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CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

Memorandum

MIAMI-DADE COUNTY

Date: December 19, 2011

Agenda Item No. 8(A)(1)

To: Honorable Chairman Joe A. Martinez
And Members, Board of County Commissioners

From: Carlos A. Gimenez
County Mayor

Resolution No. R-1110-11

Subject: Lease and Concession Agreement with Airball Sports II, LLC

RECOMMENDATION

It is recommended that the Board (i) waive competitive bid procedures pursuant to Miami-Dade County Code Section 2-8.1 and Section 5.03D of the Home Rule Charter and R-1587-72, and (ii) approve the award of a Lease and Concession Agreement to Airball Sports II, LLC (Airball Sports) for one location in the Miami International Airport (MIA) North Terminal to sell Miami Heat-licensed merchandise.

Because the Miami Heat retail store brings a unique professional-sports-franchise merchandising concept to MIA, it is in the best interest of the County to waive competitive bid procedures pursuant to R-1587-72. It is further recommended that the Board authorize the Mayor or the Mayor's designee to execute the Agreement in the form substantially similar to that attached and exercise any termination provisions therein.

SCOPE

MIA is located primarily within Commissioner Rebeca Sosa's District Six; however, the impact of this item is countywide as the airport is a regional asset.

DELEGATED AUTHORITY

In accordance with Miami-Dade County Code Section 2-8.3 related to identifying delegation of Board authority contained within the subject agreement, the Aviation Director or designee has the authority to exercise the renewal options and to terminate the agreement.

FISCAL IMPACT/FUNDING SOURCE

This project is revenue generating. Airball Sports will pay the Miami-Dade Aviation Department (MDAD) the greater of eight percent of gross revenues or $78,837.48, based on the October 1, 2011, Terminal Class VI Rental Rate. The store will be developed, financed, built, managed and operated by Airball Sports II, LLC, the Miami Heat's retail division.

TRACK RECORD/MONITOR

MDAD Chief of Aviation Business & Revenue Development Adrian Songer will monitor this project. Neither Airball Sports nor the Miami Heat has a contractual history with Miami-Dade County and there is no history of violations on record for either.

BACKGROUND

MDAD has long been aware of the need to create a sense of destination for its passengers. Airports that create a sense of place receive high satisfaction rankings from its passengers. MDAD contacted the Miami Heat organization to discuss the concept of a specialty retail store consisting solely of Miami Heat and NBA-licensed brand-name merchandise. Even though the MIA retail program offers basic seasonal sports items, the concept of having a unique professional sports franchise 365 days a year, offering a complete assortment of Miami Heat-licensed brand-name items is appealing. Given the

seasonality of the sports apparel merchandise and the focus of the offering, the percentage fee for this category will be 8%. The addition of the Heat brand will add to an already excellent product mix and also assist MDAD in reaching its goal of increasing passengers' sense of place.

The location in MIA's North Terminal concessions rotunda between Gates 29 and 30 is currently used as American Airlines (AA) offices. AA will relinquish this area to allow for the development of the Miami Heat store.

PROJECT LOCATION:	MIA North Terminal, Concourse D, second floor
COMPANY NAME:	Airball Sports II, LLC
TERM OF AGREEMENT:	Eight years
OPTION TO RENEW:	One two-year term
PAYMENTS TO COUNTY:	**A. Annual Rent** The concessionaire shall pay the prevailing Class VI of the terminal annual rental rate. This rate is currently at $73.68 per square foot and is based on rates in effect as of October 1, 2011 and subject to change annually. Annual Rent of $73.68 x 1070 square feet = $78,837.60 **B. Percentage Fee** The concessionaire shall pay a concession category percentage fee of eight (8) percent of gross revenues.
COMPANY PRINCIPALS:	S. Schurman, Vice President
GENDER, ETHNICITY & OWNERSHIP BREAKDOWN:	Limited Liability Company
COMPANY LOCATION:	201 Biscayne Blvd. Miami, Florida 33131
PREVIOUS AGREEMENTS WITH THE:	No previous contract with Miami-Dade County.
CONTRACT MEASURE:	No goal
CONTRACT MEASURE ACHIEVED:	N/A
LIVING WAGE:	Not applicable.
USING DEPARTMENT:	Miami-Dade Aviation Department

Deputy Mayor

MEMORANDUM

(Revised)

TO: Honorable Chairman Joe A. Martinez and Members, Board of County Commissioners

DATE: December 19, 2011

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Agenda Item No. 8(A)(1)

Please note any items checked.

_____ **"3-Day Rule" for committees applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_____ **No committee review**

__✓__ **Applicable legislation requires more than a majority vote (i.e., 2/3's ✓, 3/5's ____, unanimous_____) to approve**

_____ **Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(A)(1)
12-19-11

RESOLUTION NO. R-1110-11

RESOLUTION WAIVING FORMAL BID PROCEDURES AND PROVISIONS OF SECTION 2-8.1 MIAMI-DADE COUNTY CODE AND SECTION 5.03 (D) OF THE MIAMI-DADE COUNTY HOME RULE CHARTER; FINDING SUCH WAIVER TO BE IN THE BEST INTERESTS OF MIAMI-DADE COUNTY; AND APPROVING AWARD OF A NON-EXCLUSIVE LEASE AND CONCESSION AGREEMENT TO AIRBALL SPORTS, LLC PROVIDING FOR PAYMENTS TO THE COUNTY OF EIGHT PERCENT OF GROSS REVENUES, FOR A TERM OF EIGHT (8) YEARS, WITH A TWO YEAR OPTION TO RENEW; WAIVING THE PROVISION OF R-1587-72 AS BEING IN THE BEST INTERESTS OF MIAMI-DADE COUNTY; AND AUTHORIZING THE COUNTY MAYOR OR DESIGNEE TO EXECUTE THE AGREEMENT AND TO EXERCISE RENEWAL AND TERMINATION PROVISIONS

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board by two-thirds (2/3) vote of members present, hereby approves the non-exclusive lease and concession agreement at Miami International Airport between Miami-Dade County (the County) and Airball Sports, LLC, in substantially the form attached hereto, providing for payment to the County of eight percent (8%) of gross revenues for a term of eight (8) years, with a two (2) year option to renew; finds that award of such agreement is in the best interests of Miami-Dade County, as more particularly set forth in the accompanying memorandum from the Mayor; waives Section 2-8.1 of the Miami-Dade County Code, Section 5.03(D) of the Miami-Dade County Charter, and Resolution No. R-1587-72; and authorizes the Mayor or his designee to execute the Agreement in substantially the form attached hereto, for and on behalf of the County, and to exercise the termination provisions therein.

The foregoing resolution was offered by Commissioner **Jose "Pepe" Diaz** , who moved its adoption. The motion was seconded by Commissioner **Audrey Edmonson** and upon being put to a vote, the vote was as follows:

Joe A. Martinez, Chairman			**aye**
Audrey M. Edmonson, Vice Chairwoman			**aye**
Bruno A. Barreiro	**aye**	Lynda Bell	**aye**
Esteban L. Bovo, Jr.	**aye**	Jose "Pepe" Diaz	**aye**
Sally A. Heyman	**aye**	Barbara J. Jordan	**aye**
Jean Monestime	**aye**	Dennis C. Moss	**aye**
Rebeca Sosa	**aye**	Sen. Javier D. Souto	**aye**
Xavier L. Suarez	**aye**		

The Chairperson thereupon declared the resolution duly passed and adopted this 19th day of December, 2011. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: **Christopher Agrippa**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

David M. Murray

NON-EXCLUSIVE LEASE AND CONCESSION AGREEMENT

BY AND BETWEEN

MIAMI-DADE COUNTY, FLORIDA

AND

AIRBALL SPORTS II, LLC

CONCESSIONAIRE

FOR THE NORTH TERMINAL CONCESSIONS

AT

MIAMI INTERNATIONAL AIRPORT

TABLE OF CONTENTS

	Page
Definitions	1
Article 1 – Term, Extension and Location	**4**
1.01 Term	4
1.02 Not Used	
1.03 Extension	5
1.04 Location	5
1.05 Support Space	5
1.06 Storage Space	5
1.07 Not Used	5
1.08 Addition, Deletion and Modification of Location	5
1.09 Non-exclusivity	6
1.10 Condition of the Location	6
1.11 Capital Improvement Program	7
Article 2 – Use of Location	**7**
2.01 Location	7
2.02 Use of Location	7
2.03 Concessionaire Services and Sales Rights	7
2.04 Not Used	8
2.05 Scope of Services	8
2.06 Annual Plan Submission	10
2.07 Prohibited Activities	10
Article 3 – Rentals, Payments and Reports	**10**
3.01 Not Used	10
3.02 No Negotiations or Administrative Modifications	10
3.03 Not Used	11
3.04 Percentage Fee to the Department	11
3.05 Concession Category Percentage Fee	11
3.06 Annual Rental	11
3.07 Not Used	12
3.08 Common Warehouse Logistics Fee	12
3.09 Concession Marketing Fee	12
3.10 Not Used	12
3.11 Taxes	12
3.12 Reports of Gross Revenues	13
3.13 Other Reports	13
3.14 Late Payment	13
3.15 Dishonored Check or Draft	13
3.16 Address for Payments	14
3.17 Revenue Control Procedures	14

3.18 Annual Audit 14
3.19 Right to Audit/Inspect 15
3.20 Records and Reports 15
3.21 Additional Fees Due 16
3.22 Utilities 17
3.23 Not Used 17
3.24 Damages 17
3.25 Payment Security 17

Article 4 – Improvements to the Location 18
4.01 Improvements to Location 18
4.02 Design of Improvements 18
4.03 Refurbishment of Location 19
4.04 Certain Construction Contract Terms 19
4.05 Improvements Free and Clear 19
4.06 Other Requirements 19
4.07 Review of Construction 20
4.08 Cost Documentation 20
4.09 Amortization Schedule 21
4.10 Construction Permit Fee 22
4.11 Construction Services 22

Article 5 – Standards of Operation 24
5.01 Standards of Operation 24
5.02 Market Basket Pricing Policy 24

Article 6 – Obligations of the Department 25
6.01 Department Services 25

Article 7 – Furniture, Fixtures, and Equipment 26
7.01 Furniture, Fixtures, and Equipment 26
7.02 Americans with Disabilities Act Requirements 26
7.03 Disposal of Furniture, Fixtures, and Equipment 27

Article 8 – Maintenance 27
8.01 Cleaning 27
8.02 Removal of Trash 28
8.03 Maintenance and Repair 28
8.04 Failure to Maintain 28
8.05 Environmental Recycling 28
8.06 Fire Protection and Safety Equipment 29

Article 9 – Assignment and Ownership 29
9.01 No Assignment 29
9.02 Ownership of the Concessionaire 29
9.03 Change of Control 29

9.04 Holdover 30

Article 10 – Indemnification **31**
10.01 Indemnification Required of Concessionaire 31

Article 11 – Insurance **31**
11.01 Insurance Required of Concessionaire 31
11.02 Certificate of Continuity 32
11.03 Insurance Company Rating Requirements 32
11.04 Concessionaire Liable 32
11.05 Cancellation of Insurance or Bonds 32
11.06 Right to Examine 32
11.07 Personal Property 33
11.08 Survival of Provisions 33
11.09 Not Used 33
11.10 Indemnification, Construction Bonds and Insurance Required 33

Article 12 – Default and Termination by County **36**
12.01 Events of Default 36
12.02 Payment Default 37
12.03 Other Defaults 37
12.04 Habitual Default 37
12.05 Notice of Default and Opportunity to Cure 38
12.06 Unamortized Investment Extinguished 38
12.07 Termination for Abandonment 38
12.08 Termination for Cause 38
12.09 Termination for Convenience 39
12.10 Adequate Assurances 39
12.11 Actions at Termination 39

Article 13 – Claims and Termination by Concessionaire **40**
13.01 Administrative Claim Procedures 40
13.02 Termination 40

Article 14 – Not Used **41**

Article 15 – Rules, Regulations and Permits **41**
15.01 Rules and Regulations 41
15.02 Violations of Rules and Regulations 41
15.03 Permits and Licenses 41

Article 16 – Governing Law **41**
16.01 Governing Law; Venue 41
16.02 Notice of Commencement of Civil Action 41
16.03 Labor Peace Requirement 42

Article 17 – Trust Agreement **42**
17.01 Incorporation of Trust Agreement by Reference 42
17.02 Adjustment of Terms and Conditions 42
17.03 Inspections 43
17.04 Independent Private Sector Inspector General Review 43
17.05 Miami-Dade County Inspector General Review 43

Article 18 – Other Provisions **44**
18.01 Payment of Taxes 44
18.02 Alterations by Concessionaire 44
18.03 Rights to be Exercised by Department 44
18.04 Administrative Modifications 44
18.05 Security 44
18.06 Rights of Department at Airport 44
18.07 Other Department Rights 44
18.08 Federal Subordination 45
18.09 Notices 45
18.10 Severability 46
18.11 Rights Reserved to Department 46
18.12 County Lien 46
18.13 Authorized Uses Only 46
18.14 No Waiver 46
18.15 Secured Areas/Airfield Operations Area (AOA) Sterile Areas Security 46
18.16 Intent of Agreement 48
18.17 Modifications 49
18.18 Radon Disclosure 49
18.19 Trademarks and Licenses 49
18.20 Headings 49
18.21 Binding Effect 49
18.22 Governmental Department 49
18.23 Independent Contractor 49
18.24 Other Liens 50

Article 19 – Not Used **50**

Article 20 – Waiver of Claims **50**

Article 21 – Required, General and Miscellaneous Provisions **51**
21.01 Agreements with State of Florida and Miami-Dade County 51
2102 Right to Amend 51
21.03 Concessionaire Covenants and Assurances 51
21.04 Right to Modify 53
21.05 Tax Exempt Status of Department Revenue Bonds 53
21.06 Remedies 53
21.07 Not Used 53
21.08 Regulations of Department 53

21.09 Interest 54
21.10 Miscellaneous Provisions 54
21.11 Force Majeure 55
21.12 Entire Agreement 55
Signature Page 56

Attachments

Exhibit A – Location
Exhibit B – Surety Performance and Payment Bond
Exhibit C – Not Used
Exhibit D – Irrevocable Letter of Credit
Exhibit E – Concessions Design Guidelines
Exhibit F – Tenant Airport Construction-Non-Reimbursable Procedures (TAC-N)
Tenant Airport Construction Reimbursable Procedures (TAC-R)
Exhibit G – Independent Audit Report
Exhibit H – Executed Affidavits
Exhibit I – Monthly Report of Gross Revenues
Exhibit J – List of Prohibited Items
Exhibit K – Tenant Handbook
Exhibit L – Standards of Operation
Exhibit M - Labor Peace Agreement(s)

DEFINITIONS

The following words and expressions used in this Agreement shall be construed as follows, except when it is clear from the context that another meaning is intended.

The term **"Agreement"** shall mean this Lease and Concession Agreement including all exhibits and attachments thereto and a part thereof entered into by the County and the Concessionaire.

The term **"Airport"** shall mean Miami International Airport.

The term **"Approved Improvements"**, are the improvements to a Location, which have been approved by the Department which may include the design, equipment, fixtures, flooring, and signage.

The term **"Base Building Work"** shall mean the sub-flooring, ceiling structure, demising walls, utilities infrastructure and other base building improvements, structures and fixtures which the County installs or causes to be installed in the terminal building.

The term **"Beneficial Occupancy"** shall mean the date when a Certificate of Occupancy or Temporary Certificate of Occupancy has been received for the Location.

The term **"Board"** shall mean Board of County Commissioners of Miami-Dade County.

The term **"Capital Improvement Program"** or **"CIP"** shall mean the Airport's construction program that will involve the refurbishment of terminal interiors, airline relocation, changes in access to the terminal and concourses, construction of new concession Location, and other improvements throughout the Airport.

The term **"Code"** shall mean the Code of Miami-Dade County, Florida.

The term **"Concessionaire"** shall mean the person, firm, or entity that enters into this Lease and Concession Agreement.

The term **"Concession Design Guidelines"** shall mean MIA's distinct design guidelines.

The term **"Consumer Price Index"** or **"CPI"** shall mean that index published by the United States Department of Labor, Bureau of Labor Statistics known as the Consumer Price Index for all urban consumers ("CPI-U") in the U.S. Cities Average: All items.

The term **"Common Logistics Fee"** shall mean an amount to be invoiced as a separate line item and collected from the Concessionaire for the purpose of reimbursing, without profit or administrative markup, a County imposed or approved logistics program which the Concessionaire may be reimbursed for actual out-of-pocket expenses incurred excluding any administrative overhead in order to lease off-Airport properties for storage or operate on the Airport and operating a common logistical support service as may be necessary for the efficient operation of the Retail Program.

The term **"Common Logistics Program"** shall mean a program to offer logistics support either on or off Airport which may include leasing of Airport property for storage; delivery services or equipment necessary to the operation of a common logistics system.

The term "**County**" shall mean Miami-Dade County, Florida, a political subdivision of the State of Florida.

The term **"Days"**, shall mean calendar days, unless specifically stated as other.

The term "**Department**" or "**MDAD**" shall mean the Miami-Dade Aviation Department.

The term **"Director"** shall mean the Director of the Miami-Dade Aviation Department or the Director's designee.

The term **"Extension"** shall mean the addition of one (1) separate two (2) year term following the Term in writing by the County.

The term **"Gross Revenues"**, as used in this Agreement, shall mean all percentage fees, if any, paid or payable by the Concessionaire and any consideration of determinable value paid or payable to the Concessionaire by any third party (for example, retail display allowances and other promotional incentives). However, the term Gross Revenues shall not include: (i) any refund given to the customer because of a customer satisfaction issue which must be documented and auditable, (ii) promotional discount and coupon offers issued to customers as a result of a Department approved marketing plan or (iii) sales tax collected by the Concessionaire to be remitted to a governmental entity. The term **"Gross Receipts"** shall mean Gross Revenues received by Concessionaire as a result of operations.

The term **"Lease Effective Date"** shall mean the tenth (10th) business day after the date of execution by the County Mayor and attested by the Clerk of the Board of the Lease and Concession Agreement.

The term **"Location"** shall mean the concession Location as depicted on Exhibit A, "Location".

The term **"Location Commencement Date"** shall mean the date of Beneficial Occupancy.

The term **"Market Basket"** shall mean that MIA concession store prices shall not exceed by more than 10% those in Miami HEAT Gear retail locations operated by entities affiliated with or related to Concessionaire in the American Airlines Arena, the Dolphin Mall or such other locations as designated by the Concessionaire in the Miami, Florida, where visitors may purchase similar product categories.

The term "**Non-exclusivity**" shall mean as ascribed in Sub-Article 1.09 of this Agreement.

The term "**North Terminal**" shall mean the area of the terminal building and concourses, within the north part of the terminal area, landside or airside now known as Concourses A-D.

The term **"Refurbishment of Location"** shall mean the refurbishment and expenditure by the Concessionaire of not less than fifty dollars per square foot ($50 psf) for Approved Improvements to begin no earlier than the fifth (5^{th}) Term year of the Agreement and be completed no later than the last day of the eighth (8^{th}) Term year of this Agreement.

The term **"Retail"** when used in this Agreement shall mean those newsstand, retail, and food & beverage Location as depicted in Exhibit A of the Lease and Concession Agreement.

The term **"Shell Condition"** shall mean smooth concrete floors, and the utility services listed below (conduits, lines, pipes, etc.) stubbed to the lease lines of the Location or area immediately adjacent thereto for electric, telephone and data communications, heating ventilating and air conditioning systems including ducts ("HVAC"), fire alarm system and fire sprinkler system.

The term "**Small Business"** shall mean a business with annual gross sales of five million dollars or less, regardless of the number of employees.

The term "**South Terminal**" shall mean the area of the terminal building and concourses, within the south part of the terminal area, landside or airside which is now known as Concourse H, and a new J Concourse and connecting concession and public locations.

The term **"State"** shall mean the State of Florida.

The term **"Term**" shall mean as ascribed in Article 1.01.

The term **"TSA"** shall mean the United States Transportation Security Administration, and any successor agency, office or department thereto.

The term "**Turnover Date**" shall mean the date approved by the Department for the Concessionaire to commence construction of the Location.

NON-EXCLUSIVE LEASE AND CONCESSION AGREEMENT FOR A NON-EXCLUSIVE CONCESSIONAIRE FOR NORTH TERMINAL CONCESSIONS AT MIAMI INTERNATIONAL AIRPORT

THIS LEASE AND CONCESSION AGREEMENT is made and entered into as of this _____ day of _____, 2011, by and between **MIAMI-DADE COUNTY, FLORIDA** ("County"), a political subdivision of the State of Florida, and **AIRBALL SPORTS II, LLC** ("Concessionaire"), a Florida Limited Liability Company authorized to do business in the State of Florida.

RECITALS:

WHEREAS, the County is the owner of and operates Miami International Airport through the County's Miami-Dade Aviation Department; and

WHEREAS, the Department desires to create a retail concessions program in conjunction with the development program for the North Terminal project; and

WHEREAS, the concessions program is designed to provide a locally, nationally, and internationally recognized themed tenant base; and

WHEREAS, the retail concessions program will enhance the accommodations and conveniences of airline passengers and Airport patrons, and project a positive image of the Airport, Department, and the County to visitors, as further described herein; and

WHEREAS, the Miami Heat is a prominent local sports franchise, and Concessionaire is uniquely qualified to market Miami Heat merchandise, as Concessionaire can achieve synergies with off-airport marketing campaigns undertaken by the franchise in substantially more effective ways than could other concessionaires and can also quickly adopt to the changing circumstances endemic in professional sports,

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

ARTICLE 1 – TERM, EXTENSION AND LOCATION

1.01 TERM: The County hereby leases to the Concessionaire the Location depicted in Exhibit A commencing upon the Effective Date of this Agreement and expiring at 11:59 P.M. on the last day of the eighth (8) year thereafter unless sooner terminated. In no event shall this Agreement afford Concessionaire or any other party any right to use or occupy the Location (or any part thereof) after the expiration, termination of the Agreement.

1.02 NOT USED

1.03 EXTENSION: At the sole discretion of the County, the initial eight (8) year Term may be extended for a maximum of one (2) year term provided the extension is mutually agreed to by the County and the Concessionaire in writing.

In the event the County elects to extend the Agreement, the Concessionaire shall be notified, in writing, no less than three hundred and sixty-five (365) Days prior to the expiration of the Term. The Concessionaire may elect not to agree to the extension, and, if so, must notify the Department thirty (30) Days after receipt of written notification by the Department to extend the Agreement. In the event the Department does not give such notice, the Agreement shall expire accordingly.

In the event the Concessionaire is in default, pursuant to **Article 12 "Default and Termination by County"** of the Lease and Concession Agreement beyond applicable grace and cure periods, the County shall not exercise its rights to extend the Agreement.

1.04 LOCATION: The Department hereby provides to the Concessionaire the Location as depicted in Exhibit A, Location.

1.05 SUPPORT SPACE: In addition to the Location provided to the Concessionaire in **Sub-Article 1.04 "Location",** the Department may provide administrative and support space, if available, to the Concessionaire.

The Concessionaire shall pay monthly rental payments for the Concessionaire's administrative and storage space at the rate applicable for terminal rental payments and annual adjustments as provided for in **Sub-Article 3.06 "Annual Rent"**.

1.06 STORAGE SPACE: The Department may make available to the Concessionaire storage space outside of Location, if available.

1.07 NOT USED

1.08 ADDITION, DELETION AND MODIFICATION OF LOCATIONS:

A. ADDITION OF LOCATIONS: If at any time after the Lease Effective Date, the Department, at its sole discretion, identifies any additional Location for concession development comparable to the concept categories in this Agreement, the Department may, but is not required to, offer such additional Location to the Concessionaire upon written notification. The Concessionaire will have thirty (30) Days to submit a written response accepting or rejecting the additional Location. Acceptance of any additional Location will require the Department and the Concessionaire to mutually agree upon an applicable retail category as described in Exhibit A at the applicable category percentage fee, **Sub-Article 3.05, "Concessions Category Percentage Fee"**, prior to final approval.

B. DELETION OR MODIFICATION OF LOCATIONS: The Department reserves the right, at its sole discretion, to delete or modify the Location, or any administrative support and storage spaces due to Airport development/construction, operational necessity, and security or safety considerations. In the event of such

deletion or modification the Concessionaire shall be given no less than: (i) thirty (30) Days written notice, for such deletion or modification due to operational necessity, and security or safety considerations; and (ii) sixty (60) Days written notice, for such deletion or modification due to development/construction.

The Department shall not be held liable to the Concessionaire (except for reimbursement of the unamortized costs, pursuant to **Sub-Article 4.09, "Amortization Schedule",** for any inconvenience or loss of business as a result of the deletion or modification of any Location or other space pursuant to this Sub-Article.

D. **ADMINISTRATIVE REVISIONS:** This Agreement shall be administratively revised to reflect any additions, deletions or modifications to the Location pursuant to the provisions herein. Such revision will include revised exhibits and appropriate changes to the Location in **Sub-Articles 1.04 "Location", 1.05 "Support Space", and 1.06 "Storage Space"** and total payments due the Department in accordance with **Article 3, "Rentals, Payments and Reports"** and **Article 2, "Use of Location".**

1.09 **NON-EXCLUSIVITY:** This Agreement is nonexclusive in character and in no way prevents the Department from entering into an agreement with any other parties for the sale or offering of competitive services, products or items by other Concessionaires and/or others in other locations at the Airport during the Term, and any Extension of this Agreement.

