contractors must submit documentary evidence of MBEs, WBEs and DSBEs who have been solicited and with whom commitments have been made in response to each of the participation ranges enumerated above. Marketplace agrees that its contractor's failure to submit the Solicitation For Participation and Commitment Form will result in Marketplace's rejection of the bid as nonresponsive. The Solicitation For Participation and Commitment Form must contain the following information:

- Documentation of all solicitations (regardless of whether commitments resulted therefrom) as well as all commitments made on the enclosed document entitled "Solicitation For Participation and Commitment Form." Contractors should only make actual solicitations of M/W/DSBEs whose services or materials are within the scope of the bid. Mass mailing of a general nature to M/W/DSBEs or similar methods will not be deemed solicitation, but rather will be treated as informational notification only. A reasonable period of time should be given to all solicited firms to ensure that they have sufficient time to adequately prepare their quotes/subproposals. The contractor's listing of a commitment with an M/W/DSBE constitutes a representation that the contractor has made a legally binding commitment to contract with such firm, upon receipt of a contract award from Marketplace.

- If the contractor has entered into a joint venture with an MBE, WBE, or DSBE partner, the contractor is also required to submit along with the Solicitation For Participation and Commitment Form, a document entitled "Joint Venture Eligibility Information Form," available at OEO, for the OEO's review and approval of the joint venture arrangement.

3. If contractor does not fully meet each of the range(s) for participation established for the bid, contractor must demonstrate that it exercised Best and Good Faith Efforts to achieve the M/W/DSBE participation ranges along with a written request, on its letterhead, for the reduction of part or all of the M/W/DSBE participation ranges ("Request For Reduction/Waiver"). Contractor, through the submission of documentary evidence must show that contractor took all necessary steps and made reasonable efforts to achieve the M/W/DSBE participation ranges, even if these efforts were not fully successful. OEO will evaluate the scope, intensity and appropriateness of these efforts to ascertain whether they

could reasonably be expected to achieve M/W/DSBE participation commensurate with the ranges. Failure to submit the documentary evidence will result in Marketplace's rejection of the bid as nonresponsive; OEO, at its sole discretion, working in cooperation with the Division of Aviation and Marketplace, may allow contractors to submit or amend their submission at any time prior to bid award which may result in revision to contractor's participation commitments. The Request For Reduction/Waiver shall contain and discuss, at a minimum, the following:

- Reasons for not committing with any MBE/WBE/DSBEs that submitted a quote/subproposal, regardless of whether the quote/subproposal was solicited by contractor.
- Any additional evidence pertinent to contractor's conduct relating to the bid including sufficient evidence which demonstrates to the OEO that contractor has not engaged in discriminatory practices in the solicitation of and commitment with contract participants. In describing contractor's efforts to achieve participation within the ranges, contractor may submit any corroborating documentation (e.g., copies of advertisements for participation).

The contractor's documentary evidence will be reviewed by the OEO to determine whether contractor exercised Best and Good Faith Efforts in response to the participation ranges. Contractor's expressed desire to self-perform services with its own employees will not excuse contractor from exercising Best and Good Faith Efforts to include M/W/DSBEs in its proposal and cannot be used as a basis for requesting a reduction or waiver of the participation ranges. OEO's review will include consideration of the following:

- Contractor's contracting activities and business practices on similar public and private sector contracts. For example, if contractor rejects any M/W/DSBE based on price, contractor must fully document its reasons for the rejection and also demonstrate that contractor subjects non-M/W/DSBEs to the same pricing standards. OEO will investigate whether there was any attempt at good faith negotiation of price.
- Whether M/W/DSBEs were treated as equally as other businesses in the solicitation and commitment process. For example, the OEO will investigate whether M/W/DSBEs are given the same information, access to the plans and requirements of the contract and given adequate amount of time to prepare a quote/subproposal as others who were solicited by applicant. The OEO will also investigate whether M/W/DSBEs were accorded the same level of outreach as non-M/WBEs, for example whether contractor short listed M/W/DSBEs for participation or solicited M/W/DSBEs at any pre-bid meetings.
- Whether the contractor's contracting decisions were based upon policies which disparately affect M/W/DSBEs. OEO will ascertain whether contractor selected portions of work or material needs consistent with the capacity of available M/W/DSBE subcontractors and suppliers. OEO will consider whether contractor employed policies which facilitate the participation of M/W/DSBEs such as segmentation of the contract or prompt payment practices.

4. After review of the contractor's submission and other information the OEO deems relevant to its evaluation, the OEO will make a written determination that will be forwarded to the Division of Aviation and Marketplace.

C. RESPONSIBILITY

1. Upon award of a contract by Marketplace, the completed Solicitation For Participation and Commitment Form and any accompanying documents regarding solicitation and commitments with MBEs, WBEs and DSBEs become part of the contract and the successful contractor is required to enter into legally binding agreement(s) ("M/W/DSBE Subcontract(s)") with its M/W/DSBE participants for the services and in the dollar amount(s) and percentage(s) as so committed (the "Contract Commitment(s)"). M/W/DSBE percentage commitments are to be maintained throughout the term of the contract and shall apply to the total contract value (including amendments). Any change in commitment, including but not limited to, substitutions for the listed firm(s), changes or reductions in the work and/or listed dollar/percentage amounts, must be pre-approved in writing by the OEO.

2. Unless otherwise specified in the M/W/DSBE Subcontract, the successful contractor shall, within five (5) business days after receipt of a payment from Marketplace for services performed under the contract, deliver to its M/W/DSBE participants, their proportionate share of such payment for services performed (including the supply of materials). In connection with the payment of its M/W/DSBE participants, the successful contractor agrees to fully comply with the OEO's payment reporting process which includes the use of City electronic payment verification systems.

3. No privity of contract exists between the City and any M/W/DSBE participant identified in any contract resulting under this Policy. The City does not intend to give or confer upon any such M/W/DSBE participant(s) any legal rights or remedies in connection with the subcontracted services pursuant to Executive Order 03-12 or by reason of any contract resulting under this Policy except such rights or remedies that the M/W/DSBE subcontractor may seek as a private cause of action under any legally binding contract to which it may be a party.

4. If the OEO determines that the contractor has discriminated against a M/W/DSBE at any time during the term of the contract, the OEO may recommend to the Division of Aviation and the City's Director of Finance the imposition of sanctions on the contractor including debarment of the contractor from submitting and/or participating in future City of Philadelphia contracts and City Related Special Projects for a period of up to three (3) years.

D. ACCESS TO INFORMATION

1. The OEO shall have the right to make site visits to the contractor's place of business and/or job site and obtain documents and information from any applicant, subcontractor, supplier, manufacturer or contract participant that may be required in order to ascertain contractor's responsiveness and responsibility.

2. Failure to cooperate with the OEO in its review may result in a recommendation to Marketplace to terminate the contract.

E. RECORDS AND REPORTS

1. The successful contractor shall maintain all books and records relating to its M/W/DSBE commitments (e.g. copies of quotations, subcontracts, joint venture agreement, correspondence, cancelled checks, invoices, telephone logs) and workforce utilization (e.g., certified payroll records) for a period of at least three (3) years following acceptance of final payment from Marketplace. These records shall be made available for inspection by the OEO and/or other appropriate City officials. The successful contractor agrees to submit reports and other documentation to the OEO as deemed necessary by the OEO to ascertain the successful contractor's fulfillment of its M/W/DSBE commitments.

F. OVERSIGHT COMMITTEE

1. An oversight committee may be established consisting of representatives from the Division of Aviation, Marketplace, representatives of the building trades, and the construction manager, and other City representative(s) which may include the Project site's District Councilperson, OEO, and appropriate community organizations ("Committee"). The Committee will meet regularly to provide advice for the purpose of facilitating compliance with the Plan.

G. REMEDIES

1. The successful contractor's compliance with the requirements of Executive Order 03-12 is material to the contract awarded by Marketplace. In the event OEO determines that the successful contractor has failed to comply with any of the requirements of this Policy, including substantial compliance with any Contract Commitment, OEO may, in addition to any other rights and remedies reserved by the City under

the Additional Services Agreement, exercise one or more of the following remedies which shall be deemed cumulative and concurrent:

- Recommend to the Director of Finance debarment of the contractor from bidding on and/or participating in City contracts and City Related Special Projects for a maximum period of three (3) years.
- Recommend to Marketplace that Marketplace withhold from the contract payment(s) or any part thereof until corrective action is taken by contractor.
- If corrective action is not taken to the satisfaction of OEO, OEO may recommend that the City, without institution of a lawsuit, recover capital funds from Marketplace in an amount equal to the M/W/DSBE shortfall which amount shall be returned to the City and considered not as a penalty but as liquidated damages for Marketplace's contractor's failure to comply with the Policy.

The remedies enumerated above are for the sole benefit of the City and City's failure to enforce any provision or the City's indulgence of any non-compliance with any provision hereunder, shall not operate as a waiver of any of the City's rights in connection with the grant agreement nor shall it give rise to actions by any third parties including identified M/W/DSBE participants.

EXHIBIT B

**MARKETPLACE PHL, LLC
Concession Manager Additional Services
Invoice Summary Sheet**

Invoice #:
Invoice Period:

Project #	Project Title	Approved budget, \$	From Previous Application, \$	Work Completed this Period, \$	% Complete	Balance to Finish
-----------	---------------	---------------------	-------------------------------	--------------------------------	------------	-------------------

TOTAL

Exhibit D

Subleasing Guidelines

The Concession Manager shall sublease the Concession Locations in the Terminal Buildings as set forth in Section 3.02 of the Agreement and in accordance with the procedures outlined below. Concession Manager shall:

- (A) Identify and cultivate prospective Subtenants as follows:
 - Community outreach, research and networking
 - Maintain industry knowledge and relationships, and attend industry conferences
 - Direct marketing to prospective Subtenants
 - Research PA UCP list of ACDBE vendors
 - Cold calls to prospective Subtenants
 - Advertise in appropriate trade publications and elsewhere
 - Disseminate information regarding historical program performance and market demographics

- (B) Conduct a competitive solicitation process, when appropriate

- (C) Evaluate prospective Subtenants by obtaining, reviewing and assessing the following Subtenant information:
 - Business history and performance track record
 - Financial capacity
 - Managerial and operational capabilities
 - ACDBE certification and/or ACDBE participation
 - Airport retail concession experience
 - Other relevant experience

- (D) Select a prospective Subtenant by evaluating the following information:
 - Strengths and weaknesses in areas outlined in (C) above.

- Proposed concept for Concession Location, including the brand (if any), products and/or services provided, consistency with or enhancement of the desired image for the Terminal Concession Program, and the ability of the concept to fulfill one or more requirements set forth in the Annual Comprehensive Concession Plan.
 - Proposed financial terms
 - Proposed design for Concession Location
 - Acceptance of Sublease Agreement terms
- (E) Negotiate Sublease with selected Subtenant, including the following:
- Financial terms
 - Permitted use
 - Construction scope and minimum investment requirement
 - Term (length of Sublease)
 - Compliance with all applicable laws, including Labor Harmony and Philadelphia 21st Century Minimum Wage and Benefits Standard
 - Other Sublease terms and conditions
- (F) Prepare Deal Sheet and Sublease Package in accordance with Section 3.02 and Exhibit E to the Agreement entitled, Sublease Package Requirements.
- (G) Obtain Sublease Agreement approval from City prior to executing a Sublease.

These Subleasing Guidelines may be found on the Airport's website (attach link), which may be updated, from time to time, in the City's sole discretion.

Exhibit E

Concession Manager Sublease Package Requirements

The Sublease Package as required by Section 3.02 (F) of the Agreement or Exhibit H of the Agreement respecting the RMU Program for each Sublease shall include the following:

1. Letter from Concession Manager addressed to the City requesting Sublease approval.
2. Copy of Sublease blacklined to show changes from form of Sublease (ACDBE or Non-ACDBE, as applicable), in Word Document format (doc.).
3. Business Entity Verification Information:
 - a. Department of State Search Information
 - b. Proof Business Privilege License
4. Campaign Contribution Disclosure – Completed Forms, and evidence that Subtenant is in compliance with Philadelphia Code 17-1400.
5. Subtenant’s Certificate of Non-Indebtedness.
6. In the case of ACDBE Subtenants, the following ACDBE documentation:
 - a. Individual Subtenant ACDBE Participation Plan;
 - b. ACDBE Compliance Letter of Approval;
 - c. Proof of PAUCP ACDBE Certification;
 - d. ACDBE Agreement(s) (Joint Venture, Operating, Franchise, Management, Service, etc.);
 - e. ACDBE Joint Venture Information Sheet (if applicable);
 - f. ACDBE Joint Venture Counting Form; (if applicable); and
 - g. Other information required by the ACDBE Approval and/or Joint Venture Approval Process, as set forth in Exhibit F of this Agreement.

In the case of ACDBE Subtenants, under no circumstances shall Concession Manager submit a Sublease with any provisions that waive the ACDBE participation requirements approved for the Concession Location by the City, including provisions relating to a franchisor or other Affiliate of the Subtenant, unless the City has given advance written approval of said waiver, which shall be granted or denied in the City’s sole discretion.

7. A written summary of the proposed Sublease, a “Deal Sheet.” Deal Sheet shall include at a minimum, compliance with the Annual Comprehensive Concession Plan, including the proposed Concession Location, concept type, proposed Subtenant, use clause, term clause, Minimum Annual Guarantee, Percentage Rent, proposed menu and or merchandise mix, projected first year gross receipts, the selection process, title(s) of principals of the Subtenant, and whether or not the proposed Subtenants is an ACDBE or the level of ACDBE participation, if applicable. At the City’s request, a proforma for the proposed Subtenant shall also be provided. The Deal Sheet set forth above shall be required in the case of any amendments, licenses, occupancy agreements and shall include any other additional relevant information, including operations at other airports.

Other than the blacklined Sublease, all other documents shall be fully executed, if execution is required, and submitted in PDF format.

All documents in the Sublease Package shall be submitted electronically and in hard copy format to the Division of Aviation.

Exhibit F

ACDBE Requirements

I. ACDBE Management Requirements:

A. Concession Manager expressly covenants and agrees that it will perform its duties to manage the City's Terminal Concession Program and comply with the City's requirements for ACDBE participation in Concession Manager's operations and the PHL concessions in accordance with the ACDBE Program Requirements in this Agreement, including the ACDBE requirements in Section 8.06 of this Agreement, which are expressly incorporated herein, and this Exhibit F.

B. Accordingly as set forth in Section 8.06, during the entire Term of the Agreement and any extensions or renewals of the Term, Concession Manager shall comply with the following ACDBE Participation Requirements:

1. Concession Manager shall be thirty percent (30%) owned, managed and operated by the PaUCP certified ACDBE LeJeune & Associates, LLC, in accordance with 49 CFR Part 23, the ACDBE Program Requirements in this Agreement and the terms and conditions of the City's joint venture approval of Concession Manager.

2. Concession Manager shall use good faith efforts to operate, manage concession operations and enter into sublease agreements and other tenancy agreements with concessionaires at PHL to reach an annual goal of thirty-five percent (35%) ACDBE participation by PaUCP certified ACDBEs in the annual gross sales of all concession operations at PHL, in accordance with 49 CFR Part 23 and the ACDBE Program Requirements in this Agreement.

3. No substitution of ACDBE participation through goods and services provided by PaUCP certified ACDBEs to Subtenants shall be permitted to satisfy either the Concession Manager Participation Requirement or the Terminal Concession Program ACDBE Goal, without the express written permission of the City under the ACDBE Program Requirements in this Agreement.

C. Federal Requirements: Concession Manager shall comply with all of the following requirements governing ACDBE participation under this Agreement.

1. This Agreement is governed by the Regulations of the U.S. Department of Transportation ("U.S. DOT"), 49 C.F.R. Parts 23 and 26, as amended, which concerns participation by airport concessionaire disadvantaged business enterprises (ACDBEs) in the concession activities of airports receiving Federal financial assistance from the Federal Aviation Administration, which funds were authorized and issued under Title 49 of the United States Code since 1988. Philadelphia International Airport ("PHL") is a recipient airport under the above federal requirements, which operates and maintains an ACDBE Program in accordance with the above requirements. Concession Manager shall comply with, and shall ensure that its Subtenants comply with, the City's ACDBE Program

2. Under the above regulations, the U.S. DOT requires that airport concession disadvantaged business enterprises (“ACDBE(s)”), as defined in 49 CFR Part 23, as amended, shall have a fair opportunity to participate in the performance of airport concessions contracts at PHL. This shall apply to Concession Manager’s operations and Subtenants at PHL.

3. Because this agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR Part 23 and 26, all ACDBE forms, information and documentation submitted to the City by Concession Manager or any of its Subtenants under the ACDBE Requirements of this Agreement are subject to the penalties of 18 U.S.C.S. 1001 relating to false statements, as well as 18 Pa.C.S.A 4904 relating to unsworn falsification to authorities.

4. As set forth in Section 8.06 of this Agreement, Concession Manager must not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23. Concession Manager agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR Part 23, that it enters and cause those businesses to similarly include the statements in further agreements.

D. City’s ACDBE Program: Concession Manager shall comply with all of the requirements of the City’s ACDBE Program as they may be updated from time to time.

1. Because the Airport is a primary airport that has received funds authorized for airport development after January 1988, which were authorized under Title 49 of the United States Code, the City has established an ACDBE Program at the Airport in accordance with US DOT regulations 49 CFR Parts 23 and 26.

2. Concession Manager shall cooperate with the City and provide any information requested by the City to update the City’s ACDBE Program, as required by the US DOT, which is posted on PHL’s website.

E. Concession Manager’s ACDBE Participation Plan Requirements:

1. As set forth in Section 8.06 of this Agreement, no later than thirty (30) days after the execution of this Agreement, Concession Manager shall submit an ACDBE Participation Plan for the Term of this Agreement, which satisfies the thirty percent (30%) ACDBE participation requirement at the Concession Manager level and identifies the ACDBE participation for the thirty-five percent (35%) goal commitment by Concession Manager at the Terminal Concession Program level. Thereafter, for the entire Term of this Agreement, Concession Manager shall submit a Subtenant ACDBE Participation Plan to the City for approval with its Annual Comprehensive Concession Plan. In addition, upon the renewal, amendment, assignment or other transfer of an existing sublease and for all new subleases, Concession Manager shall submit an Individual Subtenant ACDBE Participation Plan for each Subtenant, as set forth in Exhibit E and this Exhibit F. Concession Manager shall update, amend or otherwise revise any or all of its ACDBE Participation Plans, as directed by the City, in accordance with the ACDBE Program Requirements in this Agreement.

2. The annual Subtenant ACDBE Participation Plan will identify the Airport concession locations where Concession Manager will use good faith efforts to contract with ACDBEs to satisfy Concession Manager's commitment to reach the thirty five percent (35%) Annual Concession Program ACDBE Goal.

3. Concession Manager's annual Subtenant ACDBE Participation Plan shall include ACDBE contracts that comply with the following ACDBE participation counting requirements that are mandated under 49 CFR Part 23 and the City's ACDBE Program:

a. Commercially Useful Function: Only expenditures to the ACDBE that relate to a commercially useful function performed by the ACDBE under the ACDBE's contract are counted toward ACDBE participation. An ACDBE is considered to perform a commercially useful function in accordance with 49 CFR Part 23.55 when it is responsible for execution of a distinct element of the work of a contract and carrying out its responsibilities by actually performing, managing and supervising the work involved.

b. Joint Ventures: Only that portion of the total dollar value of a contract with a joint venture equal to the percentage of ACDBE ownership and control in the joint venture is counted toward ACDBE participation. The ACDBE joint venture partner must be responsible for a clearly defined portion of the work and must share in the risks and profits of the joint venture commensurate with its ownership interest in the joint venture as required by 49 CFR Part 23 and the FAA's Joint Venture Guidance (July 2008).

c. Management Contract: The total dollar value an ACDBE earns under a management contract may be counted toward ACDBE participation.

d. Subtenant or Subcontractor: When an ACDBE performs under a Sublease or a subcontract with a non-ACDBE, only that portion of the monies earned by the ACDBE under its subagreement may be counted toward ACDBE participation.

e. Bona Fide Services: The entire amount of fees or commissions charged by an ACDBE for Bona Fide services may be counted toward ACDBE participation, as long as the fees are reasonable and not excessive as compared with fees customarily allowed for similar services. Such services may include, but are not limited to, professional, technical, consultant, legal, security systems, advertising, building cleaning and maintenance, computer programming, or managerial.

f. Goods:

(i) Manufacturers and Regular Dealers: One hundred percent (100%) of the expenditures for goods required under the contract and obtained from an ACDBE manufacturer, as defined in 49 CFR 26.55(e)(1)(ii), or purchased or leased from an ACDBE regular dealer, as defined in 49 CFR 26.55(e)(2)(ii).

(ii) Other goods suppliers: For an ACDBE that is neither a manufacturer or a regular dealer, count toward ACDBE participation the entire amount of fees or commissions for assistance in the procurement of goods for the concession and the entire amount of fees or transportation charges for the delivery of goods to the concession, as long as such fees,

commissions or charges are reasonable and not excessive as compared with fees customarily allowed for similar services. Do not count any portion of the cost of the goods themselves.

g. **Build-Out Costs Are Not Counted:** Pursuant to 49 CFR 23.55 (k), costs incurred in connection with the renovation, repair, or construction of a concession facility (sometimes referred to as the “build-out”) are not counted toward ACDBE participation.

4. At a minimum the Concession Manager’s annual Subtenant ACDBE Participation Plan shall also include the following and such other requirements as the City may impose from time to time as a part of the City’s ACDBE Program:

a. The identities of all ACDBEs participating in the Terminal Concession Program whose participation Concession Manager intends to count in meeting the 35% Annual Concession Program ACDBE Goal.

b. The percentage of ACDBE participation at each Concession Location where an ACDBE contract is being counted to fulfill Concession Manager’s commitment to reach the 35% Concession Program ACDBE Goal.

c. The nature of the City approved concession ownership agreement or other City approved agreement that is being counted by Concession Manager to fulfill its 35% Concession Program ACDBE Goal commitment.

d. The strategies Concession Manager shall use to meet the annual 35% Concession Program ACDBE Goal.

e. The Concession Manager’s solicitation process for each concession location where ACDBE participation is being counted by Concession Manager.

f. Concession Manager’s ACDBE outreach plan for identifying a diverse base of ACDBEs at the Airport, including but not limited to community outreach seminars and economic forums, as well as other sources and/or specific events and activities designed to reach ACDBEs on an ongoing basis who may be interested in food, beverage, retail and/or passenger service locations. At a minimum, Concession Manager shall conduct and/or participate in an outreach event at least quarterly for Subtenants and ACDBE’s providing goods and services, as required by the City.

g. Concession Manager’s Compliance Plan for ensuring compliance with the City’s ACDBE Program by all of its Subtenants, and goods and services providers. At a minimum, Concession Manager’s ACDBE compliance measures shall include the following: quarterly monitoring of Subtenants, and ACDBE’s providing goods and services, for compliance with all the City’s ACDBE Program Requirements, as well as continuing education and training on at least a semi-annual basis on the City’s ACDBE Program Requirements for both Subtenants and goods and services providers.

F. Concession Manager’s Monitoring and Enforcement Program: Concession Manager shall have a monitoring and enforcement program, as part of its ACDBE Participation Plan, for compliance with the City’s ACDBE Program Requirements, which shall include at a

minimum the following monitoring and enforcement measures: enforcement of the ACDBE provisions in all subleases, including remedies for breach due to ACDBE noncompliance, audits and quarterly inspections of Subtenants and goods and services providers for ACDBE compliance, including but not limited to a review of any ACDBE certification changes, ownership or management changes, sales or other financial records, contracts and subcontracts, management records and other employment records.

G. ACDBE Reporting Requirements: Concession Manager shall complete and submit to the City for review and approval the following ACDBE Reports showing Concession Manager's performance of and compliance with the ACDBE Program Requirements in this Agreement:

1. Three annual reports as set forth in Section 4.07.A.1(e), which shall include as a part of the reported ACDBE achievements at the Airport: a comparison of the current annual total ACDBE sales for all Subtenants for the required fiscal or calendar year vs. the historical total ACDBE sales for all concession operators for the former fiscal or calendar year; and

2. On the same date as the Rental Payment is due each month as outlined in Section 4.01(C)(1)a)ii.: gross sales generated by each ACDBE Subtenant on a monthly basis;

3. On the same date as the Rental Payment is due as outlined in Section 4.01(C)(1)a)ii. in the last month of each calendar quarter and December of each year: gross sales and percentage subtotals for each Subtenant showing compliance or noncompliance with the Subtenant's ACDBE participation requirement; and

4. On the same date as the Rental Payment is due as outlined in Section 4.01(C)(1)a)ii. in the last month of each calendar quarter and December of each year: the percentage of goods and services provided to Subtenants by ACDBEs, with subtotals for each Subtenant showing compliance or noncompliance with the Subtenant's ACDBE participation requirement.

H. Quarterly Monitoring and Enforcement Meetings: Concession Manager shall participate in quarterly monitoring and enforcement meetings with the Division of Aviation's Properties and Compliance Units to review the performance and compliance of Concession Manager and its Subtenants under the ACDBE Program Requirements and matters disclosed on Concession Manager's ACDBE Reports.