1.10 **CONDITION OF THE LOCATION: CONCESSIONAIRE SPECIFICALLY ACKNOWLEDGES AND AGREES THAT THE DEPARTMENT IS LEASING THE LOCATION TO THE CONCESSIONAIRE ON AN "AS IS" BASIS AND THAT THE CONCESSIONAIRE IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM THE DEPARTMENT OR ITS AGENTS, AS TO ANY MATTERS CONCERNING THOSE LOCATION** including: (i) the quality, nature, adequacy and physical condition and aspects of the Location, including utility systems; (ii) the existence, quality, nature, adequacy and physical condition of utilities serving the Location; (iii) the development potential of the Location, the use of the Location, and the habitability, merchantability, or fitness, suitability, value or adequacy of the Location for any particular purpose; (iv) the zoning or other legal status of the Location or any other public or private restrictions on use of the Location; (v) the compliance of the Location or its operation with any applicable laws, regulations, statutes, ordinances, codes, covenants, conditions, and restrictions of any governmental or quasi-governmental entity or of any other person or entity; (vi) the presence of hazardous materials or industrial wastes on, under or about the Location; (vii) the quality of any labor and materials used in any improvements on the Location; (viii) the condition of title to the Location; and (ix) the agreements affecting the Location, including any statements relating to the potential success or profitability of such Proposal. Concessionaire represents and warrants that it has made an independent investigation of all aspects contemplated by this Agreement. Except as specifically provided in this Agreement, the Concessionaire has satisfied itself as to such suitability, and other pertinent matters by the

Concessionaire's own inquiries, and tests into all matters relevant in determining whether to enter into this Agreement. The Concessionaire accepts the Location in their existing condition, and hereby expressly agrees that if any remediation or restoration is required, in order to conform the Location to the requirements of applicable law, the Concessionaire assumes sole responsibility for any such work.

Without limiting the preceding, the Concessionaire is additionally advised the passenger traffic, terminal utilization, and airline locations at Miami International Airport may change over the course of this Agreement. The County shall not be liable for any decrease in profitability or increase in costs to Concessionaire on account of same, nor shall such causes relieve Concessionaire of its obligations under this Agreement.

1.11 CAPITAL IMPROVEMENT PROGRAM: The Capital Improvement Program (CIP) is currently underway and will involve the refurbishment of terminal interiors, airline relocation, changes in access to the terminal and concourses, construction of new concession Location, and other improvements that may affect concession operations in the terminal building and on the concourses and access at the curbside or on the airfield. The CIP may affect the operation of the Location, and **THE DEPARTMENT NEITHER MAKES NOR IMPLIES ANY WARRANTIES AS TO THE EFFECT OF SUCH CAPITAL IMPROVEMENT PROGRAM ON SAID OPERATIONS DURING THE TERM AND ANY EXTENSION OF THIS AGREEMENT.**

ARTICLE 2 – USE OF LOCATION

2.01 LOCATION: The Location as referenced in Exhibit A, "Location" shall be used solely for their assigned and approved concept,. Failure to maintain the concept category pursuant to **Article 2 "Use of Location"** may result in Damages as indicated in **Sub-Article 3.24 "Damages"**.

2.02 USE OF LOCATION: The Concessionaire shall have the right, privilege, and obligation to develop, lease, market, manage the retail sale of specialty licensed Miami HEAT, NBA and NBA member team sports and novelty apparel, jewelry, equipment and memorabilia; general basketball related merchandise and apparel; soccer jerseys and other novelty apparel with basketball player names and jersey numbers; Miami HEAT basketball and other related event tickets; American Airlines Arena event and other related tickets; athletic shoes; electronics; American Airlines merchandise; and sports performance and energy drinks, water and bars and to operate and maintain the Location, depicted in Exhibit A, "Location", for the purpose of establishing high quality, state of the art sports apparel retail concession as approved by the Department.

2.03 CONCESSIONAIRE SERVICES AND SALES RIGHTS: The Concessionaire shall not allow any services or the sale of any item or product not specifically covered by the categories approved in this Agreement. Any such sales by the Concessionaire of services, products, or items not specifically approved herein, in writing by the Department, may constitute a violation. In the event of such violation, the Concessionaire shall discontinue the sale or service of the unapproved product immediately, upon written notice from the Department. Failure by Concessionaire to discontinue such sales within 24 hours shall

subject the Concessionaire to Damages pursuant to **Sub-Article 3.24 "Damages"**. Upon the assessment of thirty (30) Days of Damages against a Concessionaire for violation committed by such Concessionaire or, a notice of default will be tendered.

2.04 NOT USED

2.05 SCOPE OF SERVICES: The Concessionaire hereby agrees that it will finance, design and construct, lease, manage, operate and maintain the Location depicted in Exhibit A, "Location", for the purpose of establishing high quality, state of the art retail concession as approved by the Department. Its responsibilities are further defined but not limited to the following:

A. Financing:

Be capable of financing the design, construction and build out of the Location depicted on Exhibit A, "Location".

Develop a financial plan indicating the source of funding for capital investment and continued maintenance and operation of the Location.

B. Developing:

The Concessionaire shall design a concession program to fulfill the concept categories and submit initially and thereafter annually a merchandising and layout plan identifying the product categories for the Location. The Concessionaire will be responsible for updating the store layout plan and merchandising plan no less than annually or as necessary throughout the Term, and any Extension of this Agreement, providing suggestions as needed for each concept for consideration by the Department.

C. Design and Construction Coordination:

Design and Construction Coordination requirements are detailed in Sub-Article 4 Improvements to the Location.

D. Managing

The Concessionaire shall:

1. Design a concession program fulfilling the concept category and submit a merchandising plan initially and for annual review until expiration of the Agreement identifying the product categories for each Location. The Concessionaire will review the store layout plan no less than annually and update the store layout as necessary throughout the Agreement.
2. Manage the Location in a way that maximizes the highest and best use and financial return to the Department.
3. Monitor and enforce compliance with the terms and conditions of the Lease and Concession Agreement and any Sub-Lease agreements, including but not limited to, use clauses, customer service, insurance, pricing, capital expenditures, quality

of merchandise, hours of operation, detailed reporting of sales, payment of fees, rent, and signage.

4. Function as operations liaison between the Department, governmental agencies and others.
5. Maintain permanent records for each Location leased.
6. Maintain computerized records on a commercially available property management software program acceptable to the Department. Programs and all data collected should be available to the Department on-line (digital and electronic).
7. Develop, maintain and make available, if requested, all files, to include copies of licenses, permits, insurance certificates, and letters of credit.
8. Provide from time to time, as requested by the Department, annual financial statements demonstrating its financial capacity to perform its obligations under the terms of the Agreement.

E. Operating

The Concessionaire shall:

1. Provide quality control audits and reports, including maintenance of the street pricing requirements covering compliance with contract requirements, cleanliness of the Location, timeliness of service, quality of the product
2. Generate monthly reports to the Department, including sales by unit, concept and Location.
3. Develop annual revenue projections by month, by Location, concession category, and product category to be updated on a regular basis.
4. Generate and provide the Department monthly airport revenue reports, and such other financial and management reports as are usual and customary in sophisticated airport concession management programs. Prepare other reports and analyses as may be requested periodically by the Department, including number of transactions per hour, average sales per transaction, and sales per product category.
5. Provide on-site staff to perform daily functions as required by the Scope of Services and the Standards of Operations identified in this Lease and Concession Agreement, subject to acceptance by the Department
6. Ensure compliance, with the Department and other governmental agency ID Badging requirements.
7. Implement any new policies, and procedures, and operational directives as issued from time to time by the Department.
8. Ensure payment is submitted with the Monthly Report of Gross Revenues to the Department.
9. Respond to customer/passenger complaints on a timely basis. Ensure customer service program compliance. The Concessionaire will submit its/their customer service-training program within thirty (30) Days of the Lease Effective Date of the Agreement, for the Department's review and approval.

10. Coordinate and implement regular employee customer service training programs, to include employees from the Concessionaire, if applicable.
11. Participate in an airport-wide customer service program implemented by the Department.

F. Maintaining

The Concessionaire shall:

12. Maintain or cause to maintain the Location pursuant to Department standards, which may be promulgated from time to time.
13. Coordinate and maintain general oversight of deliveries of goods and products for the concession operations from any designated on or off-Airport storage area.
14. Shall take such corrective action as necessitated to maintain Location in an acceptable condition as required by the Department.

2.06 ANNUAL PLAN SUBMISSION: MDAD may require that the Concessionaire prepare a marketing plan, if required. The marketing plan shall be submitted to the Department on or before ninety (90) Days prior upcoming fiscal year for the Department (October 1 – September 30). The Department shall have forty-five (45) Days after receipt of the foregoing plan to approve or disapprove the same in its discretion. If MDAD disapproves the plan, the Concessionaire shall operate in substantial conformity with all such plans approved by the Department as may be modified from time to time.

The Department reserves the right to request at any time any further submission of plans.

2.07 PROHIBITED ACTIVITIES: Without limiting any other provision herein, Concessionaire shall not, without the prior written consent of the Department which may be withheld in its sole and absolute discretion: (a) advertise or hold any distress, fire, or bankruptcy sales, (b) cause or permit anything to be done, in or about the Location, or bring or keep anything thereon which might (i) increase in any way the rate of fire insurance on the MIA Terminal Building or any of its contents, (ii) create a nuisance or annoyance or safety hazard, or (iii) obstruct or interfere with the rights of others in the MIA Terminal Building; (c) commit or suffer to be committed any waste upon the Location; (d) use, or allow the Location to be used, for any improper or unlawful purpose; (e) do or permit to be done anything in any way tending to injure the reputation of the Department, the County, the Board of County Commissioners, or the appearance of the Airport; (f) construct any improvement on or attach any equipment to the roof of the Airport; or utilize or permit the utilization of the locations in any manner inconsistent with any security regulation of the County, State, or Federal governments.. Except as required to permit Concessionaire to perform its maintenance and repair obligations under this Agreement, Concessionaire shall not gain access to the roof of the MIA terminal building without the consent of the Department, which may be withheld in the Department's sole and absolute discretion.

ARTICLE 3 – RENTALS, PAYMENTS AND REPORTS

3.01 NOT USED

3.02 NO NEGOTIATIONS OR ADMINISTRATIVE MODIFICATIONS: The Concessionaire understands and agrees, as a condition precedent to the County's consideration of the proposal, that the terms and conditions of **Sub-Article 3.06 "Annual Rent"**, and **Sub-Article 3.04 "Percentage Fee to the Department"** are not subject to negotiation or adjustment for any reason, including, but not necessarily limited to, airport construction, airline relocation, airline bankruptcies, change in airline service, and the like, except in the event of an act of God or an event of force majeure as such term is defined in **Sub-Article 21.11 "Force Majeure"**. Nor shall the County be liable for any reduction in sales or disruptions or delays caused in whole or in part by any of the foregoing at any time during the Term, and any Extension of this Agreement. If the Concessionaire's Location is so damaged as to significantly impact the Concessionaire's operations for a period in excess of seventy two (72) hours, the Department shall provide a proportionate abatement of the monthly rent for of the Location rendered unusable for that period of time that the County is unable to make repairs required by **Sub-Article 6.01 "Department Services"**.

3.03 NOT USED

3.04 PERCENTAGE FEE TO THE DEPARTMENT: The Concessionaire shall pay the Department the total percentage fee of Gross Revenues **or the Monthly Rent, whichever is greater.** The monthly percentage fee shall be due on the tenth (10^{th}) Day of the month following the month during which the monthly gross revenues were received or accrued. Percentage fees are non-taxable.

The Monthly Percentage Fee payments to the Department shall commence upon the Beneficial Occupancy for the Location.

Monthly Percentage Fee payments to the Department payable on any unreported Gross Revenues, determined by the annual audit required pursuant to **Sub-Article 3.18 "Annual Audit"**, are considered as having been due on the tenth (10^{th}) day of the month following the month during which the unreported Gross Revenues were received or accrued.

To the extent the Concessionaire and the Department mutually agree to change a concept category for a particular Location, then the corresponding percentage fee, as listed per category in **Sub-Article 3.05, "Concessions Category Percentage Fee"**, will be adjusted accordingly.

3.05 CONCESSIONS CATEGORY PERCENTAGE FEE: The Concessionaire shall pay the Department a Percentage Fee of **eight percent (8%) of Gross Revenues.**

3.06 ANNUAL RENTAL: The Concessionaire shall be required to pay rent at the prevailing Class VI Terminal rates for the lease of the Location in Exhibit A pertaining to Commercial Areas, prorated and payable in equal monthly installments in U.S. funds, on the first day of each and every month, in advance and without billing or demand, at the offices of the Department as set forth in **Article 3.16, "Address for Payments"**.

The Concessionaire shall be required to pay rent for the administrative and support space at the prevailing Class VI Terminal rates which will be prorated and payable in equal monthly installments in U.S. funds, on the first day of each and every month, in advance and without billing or demand. Payments shall commence on the beneficial occupancy date. The Terminal Class VI rental for Location in Exhibit A. is currently $73.68 per square foot based on rates in effect as of October 1, 2011.

Concessionaire is advised that the County reserves the right to adjust all rents upwards or downwards on a yearly basis, consistent with fair market valuations. Concessionaire agrees that it shall pay any subsequently adjusted rent.

3.07 NOT USED

3.08 COMMON WAREHOUSE LOGISTICS FEE: In the event the Department initiates a Common Logistics Program the actual costs incurred to rent any such off-Airport properties for storage and the actual costs incurred in the operation of the common logistical support service program (including the purchase or renting of any equipment needed to operate such program), as may be determined by the Department and/or Concessionaire from time to time, shall be included in the Common Logistics Fee. The Department reserves the right to approve and review the basis of the actual costs and allocation thereof should the Concessionaire elect to implement a common logistics support service program. The Department also reserves the right to either itself impose or require that the Concessionaire impose the Common Logistics Fee in a non-discriminatory manner within store categories. In the event the County elects to implement such fee, the Concessionaire shall be notified, in writing, no less than forty-five (45) Days prior to the implementation of such fee. The Concessionaire may elect not to agree to the fee by opting out of the Agreement in its entirety, and, if so, must notify the Department thirty (30) Days after receipt of written notification by the Department. In the event the Concessionaire does not give such notice, the fee will be implemented accordingly.

3.09 CONCESSION MARKETING FEE: A concession marketing fee of one half (l/2) of one percent (1%) of Gross Revenues will be assessed annually to be paid to the Department monthly, beginning the month following the first Location opening on the twentieth (20^{th}) of each month to be used for marketing the concessions at the Airport.

3.10 NOT USED

3.11 TAXES: The Concessionaire shall be solely responsible for the payment of all applicable taxes, levied upon the fees and other charges payable by the Concessionaire to the Department hereunder, whether or not the same shall have been billed or collected by the Department, together with any and all interest, Damages and charges levied thereon. The Concessionaire hereby agrees to indemnify the County and Department and hold it harmless from and against all claims by any taxing authority that the amounts, if any, collected from the Concessionaire and remitted to the taxing authority by the Department, or the amounts, if any, paid directly by the Concessionaire to such taxing authority, were less than the total amount of taxes due, and for any sums including interests and Damages

payable by the Department as a result thereof. The provisions of this paragraph shall survive the expiration or earlier termination of this Agreement.

3.12 REPORTS OF GROSS REVENUES: On or before the tenth (10^{th}) Day following the end of each month throughout the Term, and any Extension of this Agreement, the Concessionaire shall furnish to the Department, a Statement of Monthly Gross Revenues, using Exhibit I "Monthly Report of Gross Revenues". The report shall account for each Location under this Agreement, and provide information on the percentage fee due to the Department pursuant to **Sub-Article 3.04 "Percentage Fee to the Department"**. The Concessionaire shall certify as to the accuracy of such Gross Revenues in such form as shall be prescribed by the Department. The Department may modify from time to time, the form of reporting upon not less than thirty (30) Days written notice to the Concessionaire. The statement must be signed by an officer (if the Concessionaire is a corporation), partner (if a partnership), or owner (if a sole proprietorship) of the Concessionaire, and identify all Gross Revenues by Location reported to the Concessionaire during such month. Failure to comply within ten (10) Days following the due date of the report shall result in a late fee of fifty dollars ($50.00) per Day, to a maximum of $750 a month, as provided in **Sub-Article 3.24 " Damages"**.

A monthly accounting of gross revenues shall be presented on an electronic database format acceptable to the Department indicating:

i. A summary of monthly gross revenues by Location, compared to Budget with variances in dollars and percentage, listed by terminal.

ii. A summary of year to date gross revenues by Location, compared to Budget with variances in dollars and percentage, listed by terminal.

3.13 OTHER REPORTS: The Concessionaire shall provide the Department with financial data and operating statistics in a format and frequency specified by the Department, and the Department shall provide no less than thirty (30) Days written notice of the format and frequency required for said financial data and operating statistics.

3.14 LATE PAYMENT: In the event the Concessionaire fails to make any payments as required to be paid under the provisions of this Agreement within ten (10) business days of the due date, delinquency charges established by the Board will be imposed. Such rate is currently 1½% delinquency charge per month.

3.15 DISHONORED CHECK OR DRAFT: In the event the Concessionaire delivers a dishonored check or draft to the Department in payment of any obligation arising under this Agreement, the Concessionaire shall incur and pay a service fee of Twenty-Five Dollars ($25.00), if the face value of the dishonored check or draft is fifty dollars ($50.00) or less, Thirty Dollars ($30.00) if the face value of the dishonored check or draft is more than fifty dollars ($50.00) and less than three hundred dollars ($300.00), or Forty Dollars ($40.00), if the face value of the dishonored check is three hundred dollars ($300.00) or more, or five percent (5%) of the face value of such dishonored check or draft, whichever is greater, plus Damages imposed by law. Further, in such event, the

Department may require that future payments required pursuant to this Agreement be made by cashier's checks or other means acceptable to the Department.

3.16 ADDRESS FOR PAYMENTS: The Concessionaire shall pay all monies payable and identify the Lease and Concession Agreement for which payment is made, as required by this Agreement, to the following:

In Person: Miami-Dade Aviation Department
Finance Division
4200 N.W. 36th Street
Building 5A, Suite 300

During normal business hours, 8:30 A.M. to 5:00 P.M., Monday through Friday:

By Mail: Miami-Dade Aviation Department
Finance Division
P.O. Box 526624
Miami, FL 33152-6624

By Express Mail: Miami-Dade Aviation Department
Finance Division
4200 N.W. 36th Street
Building 5A, Suite 300
Miami, Florida 33122

By Wire Transfer: In accordance with Wire Transfer instructions provided by MDAD's Finance Division, 305-876-7711.

By Credit Card: Miami-Dade Aviation Department
Finance Division- Cashier's Office
305-876-0652

3.17 REVENUE CONTROL PROCEDURES: Notwithstanding anything to the contrary contained herein, the Concessionaire shall comply with such revenue control procedures as may be established from time to time by the Department. The Department shall provide the Concessionaire with at least thirty (30) Days prior written notice together with a copy of such revenue control procedures prior to requiring the Concessionaire to implement any such revenue control procedures.

3.18 ANNUAL AUDIT: Within ninety (90) Days of each anniversary of the Lease Effective Date of this Agreement and within ninety (90) Days following expiration or earlier termination of this Agreement, the Concessionaire shall, at its sole cost and expense, provide to the Department on an annual basis, an audited report of monthly Gross Revenues and percentage fees separately stating its Gross Revenues, containing an opinion, prepared and attested to by an independent certified public accounting firm, licensed in the State of Florida. The audited report, as detailed in Exhibit G "Independent Auditor Report", shall include a schedule of monthly Gross Revenues and percentage fees paid to the Department under this Agreement, prepared in accordance with Generally

Accepted Auditing Standards. The report shall also be accompanied by a management letter containing the findings discovered during the course of the examination, recommendations to improve accounting procedures, revenue and internal controls, as well as significant matters under this Agreement. In addition, the audit shall also include as a separate report, a comprehensive compliance review of procedures to determine whether the books of accounts, records and reports were kept in accordance with the terms of this Agreement for the period of examination. Each audit and examination shall cover the period of this Agreement. The last such report shall include the last day of operation. There shall be no changes in the scope of the reports and letters required hereunder without the specific prior written approval of the Department. If such schedules indicate that the percentage fees for such period audited have been underpaid, the Concessionaire shall submit payment therefore within forty-five (45) days after the completion of the reports to the Department as stated in Sub-Article 3.20 together with interest on any underpaid percentage fees at the rate set forth in Sub-Article 3.14.

3.19 RIGHT TO AUDIT/INSPECT: The Department and the auditors of the County shall have the right, without limitation, at any time during normal working hours, to enter into any Location on or off the Airport, which the Concessionaire may use as administrative, maintenance and operational Location, in connection with its operations pursuant to this Agreement, to: (1) verify, check and record data used in connection with operation of this Agreement; (2) inspect, review, verify and check all or any portion(s) of the procedures of the Concessionaire for recording or compiling Gross Revenues information and (3) audit, check, inspect and review all books of account, records, financial reports, financial statements, operating statements, inventory records, and state sales tax returns, and work papers relating to operation of this Agreement, and other pertinent information as may be determined to be needed or desirable by the Department. Prior to entering any Location located on the Airport, the Department shall give advance notice to the Concessionaire.

If it is established that the percentage fees have been underpaid to the Department, the Concessionaire shall forthwith, pay the difference with interest thereon at the rate set forth in **Sub-Article 3.14 "Late Payment"** from the date such amount or amounts should have been paid.

Further, if such examination establishes that Concessionaire has underpaid percentage fees for any period examined by three percent (3%) or more, then the entire expense of such examination shall be borne by Concessionaire.

In the event of any conflict between any provisions of this Agreement and generally accepted accounting principles or generally accepted auditing standards, the provisions of this Agreement shall control even where this Agreement references such principles or standards. In particular, without limitation, the Concessionaire shall maintain all records required under this Agreement to the full extent required hereunder, even if some or all of such records would not be required under such general principals or standards.

3.20 RECORDS AND REPORTS: The Concessionaire shall, at all times during the Term of this Agreement, or any Extension hereof and in accordance with applicable law, maintain at the Concessionaire's principal corporate office located in the United States and make available to the Department in Miami-Dade County, Florida, complete and accurate

books and records of all receipts and disbursements from its operations in the Location, in a form consistent with good accounting practice. In addition, Concessionaire shall install or cause to be installed for use at all times in the Location such devices and forms as are reasonably necessary to record properly, accurately and completely all merchandise sales and services from each Location. The form of all such books of account records and reports shall be subject to the approval of the Department and/or the auditors of the County (one or more of the following: the designated external auditing firm or other certified public accounting firm selected by the Department, or the Audit and Management Services Department of the County) prior to commencement of operations hereunder.

The Concessionaire shall account for all revenues of any nature related to transactions in connection with this Agreement in a manner which segregates in detail those transactions from other transactions of the Concessionaire and which supports the amounts reported to the Department in the Concessionaire's monthly schedules. At a minimum, the Concessionaire's accounting for such receipts shall include the following:

1. Concessionaire's bank account statements;
2. A compiled report of transactions for the Location showing all Gross Revenues and all exclusions from Gross Revenues by category, which report shall be subtotaled by day and totaled by month. The monthly total shall correspond with the amounts reported to the Department on the Concessionaire's monthly "Revenue Reports"; and
3. Such other records, if any, which would normally be examined by an independent certified public accountant in performing an examination of the Concessionaire's Gross Revenues in accordance with generally accepted auditing standards and the provisions of this Agreement.

   Such records may be in the form of (a) electronic media compatible with the computers available to the Department, or (b) a computer run hard copy. The Department may require other records necessary in its determination to enable the accurate audit of Concessionaire's Gross Revenues hereunder. Upon ten (10) business days written notice from the Department, all such books and records, including the general ledger and bank statements and all federal, state and local tax returns, shall be made available, either at the Location, or at the Department's option, at the offices of the Department, for inspection by Department through its duly authorized representatives at any time for up to three (3) years subsequent to final termination of the period to be examined to which such books and records relate (and the Concessionaire shall not be obligated to retain such books and records subsequent to the termination of such three (3) year period); provided, however, that any such inspection on the Location will be conducted during reasonable business hours and in such a manner and at such time as not to interfere unduly with the conduct of the Concessionaire's business.

3.21 ADDITIONAL FEES DUE: If the Department has paid any sum or has incurred any obligation or expense for which the Concessionaire agreed to pay or reimburse the Department, or if the Department is required or elects to pay any sum or incur any obligation or expense because of the failure, neglect or refusal of the Concessionaire to

perform or fulfill any of the terms or conditions of this Agreement, then the same shall be deemed due and subject to an additional administrative fee of twenty-five percent (25%) of such payment, obligation, or expense.

3.22 UTILITIES: The cost of all utilities used or consumed on the Location shall be borne by the Concessionaire; provided, however, except with respect to the Concessionaire's support and storage space as defined in Sub-Articles 1.05 and 1.06 at the Airport. The Department requires the Concessionaire where such capability exists, to provide and install meters for utilities used at the Concessionaire's expense. If the Location is not provided with separate electric, gas, and/or water meters, the Concessionaire agrees to pay for such utilities in the Location as a monthly charge, plus any applicable taxes, upon billing by the Department, or utility companies. If billed by the Department, the Department at its sole discretion, will base this monthly charge on (i) a survey of consumption by the Department and current non-discriminatory rates charged others in the Terminal Building or (ii) at the option and expense of the Concessionaire on actual usage measured by temporary meters, arranged and paid for by the Concessionaire. This monthly charge may also be adjusted on a non-discriminatory basis and billed retroactively from time to time based on changes in consumption and rates. Concessionaire hereby agrees to pay the same within thirty (30) Days after it has received Department's invoice thereof. The Concessionaire shall pay for all other utilities used by it including telephones and telephone service hook-up, data lines and additional electrical and communications services required.