I. Mentor – Protégé Program: Concession Manager shall develop and maintain a Mentor-Protégé Program which shall pair disadvantaged business enterprises, as defined in 49 CFR Part 23, with ACDBE Program participants and successful ACDBE Program graduates to educate and foster compliance with the City's ACDBE Program Requirements.

J. Graduation of Successful ACDBEs: Upon the successful graduation of an ACDBE from the Airport's ACDBE Program and/or the ACDBE's home state ACDBE program, Concession Manager shall:

1. Immediately report the ACDBE's graduation to the Division of Aviation's Compliance Unit in a letter signed by Concession Manager with a copy to Properties Unit. At a

minimum the Concession Manager's letter shall include: (a) the date when the ACDBE graduated; (b) the airport where the ACDBE graduated; (c) the reasons for the ACDBE's graduation from the ACDBE program; (d) the date when the ACDBE's Sublease with Concession Manager will end; (e) whether Concession Manager intends to continue to count the ACDBE's participation until the end of its Sublease with Concession Manager; (f) when Concession Manager will submit its request for City approval of ACDBE Participation substitution; and (g) whether the ACDBE will participate in Concession Manager's Mentor-Protégé Program.

2. Concession Manager shall also submit a copy of the ACDBE's signed letter informing Concession Manager of the ACDBE's graduation from the ACDBE program.

II. Individual Subtenant ACDBE Participation Plan Approval Process for Each Subtenant

A. Concession Manager shall submit an Individual Subtenant ACDBE Participation Plan for each Subtenant that will be participating in the City's ACDBE Program. The Plan must explain how the Subtenant will meet its ACDBE participation requirements. No review shall be required until the Plan is complete.

B. Only complete Individual Subtenant ACDBE Participation Plans shall be submitted for City review and approval. The Subtenant ACDBE Participation Plan shall be included in the Sublease Package, either separately or as a part of the Deal Sheet for the Subtenant, and must include:

1. The type of ACDBE participation proposed (i.e. Franchise, Operator, Joint Venture, Management, Supplier, etc.).

2. A copy of the ACDBE's PaUCP ACDBE Certification.

3. A copy of the executed agreements related to ACDBE Participation (Franchise, Management, Joint Venture, etc.).

4. An explanation of the commercially useful function the ACDBE will perform at the Concession Location.

5. The percentage and dollar amount of the ACDBE's participation through its commercially useful function.

6. A copy of the ACDBE's commitment letter to perform its commercially useful function at the concession location for the percentage and dollar amount specified in the ACDBE Participation Plan and all other contractual obligations and operations at the Airport in accordance with the City's ACDBE Program requirements.

7. If a Joint Venture in addition to the agreement, a copy of the Division of Aviation Compliance Unit's letter approving the Joint Venture, or a Joint Venture Approval Request Package, as required by this Exhibit F, may be submitted with the Individual Subtenant ACDBE Participation Plan Request. Note: No Joint Venture will be considered without the information specified in this Exhibit F.

8. Information regarding all other airports where the concessionaires operate, including the ACDBE.

9. Information regarding all decertification proceedings and investigations, or other proceedings and investigations, involving the ACDBE and any other individuals or entities involved in the concession.

10. The identity of the Subtenant, and its principals, who will execute a Sublease with Concession Manager.

11. All other Concession Locations where any of the following are involved in any way in operation, management, ownership (including consultant or other services agreements): the ACDBE or its principals, the Subtenant or its principals or any other entity and its principals that are involved with the concession.

C. Before submitting an Individual Subtenant ACDBE Participation Plan to the City for approval, Concession Manager must review the Individual Subtenant ACDBE Participation Plan for completeness and to ensure the proposed Plan complies with the City's ACDBE Program and the Annual Comprehensive Concession Plan, as well as all applicable laws, including 49 CFR Part 23 and the FAA's Joint Venture Guidance (if applicable).

D. Each Individual Subtenant ACDBE Participation Plan must be submitted with a cover letter, signed by Concession Manager, which: (a) identifies the Subtenant who will execute the Sublease with Concession Manager; (b) identifies the ACDBE and explains the relationship of the ACDBE to the Subtenant; (c) verifies the Individual Subtenant ACDBE Participation Plan is complete and in compliance with all applicable regulations; (d) verifies the Individual Subtenant ACDBE Participation Plan is in accordance with the ACDBE participation goal in the City approved Annual Comprehensive Concession Plan or submit an approval letter from the Compliance Unit approving an ACDBE goal change.

E. Submission shall be made to the Division of Aviation's Compliance Unit with a copy to the Division's Properties Unit.

F. After the City's review process is complete, the Division's Compliance Unit will respond to Concession Manager by letter indicating any required changes, approval or disapproval of the Individual Subtenant ACDBE Participation Plan with applicable comments.

G. Concession Manager will resubmit any Individual Subtenant ACDBE Participation Plan which requires changes or further explanation, by the date specified in the Compliance Unit's letter or before the due date explain why the Individual Subtenant ACDBE Participation Plan cannot be resubmitted within the specified time.

H. All resubmitted Individual Subtenant ACDBE Participation Plans must comply with the ACDBE goal requirements in the Annual Comprehensive Concession Plan and the ACDBE Requirements set forth in this Agreement, including but not limited to the requirements in this ACDBE Plan Approval Process. As set forth below, ACDBE goal change requests must be submitted separately before the request for approval of the ACDBE Participation Plan

I. Any request for a change in the ACDBE goals stated in the Annual Comprehensive Concession Plan for a Concession Location(s) must be submitted separately, in writing and signed by Concession Manager, prior to the submission of the Individual Subtenant ACDBE Participation Plan request. ACDBE goal change requests shall be submitted via one (1) hard copy each and one (1) electronic copy each to the Compliance Unit and the Properties Unit.

J. All Individual Subtenant ACDBE Participation Plan withdrawals shall be communicated via letter, signed by Concession Manager, to the Division's Compliance Unit with a copy to the Properties Unit, with a statement of the reason for the withdrawal and an explanation of Concession Manager's plans to comply with the City approved Annual Comprehensive Concession Plan, including all ACDBE participation requirements.

III. Joint Venture Approval Process

A. Before submitting a Sublease Approval Request to the City and before submitting a request for joint venture approval to the City, Concession Manager shall have each Subtenant that will participate in the ACDBE Program through a joint venture submit the information set forth in this Exhibit F to Concession Manager for review (the "Joint Venture Approval Request").

B. The Joint Venture Approval Request must include all of the documentation required in this Exhibit F and explain how the Subtenant and the joint venture will meet their ACDBE participation requirements in accordance with the City's Subleasing Plan, ACDBE Program, 49 CFR Part 23 and the FAA's Joint Venture Guidance.

C. Concession Manager must review all of the documentation and information required by this Exhibit F to make sure it is complete and to ensure the proposed joint venture complies with all of the City's ACDBE Requirements.

D. Concession Manager shall only submit to the City for Approval a complete Joint Venture Approval Request, which contains the information and documents set forth herein, and a signed letter from Concession Manager verifying that Concession Manager has reviewed the Request for compliance with the City's ACDBE Requirements.

E. For all joint ventures, Concession Manager shall submit the following to the Division of Aviation's Compliance Unit **prior to submitting a Sublease Approval Request to the City:**

1. A copy of the PaUCP ACDBE Certification.
2. A copy of the executed Joint Venture contract documents (Operating Agreement, Consultant Agreements, all other agreements identified in the FAA's Joint Venture Guidance including but not limited to those relating to any fee arrangements or the operation, management, ownership, capitalization or financing of the joint venture or concession).
3. The ACDBE Joint Venture Information Sheet.
4. The ACDBE Joint Venture Counting Form.

5. Proof of capitalization of the Joint Venture.
6. All loan and other documents required by the Joint Venture Information Sheet or Counting Form.
7. Information regarding all other airports and all other Concession Locations where the joint venture, its component entities, including the ACDBE, or any other consultants or other businesses involved in the concession own, operate, manage or consult in airport concessions.
8. Information regarding all decertification proceedings and investigations, or other proceedings and investigations, involving the ACDBE, the joint venture, its component entities or any other consultants or other businesses involved in the concession.
9. The identity of the Subtenant, and its principals, who will execute a Sublease Agreement with Concession Manager.
10. **Note:** No Joint Venture will be considered without the information specified in this Exhibit F.

F. After the review process is complete, the Division's Compliance Unit will respond to Concession Manager by letter indicating approval or disapproval of the joint venture with applicable comments, including the due date for any resubmission which may also require the production of additional documentation.

G. If Concession Manager chooses to resubmit its Joint Venture Approval Request, it shall do so by the date specified in the Compliance Unit's letter or before that date explain why it cannot resubmit within the specified time.

H. All withdrawals of ACDBE Joint Venture Approval Requests shall be communicated via letter, signed by Concession Manager, to the Division's Compliance Unit with a copy to the Properties Unit, and with a statement in the letter explaining the reason for the withdrawal and Concession Manager's plans to comply with the Annual Comprehensive Concession Plan, including all ACDBE participation requirements stated therein.

Exhibit G

Concession Manager Minimum Marketing, Advertising and Promotion Plan Requirements

In accordance with Section 3.06, the Marketing, Advertising and Promotion Plan shall include the following minimum requirements in accordance with the Concession Manager's Proposal and this Agreement as may be modified and revised from time to time as more particularly set forth in the Annual Marketing Advertising and Promotion Plan.

1. Minimum Components of the Plan

Marketing Campaign/Branding: The Concession Manager shall customize a marketing campaign for the Airport and the Terminal Concession Program and give it a strong brand identity, including a redesigned logo.

Internet Marketing, Social Media, Applications: During the Term of the Agreement, the Concession Manager shall undertake the following initiatives in addition to other internet marketing, social media and application opportunities as agreed with the City:

- Develop a new look for the Terminal Concession Program website for the Airport that will complement the new marketing campaign.
- Use social media resources, including, without limitation, Twitter, Facebook, and Four Square as such resources may be modified, updated, and revised from time to time to communicate real-time information about the Terminal Concession Program. (See www.Facebook.com/PhiladelphiaMarketPlaceFoodandShopsatPHL and <https://twitter.com/PHLfoodandshops>)
- Maintain and further develop the database of opt-in email addresses for regular e-blasts promoting specials.
- Utilize smartphone applications such as GateGuru and develop an application specific to the Terminal Concession Program that will be available for download on iTunes.

Signage: Concession Manager shall work with the City to develop a prominent signage program that complements the design of the Airport and attracts passengers' attention. Sign content shall include Airport wide promotions and messages for specific Concession Locations, among others. Concession Manager shall work with the Airport's MUFIDs/FIDs for promoting the programs/events created for the Terminal Concession Program. Concession Manager shall be responsible for producing, updating and installing the Terminal Concession Program maps for the directories, which directories are provided by the advertising concessionaire at the Airport.

Concession Brochure: Concession Manager shall ensure that brochures containing traveler-friendly information are distributed at all information counters at the Airport, downtown Philadelphia hotels, and 30th Street Station (train station). Concession Manager shall work with

the City, airlines, travel agents, government agencies, associations, and corporate travel planners to provide off-site distribution to travelers planning to come through the Airport. Concession Manager shall research the effectiveness of customizing directories for different uses, such as a directory that promotes the food and beverage options together with brief menu summaries.

Table Vinyl Decals/Tray Liners: Concession Manager shall assess the effectiveness of using vinyl decals on the food court tables for promotions, such as cross-promotions and special event promotions. Concession Manager shall also explore the effectiveness of tray liners as an additional marketing tool.

Street Pricing Guarantee Program: Concession Manager shall promote Street Pricing through directory brochures, point-of-purchase signage, and public service announcements.

“Take-Out for Take-Off” Program: Concession Manager shall develop and implement a new brand image for the Take Out for Take Off program developed to encourage passengers to purchase food at the Airport to take on board, enhance customer satisfaction and increase food and beverage sales.

Sales Promotions: Concession Manager shall plan and implement events and promotions, including holiday sales designed to draw traffic to Concession Locations and Common Areas to foster impulse sales. Promotional holiday-related opportunities shall include Valentine’s Day, Mother’s Day, Father’s Day, Independence Day, and Christmas/Winter Holiday. Gift with purchase promotions tied to these sales periods shall be introduced. Concession Manager shall work with the City and Subtenants to coordinate signage, merchandising tie-ins, displays, scheduling and any operational issues.

Public Relations: Concession Manager shall generate media publicity on a consistent basis throughout the Calendar Year highlighting Concession Locations and events. Free media coverage in publications such as the Philadelphia Inquirer, Daily News, and Philadelphia Business Journal shall be used to increase awareness of the Terminal Concession Program and provide positive messages to varied audiences.

Community Relations: Throughout the Calendar Year, Concession Manager shall participate in community service initiatives with community organizations and employment centers, such as the Welcoming Center for New Pennsylvanians and the Ronald McDonald House.

Tourism Partnerships: Concession Manager shall pursue partnerships with the hotel and tourism industry to cross-promote shopping and dining at the Airport. Concession Manager shall work with area visitor associations, such as the Philadelphia Convention and Visitors Bureau and the discoverphl.com outreach programs for brochure distribution and promotional messages, as well as online information for those traveling to the United States from abroad. Such tourism partnership opportunities shall inform passengers about the Terminal Concession Program prior to their visit so they know how to use and navigate the Airport. Concession Manager shall also utilize numerous additional ways to reach visitors to the Philadelphia area via targeted vehicles, such as the Official Visitor’s Guide, travel magazines/publications, and on-line media.

Advertising: Concession Manager shall evaluate the most cost-effective venues in which to advertise. Concession Manager shall recommend those publications with the most targeted

readership, such as the Official Visitor's Guide. Concession Manager shall also advertise on a billboard along I-95 South Bound, near the Airport, during peak travel periods.

“The Food & Shops” Commercial: Concession Manager shall film a new commercial to capture all of the Concession Locations included in the Terminal Concession Program. The commercial shall be aired on the monitors within holdrooms, the Terminal Concession Program website and the Visitors Channel in Philadelphia area hotels.

Visual Merchandising: Concession Manager shall provide visual merchandising assistance to Subtenants as a means of creating an enticing selling environment, enhancing customer satisfaction, improving Concession Location appearance and merchandising, and increasing sales.

Construction Barricades: Concession Manager shall provide attractive barricades with graphics to provide passengers with information regarding other Concession Locations, the timeframe of expected changes, and other Terminal Concession Program messages.

Airport Employee Communication: Concession Manager shall work with the City and Subtenants to determine the best programs to develop and encourage Airport employee loyalty and repeat traffic, as well as the best ways to communicate with the Airport employees. Concession Manager shall encourage Subtenants to implement frequency and loyalty programs. Concession Manager shall maintain an Airport employee database to facilitate opportunities to communicate directly and quickly with Airport employees. The email system shall be used to notify Airport employees about sales, special employee promotions and concession-related events.

Subtenant Communication: Concession Manager communication with Subtenants shall include merchant newsletters (printed and emailed/HTML formatted) containing customer service training modules and information specific to each Terminal Building and Subtenant meetings.

Customer Service Training: Concession Manager shall implement The Cutting EDGE program at the Airport.

2. Minimum Marketing Initiatives.

The Concession Manager's annual Marketing, Advertising and Promotion Plan shall include, at a minimum, those initiatives set forth below in each Calendar Year of the Term. Marketing initiatives beyond those outlined below, and for each Calendar Year thereafter, shall be presented to the City for approval as part of the annual Marketing, Advertising and Promotion Plan.

First Quarter 2015 (January, February, March)

- **Black History Month:** Highlight Subtenants that sell items promoting Black History and support such efforts through social media and Terminal Concession Program website promotions.
- **Celebrate LOVE at the Airport for Valentine's Day:** Promote Valentine's Day shopping through gift tables at all retail Concession Locations and provide customized signage to support the Terminal Concession program.

- **Customer Service Training Seminars:** Provide training for Subtenants at the Airport Marriott Hotel or such other agreed upon location at the Airport.
- **Secret Shopping and Consultations:** Conduct the initial round of secret shops, followed by Subtenant consultations.
- **EDGE Merchants of the Quarter:** Choose the EDGE program Subtenants for this quarter.
- **Social Media:** Conduct interactive social media contests with passengers and Airport employees via Facebook and Twitter as such social media applications shall be replaced from time to time.

Second Quarter 2015 (April, May, June)

- **Celebrate Mothers at the Airport:** Promote Mother's Day shopping through gift tables at all retail Concession Locations, provide customized signage to support the Terminal Concession program, and coordinate special gift-with-purchase promotions.
- **Celebrate Fathers at the Airport:** Promote Father's Day shopping through gift tables at all retail Concession Locations, providing customized signage to support the Terminal Concession program.
- **Social Media:** Conduct interactive social media contests with passengers and Airport employees via Facebook and Twitter as such social media applications shall be replaced from time to time.
- **Customer Service Training Seminars:** Provide training for Subtenants at the Airport Marriott Hotel or such other agreed upon location at the Airport.
- **Secret Shopping and Consultations:** Conduct the second round of secret shops, followed by Subtenant consultations.
- **EDGE Merchants of the Quarter:** Choose the EDGE program Subtenants for this quarter. Prepare for the merchant-of-the-year event to be held in September.
- **Ronald McDonald House Plane Pull:** Concession Manager managers and Subtenants shall support the local charity, the Ronald McDonald House, by raising funds and pulling a plane. Subtenants shall create teams as well as donate refreshments for all of the plane pullers on the day of the event.
- **Ronald McDonald House Guest Chef Program:** Concession Manager managers as well as food service Subtenant employees shall volunteer their time to cook for the families that stay at the Ronald McDonald House.

- **Summer Fun Fashion Show:** Concession Manager shall kick off the summer travel season with a fashion show promoting the retail Subtenants. Concession Manager shall install a stage in the B/C Connector or at such otherwise agreed upon location for this event.

Third Quarter 2015 (July, August, September)

- **Summer Fun Events:** Concession Manager shall work with the Subtenants and the City to provide passengers with free events and entertainment during the peak travel season. Events may include, without limitation, book signings, food tastings, sushi making demonstrations, and putting (golf) contests.
- **Celebrate “America’s Birthday”:** Conduct a July 4th celebration that incorporates special holiday décor and gift tables promoting Welcome America and the Independence Day holiday.
- **Customer Service Training Seminars:** Provide training for Subtenants at the Airport Marriott Hotel or such other agreed upon location at the Airport.
- **Secret Shopping and Consultations:** Conduct the third round of secret shops, followed by Subtenant consultations.
- **Merchant Meeting:** Conduct a meeting with Subtenants to discuss current operations and upcoming events for the holidays.
- **Social Media:** Conduct interactive social media contests with passengers and Airport employees via Facebook and Twitter as such social media applications shall be replaced from time to time.
- **EDGE Merchants of the Quarter:** Choose the EDGE program Subtenants for this quarter.

Fourth Quarter 2015 (October, November, December)

- **Holiday Décor:** Concession Manager shall install customized holiday décor throughout the Terminal Buildings.
- **Holiday Promotion:** Concession Manager shall organize a gift-with-purchase for customers who spend a certain amount of money at one or more Concession Locations.
- **Free Holiday Gift Wrap:** Concession Manager shall provide free gift-wrap for customers who shop the Terminal Concession Program and present their receipts to verify their purchases.

- **Employee Holiday Shopping Day:** Conduct a special day of shopping for all Airport employees to shop for their families at the Airport. Organize discounts and giveaways to be available the entire day at participating Concession Locations.
- **Entertainment:** Concession Manager shall schedule and coordinate Santa and Victorian Carolers throughout the month of December.
- **Social Media:** Conduct interactive social media contests with passengers and Airport employees via Facebook and Twitter as such social media applications shall be replaced from time to time.
- **Customer Service Training Seminars:** Provide training for Subtenants at the Airport Marriott Hotel or such other agreed upon location at the Airport.
- **Secret Shopping and Consultations:** Conduct the fourth round of secret shops, followed by Subtenant consultations.
- **EDGE Merchants of the Quarter:** Choose the Second Quarter Merchants for the EDGE program.

5. Minimum Marketing Goals and Objectives.

The Marketing, Advertising and Promotion Plan shall include the following minimum goals and objectives in accordance with the Concession Manager's Proposal and this Agreement. Goals and objectives beyond those outlined below and those for future time periods shall be presented to the City for approval in conjunction with the annual Marketing, Advertising and Promotion Plan.

Sales Programs/Events: Concession Manager shall increase sales per enplanement through the exploitation of the marketing campaign and customer service training. Concession Manager shall create cross-promotional opportunities for Subtenants.

ACDBE and Leasing Outreach: Concession Manager shall support the ACDBE and leasing outreach with collateral materials, events/conferences, and press.

Public Relations/Media/Advertising: Concession Manager shall contract with a professional, experienced public relations firm to prepare a results-driven public relations program. The Concession Manager shall work with the public relations firm to develop a program to use proactive print and broadcast publicity tactics to convey key messages to consumers and trade media, including new Concession Location openings, awards, and retail promotions. Concession Manager shall cultivate media relationships on behalf of the Subtenants and strategically determine opportunities to generate positive publicity.

Digital and Social Media: Concession Manager shall use Facebook, twitter, Four Square, and Google AdWords, as such social media applications shall be replaced from time to time, to draw increased traffic to the Terminal Concession Program website.

Subtenant Initiatives. Concession Manager shall implement the following Subtenant initiatives:

- Maintain and monitor a themed Subtenant communications program—"Cutting EDGE— Excellence Drives Great Experiences" to motivate Subtenants to participate in marketing programs and customer service by utilizing a point system. Subtenants shall receive points for keeping lines of communication open with the Concession Manager's marketing department, responding to memoranda, attending meetings, providing information for the Terminal Concession Program website, and receiving perfect secret shopper scores, among other items.

The Subtenant recognition program shall have at least two categories, including retailer/RMU/services and restaurant/food. Each quarter of the Calendar Year, Concession Manager shall recognize one Subtenant from each category, meaning there shall be a retailer/RMU/service of the quarter and a restaurant/food of the quarter. There shall be two winners each quarter, with eight total Subtenants vying for the Subtenant of the year award. The Subtenant of the year shall be announced in September during a special event where all Subtenants who won each quarter during the prior Calendar Year are recognized for their accomplishments.

As an incentive for the Subtenants, the Concession Manager shall provide for each quarterly Subtenant winner \$200 in cash, a Subtenant of the quarter trophy, promotion of the Subtenant on the Terminal Concession Program website, electronic FIDs advertising, and press in local newspapers such as the Philadelphia Business Journal. The Subtenant of the year shall receive \$1,000 for the Subtenant manager, a prize/gift card for each Subtenant of the year employee, a Subtenant of the year trophy, promotion on the Terminal Concession Program website, electronic FIDs advertising, a billboard advertisement on I-95 Southbound near the Airport promoting their Concession Location(s), press in local newspapers such as the Philadelphia Business Journal, and the title of Subtenant of the year.

- Introduce new Subtenants to the marketing program to build Concession Location awareness among passengers and employees.
- Within the first few months of a Concession Location opening, provide the Subtenant with additional marketing support/opportunities to help increase awareness of the new Concession Location.
- Maintain a welcome program by Concession Manager personally welcoming each new Subtenant, arranging for press coverage for the ribbon cutting/grand opening event, sending a gift to the Concession Location, and providing an updated Subtenant information/welcome packet.
- Enforce the requirement that all new Subtenants attend a new Subtenant orientation meeting prior to opening.

- Encourage Subtenants to use the table decals, Terminal Concession Program website, and social media to increase traffic and awareness of their Concession Locations and promotions.
- Share Concession Location publicity placements and samples of promotional materials with the Subtenants to demonstrate results produced by the Concession Manager's marketing efforts.
- Maintain an open door policy so that Subtenants may discuss sales, traffic and trends in an open forum the Concession Manager.
- Designate on-site management staff to specific Terminal Building zones ("neighborhoods) to liaise with Subtenants in those Terminal Building zones.
- Maintain an awareness of issues that impact a Subtenant's ability to increase sales (e.g., hiring employees) and develop promotions or tools that assist in alleviating these issues.
- Provide Subtenants with a free job fair off/on Airport property. Advertise for the job fair in newspapers, websites, and radio.
- Initiate email blasts to communicate information to all Subtenants regarding important information, marketing programs, newsletters, sales, new Concession Location openings, etc.
- Utilize an emergency notification system, such as Amerilert, to communicate emergency/critical operating notifications to the Subtenants. Such system shall allow the Concession Manager to send out 100+ emails, SMS, posts to social media and the website through one platform.

Customer Service Program. Concession Manager shall contract with a professional, experienced third-party customer service consultant to conduct customer service and leadership training/consulting/seminars for the Subtenants throughout the Term. The third-party customer service consultant shall also be hired to implement a secret shopper program for the Terminal Concession Program, shopping and evaluating all Concession Locations bi-monthly. Such customer service consultant shall promote courtesy and speed of service through the training and educational seminars for the Subtenants and focus on increasing secret shop scores.