3.23 NOT USED

3.24 DAMAGES: If Concessionaire defaults under any of the covenants or terms and conditions, of this Agreement, Department shall impose the financial Damages described below, as a result of the violation(s), on a daily basis, in addition to any other Damages permissible by law and/or pursuant to the provisions of this Agreement, until said violations are remedied:

Violation	Fee
Violation of Permitted Use	$ 100 per Day/per Location
Failure to Maintain Required Hours of Operation	$ 50 per hour/per Location
Failure to Submit Required Documents and Reports*	$ 50 per Day/per Location
Unauthorized Advertising	$ 50 per Day/per Location
Failure to maintain Competitive Pricing or to conduct the surveys as required	$ 50 per Day/per Location
Installation of Unapproved Items in Locations	$ 50 per day/per Location
Violations of other terms and conditions	$ 75 per Day/per Location

*** Up to $750 a month for failure to provide reports**

The foregoing is due and payable from the Concessionaire

3.25 PAYMENT SECURITY: The Concessionaire shall provide the County with an irrevocable standby letter of credit in the format approved by the Department or cash for the payments required by this Sub-Article in an initial amount equal to twelve times the

SDS required total monthly Rental amount provided for in Sub-Article 3.06, which is equal to $78,337.12. This requirement shall be met no later than thirty (30) Days after the Lease Effective Date of the Agreement. The payment security shall be kept in full force throughout the Term, and any Extension of this Agreement thereof. The Department may draw upon such payment security instrument if the Concessionaire fails to make the payments secured by this Sub-Article. Upon notice of any such draw, Concessionaire shall immediately replace the payment security with a new payment security in the full amount of the payment security required hereunder. A failure to renew the payment security, or increase the amount of the payment security, if required pursuant hereto, shall (i) entitle the Department to draw down the full amount of such payment security, and (ii) be a default of this Agreement entitling Department to all available remedies.

ARTICLE 4 – IMPROVEMENTS TO THE LOCATION

4.01 IMPROVEMENTS TO LOCATION: The Concessionaire shall be required to invest a minimum of two hundred dollars per square foot ($200.00 psf), for Approved Improvements for the design, construction, furniture, fixtures and equipment excluding interior signage and inventory for the Location listed in Exhibit A and any additional location taken by the Concessionaire pursuant to **Sub-Article 1.08(A) "Addition of Location"**. Notwithstanding the actual amount of design and engineering costs incurred with respect to improvements for a Location, the maximum proportion of soft costs permitted to be included as Approved Improvements shall be no more than fifteen percent (15%) of the total design and engineering cost. All improvements shall be subject to review and approval by the Department. The Department may, with mutual agreement, fund certain improvements needed to support the concession space and allow the Concessionaire to build such improvements in compliance with MDAD TAC procedures.

It is the intent of the parties that Approved Improvements may include but are not limited to the décor, remodeling of the wall and floor coverings, ceiling, lighting, millwork, HVAC, fire detection and fire suppression or such other improvements as are approved by the Department. Such improvements shall be shown in the design detail in the Final Plans, as such term is defined in **Sub-Article 4.02 "Design of Improvements"**.

Improvements not constituting Approved Improvements shall include improvements that (i) are non-fixed, (ii) have not been reimbursed by the Department pursuant to **Sub-Article 4.08 "Cost Documentation"**, and (iii) can be removed without damage to the premises. The Concessionaire is liable and shall indemnify the Department for any damage to the Location which results from the removal of said improvements. This provision shall survive the termination or expiration of this Agreement.

Off-Airport properties used as storage space will not be considered as Location, as stated in **Article 4 "Improvements to the Location"** or as an extension of this Agreement, and costs incurred by either the Concessionaire to provide such storage space shall not constitute Approved Improvements.

4.02 DESIGN OF IMPROVEMENTS: Plans for the design of improvements will be in accordance with Exhibit E Concessions Design Guidelines", Exhibit F "Tenant Airport

Construction Non-Reimbursable Projects (TAC-N) Design and Construction Procedures" or "Tenant Airport Construction Reimbursable Projects (TAC-R) Design and Construction Procedures", as applicable, the "MDAD Life Safety Master Plan", the "MDAD Public Address System Master Plan", and the "MDAD Design Guidelines Manual" as may be established for the Terminal Retail Program. As plans for the improvement of individual Location or common area improvements are completed, the Concessionaire shall submit to the Department for review, approval or modification detailed final plans ("Final Plans") and specifications (including materials, colors, textures and fixtures), construction cost estimates and schedules for the construction of the improvements. The Final Plans shall be prepared by an architectural interior design and/or engineering firm registered in the State of Florida and in accordance with the Florida Building Code and all applicable State and local laws, ordinances, and regulations.

4.03 REFURBISHMENT OF LOCATION: The Concessionaire shall refurbish the **Location** to begin no earlier than the fifth (5th) and no later than the eighth (8th) year Term year of the Agreement.

Approved Improvements for the refurbishment of the Location shall not be less than fifty dollars per square foot ($50 psf). There will be no reimbursement or amortization of these costs for refurbishment.

4.04 CERTAIN CONSTRUCTION CONTRACT TERMS: All contracts entered into by the Concessionaire for the construction of the Improvements shall require completion of the improvements within the schedules submitted pursuant to **Sub-Article 4.02 "Design of Improvements"** and shall contain reasonable and lawful provisions for the payment of actual or damages to the County in the event the contractor fails to complete the construction on time. The Concessionaire agrees that it will use its best efforts to take all necessary action available under such construction contracts to enforce the timely completion of the work covered thereby.

Prior to the commencement of any installation work by the Concessionaire, the Concessionaire shall provide or cause to be provided to the County copies of a fixed price contract or contracts for all work to be performed at the Location. The work to be performed under such contract(s) shall be insured by a Exhibit B, "Surety Performance and Payment Bond" provided in the Lease and Concession Agreement. The Surety Performance and Payment bond shall be in full force throughout the term of the construction contract.

4.05 IMPROVEMENTS FREE AND CLEAR: The improvements, upon completion, shall immediately become the property of the County, free and clear of any liens or encumbrances whatsoever, other than the County's obligation to reimburse the Concessionaire for the un-amortized value of the Approved Improvements as provided in this Agreement. The Concessionaire agrees that any contract for construction, alteration or repairing of the improvements or Location or for the purchase of material to be used, or for work and labor to be performed, shall be in writing and shall contain provisions to protect the County from the claims of any laborers, subcontractors or material men against the Location or improvements.

4.06 OTHER REQUIREMENTS: The Concessionaire shall apply for and obtain a building permit from the County for all appropriate inspections and a Certificate of Occupancy upon completion. Within sixty (60) Days following the completion of construction of the improvements, the Concessionaire shall furnish to the County one complete set each of legible prints (black line), of construction drawings in electronic file format and in full compliance with Autodesk's DWG file format and standard revised as to "as built". Based upon submission date, the AutoCad.dwg version must be within two years of the latest release. MDAD will not accept the submission of any AutoCad drawing deliverable which contains references to external source drawing files. The closeout document package should include all pertinent shop and working drawings, copies of all releases of all claims and a copy of the Certificate of Occupancy provided the Concessionaire does not disseminate such information, refer to Transportation Security Regulations (TSR), 49 C.F.R. 1520, et al., Protection of Sensitive Security Information.

No Facility will be allowed to open without obtaining a Temporary Certificate of Occupancy or a Certificate of Occupancy.

Any change in the Location, concept or tenant proposed must be approved in writing by the County.

4.07 REVIEW OF CONSTRUCTION: The County shall have the right, but not obligation, to periodically observe the construction to ensure conformity with the Final Plans and any changes thereof requested by the Concessionaire and approved by the County.

4.08 COST DOCUMENTATION: Within one hundred eighty (180) Days from the date of Beneficial Occupancy, specifically including those improvements described in **Sub-Articles 4.01 "Improvements to Location", 4.03 "Refurbishment of Location"**, the Concessionaire shall submit to the County a certified audit of the monies actually expended in the design and construction of the Approved Improvements by Location in accordance with the Final Plans, prepared by an independent certified public accounting firm ("Auditor"), approved in advance by the County (the "Certified Audit"). The Concessionaire, as the case may be, shall be responsible for documenting for the Auditor that the monies that were expended are true and correct. The costs of design and construction, in accordance with the Final Plans and any changes thereto requested by the Concessionaire and approved by the County, including the costs of required bonds, construction insurance and the construction audit, shall not include the cost of any other consultant or accountant fees, financing or legal fees and personal property of the Concessionaire, as the case may be. No non-receipted expenditures will be credited. Concessionaires not submitting certified audits within the allotted time may be billed a penalty of fifty dollars ($50.00) per Day. Upon reconciliation, any difference due the County shall also include an administrative fee of ten per cent (10%) of the monies due the County on the build-out of the Location. In the event of any disputes between the County and the Concessionaire as to whether certain costs are to be included in the audit, said dispute shall be submitted to the consulting engineer named pursuant to the Trust Agreement, as defined in **Sub-Article 17.01 "Incorporation of Trust Agreement by Reference"**. The decision of said consulting engineer, acting in good faith, shall be final and binding upon the parties hereto.

The Department shall notify the Concessionaire in writing that it has approved or disapproved the certified costs for each Location and the common area improvements detailed in the Certified Audit within sixty (60) Days from the date of its receipt of the Certified Audit. If the Concessionaire fails to submit the Certified Audit within the time prescribed above for any Location, then a penalty will be assessed as noted in **Sub-Article 3.24 "Damages"**. The Approved Improvement cost for purposes of calculating the County's obligation to reimburse the Concessionaire for un-amortized improvement costs for such Location pursuant to **Sub-Article 4.09 "Amortization Schedule"** shall equal the lesser of two hundred dollars ($200) per square foot or the square footage rate of improvement costs for such Location certified by the Auditor.

If the approved total receipted amount is below the Concessionaire minimum investment and is depicted as such in the results of the Certified Audit, the Concessionaire shall be required to pay to the Department the difference between the expended amount and the minimum investment, within one hundred eighty (180) Days from the date of Beneficial Occupancy of the corresponding Location.

If the approved total receipted amount for Refurbishment of Location is below the Concessionaire's, the Concessionaire shall be required to pay the Department the difference between the expended amount and the refurbishment amount within one hundred eighty (180) Days from the date of completion of refurbishment.

4.09 AMORTIZATION SCHEDULE: The Concessionaire shall amortize its capital investment for a period not to exceed (60) months using the straight-line depreciation method. If, at any time during the Term of the Agreement, excluding any extension, the Department requires the deletion and/or modification of any Location, the Department may designate new Location at its sole discretion and reimburse the Concessionaire the unamortized balance of Approved Improvements for that Location.

Investment subject to such reimbursement shall include the following items only:

1. Directly contracted costs of construction.
2. Stores displays more than $500 per display, furniture, fixture, equipment and signage purchased and installed for direct use in the facility.
3. Design and engineering costs not to exceed fifteen percent (15%) of the total approved construction, installation, store displays, furniture, fixture, equipment and signage cost.

There will be no other reimbursement.

A certified audit of monies for the above expenditures performed at the expense of the Concessionaire will be required to confirm the Minimum Investment within one hundred twenty (120) Days of Beneficial Occupancy for each Location. No non-receipted expenditures will be credited. If the approved total receipted amount is below the ($200/psf) minimum, the Concessionaire will be required to pay the Department the difference between the Minimum Investment amount and the actual receipted expenditure within ninety (90) Days after billing by the Department.

Concessionaires not submitting a certified audit within the allotted time may be billed a penalty of fifty dollars ($50.00) per Day. Upon reconciliation, any difference due the Department shall also include an administrative fee of twenty-five percent (25%) of the monies due the Department on the build-out of the Location.

Prior to the commencement of any construction installation or work by the Concessionaire, the Concessionaire shall provide or cause to be provided to the Department copies of a fixed price contract or contracts for all work to be performed at the Location. The work to be performed under such contract(s) shall be insured by a Performance and Payment Bond provided by Concessionaire to the Department in the form contained in Exhibit B "Performance and Payment Bond" in the Agreement. The Performance and Payment Bond shall be in full force throughout the term of the construction contract.

4.10 CONSTRUCTION PERMIT FEE: The Concessionaire shall pay a permit fee to the Department for improvements which would customarily be paid to the County's Building Department as a condition to issuance of a permit. The permit fee payable by the Concessionaire to the Department is an amount equal to one percent (1%) of the estimated construction cost of the improvements. Such fee shall be used to reimburse the Department its costs of maintaining on-site Building Department staff to review Concessionaire's plans/specifications. Such fee shall be non-refundable.

4.11 CONSTRUCTION SERVICES: The Concessionaire shall provide at a minimum, but not limited to, the following design and construction services:

1) Concessionaire Improvements

Pursuant to the terms of this Agreement, the Concessionaire shall construct or cause to construct certain improvements. The Department shall provide the Concessionaire with the scope of such improvements and within a reasonable time period to be mutually agreed to by the Concessionaire and the Department, the Concessionaire shall provide the Department with a preliminary estimate of hard and soft costs for such improvements. Once the Department and the Concessionaire have mutually agreed on the scope of the improvements and the preliminary estimates, the Concessionaire shall proceed to design and construct or cause to be designed and constructed the improvements in accordance with the provisions of this Agreement.

2) Design and Construction Coordination

a. Concessionaire shall:

1. Be responsible for construction management and coordination of all improvements to the Location and authorized administrative support space.
2. Coordinate meetings with MDAD's architects, consultants and others, to review procedures, scheduling site surveys and develop build-out schedules.
3. Coordinate the processing and review of improvement submittals. Design and construction shall be in accordance with the MDAD Design Guidelines

Manual, Life Safety Master Plan, MDAD Retail Concessions Design Guidelines, Florida Building Code and the TAC-N or TAC-R Procedures, as well as all other applicable codes and regulations.

4. Provide and coordinate access to Location as necessary.
5. Purchase materials and services, and coordinate the fabrication and installation of the Concessionaire development requirement, whereby such elements are the designated responsibility of the Concessionaire, if so implemented.

3) Construction

Concessionaire shall:

1. Attend pre-construction meetings, construction meetings, coordinate construction, monitor schedule, and coordinate Location development with the Department as required, pursuant to the TAC-N procedures.
2. Adhere to and to MDAD's TAC-N or TAC-R Design and Construction procedures and requirements.
3. Ascertain that MDAD's TAC-N or TAC-R Design and Construction procedures and requirements, as applicable, are adhered to by all.
4. Monitor and coordinate the construction start, project timetable schedule and completion date for all Location.
5. Monitor and report to the Department on on-site activities and progress for improvement work. The Architect/Engineer of record is responsible for day-to-day field observation of all construction activities including, but not limited to inspections, delivery, coordination and reporting.
6. Monitor construction progress with regard to the schedule and procedures established and make recommendations to the Department for maintaining and improving construction progress as necessary.
7. Establish a uniform system for the timely processing and control of drawings.
8. Review status of drawings with contractor(s) and architect(s) at progress meetings.
9. Review and advise the Department on all changes to the work with regard to cost and impact on the project pro-forma and construction schedule.
10. Monitor punch list completion and review testing and inspection reports for all Location.
11. Organize and have available upon request completed project files.
12. Coordinate access to the Location to allow staff training and equipment testing.
13. Obtain Certificate of Occupancy for each Location.
14. Submit Record Drawings (as-built drawings) as per the TAC-N or TAC-R requirements within sixty (60) Days from the issuance date of the Certificate of Occupancy, and deliver them to the Department pursuant to the TAC-N or TAC-R procedures.

ARTICLE 5 – STANDARDS OF OPERATION

5.01 STANDARDS OF OPERATION: The Concessionaire shall comply with the Department's "Tenant Handbook", Exhibit K; the "Standards of Operations", Exhibit L, the "MIA Terminal Standards", and all revisions to same promulgated from time to time by the Department.

The Department shall have the right to adopt and enforce reasonable and non-discriminatory rules and regulations and operating performance standards with respect to the use of Location, which the Concessionaire agrees to observe and obey. The Department may amend such rules or regulations and operating performance standards from time to time and shall provide copies thereof to the Concessionaire. The Department shall provide the Concessionaire with reasonable prior written notice, not less than thirty (30) Days, prior to the implementation of any such amendment to the rules or regulations and operating performance standards. Those rules include, but are not limited to, any rules and regulations imposed upon the Department by any governmental agency.

The Concessionaire shall implement and comply with all amended requirements, within fifteen (15) Days of receipt of an amendment to Exhibit L "Standards of Operation". The Concessionaire shall immediately implement and comply with any rules and regulations promulgated for safety or security reasons.

The Concessionaire acknowledges the desire of the Department, as part of its obligation to ensure the highest level of public service, to provide the public and air traveler an adequate range and quality of service. The Department may monitor, test or inspect the Location at any time through the use of its own personnel, and/or the use of a shopping service, and/or by any other reasonable means that do not unduly interfere with the operation of the business. The results of such service audits may be employed by the Department to enforce the obligations in this Agreement.

The Department shall retain the right, in accordance with the provisions of this Agreement, to make reasonable objections to the quality of articles sold, the character of the service rendered to the public, the prices charged, and the appearance and condition of the Location, pursuant to Exhibit L "Standards of Operation", as may be amended from time to time.

5.02 MARKET BASKET PRICING POLICY: The Department has instituted a Market Basket pricing policy to ensure that Airport prices are comparable to those in retail locations operated by entities affiliated with or related to Concessionaire in the Miami Dade County, Florida area, specifically, the Miami HEAT Gear stores located in the American Airlines Arena and the Dolphin Mall or such other locations specified by the Concessionaire. The

purpose of this policy is to reinforce the objective of making the Airport a more "passenger friendly" airport, pursuant to Exhibit L "Standards of Operation."

The Concessionaire that is not in compliance with the provisions of this Sub-Article shall be given seven (7) Days after notice of such non-compliance pursuant to **Sub-Article 18.09, "Notices"** to bring all products into compliance. Failure to do so shall subject the Concessionaire to Damages pursuant to **Sub-Article 3.24 "Damages"** and shall constitute a default under this Agreement.

ARTICLE 6 – OBLIGATIONS OF THE DEPARTMENT

6.01 DEPARTMENT SERVICES:

A. Department's Maintenance Obligation: The Department shall clean, maintain and operate in good condition the terminal building, excluding the Location. This obligation includes, but is not limited to, all structural (including, but not limited to, the roof and base floor of the terminal building) and all base building work, maintenance of main electrical and mechanical systems, maintenance of walls and ceilings, and repair/maintenance of the roof. The Department shall maintain the public areas in the terminal building furnished and will provide adequate light, cold water and conditioned air. The Department agrees to make all necessary structural repairs to the Location at its own expense; provided, however, that for purposes of this Agreement such structural repairs shall not include any repairs to any equipment installed by the Concessionaire, and further provided that the Concessionaire shall reimburse the Department, within ten (10) Days of receipt of written demand for such reimbursement, for the cost and expense of all structural repairs required as a result of the negligent or intentional acts of the Concessionaire, its officers, partners, employees, agents, contractors, subcontractors, licensees, or invitees. The Concessionaire shall give the Department written notice (or verbal notice in the event of any emergency conditions which may result in harm to the patrons of the Airport, which verbal notice shall be followed by written notice within twenty-four (24) hours) describing any repair, which is the responsibility of the Department. The Department shall commence the repair process promptly after its receipt of such written notice if the Department agrees that such repair is required and is the Department's responsibility hereunder.

B. The Concessionaire must ascertain the extent of the existing utility capacities, before designing any new loads to be connected to existing systems and piping. The Department agrees to cooperate in providing access to the Location.

Such maintenance by the Department may be subject to interruption caused by repair, strikes, lockouts, labor controversies, inability to obtain fuel, power or parts, accidents, breakdowns, catastrophes, national or local emergencies, and other conditions beyond the control of the Department. If the Concessionaire's Location is of such a condition as to significantly impact the Concessionaire's operation for a period in excess of seventy two (72) hours and such damage is not insurable under an insurance policy of the type required to be maintained by the Concessionaire

pursuant to this Agreement or license agreement, the Department may provide a rent abatement for that portion of the Location rendered unusable for that period of time that the Department is unable to make repairs required by **Sub-Article 6.01 "Department Services"**.

C. No Other Obligation of Department: The Concessionaire acknowledges that the Department has made no representations or warranties concerning the suitability of the Location for the Concessionaire's use or for any other use, and that except as expressly provided in this Agreement, the Department shall have no obligations whatsoever to repair, maintain, renovate or otherwise incur any cost or expense with respect to the Location or any improvements, furnishings, fixtures, trade fixtures, signage or equipment constructed or used on or in the Location by the Concessionaire.

1. The Concessionaire hereby confirms that it has made its own investigation of all the costs of doing business under this Agreement, including the costs of furnishings, fixtures, trade fixtures, inventory, signs and equipment needed to operate from the Location hereunder, that it has done its own projections of the volume of business expected to be generated, that it is relying on its own business judgment concerning its prospects for providing the services required under this Agreement on a profitable basis, and that the Department has not made any representations or warranties with respect to any such matters.
2. The Department does not warrant the accuracy of any statistics or projections relating to the Airport and its operations, which have been provided to the Concessionaire by the Department or anyone on its behalf and the Department shall not be responsible for any inaccuracies in such statistics or their interpretation.
3. All statements contained in this Agreement or otherwise made by the Department or anyone on its behalf concerning any measurement relating to the Location or any other area of the Airport are approximate only, and any inaccuracy in such statements of measurements shall not give rise to any claim by the Concessionaire under or in connection with this Agreement.
4. The Department shall not be liable to the Concessionaire for any loss of business or damages sustained by the Concessionaire as a result of any change in the operation or configuration of, or any change in any procedure governing the use of, the construction improvements of the terminal building.

ARTICLE 7–FURNITURE, FIXTURES AND EQUIPMENT

7.01 FURNITURE, FIXTURES, AND EQUIPMENT: Any equipment, furnishings, fixtures and signs installed in the Location by the Concessionaire shall be in keeping with the decor of the terminal building and must be approved in advance by the Department. Any such equipment, furnishings, fixtures and signs so installed by the Concessionaire, as provided in **Sub-Article 4.01 "Improvements to Location"**, shall, except as provided in **Sub-Article 7.03(B) "Disposal of Furniture, Fixtures, and Equipment"**, be removed from the Location within five (5) Days following the expiration or earlier termination of

this Agreement.

7.02 AMERICANS WITH DISABILITIES ACT REQUIREMENTS: The Concessionaire will be responsible, at its cost, for ensuring that the Location and all equipment therein, and all functions it performs therein as part of the concession, conform in all respects to the requirements of the Americans with Disabilities Act (the "ADA"), including without limitation, the accessibility guidelines promulgated pursuant thereto. The ADA imposes obligation on both public entities, like the Department and those private entities that offer services for the convenience of users of the public entities' Location. In some circumstances, the public entity must ensure that the operations of the private entity comply with the public entity's ADA obligations. In most cases the ADA obligations of the Department and the Concessionaire will be the same. However, the Department reserves the right to require the Concessionaire to modify its operations or its physical Location to comply with the Department's ADA obligations with respect to the Location, as the Department in its sole discretion deems reasonably necessary.

7.03 DISPOSAL OF FURNITURE, FIXTURES, AND EQUIPMENT: At least thirty (30) Days prior to the expiration of this Agreement, or upon termination pursuant to **Article 12 "Default and Termination by County"** or **Article 13 "Claims and Termination by Concessionaire"** hereof, the Department shall exercise, at its sole discretion, one (1) of the following options as to any equipment, furnishings, fixtures, signs, or carts installed in the Location by the Concessionaire:

(A) Require the Concessionaire to remove such equipment, furnishings, fixtures, signs, or carts from the Location within five (5) Days following the expiration or earlier termination of this Agreement, subject to the provisions of Sub-Article **4.01 "Improvements to Location"**; or

(B) Retain any portion of the equipment, furnishings, fixtures, signs, or carts of the Concessionaire or any Sub-tenant (personal property as referred to in Sub-Article **4.01 "Improvements to Location"**) in accordance with the provisions of this Agreement; provided however, the Department shall have no right to use or display any proprietary signs or logos (e.g., brand names owned by, or licensed or franchised to Concessionaire).

ARTICLE 8 – MAINTENANCE

8.01 CLEANING: The Concessionaire shall, at its cost and expense, keep the Location clean, neat, orderly, sanitary and presentable at all times. If the Location are not kept clean as provided in the Standards of Operation, Exhibit L, the Concessionaire will be so advised and shall take immediate corrective action. Failure to take immediate corrective action may result in Damages being assessed pursuant to **Sub-Article 3.24 "Damages"**.

8.02 REMOVAL OF TRASH: The Concessionaire shall, at its cost and expense, remove or cause to be removed from the Location and properly disposed of in Department provided containers, all trash and refuse of any nature whatsoever which might accumulate and arise from the operations hereunder. If the Concessionaire enters into agreements for the

janitorial and trash removal service within the Location, such service providers must have permits issued by the Department to do business at the Airport. Trash shall not be stored in any area visible to the public nor cause a private or public hazard through its means of storage. All edible items must be contained so as to minimize exposure to pests. Any trash left or stored in any area visible to the public or edible items not properly contained may result in Damages being assessed pursuant to **Sub-Article 3.24 "Damages"**.