Brand/Store Name Recognition. Concession Manager shall enhance the brand/local name recognition and awareness of the food and shops and their Concession Locations by utilizing a strategic mix of internal and external media. Concession Manager shall increase brochure directory distribution throughout the Airport as well as provide distribution in Airport information counters, hotels, barricades, food court areas, and freestanding displays. Concession Manager shall investigate new locations within the Airport for signage, i.e., food court columns, floor graphics, table tents, and shuttle buses. Concession Manager shall utilize food court walls, barricades, backs of RMUs, digital FIDs, food court tables, and posters for campaign images.

Concession Manager shall also increase awareness of the Terminal Concession Program through the Terminal Concession Program website, social media, and press releases. Concession Manager shall support leasing and remerchandising efforts via campaigns using barricades, the Terminal Concession Program website, food court table applications, posters and brochure directories. Concession Manager shall enhance leasing and management efforts by recognizing the need to provide new retail concepts and retail categories that are not adequately represented in the Terminal Concession Program. Concession Manager shall provide copies of marketing, advertising and promotional materials to prospective Subtenants during the leasing process.

Sales Programs and Events. Concession Manager shall implement the following sales programs and events:

- “Take Out for Take Off” (TOTO) and Street Pricing programs. TOTO shall be promoted in food courts, the brochure directory, PSAs, and the Terminal Concession Program website.
- Cross-promotional opportunities for Subtenants.
- An e-newsletter to promote new Concession Location openings.
- Organization and promotion of an annual Employee Day of Shopping that shall take place the first Friday in December.
- Promotion of Subtenant sales/coupons/promotions on the Terminal Concession Program website.
- Maintenance of current and informative content on the Terminal Concession Program website.
- Special contests and promotions that encourage Terminal Concession Program website use.
- Inclusion of the Terminal Concession Program website address on all advertising.
- Promotion of Concession Location sales and friends and family events to all Airport, airline, and Subtenant employees, including producing collateral materials as needed to advertise the sales; i.e., during holidays with coupon booklets.
- Provision of free gift wrapping services during the month of December to foster holiday sales and enhance customer service.
- Collaboration with the City on the annual “Just Plane Fun Events,” including organizing Subtenant participation in events, including wine tastings, fishing for chowder, beer tastings, make overs, etc.

- Provision of gift cards for raffle prizes during events at the end of summer.
- During peak traffic times throughout the Calendar Year, provision of tables with linens, “Holiday Gift Tables,” to promote shopping/gift giving.
- Creation of custom signage to promote holidays throughout the Calendar Year, not limited to Valentine’s Day, Mother’s Day, Father’s Day, Welcome America/Independence Day and Thanksgiving.
- Coordination of Summer Fun Events (begins the first day of summer and goes through Labor Day) to include free events for passengers not limited to book signings, sushi making demonstrations, putting for discounts, wine/beer tastings, and pretzel making demonstrations. Concession Manager shall provide gift cards from Subtenants as contest prizes. Concession Manager shall also set up “chill zones” throughout the Airport for passengers to relax and recharge, including soft seating with coffee tables and books.
- Coordination of Airport restaurant week during a week in October to be agreed with the City to highlight all sit-down restaurants included in the Terminal Concession Program. Concession Manager shall partner with participating Subtenants for the duration of the promotion. The event shall be supported through marketing collateral signage at each restaurant storefront, dining guides displaying all participating eateries, media coverage, the Terminal Concession Program website, and FIDs.
- Coordination and promotion of employee shopping events during the holidays throughout the Calendar Year. Events shall increase the visibility for the Concession Locations and create a sense of community among Airport employees. Promotions shall include a special discount, i.e., 30% off or more, for a day, prizes/giveaways, and free gift-wrap for items purchased at Concession Locations.

Exhibit H

Retail Merchandising Unit Provisions

ARTICLE I

DESCRIPTION OF RMU PROGRAM

The City hereby grants Concession Manager, for and during the Term, the right to lease and manage the RMU Program, which may include up to twenty (20) RMUs (including four (4) shoeshine units) within the Terminal Buildings that will enhance the passenger experience at the Airport and provide needed products and services. The terms under which the Concession Manager is to manage the RMU Program as provided in this Exhibit H (the “RMU Provisions”) are in addition to the terms of the Agreement. The Concession Manager agrees to purchase and install, as necessary, maintain, lease, market and manage the RMU Program at the Airport in the Concession Locations shown in Exhibit B. The City may adjust these RMU Concession Locations, adding, moving, or removing RMU Concession Locations, as the City determines in its reasonable discretion based on changing passenger traffic and needs at the Airport. The relocation or development of new RMU Concession Locations shall be paid from the RMU investment fund, or if such funds are not available, from Total Net RMU Revenues, or may be treated as an Additional Service. Any adjustment to the RMU Concession Locations provided in Exhibit B shall be formally made by written amendment to the provisions of this Exhibit H (the “RMU Provisions”). Subject to the prior written approval of the City, the Concession Manager may purchase, as necessary, or refurbish existing RMUs, and install, lease, market and manage additional RMUs to provide temporary food service and retail Concession Locations at the Airport. The City shall review the RMU size, design, style, and proposed Concession Locations prior to granting approval.

ARTICLE II

TERM

The Term of the RMU Program shall coincide with the Term of the Agreement, unless sooner terminated pursuant to these RMU Provisions. If the City terminates the RMU Program under the terms outlined in these RMU Provisions, the remainder of the Agreement shall continue in full force and effect.

The City shall have the Option to renew the RMU Program in conjunction with the Renewal Terms of the Agreement. The exercise by the City of either Option of the Agreement shall be in accordance with Section 2.02(B) of the Agreement. While a renewal of the RMU Program is contingent on the exercise by the City of the Agreement’s first or second Renewal Terms, such Renewal Terms shall not automatically apply to the RMU Program and shall have no effect on the City’s exercise of the Option regarding the RMU Program. Notwithstanding, the RMU Program shall not be in effect separate from the Agreement.

ARTICLE III

INVESTMENT, TITLE, AND BUYOUT

Concession Manager may invest up to \$593,000, as the Parties may agree, within the first three (3) years of the Term for the purchase of new RMUs for installation in the Terminal Buildings. The cost of designing, fabricating, purchasing, and installing, the RMUs shall be the sole responsibility of the Concession Manager and such cost must be fully depreciated on a straight-line basis over a maximum of five (5) years. At the City's sole discretion, the City may agree to allow the Concession Manager to establish an RMU investment fund using a portion of the RMU Rental Payment paid by the RMU Subtenants. Such RMU investment fund must be held and/or invested in an FDIC insured bank in a separate account not commingled with Concession Manager's other funds and only invested in low risk financial instruments, such as money market accounts, United States Treasury Obligations, commercial paper rated A1, P-1, or other similar instruments. All interest earned shall be used to supplement the RMU investment fund. Included with each Monthly Report submitted by Concession Manager shall be a statement of the RMU investment fund activity, including the starting month's balance, amounts spent, and remaining balance at the end of the month. For each Calendar Year for which there is activity in this account and/or funds remain in this account at the end of the Calendar Year, Concession Manager shall submit to the City, as a part of the Annual Audited Report, the balance at the beginning of the current Calendar Year, details of all activity during the current Calendar Year and the balance at the end of the current Calendar Year. The RMU investment fund may offset the Concession Manager's investment-requirement to pay for the cost of designing, fabricating, purchasing, and installing the RMUs, and for funding operating deficits, at the discretion of the City. Upon the expiration or earlier termination of these RMU Provisions, title to the RMUs purchased using the Concession Manager's investment shall revert to the City, subject to the rights of any lender (an "RMU Lender") who may have a security interest or lien in the RMU on account of a loan to the Concession Manager in connection with the RMU Program (an "RMU Loan"), provided that the City shall have had the opportunity to review and approve the RMU Loan documents prior to their execution. In the event that the RMU Program is not self-sustaining, the Concession Manager may request early termination of the RMU Program. In the event of an early termination of these RMU Provisions, the City shall reimburse the Concession Manager for the unamortized direct capital investment for the RMUs as of the Termination Date of the RMU Program based on the straight-line depreciation calculation, paying the pro rata remainder of the capital investment based on such straight-line depreciation schedule. Title to the RMUs shall pass to the City on the date payment is made by the City and the RMU Loan is paid in full by the Concession Manager. If the RMU Provisions are terminated due to the Concession Manager's default, then the Concession Manager shall not be entitled to reimbursement of any of its unamortized capital investment, and title to the RMUs shall pass to the City immediately upon termination, subject to the rights of the RMU Lender. Title to the RMUs purchased exclusively using the RMU investment fund shall immediately be possessed by the City. Upon request, the City agrees to enter into a landlord's waiver and agreement, or similar agreement, with any RMU Lender using such lender's reasonable customary form of such agreement; provided that the waiver and agreement pertain only to the RMUs covered by the RMU Loan.

ARTICLE IV

RELOCATION AND REMOVAL

The City, at its sole discretion, and upon thirty (30) days written notice to the Concession Manager, may require the relocation or removal from service of any or all RMUs. The costs of any such relocation or removal shall be paid from the RMU investment fund, or if such funds are not available, from Total Net RMU Revenues. The City shall have no obligation to provide alternative space for, or any storage provisions for, any RMUs removed from service; provided, however, if the City fails to provide alternative space or storage for the RMUs removed from service, then the City shall pay the Concession Manager the unamortized direct capital investment for the RMUs removed from service as of the date of such removal, based on the straight-line depreciation calculation, and the Concession Manager shall use such payment to pay that portion of the RMU Loan for those RMUs removed from service. The title and buyout provisions described in Article III herein shall pertain in case any RMU is permanently removed from the RMU Program; provided, however, the provisions of Section 2.01(A) of the Agreement shall not apply to any RMU Concession Location.

ARTICLE V

COLLECTION OF SUBTENANT RENTAL PAYMENTS AND FEES

The Concession Manager shall be responsible for the collection, accounting and reporting of the RMU Rental Payment or any Additional RMU Rent due to the Concession Manager by Subtenants in the RMU Program in accordance with the provisions provided in the Agreement.

ARTICLE VI

FINANCIAL CONSIDERATION

Section 6.01 Payments to the City

(A) RMU Rental Payment. The Concession Manager shall pay to the City the RMU Rental Payment as set forth herein below. The RMU Rental Payment is defined as Total Net RMU Revenues less the RMU Management Fee, hereafter referred to as the "RMU Rental Payment."

i. "Total Net RMU Revenues" means all receipts of any kind and nature actually paid to the Concession Manager in connection with its management of the RMU Program from any and every source, including, without limitation, all amounts paid to Concession Manager by RMU Subtenants, (and other businesses and individuals other than concession operators by virtue of (or in connection with) the RMU Program) including, but not limited to, Minimum Annual Guarantee, Percentage Rent, rent for storage units, late fees, additional fees and charges, Penalties, net proceeds from the sale of a defaulted Subtenant's property, and Additional Rental as defined in the Subleases (hereinafter "Gross RMU Receipts") less the Concession Manager's approved RMU Management Expenses, including RMU management payroll expenses, RMU operating expenses (including the financing of new RMUs funded by the Concession Manager), RMU CAM charges and RMU taxes of the type identified in the Concession Manager's Proposal as approved in writing by the City prior to the start of each Calendar Year, before they may be

deducted from Gross RMU Receipts, Excluded Additional Rent, and any Additional Services Fees and chargebacks billed to Subtenants by Concession Manager in accordance with Sections 3.09(B) or 3.09(C). One-twelfth of the approved RMU Management Expenses shall be deducted from the Gross RMU Receipts each month during the Calendar Year in order to calculate Total Net RMU Revenues. Once approved, such RMU Management Expenses shall not be allowed to increase during the Calendar Year unless there is a significant change in the RMU Program in the Terminal Buildings and Concession Manager receives prior written approval for a change in the RMU Management Expenses.

ii. “RMU Management Fee” means Nine and Seventy-Five Hundredths Percent (9.75%) of the Total Net RMU Revenues.

(B) Additional RMU Rent. The Concession Manager shall be obligated to pay the City as “Additional RMU Rent” all costs and expenses incurred by the City as a result of actions or inactions of the Concession Manager or any RMU Subtenant or RMU Subcontractor or their agents, principals, employees or invitees or any other person in connection with the use and occupancy of the RMUs or otherwise under the Agreement, including, without limitation the following: (1) unpaid taxes or other assessments; (2) insurance premiums; (3) costs and expenses associated with letters of credit or performance bonds; (4) costs and expenses associated with the indemnity provision set forth in the Agreement; (5) maintenance and repair costs (emergency or ordinary course) as a result of the negligent use or occupancy of the RMUs or any part thereon.

(C) Time and Place of Payment

i. RMU Rental Payment: All RMU Rental Payments shall be made at the same time and in the same manner as Rent Payments under the Agreement.

ii. Additional RMU Rent: The Additional RMU Rent due to the City shall be paid at the same time and in the same manner as Additional Rent under the Agreement.