The Department reserves the right to charge the Concessionaire retroactively non-discriminatory proportionate share for waste disposal a proportionate share in a non-discriminatory manner either indirectly through rental rates or directly by a Department generated bill for actual usage. Such charges shall not exceed the Department's actual costs.

8.03 MAINTENANCE AND REPAIR: Except with respect to the Department's maintenance and repair obligations as set forth in **Sub-Article 6.01 "Department Services"**, the Concessionaire shall maintain and repair or cause to be maintained and repaired the interiors and exterior storefronts of the Location. Such maintenance and repairs shall include, but not be limited to, painting, ceiling, walls, floors, laminating doors, windows, equipment, furnishings, fixtures, appurtenances, replacement of ceiling light bulbs, ballast and the replacement of all broken glass, which repairs shall be in quality and class equal to or better than the original work to preserve the same in good order and condition. Maintenance for all equipment furnished by the Concessionaire specifically as a result of their operation shall remain the obligation of the Concessionaire. The Concessionaire shall repair or cause to be repaired, at or before the end of the Term or Extension, if applicable, of this Agreement, all injury done by the installation or removal of furniture and personal property so as to restore the Location to the state they were at the commencement of this Agreement, reasonable wear and tear excluded. The Department may, at any time during normal business hours, enter upon the public areas of the Location, or with appropriate notice, enter upon the non-public areas of the Location, to determine if maintenance is being performed satisfactorily. The Department may enter upon any Location when a Location is not open for business if the Department provides the Concessionaire notice no less than two (2) hours in advance so that a representative of either the Concessionaire and/or a representative of the applicable Sub-tenant may be present, except in the case of real or perceived emergencies where no such representatives shall be required to be present. If it is determined that said maintenance is not satisfactory, the Department shall so notify Concessionaire in writing. If said maintenance is not performed by Concessionaire (to the satisfaction of the Department within seven (7) Days after receipt of such written notice, Department shall have the right to enter upon the Location and perform such maintenance and charge Concessionaire for such services, as provided by **Sub-Article 8.04.**

8.04 FAILURE TO MAINTAIN: Upon failure of the Concessionaire to maintain the Location as provided in this **Article 8 "Maintenance"**, the Department may enter upon the Location and perform all cleaning, maintenance and repairs which may be necessary and the cost thereof plus twenty-five percent (25%) for administrative costs, shall constitute additional rental, and shall be billed to and paid by the Concessionaire, in addition to any Damages imposed by the Department pursuant to **Sub-Article 3.24 "Damages"**.

Failure to pay said costs upon billing by the Department will cause this Agreement to be in default as stated in **Sub-Article 12.02 "Payment Default"**.

8.05 ENVIRONMENTAL RECYCLING: The Department is actively engaging in the development of environmental programs. A recycling program is planned at the Airport to include the participation of all Airport Concessionaires. Participation in this program, once established, will be mandatory. The Concessionaire shall agree to bear any reasonable and actual costs associated with the implementation and continued operation of this recycling program, or propose for approval by the Department an alternative environmental recycling plan which such approval shall not be unreasonably withheld.

Proper disposal of contaminated and/or regulated materials generated by the Concessionaire is the sole responsibility of the Concessionaire. Disposal must be through the use of a licensed vendor regulated by the State of Florida and/or any other federal or local regulatory agency.

8.06 FIRE PROTECTION AND SAFETY EQUIPMENT: The Concessionaire must provide and maintain all fire protection and safety equipment and all other equipment of every kind and nature required by any applicable law, rule, ordinance, resolution or regulation, for the Term, and any Extension of this Agreement or any insurance carrier providing insurance covering any portion of the Location.

ARTICLE 9 – ASSIGNMENT AND OWNERSHIP

9.01 NO ASSIGNMENT: The Concessionaire shall not assign, transfer, pledge or otherwise encumber this Agreement nor shall the Concessionaire allow others to use the Location, without the prior written consent of the Department, which shall not be unreasonably withheld, conditioned or delayed. Notwithstanding the foregoing, the parties acknowledge and agree that a merger of Concessionaire with or a transfer of the agreement to an affiliate shall not constitute an assignment hereunder or be subject to the approval requirements set forth in this Section 9.01.

9.02 OWNERSHIP OF THE CONCESSIONAIRE: Since the ownership, control, and experience of the Concessionaire were material considerations to the County in the award of this concession and the entering into of this Agreement, the Concessionaire shall take no actions which shall serve to transfer or, sell majority ownership or control (deemed to mean more than fifty percent (50%) of the stock) of the Concessionaire without the prior written consent of the Department. Notwithstanding the foregoing, the parties acknowledge and agree that a merger of Concessionaire with or the transfer of the majority ownership or control to an affiliate shall not constitute a transfer of ownership or control hereunder or be subject to the approval requirements set forth in this Section 9.02.

9.03 CHANGE OF CONTROL: If Concessionaire is a corporation the issuance or sale, transfer or other disposition of a sufficient number of shares of stock (deemed to mean more than fifty percent (50%) of the stock) in the Concessionaire to result in a change of control of Concessionaire shall be deemed an assignment of this Agreement for purposes

of this **Article 9 "Assignment and Ownership".** If the Concessionaire is a partnership, transfer of any interest in the partnership, which results in a change in control of such Concessionaire (deemed to mean more than fifty percent (50%) of the ownership interest), shall be deemed an assignment of this Agreement for purposes of this **Article 9 "Assignment and Ownership"**. Notwithstanding the foregoing, the parties acknowledge and agree that a merger of Concessionaire with or a transfer of control to an affiliate shall not constitute a change of control hereunder or be subject to the approval requirements set forth in this Section 9.03.

9.04 HOLDOVER:

A. With the Department's Permission:

If the Concessionaire (or anyone claiming through Concessionaire) shall remain in possession of the Location after the termination of this Agreement, by written agreement executed by the Department the person or entity remaining in possession shall be deemed a tenant at sufferance otherwise subject to all of the provisions of this Agreement.

B. Without Department Permission:

If the Concessionaire (or anyone claiming through Concessionaire) shall remain in possession of the Location or any part thereof after the termination of this Agreement, without a written agreement executed by the Department, then without limiting the Department's other rights and remedies, the person or entity remaining in possession shall be deemed a tenant at sufferance otherwise subject to all of the provisions of this Agreement. The Concessionaire shall thereafter pay on account of its holdover use and occupancy of the Location a sum, at a rate equal to two times (2x) the amount payable monthly as Annual Rental PLUS monthly Percentage Fee PLUS monthly installment of the support space annual lease rental pursuant to **Sub-Article 3.06 "Annual Rental"**, and with all additional rent also payable as provided in this Agreement (the "Holdover Charges"). Imposition of Holdover Charges, extinguishes any un-amortized investment amounts owed the Concessionaire by the Department, for the slippage in Location turnover. The Holdover Charges shall be payable weekly in advance. Notwithstanding the above, the Concessionaire shall remain liable to the Department for all damages resulting from such breach, with the amount of any Holdover Charges accepted by the Department on account of the holdover considered as mitigation of such damages. The covenant in this Sub-Article shall survive the expiration or the termination of this Agreement.

ARTICLE 10 – INDEMNIFICATION

10.01 INDEMNIFICATION REQUIRED OF CONCESSIONAIRE: The Concessionaire shall indemnify, defend, and hold harmless the County and its officers, employees, agents and instrumentalities from any and all liability, losses or damages, including attorney's fees and cost of defense, which the County or its officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to or resulting from the performance of this Agreement by the Concessionaire or its employees, agents, servants, partners, principles or any other persons. The Concessionaire shall pay all claims and losses in connection therewith, and shall investigate and defend all claims, suits or actions of any kind or nature in the name of the County, where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorney's fees which may issue thereon.

The Concessionaire expressly understands and agrees that any insurance protection required by this Agreement or otherwise provided by the Concessionaire shall in no way limit the responsibility to indemnify, keep and save harmless and defend the County or its officers, employees, agents and instrumentalities as herein provided.

ARTICLE 11 – INSURANCE

11.01 INSURANCE REQUIRED OF CONCESSIONAIRE: Prior to execution of this Agreement by the County and commencement of this Agreement, the Concessionaire shall obtain all insurance required under this Article and submit it to the Department, c/o Risk Management, P.O. Box 025504, Miami, Florida 33102-5504 for approval. All insurance shall be maintained throughout the Term, and any Extensions of this Agreement.

The limits for each type of insurance may be revised upon review and approval of the Concessionaire's operations. Additional types of insurance coverage or increased limits may be required if, upon review of the operations, the Department determines that such coverage is necessary or desirable.

Certificate(s) of insurance from the Concessionaire must show coverage has been obtained that meets the requirements as outlined below during the construction and operation phase of this Agreement:

A. Workers' Compensation as required by Chapter 440, Florida Statutes.

B. Commercial General Liability Insurance on a comprehensive basis including Contractual Liability, Broad Form Property Damage and Products and Completed Operations in an amount not less than $1,000,000 per occurrence for Bodily Injury and Property Damage combined. This policy shall include Miami-Dade County as an additional insured with respect to this coverage.

The Commercial General Liability Insurance coverage shall include those classifications, as listed in Standard Liability Insurance Manuals, which are applicable to the operations of the Concessionaire in the performances of this Agreement.

C. Automobile Liability Insurance covering all owned, non-owned and hired vehicles used in connection with this Agreement in an amount not less than $500,000* per occurrence for Bodily Injury and Property Damage combined.

*Under no circumstances is the Concessionaire allowed on the Airside Operation Area (AOA) without increasing automobile coverage to $5,000,000 as approved by the Risk Management Office.

11.02 CERTIFICATE OF CONTINUITY: The Concessionaire shall be responsible for assuring that the insurance certificates required in conjunction with **Article 11 "Insurance"** remain in force for the duration of this Agreement, including the Extension, if applicable. If insurance certificates are scheduled to expire during the lease period, the Concessionaire shall be responsible for submitting new or renewed insurance certificates for its operations to the Department's Risk Management Unit at a minimum of thirty (30) Days before such expiration.

Certificates will show that no modification or change in insurance shall be made without thirty (30) Days written advance notice to the certificate holder.

11.03 INSURANCE COMPANY RATING REQUIREMENTS: All insurance policies required above from the Concessionaire shall be issued by companies authorized to do business under the laws of the State of Florida, with the following qualifications:

The company must be rated no less than "A-" as to financial strength , and no less than "Class VII" as to financial size, according to the latest edition of Best's Insurance Guide, published by A.M. Best Company, Oldwick, New Jersey, or its equivalent, subject to the approval of MDAD Risk Management Office.

11.04 CONCESSIONAIRE LIABLE: Compliance with the requirements as to carrying insurance in **Article 11 "Insurance"** shall not relieve the Concessionaire from liability under any other provision of this Agreement.

11.05 CANCELLATION OF INSURANCE OR BONDS: Cancellation of any insurance or bonds, or non-payment by the construction contractors of any premiums for any insurance policies or bonds required by this Agreement shall constitute a breach of this Agreement.

11.06 RIGHT TO EXAMINE: The Department reserves the right, upon reasonable notice and at the County's sole cost and expense, to examine the original policies of insurance of the Concessionaire (including but not limited to: binders, amendments, exclusions, endorsements, riders and applications) to determine the true extent of coverage. The

Concessionaire agrees to permit such inspection at the offices of the Department, as may be applicable. In addition, upon request (but no later than five (5) Days from the date of request, unless such longer period is agreed to by the Department) the Concessionaire agrees to provide copies to the Department, at the Concessionaire's sole cost and expense.

11.07 PERSONAL PROPERTY: Any personal property of the Concessionaire or of others, placed in the Location and support/storage spaces shall be at the sole risk of the Concessionaire or the owners thereof, and the County shall not be liable for any loss or damage thereto, irrespective of the cause of such loss or damage.

11.08 SURVIVAL OF PROVISIONS: The provisions of **Article 11 "Insurance"** shall survive the expiration or earlier termination of this Agreement.

11.09 NOT USED

11.10 INDEMNIFICATION, CONSTRUCTION BONDS AND INSURANCE REQUIRED:

A. Indemnification, Bonds and Insurance Required from Construction Contractor: The following language, including the indemnification clause, shall be included in all construction contracts between the Concessionaire and its general contractor(s) and subcontractors and shall also be included in all construction contracts.

Indemnification: The Contractor shall defend, indemnify, and save harmless the County, the Consulting Engineers, the Architect/Engineer, the Field Representative, the Lessee of the Location, and their officers (elected or otherwise), employees, and agents (collectively "Indemnitees"), from any and all claims, demands, liability, losses, expenses and causes of actions, arising from personal injury (including death), property damage (including loss of use thereof), economic loss, or any other loss or damage, due in any manner to the negligence, act, or failure to act of the Contractor or its contractors, subcontractors, sub-subcontractors, materialmen or agents of any tier or their respective, employees arising out of or relating to the performance of the work covered by the Contract Documents except as expressly limited herein. The Contractor shall pay all claims and losses of any nature whatsoever in connection therewith and shall defend all suits in the name of the County, when applicable, including appellate proceedings, and shall pay all costs and judgments which may issue thereon, provided however, that the Contractor's obligation to indemnify or hold harmless the Indemnitees for damages to persons or property caused in whole or in part by any act, omission, or default of any Indemnitee arising from the contract or its performance shall be limited to the greater of $1 million or the Contract Amount. Further, this indemnification requirement shall not be construed so as to require the Contractor to indemnify any of the above-listed Indemnities to the extent of such indemnities' own gross negligence, or willful, wanton, or intentional misconduct of the Indemnitee or its officers, directors, agents, or employees, or for statutory violation or punitive damages except and to the extent the statutory violation or punitive damages are caused in whole or in part by or result from the acts or omissions of the indemnitor

or any of the indemnitor's contractors, subcontractors, sub-subcontractors, materialmen, or agents of any tier or their respective employees. This indemnification provision is in addition to and cumulative with any other right of indemnification or contribution which any Indemnitee may have in law, equity, or otherwise.

B. **Surety Performance and Payment Bonds:** Pursuant to and in accordance with Section 255.05, Florida Statutes, the Concessionaire or each contractor performing any part of the work for the Concessionaire shall obtain and thereafter at all times during the performance of the work maintain a combined performance bond and labor and material payment bond for the work (referred to herein as the "Bond") in an amount equal to one hundred percent (100%) of the cost of the improvements, as it may be amended from time to time, and in the form attached hereto as Exhibit "B", Surety Performance and Payment Bond". Within ten (10) Days of issuance, Concessionaire shall record all bonds required by this Agreement in the Department of Public Records of Miami-Dade County. Prior to performing any portion of the Work, the Concessionaire shall deliver to County the Bonds required to be provided by Concessionaire or each contractor as set forth in this Agreement.

All bonds shall be written through surety insurers authorized to do business in the State of Florida as Surety, with the following qualifications as to management and financial strength according to the latest edition of Best's Insurance Guide, published by A.M. Best Company, Oldwick, New Jersey:

Bond (Total Contract) Amount	Best's Rating
$ 500,001 to $1,500,000	B V
1,500,001 to 2,500,000	A VI
2,500,001 to 5,000,000	A VII
5,000,000 to 10,000,000	A VIII
Over $10,000,000	A IX

For contracts of $500,000 or less, the bond provisions of Section 287.0935, Florida Statutes (1985) shall be in effect and surety companies not otherwise qualifying with this paragraph may optionally qualify by:

a) Providing evidence that the surety has twice the minimum surplus and capital required by the Florida Insurance Code at the time the Request for Proposals is issued.

b) Certifying that the surety is otherwise in compliance with the Florida Insurance Code, and

c) Providing a copy of the currently valid Certificate of Authority issued by the United States Department of Treasury under Section 31 U.S.C. 9304-9308.

d) Surety insurers shall be listed in the latest Circular 570 of the U.S. Department of the Treasury entitled "Surety Companies Acceptable on Federal Bonds", published annually. The bond amount shall not exceed the underwriting limitations as shown in this circular.

e) For contracts in excess of $500,000 the provision of this Sub-Article must be adhered to, plus the surety insurer must have been listed on the United States Treasury list for at least three (3) consecutive years, or currently hold a valid

Certificate of Authority of at least 1.5 million dollars and listed on the Treasury list.

f) Surety bonds guaranteed through U.S. Government Small Business Administration or Contractors Training and Development Inc. will also be acceptable.

g) The attorney-in-fact or other officer who signs an Exhibit B, "Surety Performance and Payment Bond" for a surety company must file with such bond a certified copy of his/her power of attorney authorizing him/her to do so.

The required Bond shall be written by or through and shall be countersigned by, a licensed Florida agent of the surety insurer, pursuant to Section 624.425 of the Florida Statutes.

The Bond shall be delivered to the Department upon execution of the contract between the Concessionaire and its contractor or the Sub-tenant and its contractor, as the case may be.

C. **Insurance Required of Construction Contractor(s):** The limits for each type of insurance may be revised upon review and approval of the construction plans. Additional types of insurance coverage may be required if, upon review of the construction plans, the Department reasonably determines that such coverage is necessary or desirable.

The Concessionaire shall cause its contractor(s) to provide certificates of insurance and copies of original policies, if requested, which shall clearly indicate that the construction contractor has obtained insurance in the type, amount and classifications as required for strict compliance with this Sub-Article. Evidence of such coverage must be submitted prior to any construction:

(a) Workers' Compensation as required by Chapter 440, Florida Statutes.

(b) Commercial General Liability Insurance on a comprehensive basis including Contractual Liability, Broad Form Property Damage and Products and Completed Operations in an amount not less than $1,000,000 per occurrence for Bodily Injury and Property Damage combined. The County and the Concessionaire must be shown as an additional insured with respect to this coverage.

(c) Automobile Liability Insurance covering all owned, non-owned and hired vehicles used in connection with this Agreement in an amount not less than $500,000* per occurrence for Bodily Injury and Property Damage combined.

*Under no circumstances is the contractor allowed on the Airside Operation Area (AOA) without increasing automobile coverage to $5,000,000 as approved by the Safety and Insurance Office.

D. **Certificate Continuity:** The contractor(s) shall be responsible for assuring that the insurance certificates required in conjunction with this Sub-Article remain in force throughout the performance of the contract and until the work has been accepted by

the Concessionaire and approved by the Concessionaire and the Department. If insurance certificates are scheduled to expire during the contract period, the contractor(s) shall be responsible for submitting new or renewed insurance certificates to the Concessionaire at a minimum of thirty (30) Days before such expiration.

E. **Insurance Company Rating Requirements:** All insurance policies required above shall be issued by companies authorized to do business under the laws of the State of Florida, with the following qualifications:

The company must be rated no less than "A-" as to financial strength, and no less than "Class VII" as to financial size, according to the latest edition of Best's Insurance Guide, published by A.M. Best Company, Oldwick, New Jersey, or its equivalent, subject to the approval of the Concessionaire.

F. **Right to Examine:** The Department reserves the right, upon reasonable notice, to examine the original policies of insurance (including but not limited to: binders, amendments, exclusions, endorsements, riders and applications) to determine the true extent of coverage. The contractor shall be required by the Concessionaire to agree to permit such inspection at the offices of the Department.

G. **Personal Property:** Any personal property of the contractor, or of others, placed in the Location shall be at the sole risk of the contractor or the owners thereof, and the Department shall not be liable for any loss or damage thereto, irrespective of the cause of such loss or damage.

ARTICLE 12– DEFAULT AND TERMINATION BY COUNTY

12.01 EVENTS OF DEFAULT: A default shall mean a breach of this Agreement by the Concessionaire (an "Event of Default"). In addition to those defaults defined **in Sub-Article 12.02 "Payment Default", Sub-Article 12.03 "Other Defaults"**, and **Sub-Article 12.04 "Habitual Default"**, an Event of Default, may also include one (1) or more of the following occurrences:

(A) The Concessionaire has violated the terms and conditions of this Agreement;

(B) The Concessionaire has failed to make prompt payment to subcontractors or suppliers for any service or work provided for the design, installation, operation, or maintenance of the advertising concessions;

(C) The Concessionaire has become insolvent (other than as interdicted by the bankruptcy laws), or has assigned the proceeds received for the benefit of the Concessionaire's creditors, or the Concessionaire has taken advantage of any insolvency statute or debtor/creditor law, or the Concessionaire's affairs have been put in the hands of a receiver;

(D) The occurrence of any act, which operates to deprive Concessionaire of the rights, power, licenses, permits or authorities necessary for the proper conduct and operation of the activities authorized herein;

(E) Abandonment or discontinuance of operations by Concessionaire of its business by any act(s) of Concessionaire;

(F) Any persistent violation on the part of Concessionaire, its agents or employees of the traffic rules and regulations of City at Airport or disregard of the safety of persons using the Airports, upon failure by Concessionaire to correct the same;

(G) Failure on the part of Concessionaire to maintain the quality of service required by the terms of this Agreement, including, but not limited to, any cessation or diminution of service by reason of Concessionaire being unable for any reason to maintain in its employ the personnel necessary to keep its business in operation and available for public use, unless such use is due to strike, lockout, or bona fide labor dispute;

(H) Failure by Concessionaire to maintain its other equipment in a manner satisfactory to the Director;

(I) The Concessionaire has failed to obtain the approval of the Department where required by this Agreement;

(J) The Concessionaire has failed to provide adequate assurances as required under **Sub-Article 12.09 "Adequate Assurances"**;

(K) The Concessionaire has failed in a representation or warranty stated herein; or

(L) The Concessionaire has received three (3) notices of default, of any kind, within a twenty-four (24) month period.

12.02 PAYMENT DEFAULT: Failure of the Concessionaire to make Percentage Fee payments and other charges required to be paid herein when due and fails to cure the same within five (5) Days after written notice shall constitute a default, and the County may, at its option, terminate this Agreement after five (5) Days notice in writing to the Concessionaire.

12.03 OTHER DEFAULTS: The Department shall have the right, upon thirty (30) Days written notice to the Concessionaire to terminate this Agreement upon the occurrence of any one or more of the following unless the same shall have been corrected within thirty (30) Days after written notice; provided, however, that the Department may, but is not required to, extend the time for cure as individual circumstances may warrant, such extension not to be construed as a waiver of any of the Department's rights hereunder.

The notice of default shall specify the Termination Date by when the Concessionaire shall discontinue the services.

12.04 HABITUAL DEFAULT: Notwithstanding the foregoing, in the event that the Concessionaire has frequently, regularly or repetitively defaulted in the performance of or has breached any of the terms, covenants and conditions required herein, to be kept and performed by the Concessionaire, regardless of whether the Concessionaire has cured each individual condition of breach or default as provided for in **Sub-Article 12.02**

"Payment Default" and **Sub-Article 12.03 "Other Defaults"** above, the Concessionaire may be determined by the Director to be an "habitual violator". At the time that such determination is made, the Director shall issue to the Concessionaire a written notice, advising of such determination and citing the circumstances thereof. Such notice shall also advise the Concessionaire that there shall be no further notice or grace periods to correct any subsequent breach(s) or default (s) and that any subsequent breach or default, of whatever nature, taken with all previous breaches and defaults, shall be considered cumulative and collectively shall constitute a condition of non-curable default and grounds for immediate termination of this Agreement. In the event of any such subsequent breach or default, the Department may terminate this Agreement upon the giving of written notice of termination to the Concessionaire, such termination to be effective upon the seventh (7) Day following the date of receipt thereof and all payments due hereunder shall be payable to said date, and the Concessionaire shall have no further rights hereunder. Immediately upon receipt of said notice of termination, the Concessionaire shall discontinue its operations at the Airport and proceed to remove all its personal property in accordance with **Sub-Article 12.11 "Actions at Termination"** hereof.

12.05 NOTICE OF DEFAULT AND OPPORTUNITY TO CURE: If an Event of Default occurs, the Department shall notify the Concessionaire by sending a notice of default, specifying the basis for such Event of Default, and advising the Concessionaire that such default must be cured immediately or this Agreement with the Department may be terminated.

12.06 UNAMORTIZED INVESTMENT EXTINGUISHED: Termination of this Agreement based upon **Sub-Article 12.07 "Termination for Abandonment"**, **Sub-Article 12.02 "Payment Default"**, **Sub-Article 12.03 "Other Defaults"**, **Sub-Article 12.04 "Habitual Default"**, or **Sub-Article 12.08 "Termination for Cause"**, shall extinguish any unamortized investment amounts owed the Concessionaire by the Department, for the slippage in Location Turnover Dates.

12.07 TERMINATION FOR ABANDONMENT: This Agreement may be terminated by the County upon the abandonment by the Concessionaire of the Locations or the discontinuance of Concessionaire's services at the Airport for any period of time exceeding twenty-four (24) consecutive hours, and the failure to cure the same within three (3) calendar days after written notice, unless such abandonment or discontinuance has been caused by civil disturbance, governmental order or Act of God that prevents the Concessionaire from providing services on the Locations for the purposes authorized in **Article 2 "Use of Locations"**. The foregoing shall not include periodic Sub-Concessionaire vacancies in individual Locations that may occur from time to time during the Term of this Agreement including any Extension term. Such termination shall constitute an event of default, and the County shall be entitled all remedies for such default provided for in this Agreement.

12.08 TERMINATION FOR CAUSE: The County may terminate this Agreement, effective immediately if: (i) the Concessionaire attempts to meet its contractual obligation(s) with the County through fraud, misrepresentation or material misstatement; or (ii) a principal of the Concessionaire is convicted of a felony during the Term, or any Extensions thereof

if applicable. The County may, as a further sanction, terminate or cancel any other contract(s) that such individual or corporation or joint venture or other entity has with the County and that such individual, corporation or joint venture or other entity shall be responsible for all direct and indirect costs associated with such termination, including attorney's fees; notwithtstanding the preceding, a default under this Agreement shall not be grounds for the termination or cancellation of any other lease or other contract between the County and any corporate parent, affiliate, or subsidiary of concessionaire.