Section 6.02 Payments to the Concession Manager

(A) RMU Management Fee. In consideration of the performance by the Concession Manager of the RMU Management Services as set forth in Section 7 of these RMU Provisions and the performance by the Concession Manager of other obligations under these RMU Provisions, the City shall pay to the Concession Manager the RMU Management Fee as defined in Section 6.01(A)ii.

(B) Time and Place of Payment. The RMU Management Fee shall be retained by the Concession Manager in the same manner and at the same time as the Concession Management Fee as established in the Agreement.

ARTICLE VII

RMU MANAGEMENT SERVICES

Section 7.01 Management and Personnel

The following are the minimum key professional staff that must maintain full time positions at the Airport in accordance with these RMU Provisions:

Specialty Leasing Manager: A minimum of one (1) specific, full-time or part-time individual assigned to the Airport whose responsibility includes subleasing and managing RMU Concession Locations. The individual in this position shall receive prior written approval from the City.

In addition to the Specialty Leasing Manager, Concession Manager shall provide (through its own staff or third party contractors) all other necessary personnel to manage, lease, maintain and repair the RMU Program, including accounting and administrative personnel, as necessary. The City acknowledges that the Concession Manager may perform any of these services by third party contractors or by Concession Manager staff, and that these costs may be included as RMU CAM charges or charged to the RMU operating budget, as approved in advance by the City.

Section 7.02 Implementation of RMU Program

Concession Manager shall manage the RMU Program at the Airport in accordance with the Agreement. Among other things, throughout the Term, Concession Manager shall: (A) be responsible for the creation and implementation of an RMU Program such that the RMUs within the Terminal Buildings are operated in a manner comparable to first-class retail RMU programs in major United States airports, (B) provide first class products and services to meet the needs of Airport users, and, on behalf of the City, enforce the Street Pricing policy as set forth in the Agreement, (C) maximize the financial return to the City, and maximize the value of the goods and services from the perspective of the Airport users by Concession Manager's marketing of products and services that will develop the maximum volume of sales, and, on behalf of the City, make such goal consistent with the Street Pricing requirements of the Agreement, (D) strive to be at the forefront of changing trends in the retail, food and beverage, and passenger service industries, and (E) develop, maintain and implement an aggressive and visionary ACDBE Participation Plan that includes the RMU Program.

Section 7.03 Negotiation and Administration of RMU Leases

The Concession Manager shall evaluate, select, and enter into Subleases (which may also take the form of license agreements) with Subtenants that will operate RMUs at the Airport. The Concession Manager shall be responsible for presenting proposed RMU concepts and Sublease (or license agreement) terms to the City for approval as outlined in the Sublease Package requirements as set forth in Exhibit E attached to the Agreement, negotiating Sublease (or license agreement) terms, and executing a Sublease (or license agreement) with each Subtenant of the RMU Program.

(A) Within sixty (60) days of the Commencement Date of the Agreement, Concession Manager shall submit to the City a written plan setting forth a comprehensive subleasing plan for

the RMU Program. The City and Concession Manager shall negotiate in good faith, and shall use best efforts to agree upon a mutually acceptable RMU Program Plan within sixty (60) days of the date on which Concession Manager submitted the initial RMU Program plan to the City.

(B) Thereafter, the Concession Manager shall include the RMU Program in its Annual Comprehensive Concession Plan submitted to the City in accordance with the Agreement.

Section 7.04 Construction Coordination

The Concession Manager shall comply with all applicable laws with respect to the construction of any RMUs and will obtain all City approvals necessary in connection with the construction and use thereof as detailed in the Agreement.

Section 7.05 Evaluation and Oversight

The Concession Manager shall be responsible for continuing to monitor and evaluate the RMU Program implemented under these RMU Provisions, including identifying any area where customer service and productivity of operations can be improved. Concession Manager shall monitor and use its commercially reasonable efforts to remedy problems and issues raised by Airport users with respect to the operation of the RMU Program, and shall investigate and answer all written customer complaints within five (5) days after receipt of same. Concession Manager shall deliver to the City copies of all such correspondence and the results of Concession Manager's investigation promptly after receipt and/or development of same.

Section 7.06 Maintenance and Repairs

Throughout the Term, the operation, maintenance, and repair of the RMU Concession Locations and RMUs shall be the obligation and responsibility of Concession Manager, subject to the obligations of the City under Section 3.09(D). Concession Manager shall maintain or cause to be maintained, and shall keep or cause to be kept, RMUs and the floor covering or surface under the RMUs in a good, safe, clean and orderly condition and repair consistent with the operation of a first-class RMU program in a major U.S. airport. Concession Manager shall perform all inspections, repairs, maintenance, replacement, construction, and installation work in accordance with City regulations, all applicable building and safety codes, and only after obtaining all necessary licenses, permits, and City approvals. Concession Manager shall assist Subtenants of the RMU Program in diagnosing issues and follow up with the Subtenants to ensure that the problem is resolved. In order to recover the direct costs of all of the services in this Section 7.06 and elsewhere in this Exhibit H, the Concession Manager may assess CAM charges against each RMU Subtenant in accordance with a budget and methodology to be reviewed and approved in advance by the City. The proper assessment and collection of RMU CAM charges are the responsibility of the Concession Manager.

Section 7.07 Customer Service and Training

Concession Manager shall include Subtenants of the RMU Program when implementing any Subtenant training programs at the Airport and in all customer service training/consulting/seminars and secret shopper programs conducted at the Airport; provided that the reasonable costs incurred by Concession Manager in connection with the provision of these

programs for RMU Subtenants may be included in the RMU Management Expenses to be approved by the City.

Section 7.08 Street Pricing

Concession Manager shall require and monitor Subtenants of the RMU Program's adherence to the Airport's Street Pricing Policy as provided in the Agreement.

Section 7.09 Merchandising

Concession Manager shall cause the RMU Program to be operated in a manner consistent with the merchandising plan contained in the Annual Comprehensive Concession Plan and in accordance with Permitted Retail Operations of the Agreement. Concession Manager, upon notice from the City at any time during the Term, and at the City's discretion, shall enforce Subtenants' use clauses and the prohibitions contained therein, if any, against selling certain products.

Section 7.10 Marketing, Advertising and Promotions

Concession Manager shall incorporate the RMU Program into its Annual Comprehensive Concession Plan and Marketing, Advertising and Promotion Plan for the Terminal Concession Program submitted to the City each Calendar Year.

The Concession Manager also agrees to expand the Marketing Fund to include Subtenants of the RMU Program as both contributors to the Marketing Fund and recipients of the Marketing Fund if requested by the City; provided that the reasonable costs incurred by Concession Manager in connection with this may be deducted from Gross RMU Receipts or charged against the Marketing Fund.

Section 7.11 Operations

Concession Manager shall be responsible for ensuring that Subtenants of the RMU Program adhere to the provisions of the Agreement pertaining to concession operations as detailed in Section 3.08 of the Agreement.

Section 7.12 Signage

Concession Manager shall not erect, maintain, or display on the RMUs any billboards or advertising signs except in the manner described in the Annual Comprehensive Concession Plan and previously approved by the City. The size, location, and design of all RMU signage shall be subject to the prior written approval of the City.

Section 7.13 Business Reporting

Concession Manager shall report to the City Subtenant performance data for the RMU Program on a monthly basis in accordance with Section 4.04 of the Agreement. The RMU sales and Gross RMU Receipts shall be separately listed in the monthly reports to the City.

Exhibit I

Penalties

(A) The following Penalties shall be assessed and collected in accordance with Section 3.03(F):

(1) Compliance with Street Pricing: Up to Two Hundred Fifty Dollars (\$250.00) per occurrence after a written warning to the Subtenant the first time a discrepancy is discovered.

(2) Hours of Operation: If a Concession Location is closed when required to be open, Subtenant shall have a reasonable opportunity (not more than one (1) hour) to correct the discrepancy. Should the discrepancy continue, Subtenant shall be charged up to Two Hundred Dollars (\$200.00) per hour of non-operation, or any fraction thereof, until corrected.

(3) Staffing: If a Concession Location is not found to have sufficient staffing levels required to provide efficient service, Subtenant shall have a reasonable opportunity (not more than four (4) hours) to correct the deficiency. Should the deficiency continue, the Subtenant shall be charged at a rate of Fifty Dollars (\$50.00) for each hour or fraction thereof that a Subtenant does not have and maintain the required staffing level.

(4) Licensing and Regulations: If a Subtenant does not have appropriate licensing and is not otherwise in compliance with the Rules and Regulations, and the Subtenant has not corrected the deficiencies within a reasonable time, after written notice thereof, in any event no more than ten (10) days, the Subtenant shall be charged up to Two Hundred Fifty Dollars (\$250.00) for each day or part thereof until a deficiency is corrected.

(5) Custodial Services: Subtenant shall be charged One Hundred Dollars (\$100.00) per day or portion thereof that a Subtenant fails to maintain the cleanliness of its Concession Location and does not cure the failure within one (1) hour of notification.

(6) Grease Traps: Subtenant shall be charged One Hundred Dollars (\$100.00) per day or portion thereof that a Subtenant fails to adequately maintain grease traps in accordance with the agreed upon maintenance schedule and such failure continues twenty-four (24) hours after notification to the Subtenant.

(7) Maintenance of Plumbing/Sewer Lines: Subtenant shall be charged One Hundred Dollars (\$100.00) per day or portion thereof that a Subtenant fails to cure the failure to maintain the plumbing/sewer lines, within twenty-four (24) hours of Concession Manager or City notification to Subtenant.

(8) Maintenance of Cooking Exhaust Systems: Subtenant shall be charged One Hundred Dollars (\$100.00) per day or portion thereof that a Subtenant fails to cure the failure to maintain the cooking exhaust systems within twenty four (24) hours of Concession Manager or City notification to Subtenant.

(9) Maintenance of Utility Systems Service to the Leased Premises or Subleased Premises: In the event of subsequent similar incidents caused by the same Subtenant, the Concession Manager shall assess Penalties against the Subtenant in the amount of Two Hundred Dollars (\$200.00) per day or portion thereof until the problem is corrected, in addition to the costs of investigating, cleaning, and repairing such blockages or damage. The Concession Manager shall be responsible for ensuring that a Subtenant takes corrective action immediately upon notification by the City.

(B) In the event that Concession Manager employees, Subtenant employees, or Subcontractor employees shall fail to return an Airport security identification badge in accordance with Section 3.08(E), Concession Manager shall assess Penalties against the foregoing in the amount of Two Hundred Dollars (\$200.00) for each Airport security identification badge that is not returned immediately to the Airport.

(C) Concession Manager shall be responsible for enforcing the provisions of and collecting any Penalties associated with the enforcement of the implementation of Philadelphia Code Chapter 17-1400 as set forth in Section 17.1407.

Exhibit J
Concession Manager Proforma

**Philadelphia International Airport
Pro Forma Statement, Terminal Concessions Management Services
(Not Including Retail Merchandising Unit (RMU) Program)**

7-YEAR PROFORMA
(constant 2013 dollars)