The foregoing notwithstanding, any individual, firm, corporation, joint venture, or other entity which attempts to meet its contractual obligations with the County through fraud, misrepresentation or material misstatement may be disbarred from County contracting for up to five (5) years in accordance with the County's debarment procedures. The Concessionaire may be subject to debarment for failure to perform, and all other reasons set forth in § 10-38 of the Code of Miami-Dade County, Florida (the "Code")

12.09 TERMINATION FOR CONVENIENCE: The Department, in addition to the rights and options to terminate for cause, or any other provisions set forth in this Agreement, retains the right to terminate this Agreement upon thirty (30) days written notice at its sole option at any time for convenience, without cause, when in its sole discretion it deems such termination is in the best interest of the Department. In such circumstance, the County will solely be responsible for paying the amortized costs of any improvements constructed by Concessionaire, but the County shall not be responsible for any other costs or damages, including but not limited to lost profits, loss of opportunity, borrowing costs, carrying costs, damage to reputation, loss of goodwill, or loss of income.

12.10 ADEQUATE ASSURANCES: When, in the opinion of the Department, reasonable grounds for uncertainty exist with respect to the Concessionaire's ability to perform the work or any portion thereof, the Department may request that the Concessionaire, within the time frame set forth in the Department's request, provide adequate assurances to the Department, in writing, of the Concessionaire's ability to perform in accordance with terms of this Agreement. In the event that the Concessionaire fails to provide to the Department the requested assurances within the prescribed time frame, the Department may:

1. Treat such failure as a repudiation of this Agreement; and
2. Resort to any remedy for breach provided herein or at law, including but not limited to, taking over the performance of the work or any part thereof either by itself or through others.

12.11 ACTIONS AT TERMINATION: The Concessionaire shall, upon receipt of such notice to terminate, and as directed by the Department:

(A) Stop all work as specified in the notice to terminate;

(B) Take such action as may be necessary for the protection and preservation of the Location and other Department materials and property;

(C) Vacate, quit and surrender, all Location and storage/support spaces and account for all furnishings, fixtures, equipment, software, vehicles, records, funds, inventories,

commodities, supplies and other property of the County on or before the date of termination.

If terminated for cause, the Concessionaire shall be liable to the County for all damages, direct and indirect, incurred by the County as a result of such termination, including but not limited to loss of revenue, loss of passengers, loss of opportunity, or loss of goodwill. The existence of a bond or letter of credit supplied pursuant to Section 3 of this Agreement shall not serve as a limitation on damages beyond the penal sum of the bond or letter of credit, and the County may avail itself of the bond or letter of credit, or both, and also all remedies as may be available at law or equity against Concessionaire.

ARTICLE 13 – CLAIMS AND TERMINATION BY CONCESSIONAIRE

13.01 ADMINISTRATIVE CLAIM PROCEDURES: If the Concessionaire has any claim against the County arising under this Agreement, it will be made in writing within thirty (30) Days of the occurrence of the event to the Director. The exact nature of the claim, including sufficient detail to identify the basis for the claim and the amount of the claim shall be clearly stated. The dispute will be decided by the Director, who will mail or otherwise furnish a written copy of the decision to the Concessionaire at the address furnished in **Sub-Article 18.09 "Notices"**. The decision of the Director will be final and conclusive unless, within thirty (30) Days from the date of receipt of such copy, the Concessionaire mails or otherwise furnishes to the Department a written appeal addressed to the Mayor. The decision of the Mayor, or his duly authorized representative for the determination of such appeals, will be final and conclusive. In connection with any appeal proceeding under this provision, the Concessionaire shall be afforded an opportunity to be heard and to offer other evidence in support of the appeal. Pending final decision of a dispute hereunder, the Concessionaire shall proceed diligently with the performance of this Agreement and in accordance with the County's decision. Failure to perform in accordance with the decision of the Director or the Mayor shall be cause for termination of this Agreement in accordance with **Sub-Article 12.03 "Other Defaults"**. The failure of the Concessionaire to comply with this administrative claim procedure shall be cause for a waiver of claim and an abandonment of any claim arising out of the event.

13.02 TERMINATION: The Concessionaire shall have the right, upon thirty (30) Days written notice to the County to terminate this Agreement, without liability to the County, at any time after the occurrence of one or more of the following events:

(A) Issuance by any court of competent jurisdiction of any injunction substantially restricting the use of the Airport for airport purposes, and the injunction remaining in force for a period of more than one hundred eighty (180) Days.

(B) A breach by the County of any of the material terms, covenants or conditions contained in this Agreement required to be kept by the County and failure of the Department to remedy such breach for a period of one hundred eighty (180) Days after receipt of written notice from the Concessionaire of the existence of such breach.

(D) The assumption by the United States Government or any authorized agency thereof, or any other governmental agency, of the operation, control or use of the airport locations or any substantial part, or parts thereof, in such a manner as substantially to restrict the Concessionaire's provision of services for a period of one hundred eighty (180) Days.

ARTICLE 14 – NOT USED

ARTICLE 15- RULES, REGULATIONS AND PERMITS

15.01 RULES AND REGULATIONS: The Concessionaire shall comply with the Ordinances of the County including Chapter 25, Code of Miami-Dade County, Florida, as the same may be amended from time to time, Operational Directives issued thereunder by the Department, all additional laws, statutes, ordinances, regulations and rules of the federal, State and County governments, and any and all plans and programs developed in compliance therewith, and any County Administrative Orders and resolutions of the Board of County Commissioners which may be applicable to its operations or activities under this Agreement.

15.02 VIOLATIONS OF RULES AND REGULATIONS: The Concessionaire agrees to pay, on behalf of the County, any penalty, assessment or fine issued against the County, or the Department to defend in the name of the County any claim, assessment or civil action, which may be presented or initiated by any agency or officer of the federal, State or County governments based in whole or substantial part upon a claim or allegation that the Concessionaire, its agents, employees, or invitees, have violated any law, ordinance, regulation or rule described in **Sub-Article 15.01 "Rules and Regulations"** or any plan or program developed in compliance therewith.

15.03 PERMITS AND LICENSES: The Concessionaire shall obtain, pay for and maintain on a current basis and make available to the Department upon request, all permits and licenses as required for the performance of its services.

ARTICLE 16 – GOVERNING LAW

16.01 GOVERNING LAW; VENUE: This Agreement shall be governed and construed in accordance with the laws of the State of Florida. The venue of any action on this Agreement shall be laid in Miami-Dade County, Florida and any action to determine the rights or obligations of the parties hereto shall be brought in the courts of the State of Florida.

16.02 NOTICE OF COMMENCEMENT OF CIVIL ACTION: In the event that the County or the Concessionaire commence a civil action in the state or federal courts for Miami-Dade County, where such action is based in whole or in part upon an alleged breach of this Agreement, the County and the Concessionaire agree to waive the procedures for initial service of process mandated by Chapters 48 and 83 of the Florida Statues, by Rule

1.070 of the Florida Rules of Civil Procedure, and by Rule 4(c) of the Federal Rules of Civil Procedures. In such event, the County and the Concessionaire agree to submit to the jurisdiction of the court in which the action has been filed when initial service has been made either by personal service or by certified mail, returned receipt requested upon the representatives of the parties indicated in **Sub-Article 18.09 "NOTICES"** of this Agreement, with a copy provided to the County Attorney and the attorney, if any, which the Concessionaire has designated in writing. Notwithstanding the foregoing, and in addition thereto, the Concessionaire, if a corporation, shall designate a registered agent and a registered office and file such designation with the Department of State in accordance with Chapters 48 and 607 of the Florida Statutes.

16.03 LABOR PEACE REQUIREMENT: Pursuant to Resolution No. R-148-07, the Concessionaire provided a signed copy of the labor peace agreement for their employees as part of this Agreement, to assure that no labor dispute or unrest will disrupt their operations at MIA (see Exhibit M). Furthermore, the County has the right, in the event of a labor disruption, to suspend its obligations under the contract while the labor disruption is ongoing and to use alternative means to provide the service that is affected by the labor disruption. In the event the Concessionaire is unable to reach an agreement with a labor organization regarding the terms of a labor peace agreement, the dispute between the Concessionaire and the labor organization shall be resolved by expedited binding arbitration in which the decision shall be rendered within ten (10) days of the request for arbitration but no later than five (5) days from the date of execution of this Agreement. The Concessionaire and the labor organization shall equally share the costs of arbitration.

ARTICLE 17 – TRUST AGREEMENT

17.01 INCORPORATION OF TRUST AGREEMENT BY REFERENCE: Notwithstanding any of the terms, provisions and conditions of this Agreement, it is understood and agreed by the parties hereto that the provisions of the Amended and Restated Trust Agreement, dated as of the 15th day of December, 2002, as amended from time to time, by and between the County and JPMorgan Chase Bank, as Trustee, and Wachovia Bank, National Association, as Co-Trustee (the "Trust Agreement"), which Trust Agreement is incorporated herein by reference, shall prevail and govern in the event of any inconsistency with or ambiguity relating to the terms and conditions of this Agreement, including the rents, fees or charges required herein, and their modification or adjustment. A copy of the Trust Agreement may be examined by the Concessionaire at the offices of the Department during normal working hours.

17.02 ADJUSTMENT OF TERMS AND CONDITIONS: If at any time during the Term, or any Extension thereto, as applicable, a court of competent jurisdiction shall determine that any of the terms and conditions of this Agreement, including the rentals, fees and charges required to be paid hereunder to the Department by the Concessionaire or by other Concessionaires under other agreements of the Department for the lease or use of Location used for similar purposes, are unjustly discriminatory, the County, shall have the right to modify such terms and conditions and to increase or otherwise adjust the rentals fees and charges required to be paid under this Agreement in such a manner as the County shall determine is necessary and reasonable so that terms and conditions and the rentals fees and charges payable by the Concessionaire and others shall not thereafter be

unjustly discriminatory to any user of like Location and shall not result in any violation of the Trust Agreement or in any deficiency in revenues necessary to comply with the covenants of the Trust Agreement. In the event the County has modified the terms and conditions of this Agreement, including any adjustment of the rentals, fees and charges required to be paid to the County, pursuant to this provision, this Agreement shall be amended to incorporate such modification of the terms and conditions upon the issuance of written notice from the County to the Concessionaire.

17.03 INSPECTIONS: The authorized employees and representatives of the County and of any applicable federal or state agency having jurisdiction hereof shall have the right of access to the Location and any storage/support spaces at all reasonable times for the purposes of inspection to determine compliance with the provisions of this Agreement or applicable law. The right of inspection shall impose no duty on the County to inspect and shall impart no liability on the county should it not make such inspection(s).

17.04 INDEPENDENT PRIVATE SECTION INSPECTOR GENERAL REVIEW: Pursuant to Miami-Dade County Administrative Order 3-20 and in connection with any award issued as a result of this Proposal, the County has the right to retain the services of an Independent Private Sector Inspector General ("IPSIG"), whenever the County deems it appropriate to do so. Upon written notice from the County, the Concessionaire shall make available, to the IPSIG retained by the County, all requested records and documentation pertaining to this Agreement or any subsequent award, for inspection and copying. The County will be responsible for the payment of these IPSIG services, and under no circumstance shall the Concessionaire's cost/price for this Agreement be inclusive of any charges relating to these IPSIG services. The terms of this provision herein, apply to the Concessionaire, its officers, agents, employees and assignees. Nothing contained in this provision shall impair any independent right of the County to conduct, audit or investigate the operations, activities and performance of the Concessionaire in connection with this Agreement. The terms of this provision are neither intended nor shall they be construed to impose any liability on the County by the Concessionaire or third party.

17.05 MIAMI-DADE COUNTY INSPECTOR GENERAL REVIEW: According to Section 2-1076 of the Code of Miami-Dade County, as amended by Ordinance No. 99-63, Miami-Dade County has established the Office of the Inspector General which may, on a random basis, perform audits on all Department contracts, throughout the duration of said contracts, except as otherwise provided below. The cost of the audit of any contract will be one quarter of one percent (0.25%) of the total contract amount.

Exception: The above application of one quarter of one percent (0.25%) fee assessment shall not apply to the following contracts: (a) contracts for legal services; (b) contracts for financial advisory services; (c) auditing contracts; (d) facility rentals and lease agreements; (e) concessions and other rental agreements; (f) insurance contracts; (g) revenue-generating contracts; (h) professional service agreements under $1,000; (i) management agreements; (l) small purchase orders as defined in Miami-Dade County Administrative Order No. 3-2; (m) federal, state and local government-funded grants; and (n) interlocal agreements. ***Notwithstanding the foregoing, the Miami-Dade County***

Board of County Commissioners may authorize the inclusion of the fee assessment of one quarter of one percent (0.25%) in any exempted contract at the time of award.

Nothing contained above shall in any way limit the powers of the Inspector General to perform audits on all Department contracts including, but not limited to, those contracts specifically exempted above.

ARTICLE 18 – OTHER PROVISIONS

18.01 PAYMENT OF TAXES: The Concessionaire shall pay all taxes lawfully assessed against its interests in the Location and any support/storage spaces and its services hereunder, provided however, that the Concessionaire shall not be deemed to be in default of its obligations under this Agreement for failure to pay such taxes pending the outcome of any legal proceedings instituted in courts of competent jurisdiction to determine the validity of such taxes. Failure to pay same after the ultimate adverse conclusion of such contest shall constitute an Event of Default, pursuant to **Sub-Article 12.03 "Other Defaults"** hereof.

18.02 ALTERATIONS BY CONCESSIONAIRE: The Concessionaire shall not alter or modify the Location and or any support/storage spaces, except in accordance with **Article 4 "Improvements to the Location"** herein, without first obtaining written approval from the Department.

18.03 RIGHTS TO BE EXERCISED BY DEPARTMENT: Wherever in this Agreement rights are reserved to the County, such rights may be exercised by the Department.

18.04 ADMINISTRATIVE MODIFICATIONS: It is understood and agreed to that the Department, upon written notice to the Concessionaire, shall have the right to modify administratively and to revise Articles and the Exhibits to this Agreement, including the provisions of **Sub-Article 1.08 "Addition, Deletion and Modification of Location"**, **Sub-Article 18.02 "Alterations by Concessionaire"**, **Sub-Article, 21.02 "Right to Amend"**, and **Sub-Article 21.04 "Right to Modify"**.

18.05 SECURITY: The Concessionaire acknowledges and accepts full responsibility for the security and protection of the Location. The Concessionaire fully understands and acknowledges that any security measures deemed necessary by the Concessionaire for protection of the Location shall be the sole responsibility of the Concessionaire and shall involve no cost to the Department.

18.06 RIGHTS OF DEPARTMENT AT AIRPORT: The Department shall have the absolute right, without limitation, to make any repairs, alterations and additions to any structures and Location at the Airport. The County shall, in the exercise of such right, be free from any, and all liability to the Concessionaire for business damages occasioned during the making of such repairs, alterations and additions except those occasioned by the sole acts of negligence or intentional acts of the County, its employees, or agents.

18.07 OTHER DEPARTMENT RIGHTS: The Concessionaire shall be liable for any physical damage caused to the Location by the Concessionaire, its employees, agents, contractors, subcontractors, suppliers. The liability shall encompass: (i) the Concessionaire's repair of the Locations, or if the Location cannot be repaired, payment to the Department of the fair market value replacement cost of the Location; and (ii) any other such damages to the Department arising from the physical damage caused by the Concessionaire and its employees, agents, contractors, subcontractors or suppliers. The County may also initiate an action for specific performance and/or injunctive relief.

18.08 FEDERAL SUBORDINATION: This Agreement shall be subordinate to the provisions of any existing or future agreements between the Department and the United States of America relative to the operation and maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport. All provisions of this Agreement shall be subordinate to the right of the United States of America to lease or otherwise assume control over the Airport, or any part thereof, during time of war or national emergency for military or naval use and any provisions of this Agreement inconsistent with the provisions of such lease to the United States of America shall be suspended.

18.09 NOTICES: Any notices given under the provisions of this Agreement shall be in writing and shall be hand delivered or sent by facsimile transmission (providing evidence of receipt), nationally recognized overnight courier service, or Registered or Certified Mail, Return Receipt Requested, to:

To the County:
(Mailing Address)

Director
Miami-Dade Aviation Department
Post Office Box 025504
Miami, Florida 33102-5504

or (physical address):

Miami International Airport
Terminal Building
Director's Office
Concourse E-5th floor
Miami, FL 33122

To the Concessionaire:

Airball Sports II, LLC
201 Biscayne Blvd., Suite 800
Miami, Florida 33131

or to such other respective addresses as the parties may designate to each other in writing from time to time. Notices by: (i) facsimile shall be deemed tendered on the date indicated on the facsimile confirmation receipt; (ii) nationally recognized overnight courier service shall be deemed tendered on the delivery date indicated on the courier service receipt; and (iii) Registered or Certified Mail shall be deemed tendered on the

delivery date indicated on the Return Receipt from the United States Postal Service or on the express mail service receipt.

18.10 SEVERABILITY: If any provision of this Agreement or the application thereof to either party to this Agreement is held invalid by a court of competent jurisdiction, such invalidity shall not affect other provisions of this Agreement which can be given effect without the invalid provision, and to this end, the provisions of this Agreement shall be severable.

18.11 RIGHTS RESERVED TO DEPARTMENT: All rights not specifically granted the Concessionaire by this Agreement are reserved to the Department.

18.12 COUNTY LIEN: The County shall have a lien upon all personal property of the Concessionaire in the Location to secure the payment to the Department of any unpaid monies accruing to the Department under the terms of this Agreement.

18.13 AUTHORIZED USES ONLY: The Concessionaire shall not use or permit the use of the Location or the Airport for any illegal or unauthorized purpose or for any purpose which would increase the premium rates paid by the Department on or invalidate any insurance policies of the Department or any policies of insurance written on behalf of the Concessionaire under this Agreement.

18.14 NO WAIVER: There shall be no waiver of the right of the Department to demand strict performance of any of the provisions, terms and covenants of this Agreement nor shall there be any waiver of any breach, default or non-performance hereof by the Concessionaire unless such waiver is explicitly made in writing by the Department. Any previous waiver or course of dealing shall not affect the right of the Department to demand strict performance of the provisions, terms and covenants of this Agreement with performance hereof by the Concessionaire.

18.15 SECURED AREAS/AIRFIELD OPERATIONS AREA (AOA) STERILE AREAS SECURITY: The Concessionaire acknowledges and accepts full responsibility for compliance with all applicable Federal, State, and Local laws, rules and regulations including those of the Transportation Security Administration (TSA), Homeland Security, FAA, CBP and MDAD as set forth from time to time relating to Contractor's activities at the Miami International Airport (MIA).

In order to maintain high levels of security at MIA, the Concessionaire must obtain MDAD photo identification badges for all the Concessionaire employees working in the Secured/AOA/Security Identification Display Area (SIDA) Sterile Areas or any other restricted areas of the Airport. All Concessionaire employees will be required to obtain photo identification badges and will be subject to fingerprint-based criminal history records checks.

The Concessionaire shall be responsible for requesting MDAD to issue identification badges to all employees who the Concessionaire requests to be authorized access to the Secured/AOA/SIDA/Sterile Areas and any other restricted areas of the airport and shall be further responsible for the immediate reporting of all lost or stolen ID badges and the immediate return of the ID badges of all personnel transferred from Airport assignment or

terminated from the employer of the Concessionaire or upon final acceptance of the work or termination of this Agreement. The Concessionaire will be responsible for fees associated with lost and unaccounted for badges as well as the fee(s) for fingerprinting and ID issuance.

All employees of the Concessionaire who must work within MDAD Secured/AOA/SIDA/Sterile areas or any other restricted areas at MIA shall be supplied with MDAD identification badges as specified above, which must be worn at all times while within the referenced secured areas. Badges shall be worn on outer garments above the waist so as to be clearly visible in order to distinguish, on sight, employees assigned to a particular company area. Each employee must complete the SIDA training program conducted by MDAD and comply with all other TSA, Homeland Security, FAA, CBP and MDAD requirements as specified by the MDAD at the time of application for the ID badge before an ID badge is issued. At the present time, MDAD Security and Safety ID Section regularly provides SIDA Training.

Concessionaire Ramp Permits will be issued to the Concessionaire authorizing vehicle entrance to the Airfield Operations Area (AOA) through specified Miami-Dade Aviation Department guard gates for the term of any Project. These permits will be issued only for those vehicles that must have access to the site during the performance of the work. Theses permits will be only issued to company owned vehicles or company leased vehicles (leased from a commercial leasing company). AOA decals, passes, or permits to operate within the AOA will not be issued to privately owned or privately leased vehicles. All vehicles operating within the AOA must have conspicuous company identification signs (minimum of three inch lettering) displayed on both sides of the vehicles.

All vehicles operating within the AOA must be provided with the Automobile Liability Insurance required elsewhere in this Agreement. Proof of such insurance is provided to MDAD Airside Operations Division upon request.

Only Concessionaire staff with pictured MDAD ID badges shall be allowed to operate a motor vehicle on the AOA without a MDAD escort. The Concessionaire shall require such employee to have a current, valid, appropriate Florida driver's license and to attend and successfully complete the AOA Driver Training Course conducted periodically by the Department. The privilege of a person to operate a motor vehicle on the AOA may be withdrawn by the Department because of violation of AOA driving rules or loss of Florida driver's license.

The Concessionaire agrees that its personnel, vehicles, cargo, goods, and other personal property are subject to being searched when attempting to enter, leave or while on the AOA. It is further agreed that the MDAD has the right to prohibit an individual, agent, or employee of the Concessionaire from entering the AOA, based upon facts which would lead a person of reasonable prudence to believe that such individual might be inclined to engage in theft, cargo tampering, aircraft sabotage, or other unlawful activities, including repeated failure to comply with MDAD's or the TSA, Homeland Security, FAA, CBP, SIDA access control policies, rules and regulations. Any person denied access to the AOA or whose prior authorization has been revoked or suspended on such grounds shall be entitled to a review hearing before the Director or his/her authorized designee within a

reasonable time. Prior to such hearing, the person denied access to the AOA should be advised, in writing, of the reason for such denial.

The Concessionaire acknowledges and understands that these provisions are for the protection of all users of the AOA and are intended to reduce the incidence of thefts cargo tampering, aircraft sabotage, and other unlawful activities at the Airport and to maximize compliance with TSA, Homeland Security, FAA/Federal Inspection Services agencies and MDAD access control policies and procedures.

The Concessionaire understands and agrees that vehicle and equipment shall not be parked/stored on the AOA in areas not designated or authorized by MDAD nor in any manner contrary to any posted regulatory signs, traffic control devices, or pavement markings.

The Concessionaire understands and agrees that all persons entering and working in or around arriving international aircraft and facilities used by the various Federal Inspection Services agencies may be subject to the consent and approval of such agencies. Persons not approved or consented to by the Federal Inspection Services agencies shall not be employed by the Concessionaire in areas under the jurisdiction or control of such agencies. Persons not approved or consented to by the Federal Inspection Services agencies who enter such areas are subject to fines, which shall be borne entirely by the persons and/or the Concessionaire.

Notwithstanding the specific provisions of this Article, the Owner shall have the right to add to, amend, or delete any portion hereof in order to meet reasonable security requirements of MDAD or of the TSA/Homeland Security/FAA/Federal Inspection Services agencies.

The Concessionaire shall ensure that all employees so required participate in such safety, security and other training and instructional programs, as MDAD or appropriate Federal agencies may from time to time require.

Concessionaire agrees that it will include in all contracts and subcontracts with its MIA sub-consultants, service providers, and suppliers an obligation by such parties to comply with all security requirements applicable to their operations at the Airport. The Concessionaire agrees that in addition to all remedies, Damages, and sanctions that may be imposed by TSA, Homeland Security, FAA, Federal Inspection Services Agencies or MDAD upon Concessionaire sub-consultants, suppliers, and their individual employees for a violation of applicable security provisions. The Concessionaire shall be responsible to the Owner for all such violations and shall indemnify and hold the Owner harmless for all costs, fines and Damages arising there from, such costs to include reasonable attorneys' fees.

18.16 INTENT OF AGREEMENT: This Agreement is for the benefit of the parties only and does not: (a) grant rights to third party beneficiaries or to any other person; or (b) authorize non-parties to the Agreement to maintain an action for personal injuries, professional liability, or property damage pursuant to the terms or provisions of the Agreement.

18.17 MODIFICATIONS: This Agreement may be modified and revised in writing and duly executed by the parties hereto. Such modification may be made unilateral by the Department only as permitted pursuant to **Sub-Article 18.04 "Administrative Modifications", Sub-Article 21.02 "Right to Amend"**, and **Sub-Article 21.04 "Right to Modify"**. Any oral representation or modification concerning this Agreement shall be of no force or effect. No modification, amendment, or alteration in the terms or conditions contained herein shall be effective unless set forth in writing in accordance with this Agreement.

18.18 RADON DISCLOSURE: In accordance with Section 404.056, Florida Statutes, the following disclosure is hereby made: **"Radon Gas: Radon is a naturally occurring radioactive gas. When accumulated in a building in sufficient quantities, it may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit."**

18.19 TRADEMARKS AND LICENSES: The Department may, from time to time, require the Concessionaire as part of its advertising and marketing program to utilize certain patents, copyrights, trademarks, trade names, logos, computer software and other intellectual property owned by the Department in the performance of this Agreement which patents, copyrights, trademarks, trade names, logos, computer software and intellectual property may have been created pursuant to the terms of this Agreement. Such permission, when granted, shall be evidenced by a nonexclusive license executed by the Concessionaire and the Department, on behalf of the Department granting the Concessionaire the right, license and privilege to use a specific patent, copyright, trademark, trade name, logo, computer software or other intellectual property without requiring payment of fees therefore. Failure of the parties to execute a formal license agreement shall not vest title or interest in such patent, copyright, trademark, trade name, logo computer software or intellectual property in the using party.

18.20 HEADINGS: The headings of the various Articles and Sub-Articles of this Agreement, and its Table of Contents are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, context or intent of this Agreement or any part or parts of this Agreement.

18.21 BINDING EFFECT: The terms, conditions and covenants of this Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors and assigns. This provision shall not constitute a waiver of any conditions prohibiting assignment or subletting.

18.22 GOVERNMENTAL DEPARTMENT: Nothing in this Agreement shall be construed to waive or limit the governmental authority of the County as a political subdivision of the State of Florida.

18.23 INDEPENDENT CONTRACTOR: The Concessionaire shall perform all services described herein as an independent contractor and not as an officer, agent, servant, or employee of the Department. All personnel provided by the Concessionaire in the

performance of this Agreement shall be considered to be, at all times, the sole employees of the Concessionaire under its sole discretion, and not employees or agents of the Department: Except as provided in § 2-11.1(s) of the Code, the Concessionaire represents and warrants: (i) it has not employed or retained any company or person other than a bona fide employee working solely for the Concessionaire to solicit or secure this Agreement; and (ii) it has not paid, or agreed to pay any company or other person any fee, commission, gift, or other consideration contingent upon the execution of this Agreement. A breach of this warranty makes this Agreement voidable by the Department without any liability to the Contractor for any reason.

18.24 OTHER LIENS: Concessionaire shall not permit any mortgages, deeds of trust or similar liens to be imposed on the Location, the leasehold, or the furniture, fixtures and equipment or any portion thereof. Concessionaire shall not permit or suffer any liens, including mechanics', materialmen's and tax liens to be imposed upon the Location, or any part thereof, without promptly discharging the same. Notwithstanding the foregoing, Concessionaire may in good faith contest any such lien if Concessionaire provides a bond in an amount and form acceptable to Department in order to clear the record of any such liens. Concessionaire further agrees that it shall not sell, convey, mortgage, grant, bargain, encumber, pledge, assign or otherwise transfer its leasehold interest in the Location or any personal property or trade fixtures in the Location, including any furniture, fixtures and equipment or any part thereof or permit any of the foregoing to occur. Concessionaire shall assume the defense of and indemnify and hold harmless County against any and all liens and charges of any and every nature and kind which may at any time be established against said Location and improvements, or any part thereof, as a consequence of any act or omission of Concessionaire or as a consequence of the existence of Concessionaire's interest under this Lease.

ARTICLE 19 – NOT USED

ARTICLE 20 - WAIVER OF CLAIMS

The Concessionaire hereby waives any and all claims it now has or may hereafter have against the County and the Department, and against any member, including, without limitation, all members of the Board of County Commissioners, officers, agents or employees of each, for any loss of anticipated profits caused by any suit or proceeding attacking directly or indirectly the validity of this Agreement or any part thereof, or by any judgment or award in any suit or proceeding declaring this Agreement or any part thereof, or by judgment or award in any suit or proceeding declaring this Agreement null and void or voidable, or delaying the same or any part thereof from being carried out. The Concessionaire hereby further waives any and all claims for compensation for any and all loss or damage sustained by reason of any delay in making the Location available to the Concessionaire or by reason of any defects or deficiencies in the Location or in the terminal building including any defect or deficiency in the Location or in the terminal building which substantially impedes the Concessionaire's ability to operate a concession at the Location(s) or because of any interruption in any of the services thereto, including, but not limited to, power, telephone, heating, air conditioning or water supply systems, drainage or sewage systems, and Concessionaire hereby expressly releases the County and Department from any and all demands, claims, actions, and causes of action arising from any of such causes.

ARTICLE 21 - REQUIRED, GENERAL AND MISCELLANEOUS PROVISIONS

21.01 AGREEMENTS WITH STATE OF FLORIDA AND MIAMI-DADE COUNTY: This Agreement shall be subject to all restrictions of record affecting the Airport and the use thereof, all federal, State, County laws, and regulations affecting the same, and shall be subject and subordinate to the previsions of any and all existing agreements between the County and the State of Florida, or its boards, agencies or commissions, and to any future agreement between or among the foregoing relative to the operation or maintenance of the Airport, the execution of which may be required as a condition precedent to the expenditure of federal, State, County funds for the development of the Airport, or any part thereof. All provisions hereof shall be subordinate to the right of the United States to occupy or use the Airport, or any part thereof, during time of war or national emergency.

21.02 RIGHT TO AMEND: In the event that the Federal Aviation Administration or its successors requires modifications or changes in this Agreement as a condition precedent to the granting of its approval or to the obtaining of funds for improvements at the Airport, Concessionaire hereby consents to any and all such modifications and changes as may be reasonably required.

21.03 CONCESSIONAIRE COVENANTS AND ASSURANCES:

A. Covenants Against Discrimination:

1. Concessionaire on behalf of itself, successors in interest and its assigns, as a part of the consideration hereof, does hereby covenant and agree that (1) no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Location or the Airport; (2) that in the installation of any equipment at the Airport and the furnishing or services in connection therewith, no person on the grounds or race, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination; and (3) that Concessionaire shall operate at the Airport in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally assisted programs of the Department of Transportation-effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended. Likewise, Concessionaire shall comply with laws of the State of Florida, prohibiting discrimination because of race, color, religion, sex, national origin, age, handicap or marital status. Should Concessionaire authorize another person or entity, with Department's prior written consent, to provide services or benefits in or in connection with its rights or obligations under this Agreement, Concessionaire shall obtain from such person or entity a written agreement pursuant to which such person or entity shall, with respect to the services or benefits which it is authorized to provide, undertake for itself the obligations

contained in this paragraph. Concessionaire shall furnish the original or a true copy of such agreement to Department.

2. Concessionaire will provide all information and reports required by said Code of Federal Regulations, or by directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its Location as may be determined by Department or the Federal Aviation Administration to be pertinent to ascertain whether there has been compliance with said Regulations and directives. Where any information required of Concessionaire is in the exclusive possession of another who fails or refuses to furnish this information, Concessionaire shall so certify to Department or the Federal Aviation Administration, as appropriate, and shall set forth what efforts it has made to obtain the information.

3. In the event of a breach of any of the above nondiscrimination covenants, Department shall have the right to impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate. Such rights shall include the right to terminate this Agreement and to reenter and repossess the Location and the improvements thereto, and hold the same as if this Agreement had never been made. The rights granted to Department by the foregoing sentence shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed, including exercise or expiration of appeal rights.

4. Concessionaire assures County that no person shall be excluded on the grounds or race, creed, color, national origin or sex from participating in or receiving the services or benefits of any program or activity covered by Title 14, Code of Federal Regulations, Part 152, Subpart E, Federal Aviation Administration, Nondiscrimination in Airport Aid Program, and that it will be bound by and comply with all other applicable provisions of such Subpart E, as it may be amended from time to time. Concessionaire also assures County that it will require its covered suborganizations to provide assurances to the same effect and provide copies thereof to the Department.

5. Concessionaire further assures County that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to assure that no person shall on the grounds of race, creed, color, national origin, sex, age or handicap be excluded from participating in any activity conducted at or in connection with its operations at the Location. Concessionaire also assures County that it will require its contractors to provide assurances to the same effect and ensure that such assurances are included in contracts which are entered into in connection with Concessionaire's services hereunder.

6. a) This Agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23, Subpart F. Concessionaire agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award

or performance of any concession agreement covered by 49 CFR Part 23, Subpart F.

b) Concessionaire agrees to include the above statements in any subsequent concession agreements that it enters and cause those businesses to similarly include the statements in further agreements.

7. County may from time to time be required by the United States Government or one or more of its agencies, to adopt additional or amended provisions including nondiscrimination provisions concerning the use and operation of the Airport, and Concessionaire agrees that it will adopt such requirements as part of this Agreement.

21.04 RIGHT TO MODIFY: The parties hereto covenant and agree that, during the Term, and/or Extension, if applicable, this Agreement may be unilaterally modified by the Department, upon advice of its legal counsel, in order to conform to judicial or Federal Trade Commission or FAA rulings or opinions. This Sub-Article shall not preclude Concessionaire from contesting said rulings or opinions, but the Concessionaire shall abide by the unilateral change while such a challenge is pending. Except as otherwise specifically provided in this Agreement, this Agreement may not be modified except by a written instrument signed by both parties.

21.05 TAX EXEMPT STATUS OF DEPARTMENT REVENUE BONDS: The Concessionaire agrees to comply promptly with any applicable provisions of any federal tax statute, and all regulations or other binding authority promulgated or decided hereunder, as required to permit the Department's capital expansion projects to be planned and constructed by the Department with revenue bonds the interest on which is generally exempt from federal income taxation, other than any applicable individual or corporate alternative minimum taxes (and other than during any period while such revenue bonds are held by a "substantial user" of the projects financed by such revenue bonds or a "related person" to a "substantial user"), including, without limitation, the execution by the Concessionaire and delivery to the Department of an election not to claim depreciation or any investment credit with respect to any portion of such capital expansion projects or any other portion of the Airport System.

21.06 REMEDIES: All remedies provided in this Agreement shall be deemed cumulative and additional, and not in lieu of or exclusive of each other or of any other remedy available at law or in equity arising hereunder.

21.07 NOT USED.

21.08 REGULATIONS OF DEPARTMENT: The rights and privileges granted to the Concessionaire hereunder and the occupancy and use by the Concessionaire of the Location shall at all times be subject to reasonable rules and regulations of Department as the same are now or may hereafter be prescribed through the lawful exercise of its power, including, but not limited to, all applicable provisions of Department's Policy and Procedures Manual as the same may be amended from time to time.

21.09 INTEREST: Any sums payable to the Department by the Concessionaire under any provisions of this Agreement, which may be amended from time to time, which are not paid when due shall bear interest at the rate of one and one half percent (1 1/2%) per month (or, if less, the maximum rate of interest allowed by law) from the due date thereof until paid.

21.10 MISCELLANEOUS PROVISIONS: The Concessionaire, contractors, sub-contractors and/or employees shall promptly observe and comply with applicable provisions of all federal, State, and local statutes, ordinances, regulations and rules which govern or apply to the Concessionaire or to its services or operations hereunder.

1. The Concessionaire shall, at its own cost and expense, procure and keep in force during the Term, and any Extension thereto if applicable, all necessary licenses, registrations, certificates, bonds, permits, and other authorizations as are required by law in order for the Concessionaire to provide its services hereunder and shall pay all taxes, (including sales and use taxes), assessments including, without limitation, storm water utility fees and impact fees which may be assessed, levied, exacted or imposed by all governmental authorities having jurisdiction on Concessionaire's property, on its services, on its Gross Revenues, on its income, on this Agreement and the fees payable to the County hereunder, on the rights and privileges granted to the Concessionaire herein, on the Location and on any and all equipment installed on the Location and the Concessionaire shall make and file all applications, reports, and returns required in connection therewith.

2. The Concessionaire agrees to repair promptly, at its sole cost and expense and in a manner acceptable to the Department, any damage caused by the Concessionaire or any of its officers, agents, employees, contractors, subcontractors, licensees or invitees to the Airport or any equipment or property located thereon.

3. The Concessionaire is not authorized to act as the County's agent hereunder and shall have no authority, express or implied, to act for or bind the County hereunder and nothing contained in this Agreement shall be deemed or construed by the County or the Concessionaire or by any third party to create the relationship of partnership or of joint venture. No provision of this Agreement shall be deemed to make the County the joint employer of any employee of the Concessionaire.

4 The County shall have the right during the Concessionaire's normal business hours (and at any time during an emergency) to inspect the Location and the property of the Concessionaire located thereon, in order to enforce this Agreement, to enforce applicable laws and regulations, and to protect persons and property.

5. The Article and paragraph headings herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of any provision of this Agreement.

6. Time is expressed to be the essence of this Agreement.

7. This Agreement will inure to the benefit of and shall be binding upon the parties hereto and their authorized successors and assigns.

8. If any covenant, condition or provision of this Agreement is held to be invalid by any court of competent jurisdiction, such holding shall not affect the validity of any other covenant, condition or provision contain herein.

9. Except as otherwise provide herein, if certain action may be taken only with the consent or approval of the County, or if a determination or judgment is to be made by the County, such consent or approval may be granted or withheld, or such determination or judgment shall be made, in the sole discretion of the County or the County.

10. The County's Ethics Commission has also adopted rules delineating the responsibilities of lobbyists and County personnel in implementing the requirements of the lobbying section of the Conflict of Interest and Code of Ethics Ordinance. The Proposer shall comply with these requirements.

21.11 FORCE MAJEURE: Strictly in relation to the obligations of each party to the other under this Agreement, and not for any other purpose or for any benefit of a third party, each party shall be excused from the timely performance of their respective obligations or undertakings provided in this Agreement, if the performance of such obligations or undertakings is prevented or delayed, retarded or hindered by strikes, lockouts, boycotts, actions of labor unions, labor disputes, labor disruptions, work stoppages or slowdowns, unless involving employees of the Concessionaire, embargo's, general shortages of labor, equipment, Location, materials or supplies in the open market, acts of God, acts of the public enemy, acts of governmental authority, including, without limitation, the FAA, the DOT, the TSA, the EPA, the DOJ, or civil and defense authorities, extreme weather conditions, war (declared or undeclared), invasion, insurrection, terrorism, riots, rebellion or sabotage.

21.12 ENTIRE AGREEMENT: This Agreement, together with the Exhibits attached hereto, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and any prior agreements, representations or statements made with respect to such subject matter, whether oral or written, and any contemporaneous oral agreements, representations or statements with respect to such subject matter, are merged herein; provided, however, that Concessionaire hereby affirms the completeness and accuracy of the information provided by Concessionaire to County in their Proposal, and in all attachments thereto and enclosures therewith, submitted by Concessionaire to County in connection with the award of this Agreement. None of the provisions, terms or conditions contained in the Agreement may be modified or otherwise altered except as may be specifically authorized by **Sub-Article 18.04 "Administrative Modifications"** or the Sub-Articles stated therein, or by written instrument executed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their appropriate officials as of the date first above written.

CONCESSIONAIRE

AIRBALL SPORTS II, LLC
(Legal Name of Entity)

ATTEST:

By: _____
(Signature)

Samuel D. Schulman
Vice President

By: _____
Concessionaire - Signature

Name: Eric S. Woolworth
President

INDIVIDUAL, PARTNERSHIP OR JOINT VENTURE

_____
Legal Name

By: _____
Signature

_____
(Type Name & Title)

_____
Legal Name

By: _____
Signature

_____
(Type Name & Title)

Attest:

_____

Name of Managing Joint Venturer:

_____

Witness:

_____

By: _____
Signature of Authorized Representative of the Joint Venture

Corporate Seal

(ATTACH ADDITIONAL SHEETS FOR EACH JOINT VENTURER, AS NEEDED)

BOARD OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

By: _____
Mayor

Approved for Form
and Legal Sufficiency

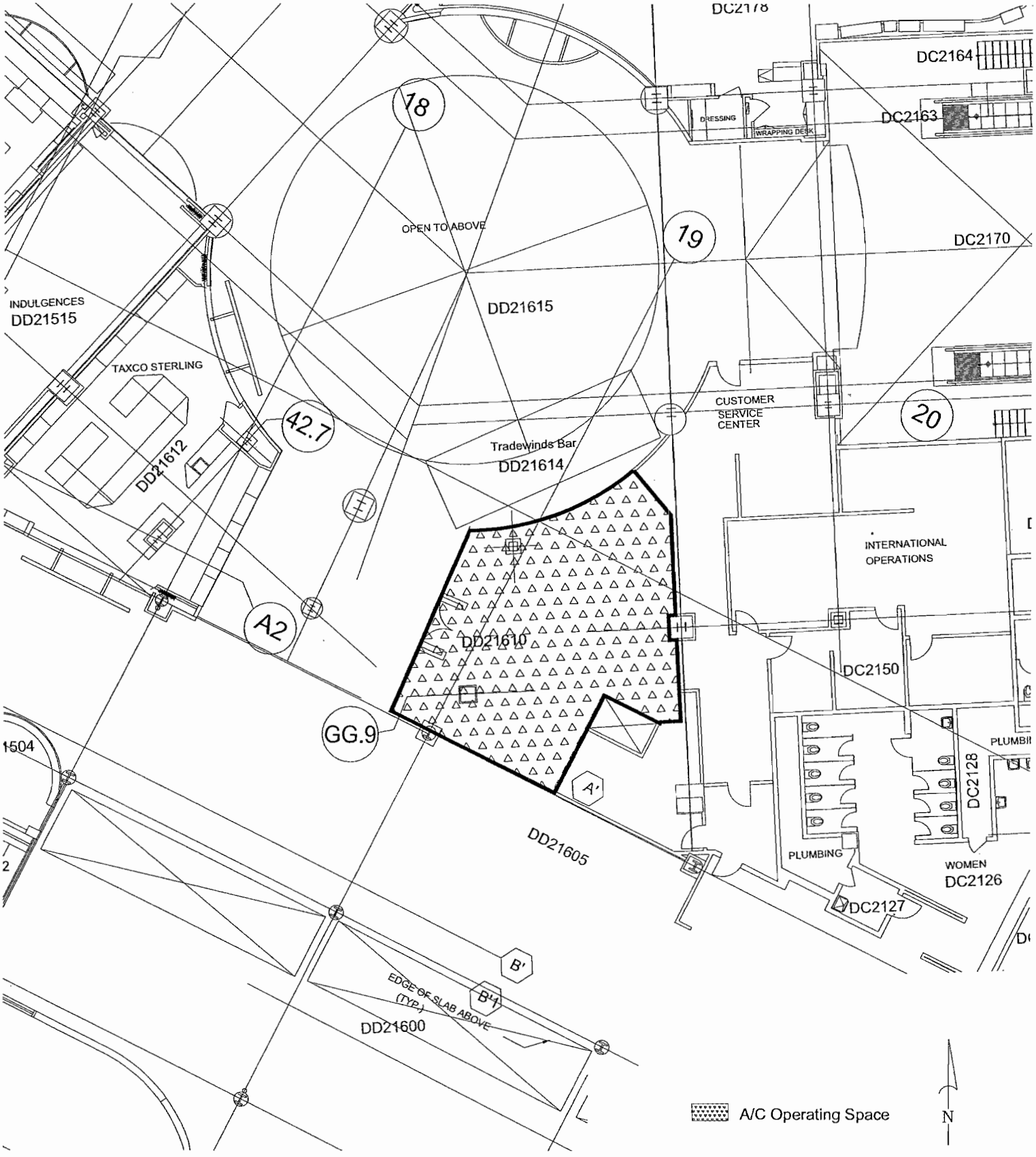
_____
Assistant County Attorney

Attest: Harvey Ruvin, Clerk

By: _____
Deputy Clerk

Resolution No.: _____

Date: _____



Miami International Airport - Concourse D - 2nd Floor

TECHNICAL SUPPORT DIVISION

PROJECT: 60749
DATE: 10-26-11
DRAWN BY: Y.M.

PROPOSED MIAMI HEAT SPACE

1,033 S.F. 69

EXHIBIT B

SURETY PERFORMANCE AND PAYMENT BOND

By this Bond, We, [OPERATOR], as Principal, whose principal business address is [INSERT ADDRESS], under the contract dated , 2011, between Principal and Miami-Dade County for the development of the [IMPROVEMENTS] (hereinafter referred to as "Agreement") the terms of which Agreement are incorporated by reference in its entirety into this Bond, and We, _____,as Co-Principal, whose principal business address is _____, as Contractor under the contract dated , 200 , between Co-Principal and [OPERATOR], for the construction of the [IMPROVEMENTS](hereinafter referred to as "Construction Contract") the terms of which Construction Contract are incorporated by reference in its entirety into this Bond and _____, a corporation, whose principal business address is _____ as Surety, are bound to Miami-Dade County (hereinafter referred to as "County") in the sum of _____ (U.S. dollars) $_____, for payment of which we bind ourselves, our heirs, personal representatives, successors, and assigns, jointly and severally.

THE CONDITION OF THIS BOND is that if Principal or Co-Principal:

1 . Performs all the work under the Construction Contract, including but not limited to guarantees, warranties and the curing of latent defects, said Construction Contract being made a part of this bond by reference, and in the times and in the manner prescribed in the Construction Contract, including any and all damages for delay; and

2. Promptly makes payments to all claimants, as defined in Section 255.05(l), Florida Statutes, supplying Principal or Co-Principal with labor, materials, or supplies, used directly or indirectly by Principal or Co-Principal in the prosecution of the work provided for in the Construction Contract; and

3. Pays County all losses, damages, including damages for delay, expenses, costs and attorney's fees, including appellate proceedings, that County sustains because of a default by Principal or Co-Principal under the Construction Contract, including but not limited to a failure to honor all guarantees and warranties or to cure latent defects in its work or materials within 5 years after completion of the work under the Construction Contract; and

4. Performs the guarantee of all work and materials furnished under the Construction Contract for the time specified in the Construction Contract, including all warranties and curing all latent defects within 5 years after completion of the work under the Construction Contract; then this bond is void; otherwise it remains in full force.

If no specific periods of warranty are stated in the Construction Contract for any particular item or work, material or equipment, the warranty shall be deemed to be a period of one (1) year from the date of final acceptance by the County. This Bond does not limit the County's ability to pursue suits directly with the Principal or Co-Principal seeking damages for latent defects in

SURETY PERFORMANCE AND PAYMENT BOND (Cont'd)

materials or workmanship, such actions being subject to the limitations found in Section 95.11, Florida Statutes.

Any changes in or under the Contract Documents and compliance or noncompliance with any formalities connected with the Construction Contract or the changes does not affect Surety's obligation under this Bond.

IN WITNESS WHEREOF, the above bounden parties have caused this Bond to be executed by their appropriate officials as of the _____ day of _____, 20 11.

CONCESSIONAIRE

_____

[CONCESSIONAIRE]

BY:

_____

(President) (Managing Partner or Joint Venturer)

BY:

_____

CONTRACTOR

_____

(Contractor Name)

_____

(President) (Managing Partner or Joint Venturer)

(SEAL)

SURETY PERFORMANCE AND PAYMENT BOND (Cont'd)

COUNTERSIGNED BY RESIDENT
FLORIDA AGENT OF SURETY:

SURETY:

_____

_____

_____
(Copy of Agent's current Identification Card as
issued by State of Florida Insurance Commissioner must be attached)

By: _____
Attorney-in-Fact

(CORPORATE SEAL)

(Power of Attorney must be attached)

EXHIBIT C

NOT USED

EXHIBIT D

IRREVOCABLE LETTER OF CREDIT

(Please Insert)

EXHIBIT E

(Attached CD Labeled Exhibit E - Concessions Design Guidelines)

EXHIBIT F

TENANT AIRPORT CONSTRUCTION NON-REIMBURSABLE PROJECTS
and
TENANT AIRPORT CONSTRUCTION REIMBURSABLE PROJECTS

Miami Dade County
Miami Dade Aviation Department
Miami International Airport

Tenant Airport Construction Non-Reimbursable Projects (TAC-N) Design and Construction Procedures

Glossary of Terms

A/E	Tenant's State of Florida Registered Architect or Engineer responsible for the design of the project
GSA	General Service Administration
MARC	Miscellaneous Asbestos Recovery Contract
MCC/TAC	Miscellaneous Construction Contract/Tenant Airport Construction
MDAD	Miami Dade Aviation Department
NTP	Notice to Proceed
TAC-N	Tenant Airport Construction Non-reimbursable projects
Tenant	Business Partner, Lessee
USGBC	U.S. Green Building Council

General Information

If a tenant wants to improve or expand a leasehold area, the tenant must first contact an MDAD Properties or Commercial Operations Manager to discuss the improvement terms of the revision agreement if the project is acceptable to MDAD.

The MDAD Properties or Commercial Operations Manager will prepare a "QUICK-CHECK FORM" (with attachments), which will be submitted to the MDAD Development Division Manager and other divisions for review and approval. Special consideration is given to its impact upon other adjacent projects underway or proposed. The attachments that will accompany the "QUICK-CHECK FORM" will include but are not limited to the following:

a. A completed TAC-N Project Information form, copy attached.

b. Conceptual drawings/sketches.

c. Tenant's letter which includes a description of the project, copies of a proposed schedule and cost estimate, plus a statement requesting MDAD to approve the conceptual project for design and construction.

d. Tenant shall inform MDAD if the project has been assigned a LEED category and provide a statement detailing how Tenant plans to meet the required LEED Green Building Rating System, established by the U.S. Green Building Council (USGBC). Procedures-Design and Construction

1. The MDAD Development Division Manager will assign an MDAD Project Number to the project. If approved, the "QUICK-CHECK FORM" (with attachments) will be submitted to the Facilities Division Manager who will review and assign the project to the MCC/TAC Chief who will then direct the TAC-N Project Manager to monitor the design and construction activities of the project. The TAC-N Project Manager will contact the tenant upon receipt of the project and will forward the TAC-N procedures to the tenant.