	Year 1 FY 06/15	Year 2 FY 06/16	Year 3 FY 06/17	Year 4 FY 06/18	Year 5 FY 06/19	Year 6 FY 06/20	Year 7 FY 06/21	Total	Avg per Sq Ft
Projections									
Enplanements (1% annual increase)	15,615,539	15,771,694	15,929,411	16,088,705	16,249,593	16,412,088	16,576,209	112,643,240	\$14.56
Sales per Enplanement	\$13.34	\$13.74	\$14.08	\$14.63	\$14.93	\$15.49	\$15.63	\$1,787	\$1,616
Sales per Square Foot	\$1,437	\$1,495	\$1,547	\$1,623	\$1,673	\$1,754	\$1,787		
Gross Concession Operator (CO) Sales									
Existing Leases (Excluding Terminal B)	\$ 170,326,400	\$ 140,172,905	\$ 119,654,958	\$ 99,082,218	\$ 66,870,605	\$ 53,193,294	\$ 21,385,070	\$ 670,685,449	\$860.77
New Leases (Excluding Redeveloped Terminal B)	\$ 19,112,333	\$ 57,466,337	\$ 85,353,851	\$ 116,789,079	\$ 156,004,987	\$ 181,248,059	\$ 217,630,072	\$ 833,583,719	\$821.26
Terminal B Assumption	\$ 18,894,802	\$ 19,083,750	\$ 19,274,588	\$ 19,467,334	\$ 19,662,007	\$ 19,856,627	\$ 20,051,213	\$ 136,298,321	\$134.28
Total CO Sales	\$ 208,333,535	\$ 216,721,992	\$ 224,283,397	\$ 235,318,631	\$ 242,537,599	\$ 254,299,980	\$ 259,072,355	\$ 1,640,567,489	\$1,616.32
Gross Concession Revenues (GCR):									
Existing Leases (Excluding Terminal B)	\$ 27,966,797	\$ 24,844,154	\$ 19,226,503	\$ 14,581,135	\$ 9,471,054	\$ 7,603,186	\$ 3,208,567	\$ 106,681,406	\$105.10
New Leases (Excluding Redeveloped Terminal B)	\$ 3,645,706	\$ 7,922,289	\$ 14,129,205	\$ 21,083,042	\$ 27,822,968	\$ 31,911,229	\$ 37,240,814	\$ 143,765,354	\$141.64
Terminal B Assumption	\$ 2,980,192	\$ 2,414,084	\$ 2,168,235	\$ 2,482,618	\$ 2,487,244	\$ 2,512,118	\$ 2,537,297	\$ 17,241,735	\$16.99
Total GCR	\$ 34,002,795	\$ 34,980,546	\$ 35,523,943	\$ 38,116,795	\$ 39,761,277	\$ 42,026,522	\$ 42,986,619	\$ 267,688,495	\$263.75
Total GCR as a % of Total CO Sales	16.32%	16.14%	15.96%	16.20%	16.40%	16.53%	16.59%	16.32%	
Fee to Manager	\$ 3,315,271	\$ 3,410,603	\$ 3,469,909	\$ 3,716,388	\$ 3,878,674	\$ 4,097,587	\$ 4,191,195	\$ 26,099,628	\$25.71
Fee to Manager as a % of CO Sales	1.59%	1.57%	1.56%	1.58%	1.60%	1.61%	1.62%	1.59%	
Fee to Manager as a % of GCR	9.75%	9.75%	9.75%	9.75%	9.75%	9.75%	9.75%	9.75%	
* Flat Fee Compensation (OPTIONAL)									
City Rental Payment	\$ 30,687,513	\$ 31,559,943	\$ 32,304,033	\$ 34,400,408	\$ 35,902,602	\$ 37,928,945	\$ 38,795,423	\$ 241,588,867	\$238.02
City Rental Payment as % of CO Sales	14.73%	14.57%	14.40%	14.62%	14.80%	14.92%	14.97%	14.73%	
City Rental Payment as % of GCR	90.25%	90.25%	90.25%	90.25%	90.25%	90.25%	90.25%	90.25%	
Manager Expenses (should include all Concession Manager expenses)									
Salaries	\$ 893,121	\$ 928,486	\$ 965,265	\$ 1,003,516	\$ 1,043,296	\$ 1,084,668	\$ 1,127,695	\$ 7,046,046	\$6.94
Payroll Taxes & Employee Benefits	\$ 312,592	\$ 324,970	\$ 337,843	\$ 351,230	\$ 365,154	\$ 379,634	\$ 394,633	\$ 2,466,116	\$2.43
Legal Services	\$ 148,406	\$ 133,492	\$ 118,592	\$ 193,959	\$ 137,519	\$ 109,755	\$ 163,514	\$ 1,005,368	\$0.99
Accounting Services	\$ 156,111	\$ 162,355	\$ 169,850	\$ 175,604	\$ 182,638	\$ 189,933	\$ 197,529	\$ 1,233,010	\$1.21
Marketing and Promotional Expenses	\$ 20,000	\$ 20,800	\$ 21,622	\$ 22,497	\$ 23,397	\$ 24,333	\$ 25,306	\$ 157,956	\$0.16
Office Equipment and Expenses	\$ 63,690	\$ 66,237	\$ 68,887	\$ 71,642	\$ 74,508	\$ 77,488	\$ 80,588	\$ 503,639	\$0.50
Insurance	\$ 32,448	\$ 33,746	\$ 35,086	\$ 36,500	\$ 37,960	\$ 39,478	\$ 41,057	\$ 256,284	\$0.25
Other Professional Services	\$ 416,238	\$ 300,731	\$ 466,946	\$ 637,215	\$ 254,885	\$ 156,284	\$ 391,473	\$ 2,625,772	\$2.59
Bad Debts - Uncollected Concession Operator Rents	\$ 83,909	\$ 87,293	\$ 90,993	\$ 96,772	\$ 96,876	\$ 100,681	\$ 103,444	\$ 653,647	\$0.64
Overhead (List and describe each item in this category)	\$ 545,958	\$ 567,797	\$ 590,509	\$ 614,129	\$ 638,894	\$ 664,242	\$ 690,812	\$ 4,312,140	\$4.25
Other (List and describe each item in this category)	\$ 123,699	\$ 133,672	\$ 133,574	\$ 134,659	\$ 144,927	\$ 151,916	\$ 150,294	\$ 972,741	\$0.96
Total Expenses	\$ 2,796,262	\$ 2,759,578	\$ 2,997,964	\$ 3,333,663	\$ 2,999,844	\$ 2,978,413	\$ 3,366,404	\$ 21,232,128	\$20.92

Notes:
Marketing and promotional expenses shall exclude amounts expended from the marketing fund contribution collected from the concession operators
Square footage to be used for the calculation of average per square foot is 145,000

* Complete Only if Proposer Prefers to Submit a Flat Fee Compensation Amount For Each Agreement Year in Lieu of % of Sales and % of Rent.

**Philadelphia International Airport
Pro Forma Statement, Terminal Concessions Management Services - ASSUMPTIONS**

	Assumptions							
	FY 06/16 Year 1	FY 06/16 Year 2	FY 06/17 Year 3	FY 06/18 Year 4	FY 06/19 Year 5	FY 06/20 Year 6	FY 06/21 Year 7	Total
Enplanements	1 % annual increase as per City of Philadelphia RFP - Attachment G - Proforma Statement							
Sales per Enplanement	Calculation of Total Sales divided by Enplanements							
Total Square Footage of Concession Program	Square footage to be used for the calculation of average per square foot is 145,000 as per City of Philadelphia RFP - Attachment G - Proforma Statement							
Sales & Revenue from Tenants	See Exhibit XX for Sales & Revenue assumptions							
Expense Inflation factor	All expenses projected to increase at 4% per year							
Gross Payroll								
Payroll	893,121	928,486	965,265	1,003,516	1,043,296	1,084,668	1,127,695	7,046,046
Benefits	312,692	324,970	337,843	351,230	365,154	379,634	394,693	2,466,116
Total Payroll	1,205,713	1,253,455	1,303,108	1,354,746	1,408,450	1,464,302	1,522,388	9,512,162
General & Administration:								
Legal Services:								
Professional, Legal, General	10,816	11,249	11,699	12,167	12,653	13,159	13,688	85,428
Professional, Legal - A/R Collections (0.5% uncollectible allowance)	54,080	56,243	58,493	60,833	63,266	65,797	68,428	427,140
Professional, Legal - Leasing	83,600	66,000	48,400	121,000	61,600	30,800	81,400	492,800
Total Legal Services	148,496	133,492	118,592	193,999	137,519	109,756	163,514	1,005,368
Accounting Services:								
Professional, CPA - Gross Receipts Audit	64,896	67,492	70,192	72,999	75,919	78,956	82,114	512,568
Professional, CPA - Tax Returns	5,408	5,624	5,849	6,083	6,327	6,580	6,843	42,714
Tenant Sales Audit (required by RFP)	85,807	89,239	92,809	96,521	100,382	104,397	108,573	677,728
Total Accounting Services	156,111	162,355	168,850	175,604	182,628	189,933	197,530	1,233,010
Marketing and Promotional Expense:								
Marketing	20,000	20,800	21,632	22,497	23,397	24,333	25,306	157,866
Total Marketing & Promotional Expense	20,000	20,800	21,632	22,497	23,397	24,333	25,306	157,866
Office Equipment & Expense:								
Supplies, Office (incl Coffee, Water)	19,469	20,248	21,057	21,900	22,776	23,687	24,634	153,770
Postage/Delivery/Express Mail	3,120	3,245	3,375	3,510	3,650	3,796	3,948	24,643
Copy, Fax, Scan	8,653	8,989	9,359	9,733	10,123	10,527	10,949	68,342
Computer & Phone System - Lease & Use	8,653	8,989	9,359	9,733	10,123	10,527	10,949	68,342
Banking Fees (Lock Box Included)	23,795	24,747	25,737	26,766	27,837	28,950	30,109	187,841
Total Office Equipment & Expense	63,690	66,237	68,687	71,642	74,508	77,488	80,588	503,039
Insurance:								
Insurance - Property & Liability	32,448	33,746	35,096	36,500	37,960	39,478	41,057	286,284
Total Insurance Expense	32,448	33,746	35,096	36,500	37,960	39,478	41,057	286,284

**Philadelphia International Airport
Pro Forma Statement, Terminal Concessions Management Services - ASSUMPTIONS**

		FY 06/15	FY 06/16	FY 06/17	FY 06/18	FY 06/19	FY 06/20	FY 06/21	Total
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	
Other Professional Services:									
Professional, Architect	Construction Administration / Tenant Coordination cost is based on the estimated number of tenant spaces estimated to turnover during the 7 year term which is 142. - See attached Schedule of Estimated Number of Space Turnover. These services will be performed by the architectural firm of Michelle Robinson Associates. Please note that in estimating this cost, MPD is assuming the Concession Manager will be able to invoice the tenant for reimbursement of plan review in the amount of \$2,500 as provided for in the RFP Addendum No. 2 - Current form of Sublease Agreement for Concession Operators - Article 8 Improvements - Section 8.2 Tenants Work	383,790	266,985	433,850	600,715	216,925	116,806	350,417	2,369,488
Professional, Consultant	Cost for miscellaneous architect consulting and rendering services. Amount is based on property knowledge and experience. Services will be performed by SPG3.	21,632	22,497	23,397	24,333	25,306	26,319	27,371	170,856
Total Other Professional Services		405,422	289,482	457,247	625,048	242,231	143,125	377,788	2,540,344
Bad Debt Allowance (Payable allowance of 0.5%)									
Bad Debt	Cost for professional consultant to assist existing and potential concession tenants with rules & regulations, requirements, and procedures to achieve and/or maintain ACDBE status. Amount estimated is based on property experience. These services will be provided by Milligan & Company CPAs	10,816	11,249	11,699	12,167	12,653	13,159	13,686	85,428
Total Bad Debts		10,816	11,249	11,699	12,167	12,653	13,159	13,686	85,428
Overhead:									
MarketPlace Development Home Office Support:	Per RFP Addendum No. 4 - Exhibit A - Question 9 answer by the DOA regarding Bad Debts stating that there will be a 0.3% allowance for fees payable to the DOA	167,818	174,587	177,543	185,345	193,752	201,361	206,888	1,317,910
Operations - Corporate	Per the RFP, the Concession Manager will not be required to pay the City of Philadelphia management fees on the first 50 basis points of concession tenant non-payment of rent. MPD is estimating its bad debt at 25 basis points which is in the allowance provided and therefore, MPD will not be required to absorb the expense against its fee.	83,909	87,293	88,772	92,672	96,876	100,681	103,444	653,647
Travel Expense - Corporate	Direct cost from Home Office associated with providing the project with leasing, accounting, budget, reporting, marketing, planning development, & management support, and administrative services. The cost also includes an MPD regional general manager who will dedicate approximately 50% of their time overseeing this property.	83,909	87,293	88,772	92,672	96,876	100,681	103,444	653,647
Total Overhead	Cost associated with the Corporate Office personnel attending monthly property management meetings and required meetings with the DOA. Estimation of cost based on property knowledge and experience.	520,000	540,800	562,432	584,929	608,326	632,660	657,965	4,107,113
Other:									
Dues/ Subscriptions / Memberships	Cost for membership and subscriptions to various organizations associated with operating business in the concessions airport industry such as but limited to: Chamber of Commerce, Travel & Visitors Bureau, ICSC, etc. The amount of this cost is based on industry knowledge and experience.	25,958	26,997	28,077	29,200	30,368	31,582	32,846	205,027
Professional Development/Conferences	Cost for continuing professional education, as well as, networking in the concession airport industry by attending conferences and seminars offered by organizations such as ICSC, ARN, and AAI. Estimation of cost is based on knowledge and experience.	5,408	5,624	5,849	6,083	6,327	6,580	6,843	42,714
L/C - \$3mm (1.25% Fee)	Per RFP Section 4.4.15 Performance Bond. (Revised by Addendum 4) The required security deposit against anticipated fees payable to the City of Philadelphia is \$3,000,000 which is subject to an adjustment at the City's discretion, to be equal to 10% of previous year's net toll. MPD will secure a Letter of Credit from Santander Bank (aka Sovereign Bank) to fulfill this requirement.	37,500	43,647	44,385	46,337	48,438	50,340	51,723	322,368
Business Income & Receipts Tax (BIRT) - Gross Receipts Tax	City Tax based on gross receipts of company	4,867	5,082	5,264	5,475	5,694	5,922	6,159	38,443
Business Income & Receipts Tax (BIRT) - Net Income Tax	City of Philadelphia net income tax - estimated at 6.45%	44,394	47,376	45,662	43,884	51,101	55,201	51,170	338,788
RFP Cost	Amortization of cost to bid on RFP and set up new operating entity.	123,699	133,672	133,574	134,660	144,927	151,915	150,294	972,741
Total Other		1,590,549	1,506,123	1,694,856	1,978,917	1,591,393	1,514,110	1,844,019	11,719,967
Total General & Administration		2,786,262	2,759,576	2,997,963	3,333,863	2,999,843	2,876,412	3,386,407	21,235,128

Exhibit K

Renewal Performance Criteria Package

In order to comply with the provisions of Section 2.02(B)(2), Concession Manager shall provide evidence to the City that it has satisfied the Renewal Performance Criteria as follows.