2. It is the responsibility of the tenant through its A/E and/or Contractor, as applicable, to:

   a. Obtain copies of MDAD Record (As-Built) Drawings from the MDAD Technical Support Section by calling 305.876.7057.

   b. Verify field conditions including but not limited to electrical, mechanical, HVAC, plumbing, water, sewer, structural, connecting points for all utilities/HVAC/fire protection/smoke evacuation, etc.

   c. Ensure that the design of the project is in compliance with the MDAD Design Guidelines Manuals (MIA Terminal projects only) Guidelines is available on the Internet at (www.miami-airport.com).

   d. Obtain a copy of the MDAD Asbestos Status Report for the project from the MDAD Environmental Engineering Division. Please call 305.876.8326 to request the report. This report is required by the Miami Dade Building Department for permitting and must be submitted along with the application for a building permit and two sets of plans, signed and sealed by the A/E of Record.

   e. Coordinate schedules and locations for MIA terminal deliveries at the 2nd floor curbside with MDAD Landside Operations Division. Please call 305.876.7086 for coordination.

   f. Coordinate schedules and construction within the MIA terminal with the MDAD Terminal Operations Division. Please call 305.876.7082 for coordination.

   g. Provide MDAD with a preliminary LEED certification plan (if applicable),

h. Coordinate airside accesses requirements with MDAD Airside Operations Division. Please call 305.876.7482 for coordination.

i. Coordinate the issuance of MDAD photo ID badges and requirements for orientation regarding airport security with the MDAD Safety and Security Operations Division. Please call 305.869.4028 for coordination.

j. Coordinate "SHUTDOWN PROCEDURES" with the MDAD Engineering Maintenance Division. Please call 305.876.7477 for coordination.

k. Coordinate requirements and specific procedures relating to permitting for DERM, DEP, dewatering excavating, trenching, stockpiling, maintenance and disposal of contaminated material with the MDAD Environmental and Airport Engineering Division. Please call 305.869.1063 for coordination.

3. The tenant or the tenant's A/E of Record shall:

a. Submit 10 sets of 100% construction documents to the TAC-N Project Manager for review. Each sheet of the submitted plans shall be identified with a title box that includes the name, address, and telephone/fax numbers of the owner as follows:

Property Owner: Miami Dade Aviation Department
MDAD Project Manager:
Address: P.O. Box 025504, Miami, Florida 33102-5504
Tel: _____
Fax: 305.876.0996

Project Owner/Lessee: _____

Tenant's Project Manager: _____

Address: _____

Tel: _____

Fax: _____

The TAC-N Project Manager will submit the sets of construction documents to Consultants and MDAD Staff for a Design Review. This process has a duration period of fourteen (14) calendar days. The Reviewers will fax any issues/comments to the tenant's A/E of Record and to the TAC-N Project Manager within fourteen (14) calendar days of receipt of the plans. The tenant or the tenant's A/E of Record shall confirm receipt of Review Comments with the TAC-N Project Manager on the fifteenth (15) day.

b. Address the Reviewer's issues/comments to the satisfaction of both parties by fax, meetings, telephone conversations, etc.

c. Revise the construction documents to reflect the changes required by the Design Reviewers. Submit three sets of 100% construction documents, one (1) of which must be signed and sealed by the tenant's A/E of Record. Reviewers must sign the 100% Back Check form, and return it to the A/E and TAC-N Project Manager.

The TAC-N Project Manager will review the submittals. The MCC/TAC Chief will then provide the "Letter of Concurrence" to the tenant in order to apply for a building permit for its project. This letter is valid for a period of sixty (60) calendar days from the date of issuance. If the tenant or his A/E of Record has not applied for a building permit within the sixty (60) calendar days, the Letter of Concurrence will have to be reissued.

d. Provide the Miami Dade Building Department located at Building 5A, 4th Floor, MIA, with a Building Permit application, the TAC-N Letter of Concurrence, a copy of the MARC Report (if required) and two (2) signed and sealed 100% permit sets of the project construction documents. For additional information, please call 305.869.1363.

e. The TAC-N Project Manager will advise the tenant of the Miami Dade GSA, Risk Management Division's insurance requirements. Prior to commencement of construction, provide the TAC-N Project Manager copies of all Certificates of Insurance as required.

f. Submit copies of the Construction Schedule, final LEED certification plan (if applicable), Design and Construction Budget (Update), and Building Permit to the TAC-N Project Manager prior to commencement of construction.

4. Pre-Construction and Construction Meetings

The TAC-N Project Manager will determine, based on the complexity and magnitude of the project, if a pre-construction meeting is required and if regular construction meetings will be required. If required, the frequency of the construction meetings will be established based on the complexity and duration of the project. Attending the meetings will be the tenant's A/E and contractor, the MDAD representative and others as may be required. If no regular scheduled construction meetings are held, the TAC-N Project Manager or his designee will periodically visit the jobsite. The permit set of drawings is required to be kept and available on the construction site at all times.

5. Project Close-Out

If required, a walk through is scheduled and coordinated through the TAC-N Project Manager. It is the responsibility of the tenant to submit copies of the following, as applicable, to the TAC-N Project Manager:

a. The signed-off building permit (inspections) within 24 hours of its issuance.

b. Certificate of Occupancy or Completion within 24 hours of its issuance.

c. Warranties, manuals, instructions, etc., of any equipment that will be maintained by MDAD.

d. Present MDAD with copies evidencing LEED certification as established by the USGBCI.

d. Record Drawings (As-Built drawings) on Bond paper, two (2) signed and sealed set prepared by the tenant's architect of Record within thirty (30) days from the issuance date of the Certificate of Occupancy or Completion.

e. Depending upon the size or complexity of the project, the tenant may be requested to provide the TAC-N Project Manager with As-Built Mylar's, 35mm aperture cards or digital files for the project.

The TAC-N Project Manager and the tenant will closeout the project. All documents must be received by the TAC-N Project Manager from the tenant prior to project closeout.

TENANT AIRPORT CONSTRUCTION REIMBURSABLE PROJECTS

PURPOSE

To provide details for the initiation and management of a Tenant Airport Construction Program reimbursable project.

DEFINITIONS

FAA	Federal Aviation Administration A/E Tenant's State Registered Architect or Engineer responsible for the design of the project.
BCC	Board of County Commissioners
GSA	General Services Administration
MARC	Miscellaneous Asbestos Recovery Contract
MCC/TAC	Miscellaneous Construction Contract/Tenant Airport construction
MDAD	Miami Dade Airport Aviation
NTP	Notice to Proceed
PM	Project Manager
TAC-N	Tenant Airport Construction Non- reimbursable projects
Tenant	Business Partner, Lessee
USGBC	U.S. Green Building Council

INSTRUCTION

GENERAL INFORMATION
Summary of Department Process for Design and Construction of TAC-R Projects

When an airport tenant wishes to improve or expand a leasehold area, the tenant must contact the MDAD Manager, Commercial Operations to discuss the proposed improvement or expansion. The Manager, Commercial Operations or designee determines whether the proposed design and construction will be a reimbursable or non-reimbursable project.

If the determination is that the proposed design and construction are reimbursable, the tenant must submit a letter to MDAD requesting approval to design and construct the project, detailing the proposed construction and providing a proposed schedule and cost estimate.

The Manager, Commercial Operations or designee prepares an instruction and forwards it to the MDAD Manager, Planning, the MDAD Design Chief, the MDAD Manager, Maintenance Engineering, the MDAD Manager, Terminal Facilities, and others as appropriate, for review and tentative approval.

If tentative approval in denied, the tenant is notified through MDAD Manager, Commercial Operations.

If tentative approval is given, the tenant is so advised through MDAD Manager, Commercial Operations and is invited to a meeting with a project conceptual review team which includes

the MDAD Manager, Planning the MDAD Design Chief, the TAC-R chief to discuss the design process (including applicable LEED certification requirements) , bid and award process, construction and close out process. These discussions will include cost and schedule, and the identification of a TAC-R Project Manager.

There are standard MDAD procedures for the above named processes. However, dependent on the complexity, size, location and cost of the project, the conceptual review team may, through the TAC-R chief, waive certain aspects of these standard procedural requirements.

Procedures for Design and Construction

1. The design of the project will entail the Selection of an Architect/Engineer. The procedures for this activity are outlined in MDAD Procedure FD2-005.

2. Upon selection, the A/E will be required to produce the following:

   (a) A Planning Book in accordance with MDAD Procedure FD1-040-P

   (b) A Project Book in accordance to MDAD Procedure FD1-050-P

   (c) Design Documents in accordance with MDAD Procedure FD3-007-P

   (d) Design includes Contract Formation in accordance with MDAD Procedure FD4-040-P3.

   (e) LEED Certification Plan

3. Upon satisfactory completion of the design process, the project shall be bid and awarded for construction in accordance with MDAD Procedure FD4-011-P

4. Satisfactory completion of the project is dependent on inspections consistent with MDAD Procedures for Substantial Completion and Beneficial Occupancy as outlined in MDAD Procedures FD5-195-P, and verification of applicable LEED Certification as established by the USGBC.

5. Upon satisfactory completion of item (4) above the project will be closed out accordance with MDAD Procedures FD5-245-P

6. The Project Manager shall be mindful of the fact that the above core MDAD Procedures, with references to other Procedures, together form the broad spectrum of management structures for the project.

Sample Management Letter

Independent Auditor's Report

Board of Directors
XYZ Corporation

In planning and performing our audit of the Schedule of Gross Revenues and Percentage Fees Paid to the County of XYZ Corporation for the year ended _____, 20_, we considered its internal control structure in order to determine our auditing procedures for the purpose of expressing our opinion of the Schedule of Gross Revenues and Percentage Fees Paid to the County and not to provide assurance on the internal control structure. Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under the standards established by the American Institute of Certified Public Accountants.

A material weakness is a condition in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the Schedule of Gross Revenues and Percentage Fees Paid to the County being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. However, we noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defines above.

This report is intended solely for the information and use of the Board of Directors and management of XYZ Corporation and Miami-Dade County, Florida and should not be used for any other purpose.

ABC & DEF, CPA's
_____ xx, 20xx

Sample Audit Report

Independent Auditor's Report

Board of Directors
XYZ Corporation

We have audited the accompanying Schedule of Gross Revenues and Percentage Fees Paid to the County (as defined in the Lease and Concession Agreement between Miami-Dade County Florida and XYZ Corporation) of XYZ Corporation for the year ended _____ xx, 20xx. This schedule is the responsibility of XYZ Corporation's management. Our responsibility is to express an opinion on this schedule base on our audit.

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

In our opinion, the Schedule of Gross Revenues and Percentage Fees Paid to the County referred to above presents fairly, in all material respects, the gross revenues of XZ Corporation for the year ended _____ x, 20xx and the related fees paid, as defined in the Lease and Concession Agreement referred to in the first paragraph.

This report is intended solely for the information and use of the Board of Directors and management of XYZ Corporation and Miami-Dade County, Florida and should not be used or any other purpose.

ABC & DEF, CPA's
_____ xx, 20xx

Sample Compliance Letter

Independent Auditor's Report

Board of Directors
XYZ Corporation

We have audited, in accordance with generally accepted auditing standards, the Schedule of Gross Revenues and Percentage Fees Paid to the County of XYZ Corporation for the year ended _____ xx, 20xx and have issued our report thereon, dated _____ xx, 20xx. We have not performed any substantive audit procedures beyond the date of our report on the Schedule of Gross Revenues and Percentage Fees Paid to the County. Accordingly, this report is based on our knowledge as of that date and should be read with that understanding.

In connection with our audit, nothing came to our attention that caused us to believe that XYZ Corporation failed to comply with the term of the Lease and Concession Agreement with Miami-Dade County, Florida insofar as they relate to the Company's book of accounts, records and reports. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance.

This report is intended solely for the information and use of the Board of Directors and management of XYZ Corporation and Miami-Dade County, Florida and should not be used for any other purpose.

ABC & DEF, CPA's
_____ xx, 20xx

XYZ
Corporation
Schedule of Gross Revenues and Percentage Fees Paid to the
County For the Year Ended _____, 20xx

Month	Gross Revenues	Percentage Fee Due	Percentage Fee Paid	Balance Due
TOTAL				

EXHIBIT H

EXECUTED AFFIDAVITS

MIAMI-DADE COUNTY
MIAMI-DADE AVIATION DEPARTMENT SINGLE EXECUTION AFFIDAVITS

This sworn statement is submitted for:

PROJECT TITLE AIRBALL SPORTS LLC

PROJECT NUMBER _____

COUNTY OF Miami - Dade

STATE OF Florida

Before me the undersigned authority appeared Sammy Schulman (Print Name), who is personally known to me or who has provided as identification and who (did or did not) take an oath, and who stated:

That he/she is the duly authorized representative of

Airball Sports II, LLC
(Name of Entity)

201 S. Biscayne Blvd. Miami, Florida 33131
(Address of Entity)

316-471123516
Federal Employment Identification Number

hereinafter referred to as the Entity being its

Vice President
(Sole Proprietor)(Partner)(President or Other Authorized Officer)

and as such has full authority to make these affidavits and say as follows.

PUBLIC ENTITY CRIMES
SWORN STATEMENT UNDER SECTION 287.133(3)(a),
FLORIDA STATUTES

1. I understand that a "public entity crime" as defined in Paragraph 287.133(1) (g), **Florida Statutes**, means "a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to any bid, proposal, reply, or contract for goods or services, any lease for real property, or any contract for the construction or repair of a public building or public work, involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation."

2. I understand that "convicted" or "conviction" as defined in Paragraph 287.133 (1)(b), **Florida Statutes**, means "a finding of guilt or a conviction of a public entity crime, with or without an adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere."

3. I understand that an "affiliate" as defined in Paragraph 287.133(1)(a), **Florida Statutes**, means:

"1 A predecessor or successor of a person convicted of a public entity crime; or

2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate."

4. I understand that a "person" as defined in Paragraph 287.133(1)(e), **Florida Statutes**, means "any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, directors, executives, partners, shareholders, employees, members and agents who are active in management of an entity."

5. The statement which is marked below is true in relation to the Entity submitting this sworn statement. **[Please indicate which statement applies.]**

PUBLIC ENTITY CRIMES
SWORN STATEMENT UNDER SECTION 287.133(3)(a),
FLORIDA STATUTES (Cont'd)

X Neither the Entity submitting this sworn statement, nor any officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the Entity, nor any affiliate of the Entity have been charged with and convicted of a public entity crime subsequent to July 1, 1989.

_____The Entity submitting this sworn statement, or one or more of the officers, directors, executives, partners, shareholders, employees, members, or agents who are active in management of the Entity, or an affiliate of the Entity has been charged with and convicted of a public entity crime subsequent to July 1, 1989. **[Please indicate which additional statement applies.]**

_____There has been a proceeding concerning the conviction before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer did not place the person or affiliate on the convicted vendor list. **[Please attach a copy of the final order.]**

_____The person or affiliate was placed on the convicted vendor list. There has been a subsequent proceeding before a hearing officer of the State of Florida, Division of Administrative Hearings. The final order entered by the hearing officer determined that it was in the public interest to remove the person or affiliate from the convicted vendor list. **[Please attach a copy of the final order.]**

_____The person or affiliate has been placed on the convicted vendor list. **[Please describe any action taken by or pending with the Florida Department of Management Services.]**

CRIMINAL RECORD AFFIDAVIT
PURSUANT TO SECTION 2-8.6 OF THE
MIAMI-DADE COUNTY CODE

Pursuant to Section 2-8.6 of the Code, the Entity must disclose, at the time the submission, if the Entity or any of its officers, directors, or executives have been convicted of a felony during the past (10) years. Failure to disclose such conviction may result in the debarment of the Entity who knowingly fails to make the required disclosure or to falsify information.

Indicate below if the above named Entity, as of the date of submission:

X has not been convicted of a felony during the past ten (10) years, nor does it, as of the date of submission, have an officer, director or executive who has been convicted of a felony during the past ten (10) years.

_____ has been convicted of a felony during the past ten (10) years, or as of the date of submission, has an officer, director or executive who has been convicted of a felony during the past ten (10) years.cf

---

MIAMI-DADE COUNTY WORK HISTORY DISCLOSURE

LIST ALL CONTRACTS IN EFFECT WITH MIAMI-DADE COUNTY DURING THE LAST FIVE (5) YEARS:

CONTRACT DATE	DOLLAR AMOUNT OF ORIG.CONTRACT	FINAL AMOUNT OF CONTRACT	PERCENTAGE DIFFERENTIAL
(1) N/A	$_____	$_____	_____%

Name of Dept. & Summary of Services Performed _____

_____

_____

Litigation Arising out of Contract _____

_____

_____

CONTRACT DATE	DOLLAR AMOUNT OF ORIG.CONTRACT	FINAL AMOUNT OF CONTRACT	PERCENTAGE DIFFERENTIAL
(2) _____	$_____	$_____	_____%

Name of Dept. & Summary of Services Performed _____

_____

_____

Litigation Arising out of Contract _____

_____

CONTRACT DATE	DOLLAR AMOUNT OF ORIG.CONTRACT	FINAL AMOUNT OF CONTRACT	PERCENTAGE DIFFERENTIAL
(3)			
_____	$_____	$_____	_____%

Name of Dept. & Summary of Services Performed _____

_____

Litigation Arising out of Contract _____

_____

_____

(ADD EXTRA SHEET(S) IF NEEDED.)

A. How long has Entity been in business? New Business

B. Has the Entity or the principals of the Entity ever done business under another name or with another firm? No

AFFIRMATION OF VENDOR AFFIDAVIT

In accordance with Ordinance 07-143 amending Section 2-8.1 of the Code of Miami-Dade County, effective June 1, 2008, vendors are required to complete a *new* Vendor Registration Package, including a Uniform Affidavit Packet (Vendor Affidavits Form), before being awarded a new contract. The undersigned affirms that the Vendor Affidavits Form submitted with the Vendor Registration Package is current, complete and accurate for each affidavit listed below.

Contract No. _____ **Federal Employer Identification No. (FEIN):** 36-4712356

Contract Title: Miami Heat Store

Affidavits and Legislation/Governing Body

1.	***Miami-Dade County Ownership Disclosure*** *Sec. 2-8.1 of the County Code*	6.	***Miami-Dade County Vendor Obligation to County*** *Sec. 2-8.1 of the County Code*
2.	***Miami-Dade County Employment Disclosure*** *County Ordinance No. 90-133, amending Section 2.8-1(d)(2) of the County Code*	7.	***Miami-Dade County Code of Business Ethics*** *Article 1, Section 2-8.1(i) and 2-11(b)(1) of the County Code through (6) and (9) of the County Code and County Ordinance No. 00-1 amending Section 2-11.1 (c) of the County Code*
3.	***Miami-Dade County Employment Drug-free Workplace Certification*** *Sec. 2-8.1.2(b) of the County Code*	8.	***Miami-Dade County Family Leave*** *Article V of Chapter 11 of the County Code*
4.	***Miami-Dade County Disability Non-Discrimination*** *Article 1, Section 2.8.1.6 Resolution R182-00 amending R-385-95*	9.	***Miami-Dade County Living Wage*** *Sec. 2-8.9 of the County Code* **(If applicable)**
5.	***Miami-Dade County Debarment Disclosure*** *Section 10-38 of the County Code*	10.	***Miami-Dade County Domestic Leave and Reporting*** *Article 8, Section 11A-60, 11A-67 of the County Code*

AFFIDAVIT - SCRUTINIZED COMPANIES WITH ACTIVITIES IN SUDAN OR IRAN PETROLEUM ENERGY SECTOR LISTS FLORIDA STATUTES 215.473

Pursuant to 215.473, F.S., the { Miami Sports II, LLC } ("Entity") must disclose, if the Entity or any of its officers, directors, or executives are doing certain types of business in or with Sudan and Iran.

Indicate below if the above named Entity, as of the date of submission:

X has not engaged in commerce in any form in Sudan or Iran, including, but not limited to, acquiring, developing, maintaining, owning, selling, possessing, leasing, or operating equipment, facilities, personnel, products, services, personal property, real property, or any other apparatus of business or commerce.

_____ has engaged in commerce with Sudan or Iran, including, but not limited to, acquiring, developing, maintaining, owning, selling, possessing, leasing, or operating equipment, facilities, personnel, products, services, personal property, real property, or any other apparatus of business or commerce.

This single execution shall have the same force and effect as if each of the above affidavits had been individually executed.

(Signature of Authorized Representative)

Title VICE PRESIDENT

Date OCTOBER 31, 2011

STATE OF: FLORIDA

COUNTY OF: MIAMI-DADE

The above affidavits were acknowledged before me this 31st day of OCTOBER, 2011,

by SAMMY SCHULMAN, VICE PRESIDENT,
(Authorized Representative)

of HIBBALL STORES II LLC
(Name of Corporation, Partnership, etc.)

who is personally known to me or has produced as identification and who did/did not take an oath.

(Signature of Notary)

SUSAN G. GREENWOOD
(Print Name)

Notary Stamp or Seal:

SUSAN G. GREENWOOD
MY COMMISSION # DD 902575
EXPIRES: August 1, 2013
Bonded Thru Notary Public Underwriters

Notary Commission Number: _____

My Commission Expires: _____

PROOF OF AUTHORIZATION TO DO BUSINESS

(Attach a copy of the Certificate of Status or Authorization per 607.0128 F.S., and certificate evidencing compliance with the Florida Fictitious Name Statute per 865.09 F.S., if applicable.)

(Insert Here)

FLORIDA DEPARTMENT OF STATE
DIVISION OF CORPORATIONS

Detail by Entity Name

Florida Limited Liability Company

AIRBALL SPORTS II, LLC

Filing Information

Document Number	L11000123619
FEI/EIN Number	NONE
Date Filed	10/28/2011
State	FL
Status	ACTIVE

Principal Address

201 S. BISCAYNE BLVD., STE. 800
MIAMI FL 33131

Mailing Address

201 S. BISCAYNE BLVD., STE. 800
MIAMI FL 33131

Registered Agent Name & Address

LAW CENTER OF THE AMERICAS, LLC
201 S. BISCAYNE BLVD., STE. 800
MIAMI FL 33131

Manager/Member Detail

Name & Address

NONE

Annual Reports

No Annual Reports Filed

Document Images

No images are available for this filing.

Note: This is not official record. See documents if question or conflict.

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State of Florida, Department of State

96

Exhibit I
Monthly Report of Gross Revenues

Monthly Gross Revenues and Net Revenues to Airport Report
(Due on or before the tenth (10th) calendar day following the end of each month)

Month of:_____ **Year:** ____ / _____/ _____

To: Miami Dade Aviation Department
P.O. Box 526624
Miami, Florida 33152-6624
Att: Finance Division

Lease No. MDAD XXXX

Gross Sales by locations:
Loc.

Total Gross Revenues:		$ -
Effective Concessions Fees:		
Total Percentage Fee	%	
Less: Monthly MAG	12	
Less: Monthly Rent Sq. Ft's*Rent Rate **(excluding Support Space)**	12	
% Fee due in Excess of Monthly Rent	**Net to MDAD**	
	Total Due to MDAD	

Payment included in Check No. _____ **Amount Paid:** _____ **Date:** _____

I hereby certified that the above statement is true and correct:

_____
Signature

_____
Title

_____
Date

TSA Prohibited Items List
As of February 25, 2009

Sharp Objects

Item	Carry-on	Checked
Box Cutters	No	Yes
Ice Axes/Ice Picks	No	Yes
Knives - except for plastic or round bladed butter knives	No	Yes
Meat Cleavers	No	Yes
Razor-Type Blades - such as box cutters, utility knives, razor blades not in a cartridge, but excluding safety razors.	No	Yes
Sabers	No	Yes
Scissors - metal with pointed tips and blades shorter than four inches	Yes	Yes
Swords	No	Yes

NOTE: Any sharp objects in checked baggage should be sheathed or securely wrapped to prevent injury to baggage handlers and inspectors.

Sporting Goods

Item	Carry-on	Checked
Baseball Bats	No	Yes
Bows and Arrows	No	Yes
Cricket Bats	No	Yes
Golf Clubs	No	Yes
Hockey Sticks	No	Yes
Lacrosse Sticks	No	Yes
Pool Cues	No	Yes
Ski Poles	No	Yes
Spear Guns	No	Yes

Guns & Firearms

Item	Carry-on	Checked
Ammunition - Check with your airline or travel agent to see if ammunition is permitted in checked baggage on the airline you are	No	Yes

flying. If ammunition is permitted, it must be declared to the airline at check-in. Small arms ammunitions for personal use must be securely packed in fiber, wood or metal boxes or other packaging specifically designed to carry small amounts of ammunition. Ask about limitations or fees, if any, that apply. Read our Firearms & Ammunition section.		
BB guns	No	Yes
Compressed Air Guns (to include paintball markers) - Carried in checked luggage without compressed air cylinder attached.	No	Yes
Firearms - firearms carried as checked baggage MUST be unloaded, packed in a locked hard-sided container, and declared to the airline at check-in. Read our Firearms & Ammunition section.	No	Yes
Flare Guns - May be carried as checked baggage MUST be unloaded, packed in a locked hard-sided container, and declared to the airline at check-in.	No	Yes
Flares	No	No
Gun Lighters	No	Yes
Gun Powder including black powder and percussion caps	No	No
Parts of Guns and Firearms	No	Yes
Pellet Guns	No	Yes
Realistic Replicas of Firearms	No	Yes
Starter Pistols	No	Yes

NOTE: Check with your airline or travel agent to see if firearms are permitted in checked baggage on the airline you are flying. Ask about limitations or fees, if any, that apply.