1. Total Concession Sales per enplaned passenger of not less than twelve dollars (\$12.00) during each Calendar Year as may be modified from time to time, to reflect inflation.

Calendar Year of Current Term	Total Concession Sales for Calendar Year	CPI Adjustment to Reflect 2014 Dollars	Adjusted Total Concession Sales	Enplanements for Calendar Year	Adjusted Concession Sales per Enplanement
1					
2					
3					
4					
5					
6					
7					

2. Total Rental Payment to the City of not less than those amounts shown on the Proforma as set forth on the completed Attachment C to the RFP, (Exhibit J to this Agreement).

Calendar Year of Current Term	Total Rental Payment for Calendar Year	Rental Payment in Proforma	Variance
1			
2			
3			
4			
5			
6			
7			

3. ACDBE participation of not less than the percentage requirements set forth in Section 8.06 of this Agreement.

Calendar Year of Current Term	Total Concession Sales for Calendar Year	Sales for ACDBE Subtenants	Percent of ACDBE Subtenant Sales	ACDBE Percentage Participation Requirement	Variance
1					
2					
3					
4					
5					
6					
7					

4. Consistent monitoring of the Subtenants' performance and the enforcement by the Concession Manager of such performance as developed by the Concession Manager in conjunction with the City.

Subtenant Performance Monitor	Calendar Year						
	1	2	3	4	5	6	7
Submission of Monthly Reports including the sales and rent for each Subtenant							
Submission of bi-monthly Secret Shopper reports for each Subtenant							
Provision of Subtenant walkthrough checklists for review by City							
Provision of verification to City that all written requests by City requiring follow-up with a Subtenant were handled							

5. The development and management of the Terminal Concession Program consistent with the Annual Comprehensive Concession Plan described in Section 3.02(C) of the Agreement, as it may be modified and revised from time to time. The Concession Manager shall submit the following components of the Annual Comprehensive Concession Plan and implement these components, as necessary, as they are approved by the City.

- (1) Identification of emerging trends in airport food, beverage, retail, and passenger services;
- (2) Information on passenger demographics;
- (3) Merchandising/uses satisfying requirements of traveling public;
- (4) Proposed mix of brands, concepts, and passenger services;

(5) Leasing and development plan for the Terminal Concession Program, including temporary services, space planning analysis and proposed space allocations by type of concession, prospective Subtenants for proposed uses, potential Sublease terms, the phasing of new concession openings and closures, a space construction/remodel/renovation plan and budget (if applicable), and a construction management plan;

(6) Subtenant ACDBE Participation Plan in accordance with 49 CFR Parts 23 and 26 and the ACDBE Program Requirement in this Agreement. Under no circumstances shall any dispute related to the Subtenant ACDBE Participation Plan or compliance with the ACDBE Program Requirements in this Agreement be subject to the Dispute Resolution Committee. All ACDBE related disputes shall be decided by the City in accordance with the requirements of the City's ACDBE Program and 49 CFR Parts 23 and 26;

(7) Projected sales and rent by Concession Location and Support Premises and Terminal Building, including sales per square foot and sales per enplanement, and a pro forma to include the projected Total Gross Concession Revenues, Concession Management Fee, estimated Uncollected Amounts and Allowance, and Rental Payment to the City;

(8) Common Area Maintenance budget, methodology, and projected Subtenant charges as set forth in 3.09(A)(2);

(9) Marketing, Advertising and Promotion Plan as set forth in Section 3.06; and

(10) Maintenance Reserve Fund Schedule of Charges as set forth in Section 3.09(E)(2).

6. Consistent implementation and monitoring of compliance with Chapter 17-1300 of the Philadelphia Code ("Code"): Philadelphia 21st Century Minimum Wage and Benefits Standard in accordance with Section 8.04 and Section 4.07(A)(1)(i) of the Agreement and the provision of the following information:

- Documents and information as the City may require verifying Concession Manager's compliance with the requirements of Chapter 17-1300 for its own employees, including verification that Concession Manager notified each affected employee regarding which wages are required to be paid pursuant to Chapter 17-1300.
- Documents and information verifying that Concession Manager has included in any new Sublease to a Subtenant at the Airport, or any new amendment to any Existing Sublease, made on or after the Effective Date, the requirement that the Subtenant shall abide by the minimum compensation standards as set forth in Chapter 17-1300 of the Code.
- Quarterly Reports of Concession Manager's monitoring and auditing of Subtenants' compliance with Chapter 17-1300 of the Code in accordance with Section 4.07(A)(1)(i)(vi) of the Agreement.

Consistent compliance with the Labor Harmony provisions described in Section 8.05 of the Agreement, including the following:

- Concession Manager shall enter into an agreement (the “Labor Harmony Agreement”) within sixty (60) days after the execution of the Agreement with any labor organization seeking to represent its employees in connection with concession services at the Leased Premises as described in Section 8.05 of the Agreement and maintain such Labor Harmony Agreement(s) as required.
- Concession Manager include in each new Sublease, or an amendment to an Existing Sublease, a requirement that the Subtenant shall enter into a Labor Harmony Agreement as detailed in Section 8.05 of the Agreement, unless such Subtenant is exempted by the provisions of Section 8.05(B).
- Concession Manager shall include in each new Sublease or amendment to an Existing Sublease that the City is a third party beneficiary of the Subtenant’s Labor Harmony Agreement related obligations.

EXHIBIT L

Displaced Worker Program

A displaced worker program (the “Displaced Worker Program”) shall be established by the City to cover Airport concessions employees who lose employment as a result of a Subtenant’s cessation of some or all operations (“Displaced Concessions Personnel” or “DCP”) at the Airport. This Displaced Worker Program is a new program for the concession operations at the Airport and as such, the costs and expenses that Concession Manager may incur in connection with the Displaced Worker Program are unknown by the City and Concession Manager. Accordingly, if Concession Manager incurs costs and expenses in connection with the Displaced Worker Program beyond what was reasonably expected by the Parties and upon agreement of the Parties, then Concession Manager may be reimbursed such costs as Other Additional Services under the Additional Services Agreement. The Displaced Worker Program will utilize an Airport-managed on-line job portal (“Job Portal”) that will contain categories of displaced Airport concessions employees (each a “Displaced Worker Pool” or “DWP”) who have complied with the requirements to be included in a DWP. Concession Manager shall include the provisions of this Exhibit L, as appropriately revised in consultation with the City, in each Sublease made after the Effective Date. Concession Manager shall encourage Subtenants, in connection with their initial hiring needs in the start-up of their business, to hire DCP whose resumes are contained in any DWP. However, nothing in this Exhibit L shall create a duty on the part of Concession Manager or its Subtenants or prospective Subtenants to hire anyone in or from any DWP, nor shall these provisions give rise to any right of or cause of action by anyone or any entity in connection with the decision to hire or not hire a given person. Subtenants will have access to the Job Portal to fill vacancies they may have, both in the start-up of their operations at a Concession Location and to fill on-going vacancies that may occur during the term of their Subleases (although the provisions of this Exhibit L shall not apply to these on-going vacancies). The Displaced Worker Program shall include the following:

- a. DCP shall be placed into a DWP from which each new Subtenant for each Concession Location may draw to initially staff its Concession Location operations;
- b. Until such time that at least fifty percent (50%) of its initial complement of employees are hired from any DWP, each new Subtenant shall be required to interview all DCP who are in the DWP for DCP of the same category, as of sixty (60) days in advance of the projected opening of its Concession Location, in connection with hiring employees for the new business being conducted at the Concession Location. The preceding provision shall not foreclose any new Subtenant from interviewing DCP at a point earlier than sixty (60) days in advance of the projected opening;
- c. The above-stated requirement to interview all DCP who are in a DWP shall be permanently waived if the new Subtenant hires at least fifty percent (50%) of its initial complement of employees from any DWP;

- d. Although not required, new Subtenants shall be encouraged to and may give preference to those in the DWPs;
- e. Existing Subtenants (i.e. non-new Subtenants) will have access to DWPs to fill vacancies they may have from time to time during the term of their Subleases;
- f. The City shall create and administer the operation of the Displaced Worker Program using the Job Portal;
- g. In order to take advantage of the Displaced Worker Program, DCP shall register with the City. After registration, a registered person's name shall remain in a DWP for a maximum of twelve (12) months or until the person (i) is offered a position by a new Subtenant or existing Subtenant, or (ii) is granted an interview by a new Subtenant or existing Subtenant and fails to attend such interview, whichever is shorter;
- h. No DCP shall be given nor shall any such person accept a start date for a new Subtenant or existing Subtenant until his or her previous employer ceases operations. A violation of this provision shall result in the subject person losing all rights to be included in any DWP permanently; and
- i. Subtenants shall be prohibited from discriminating in hiring based on an employee's past receipt of superior wages or benefits than the operator currently provides or will provide.

SCHEDULE 2.01

Illustration of Recapture Compensation

MarketPlace PHL LLC
Section 2.01 - Recapture Fee for Space Taking
Recapture Compensation

	Base 2014	Yr 1 2015	Yr 2 2016	Yr 3 2017	Yr 4 2018	Yr 5 2019	Yr 6 2020	Yr 7 2021
<u>Baseline Rent:</u>								
Baseline Rent	34,296,141							
Adjusted Baseline Rent, Beginning	34,296,141	34,296,141	35,296,141	35,296,141	35,296,141	36,296,141	36,796,141	36,796,141
Plus: Subtenant MAG plus Percentage Rent attributable to Added Space	0	1,000,000	0	0	1,000,000	500,000	0	1,500,000
Adjusted Baseline Rent, Ending	34,296,141	35,296,141	35,296,141	35,296,141	36,296,141	36,796,141	36,796,141	38,296,141
<u>Cumulative Total Additional MAG and Percentage Rent:</u>								
Cumulative Total Additional MAG and Percentage Rent, Beginning	0	0	0	1,000,000	1,000,000	2,000,000	2,500,000	2,500,000
Plus: Subtenant MAG plus Percentage Rent attributable to Added Space	0	1,000,000	0	0	1,000,000	500,000	0	1,500,000
Cumulative Total Additional MAG and Percentage Rent, Ending	0	1,000,000	1,000,000	1,000,000	2,000,000	2,500,000	2,500,000	4,000,000
<u>Cumulative Total Taken MAG and Percentage Rent:</u>								
Cumulative Total Lost MAG and Percentage Rent, Beginning	0	0	0	0	3,000,000	3,000,000	5,000,000	5,000,000
Minus: Subtenant MAG plus Percentage Rent attributable to Taken Space	0	0	0	3,000,000	0	2,000,000	0	0
Cumulative Total Lost MAG and Percentage Rent, Ending	0	0	0	3,000,000	3,000,000	5,000,000	5,000,000	5,000,000
<u>Recapture Compensation Calculation:</u>								
Cumulative Total Taken MAG and Percentage Rent	0	0	0	3,000,000	3,000,000	5,000,000	5,000,000	5,000,000
Less:								
Cumulative Total Additional MAG and Percentage Rent	0	1,000,000	1,000,000	1,000,000	2,000,000	2,500,000	2,500,000	4,000,000
Adjusted Baseline Rent Threshold	1,714,807	1,764,807	1,764,807	1,764,807	1,814,807	1,839,807	1,839,807	1,914,807
Total of Cum Total Additional MAG and Percentage Rent Plus Adjusted Baseline Rent Threshold	1,714,807	2,764,807	2,764,807	2,764,807	3,814,807	4,339,807	4,339,807	5,914,807
Total Cum Total Additional MAG and Percentage Rent Plus Adjusted Baseline Rent Threshold	(1,714,807)	(2,764,807)	235,193	(814,807)	660,193	660,193	660,193	(914,807)
Amount Available for Recapture Compensation	0	0	235,193	0	0	660,193	660,193	0
Recapture Compensation	9.75%	-	22,931	-	-	64,369	64,369	-