Tools

Item	Carry-on	Checked
Axes and Hatchets	No	Yes
Cattle Prods	No	Yes
Crowbars	No	Yes
Hammers	No	Yes
Drills and drill bits (including cordless portable power drills)	No	Yes
Saws (including cordless portable power saws)	No	Yes
Tools (greater than seven inches in length)	No	Yes
Tools (seven inches or less in length)	Yes	Yes
Screwdrivers (seven inches or less in length)	Yes	Yes
Wrenches and Pliers (seven inches or less in length)	Yes	Yes

NOTE: Any sharp objects in checked baggage should be sheathed or securely wrapped

to prevent injury to baggage handlers and Security Officers.

Martial Arts & Self Defense Items

Item	Carry-on	Checked
Billy Clubs	No	Yes
Black Jacks	No	Yes
Brass Knuckles	No	Yes
Kubatons	No	Yes
Mace/Pepper Spray - One 118 ml or 4 Fl. oz. container of mace or pepper spray is permitted in checked baggage provided it is equipped with a safety mechanism to prevent accidental discharge. For more information visit www.faa.gov., click on Passengers, then Preparing to Fly.	No	Yes
Martial Arts Weapons	No	Yes
Night Sticks	No	Yes
Nunchakus	No	Yes
Stun Guns/Shocking Devices	No	Yes
Throwing Stars	No	Yes

NOTE: Any sharp objects in checked baggage should be sheathed or securely wrapped to prevent injury to baggage handlers and Security Officers.

Explosive & Flammable Materials, Disabling Chemicals & Other Dangerous Items

Explosive Materials	Carry-on	Checked
Blasting Caps	No	No
Dynamite	No	No
Fireworks	No	No
Flares (in any form)	No	No
Hand Grenades	No	No
Plastic Explosives	No	No
Realistic Replicas of Explosives	No	No
Flammable Items	**Carry-on**	**Checked**
Aerosol (any except for personal care or toiletries in limited quantities)	No	No
Fuels (including cooking fuels and any flammable liquid fuel)	No	No

Gasoline	No	No
Gas Torches	No	No
Lighter Fluid	No	No
Common Lighters - Lighters without fuel are permitted in checked baggage. Lighters with fuel are prohibited in checked baggage, unless they adhere to the Department of Transportation (DOT) exemption, which allows up to two fueled lighters if properly enclosed in a DOT approved case. If you are uncertain as to whether your lighter is prohibited, please leave it at home.	Yes	No
Torch Lighters - Torch lighters create a thin, needle-like flame that is hotter (reaching 2,500 degrees Fahrenheit) and more intense than those from common lighters. Torch lighters are often used for pipes and cigars, and maintain a consistent stream of air-propelled fire regardless of the angle at which it is held. Torch lighters continue to be banned.	No	No
Strike-anywhere Matches - **One** book of safety (non-strike anywhere) matches are permitted as carry-on items, but all matches are prohibited in checked baggage.	No	No
Flammable Paints (See Other Items below for non-flammable paints)	No	No
Turpentine and Paint Thinner	No	No
Realistic Replicas of Incendiaries	No	No

NOTE: There are other hazardous materials that are regulated by the FAA. This information is summarized at www.faa.gov, click on Passengers, then Preparing to Fly.

Disabling Chemicals & Other Dangerous Items	Carry-on	Checked
Chlorine for Pools and Spas	No	No
Small compressed gas cartridges (Up to 2 in life vests and 2 spares)	Yes	Yes
Fire extinguishers and other compressed gas cylinders	No	No
Liquid Bleach	No	No
Spillable Batteries - except those in wheelchairs	No	No
Spray Paint	No	No
Tear Gas	No	No

NOTE: There are other hazardous materials that are regulated by the FAA. This information is summarized at www.faa.gov.

Other Items

Item	Carry-on	Checked
Gel-type candles	No	Yes
Gel shoe inserts - Gel shoe inserts are not permitted, but shoes constructed with gel heels are allowed and must be	No	Yes

removed and screened.		
Non-flammable liquid, gel, or aerosol paint	Yes - 3 oz. or smaller container	Yes
Flammable liquid, gel, or aerosol paint	No	No
Snow globes and like decorations regardless of size or amount of liquid inside, even with documentation.	No	Yes

EXHIBIT K

MIAMI-DADE AVIATION DEPARTMENT
MIAMI INTERNATIONAL AIRPORT
COMMERCIAL OPERATIONS

COMMERCIAL OPERATIONS
TENANT HANDBOOK MANUAL

March 2004

TABLE OF CONTENTS

	Page
I. WELCOME	4
II. INTRODUCTION	5
A. Vision	5
B. Commercial Operations Program Goals	5
C. Commercial Operations Program Objectives	5
D. Terminal Overview	5
III. GETTING STARTED AT MIA	7
A. People Concerns – Before Beginning Employment	7
1. Parking	7
2. Badging	8
3. Hiring New Employees	8
4. Employee Orientation	9
B. Other	9
1. Setting up Utilities	9
2. Use of Wireless Technologies	9
3. Banking Procedures	9
4. Hours of Operation	10
IV. STANDARD AIRPORT PROCEDURES	11
A. Improvements to Premises	11
1. Conditions for Permits	11
2. Permit Application Procedure	11
B. Storage	11
1. Designated Storage Areas	11
2. Unapproved Storage	11
3. Fire Safety in Storage Areas	12
4. Damage to Storage Areas	12
C. Changes in Price and Product Offerings	12
1. Street Pricing	12
2. Menu and Product Offerings	12
D. Terminal Maintenance and Operational Issues	13
1. Maintenance Services	13
2. Maintenance Responsibilities	13
3. Contracting Maintenance Work	14
4. Emergency Maintenance	15
E. Delivery Procedures	15
1. Delivery Hours	15
2. Terminal Side Delivery	15
F. Promotional Events and Public Relations Opportunities	17
1. Promotional Events	17
2. Public Relations Opportunities	18
H. Airport Police	18
1. Criminal or Suspicious Activity	18
I. Concessions Security	18

1. Employee/Contractor Strike Activities 19
2. Store Security MDAD to Confirm 19
3. Prosecution of Shoplifters 19
4. Reporting Incidents 19
5. Loitering 19
J. Emergencies 19
1. Medical 20
2. Fire 20
3. Other Reporting Concerns 21
4. After Hours Activity 21
5. Access to Premises 21
K. Trash Removal 22
1. Refuse Disposal 22
2. Designated Disposal Site 22
L. Airport Information Services 23
M. Airport Paging 23
N. Terminal Construction 23
1. Right to Develop Airport 23
2. Inconveniences during Construction 23
0. Required Monthly Meetings 23
IV. KEY CONTACTS 25

I. WELCOME

Welcome to the Miami International Airport family:

Miami International Airport is a family of dedicated Aviation Department county employee staff, its vendors, consultants, and Concessionaires. We number in the thousands and work closely together every day to achieve the four cornerstones upon which our mission is based: Safety and security, economic viability, customer service, and passenger service.

This standard of operations manual has been created to assist you in identifying our expectations of your inclusion into our Airport family. We believe we can meet the highest expectations of our passengers and airport patrons for an Airport, which enjoys the mixture of international and domestic passenger base but it requires your attention to detail to make this happen.

We look forward to working with you to achieve not only the standards included in this manual, but to excelling beyond these basic standards.

We welcome your input and wish you well in your new business here at the Airport.

Sincerely,

Jose Abreu, P.E. Director, Miami-Dade
Aviation Department

JA:par

II. INTRODUCTION

This Standards of Operations Manual is constructed so that it addresses the events that will usually transpire as your business embarks on a relationship with the Miami International Airport.

The Lease that exists between the Concessionaire and the County is the primary legal document that defines allowable activities and conditions within the leasehold premises. Review of the Lease is recommended for further definition of activities, concession and public boundaries, and other operating rights.

A. Vision

The MIA concessions program is a world-class retailing experience for its diverse passenger mix of the culturally diverse, cosmopolitan South Florida region, and a multi-continent international gateway by providing a wide variety of international, national and local brands that offer fair and varying price points, and innovative store designs, all within a safe, vibrant shopping environment.

B. Commercial Operations Program Goals

A commitment to balance competitively priced high quality goods and services with needed passenger services and revenue to the Airport recognizing the investment by the concessionaires and achievement of our DBE goals.

C. Commercial Operations Program Objectives

To achieve the mission/vision and goals, commercial operations' objectives are to:

- Enhance the image of MIA as a world class airport which reflects the cosmopolitan and international nature of the community
- Enhance customer service and satisfaction by improving product choice, price points, and customer service
- Optimize sales/transactions and revenue to the Airport.
- Integrate design and location of commercial operations within the infrastructure of the Airport for passenger convenience
- Balance national, regional and local commercial operations and concessions with DBE representation throughout the terminal

D. Terminal Overview

The existing Miami International Airport terminal is currently configured in a horseshoe with Concourses from A to H. Security checkpoints are arranged at the entryway to each of the concourses.

A $4.8 billion Capital Improvement Program is underway to create three terminals; the North, Central and South Terminals as described below:

North Terminal will create about 3.2 million square feet of space to accommodate the movement of aircraft, baggage and people for an international connecting hub operation. Approximately 174,000 square feet of concession space is split between food/beverage and retail. The look of the retail will be guided by our Concessionaire Design Criteria Handbook which will:

- Create a world class retail environment
- Utilize the full height of the concourse to create excitement for concessions
- Maximize the quality of presentation to third level corridors
- Compliment the architecture of the terminal with its fixtures and storefronts
- Use lighting and signage to create drama and identity
- Be outfitted with quality materials that integrate with the terminal design.

The North Terminal has four phases with the first phase in Zone D planned to open in May 2004 and is planned to be completed in 2007.

Central Terminal: The Central Terminal is the existing terminal, which includes Concourses E, F, and G. Plans are for the G Concourse to eventually be closed down. The Retail concessions include 38 stores in approximately 40,000 square feet in a landside retail program, which is anticipated to be built out by the last quarter in calendar year 2004.

South Terminal: The South Terminal is now under construction, which includes about 50,000 square feet of new concession space, the existing H Concourse and a new J Concourse.

Miami International Airport had approximately 14.7 million passengers in FY 02-03 with approximately 7 million international passengers.

III. GETTING STARTED AT MIA

While it is exciting and fun to work at Miami International Airport, there are some differences from working in other retail environments. This section will address some of those differences and some of the actions necessary because of those differences. We will guide you through some of the processes needed to get your employees, started working with us at MIA.

People Concerns – Before Beginning Employment

1. Employee Parking

A. Availability

The airport employee parking lot is available to employees of companies that lease space in the terminal building and have been authorized by the Aviation Department to utilize the employee parking facility. Employees may park in the employee parking lot only while on duty at the MIA terminal building.

B. Location and Transportation

The employee parking lot is located approximately 1 ½ miles southeast of the main terminal building. It can be accessed through LeJeune Road at N.W. 14th St. or through Perimeter Road at 15th Street. Shuttle buses provide 24-hour transportation to and from designated locations on the departure level of the terminal building with approximate headways of 5 minutes during peak times and 15 minutes during non-peak times.

C. Parking Decal Information

Employee parking decals are issued in 4, 8, or 12-month increments. Companies that will be paying for employee parking decals can establish an account and be invoiced monthly by contacting the Finance Division. Employees can pay for their parking at the Decal Section. The Decal Section is located on the ground floor of the Dolphin Garage, and is open Monday-Friday except holidays from 8:00 a.m. to 5:00 p.m. Contact the Decal Section for current employee parking rates. To register your company and establish authorized requestors for your company, please obtain sample letters from the Decal Section (tel. number: 305- 876-7567).

D. Parking Lot Safety and Security

- Access to the employee parking lot is restricted to vehicles with a valid employee parking decal and employees with valid MIA identification badges or airport authorized company identification badges. Family members/friends traveling in the same vehicle will be denied entry to the lot if they do not have a valid MIA or company I.D.
- Employees must have a valid MIA or airport approved company identification badge to ride the employee shuttle bus between the employee parking lot and the terminal building. Family members/friends are not allowed to ride the employee shuttle bus.

- There are emergency telephones located at each bus shelter in the employee parking lot. These phones may be used to report personal safety issues or non-emergency situations such as the need for motorist assistance.

E. Abuse of Parking Privileges

- Employee parking decals must be permanently affixed on vehicle for which it was issued and can only be used by authorized employee.
- Parking in the employee parking lot is a privilege and may be revoked at any time for failure to comply with established procedures.

2. Badging

The Concessionaire shall be subject to all Departmental requirements and FAA mandates pertaining to the issuance of airport identification badges, including, but not limited to employee completion of SIDA training conducted by the Department and background checks, as required by the FAA Unescorted Access Privilege Rule. The Concessionaire shall pay, or cause to be paid, to the Department such nondiscriminatory charges, as may be established from time to time, for lost or stolen ID badges and those not returned to the Aviation Department. The Concessionaire will be required to conduct background investigations and to furnish certain data on such employees before the issuance of such ID badges, which data may include the fingerprinting of employee applicants for such badges.

All airport employees working need to be badged before work commences. Our badging office is located under the Dolphin Parking Garage and is **generally** open during business hours to accommodate users.

Badges must be displayed at all times. All airside employees must participate in additional training for this access.

The badging department has its own rules and regulations with which the concessionaire must become familiar.

3. Hiring New Employees

From time to time the Department assists concessionaires with their hiring by organizing a job fair. Contact the Employees Relations Department for more information about this opportunity.

The Concessionaire should familiarize itself with the Agreement for any required staffing levels prior to concluding hiring processes.

4. Employee Orientation

All airport employees (including Concessionaires) will need to be scheduled for an employee orientation with the Airport to receive SITA training and customer service training (which is included in the orientation time). Please allow 90 minutes for this training, which must be accomplished prior to the employee beginning work at the Airport.

B. Other

1. Setting up Utilities

The cost of all utilities used or consumed on the Premises shall be borne by the Concessionaire. Unless the Premises are provided with separate electric, gas, and/or water meters, the Concessionaire agrees to pay for the utilities on the Premises as a monthly charge, plus any applicable taxes, upon billing by the Department, or utility companies. The Department encourages the Concessionaire to provide and install meters for utilities used at the Concessionaire's expense. See your Agreement for further detail on payment to MDAD for utility charges.

Other utilities used by the Concessionaire including telephones and telephone service hook-up, data lines and additional electrical and communications services are to be arranged for and paid by the Concessionaire. The Airport provides these type of services through its Information Technology Shared Tenant Services.

2. Use of Wireless Technologies

Any approval by the Department and subsequent installation by any Concessionaire, of a wireless network would be granted only with the explicit understanding that the Concessionaire agrees that the system be transitioned over to any future network once installed. Note that any and all costs, both one time and recurring, to be incurred as a result of the required transition to any future network shall be the responsibility of the concessionaire.

3. Banking Procedures

The bank is located on the fourth level of Concourses A and is equipped with a night depository, which is available to on-site Concessionaires. To arrange for depository services, the Concessionaire should contact the Bank to discuss procedures and fees.

It is critical that Concessionaires implement a policy and provide professional guidance for cash handling, ensuring that those staff tasked with making deposits do so in the safest manner possible.

Concessionaires are responsible for arranging procedures to ensure that all stores have the appropriate amount of change on hand.

4. Hours of Operation

All units have specific hours set that the unit is to be open and serving the public. On site personnel are responsible for knowing what their store operating hours stipulate. In some cases, depending on airline schedules caused by weather or other delays, the store may be required to stay open beyond required hours. Procedures need to be in place to keep the store open and operating during such events.

The store must have all products and services available the moment it opens. This means, for example, that the coffee must be prepared and ready to serve prior to the actual opening time the store must also keep all products available up until the time the store officially closes. It is not acceptable for store employees to begin to remove and clean the store until the actual closing time of the store.

IV. STANDARD AIRPORT PROCEDURES

A. Improvements to Premises

1. Conditions for Permits

Airport businesses must comply with their contractual requirement to obtain the written consent of MDAD to carry out any alterations to MDAD property. This includes what might be constructed as "minor" additions and deletions like an electrical outlet.

The permit process is designed to ensure that construction is compatible with present and future airport facilities, responsibilities are appropriately assigned, ensure compliance with other jurisdictions' requirements, meet MDAD standards for design, and assist Concessionaires with the timely and safe completion of their projects.

2. Permit Application Procedure

Concessionaire must first contact MDAD's Commercial Operations Division with any plans for site improvements, alterations or construction for preliminary plan approval.

The design criteria manual for each terminal details the submittal requirements and permit process.

B. Storage

1. Designated Storage Areas

Concession storage space may be leased through MDAD Commercial Operations Division and is designated in the Agreement. These storage areas are provided for activities related to the Concessionaire's doing business at the airport including storage, display, overstock or office uses. MDAD will make every effort to satisfy individual concession storage needs, dependent on the availability of suitable space.

2. Unapproved Storage

Hazardous, combustible or flammable materials, and storage of merchandise outside or adjacent to Concessionaire's retail premises or storage area is not permitted. Storage of materials, products, or trash that blocks access to fire safety equipment, doors and other access points is also prohibited. Concessionaires that consistently abuse storage privileges will be noticed and required to clean premises or will be billed for all associated costs required to clean up or remove the unapproved materials attributed to their business.

3. Fire Safety in Storage Areas

Concessionaires using storage areas must be aware of these common storage problems and must correct them to ensure fire safety:

- Storage too close to sprinkler heads.
- Improper storage of trash, boxes, oily rags, etc. These items are better removed to disposal or recycling receptacles provided for Concessionaires.
- Improper storage of flammable and combustible liquids and aerosols.
- Blocking of exit-ways and fire equipment.

4. Damage to Storage Areas

Storage rooms and the access to those rooms are the property of MDAD. Concessionaires found to be consistently causing damage to MDAD
property will be noticed and may be billed for repairs following review and discussion with MDAD as necessary.

C. Changes in Price and Product Offerings

1. Street Pricing

The Concessionaire shall not charge prices in excess of one hundred ten percent of Street Prices as defined in the Agreement. The Concessionaire will be required to submit examples of pricing periodically as indicated in the Lease Agreement. MDAD will monitor Concessionaire prices to ensure compliance.

Concessionaires are required to submit a detailed list of all services and items (and their corresponding prices) offered in their assigned premises.

Prior to adding new items or increasing prices, Concessionaires are required to inform the airport and to seek written approval from the Department.

2. Menu and Product Offerings

MDAD and the Concessionaire agrees to offer a set of products and services approved prior to the opening of the location.

Any sales by the Concessionaire of services, products, or items not specifically approved in its Agreement shall constitute a default. In the event of such default, the Concessionaire will discontinue the sale or service of the unapproved product immediately, upon written notice from the Department. Failure to discontinue such sales shall be grounds for termination of the Agreement.

To request that an additional product be sold, the Concessionaire must submit in writing for approval to the Commercial Operations Division the request inclusive of the product name and suggested price along with the required support for the establishment of the proposed price.

D. Terminal Maintenance and Operational Issues

1. Maintenance Services

MDAD's Facilities Department has, as its highest priorities, the repair and upkeep of the airfield, passenger service and common and public areas. While the concessionaire, as delineated in its lease, is responsible for maintaining its premises, MDAD is available to assist Concessionaires with other repairs and maintenance-related activities as much as manpower and work scheduling will allow. The Maintenance Department has established fees for these services, which will be billed directly to the Concessionaire.

2. Maintenance Responsibilities

A. MDAD Responsibilities

MDAD Maintenance Department is responsible for the maintenance, repair and upkeep of the following items found within the Concessionaire's premises:

- Exterior window cleaning on the airfield;
- Emergency spot lights;
- Broken lock or key in storefront rolling grill;
- Electrical system supplied to the store (Concessionaire responsibility begins at outlet);
- And HVAC system

B. Concessionaire Responsibilities

Concessionaires are expected to maintain their premises in good repair and keep them in a clean condition and orderly appearance. Concessionaires are responsible for any other upkeep and repair within their leasehold, including but not limited to windows, both inside and out, flooring, spot lights; display case and spot and window lighting; carpet; fixtures, and any

equipment or custom made features of the premise. Concessionaires must also arrange for their own janitorial service.

Concessionaires also are responsible for their own extermination, which must be coordinated with the Airport

3. Contracting Maintenance Work

Concessionaires who desire maintenance work can do so by:

- Contracting with an outside vendor who is capable of completing the desired maintenance and repair to the satisfaction of MDAD and to the Concessionaire; or

- Contracting with MDAD Facilities Department for those items outside MDAD's regular maintenance responsibilities.

A. Contracting with Outside Vendor Services

Concessionaires may hire service providers such as housekeeping, extermination or telecommunications without prior MDAD approval.

However, prior to any work, a permit must be issued. Concessionaires must contact Commercial Operations to obtain the proper permit forms and approval to hire any contractor who may impact airport operations such as electricians, phone repair, plumbers, etc.

Vendor must meet or exceed the original materials and workmanship and conform to any federal, state or local regulations. All work shall be subject to inspection by MDAD.

B. Contracting with Airport Facilities

Contact the MDAD Facilities (305-876-7311) to request a work order. Requests made 24 hours in advance of need are appreciated. For non-emergency requests, allow a maximum turn-around time of two weeks. Concessions contracting with the Maintenance Department will be billed on an hourly basis for manpower and the cost of supplies.

When requesting maintenance services, Concessionaires should identify the item in need of attention and time frame for completion. Efforts will be made to meet the request in a timely manner, depending on the department's manpower level and workload. Concessionaires should limit their requests to the Maintenance Department for maintenance and repair only, and not for making improvements or involving new construction.

4. Emergency Maintenance

The Facilities Department will respond to emergencies as a priority. Concessionaire should make clear in its request to the dispatch that an emergency situation exists for immediate attention. Examples of emergency maintenance requests are broken water pipes or any other uncontrollable leakage, broken display window glass, inoperable entry gate, etc.

E. Delivery Procedures

1. Delivery Hours

Airport businesses may take deliveries of products, supplies, etc. from 7:00 A.M. to 8:00 P.M. MDAD reserves the right to schedule deliveries or institute a common warehouse system with a common logistics fee to support the system if it becomes necessary.

2. Terminal Side Delivery

2.A Deliveries Terminal Curbside

- Delivery hours are from 7:00 p.m. to 8:00 a.m.
- Landside staff will determine drop off locations to minimize disruption to traffic.
- All vehicles must be attended. This is a Transportation Security Administration (TSA) mandate.
- Drivers must be able to provide proper identification and manifest of deliveries.
- Vehicle is subject to search.
- Location and delivery times may be subject to change due to security or operational requirements.

b. Vehicle Identification for Delivery Zones

All vehicles utilizing the loading and delivery zones in front of the terminal as described above must be adequately marked with company name and/or logo on both sides of the vehicle.

Painted, exterior magnetic, or interior static cling plastic signs attached to the side windows are acceptable.

Signs should look professional done with minimum dimensions of 8 1/2" by 11".

c. Delivery Zone Parking Restrictions (Time)

Use of loading and delivery zones is restricted to thirty (30) minutes. If a vendor anticipates that they will be actively loading or unloading for more than 30 minutes, they must notify Landside Operations at 305-876-7441.

d. Delivery through Terminal Building

Efforts should be made to avoid using public areas of the terminal for large quantity deliveries during peak hours. If supplies must be transferred through the public portions of the terminal, these pickups/deliveries should be scheduled during non-peak aircraft arrival and departure times.

Common carriers such as Federal Express, UPS or Airborne Express are authorized to bring shipments directly to the units or storage area.

All Concessionaire delivery carts, utility carts and trash collection dumpsters are asked to adhere to the following specifications to avoid damage to the Airport:

- Revolving white rubber, non-marking corner bumpers on platforms or base of carts
- Full encircling rubber bumpers around lower platform base
- Handles, bag holders or other portion carts that can cause damage, are to be protected with 3" revolving, white rubber, non-marking bumpers.
- Base of all carts are to be made of tubular construction.
- 8" x 1.75" Semi-Pneumatic ball bearing wheels are to be used.

Concessionaires found using non-compliant delivery equipment may be barred from future deliveries until which time equipment has been modified or replaced.

e. Airfield Deliveries

1. General

All Concessionaires are bound by the rules set forth by MDAD for operating motor vehicles on the airport's Airside Operation Areas (AOA). The requirements below summarize those rules that are typically applicable to the Concessionaire but in no way are representative of all airfield rules.

Concessionaires requiring AOA deliveries must call Airside Operations at 305-876-7359 during business hours and after hours call the Senior Agent at 305-588-7094, a minimum of one business day prior to the delivery date you must provide with the requesting company's name, name of person calling, MDAD ID number, contact phone number, name of company making the delivery, AOA entry point and delivery destination. Once the delivery company is escorted to the delivery site, the Concessionaire is required to provide continuous escort of delivery personnel while in the Security Display Area (SIDA).

2. Construction

Construction contractors must physically report to the Airside Operations Office located at E-20 Ground Floor, a minimum of one business day prior to the delivery date and submit for approval the Construction Delivery Notification Form. Once the delivery is escorted to the construction site, the contractor is required to provide continuous escort of delivery personnel while in the SIDA area.

Delivery vehicles arriving at an MDAD Access Gate without MDAD approved advance notification will be denied access.

No motor vehicle shall be operated on the Airport except on roadways or areas designated for such purposes.

Motor vehicles and equipment operating on the AOA must have an official motor vehicle identification permit issued pursuant to Operational Directives of the Aviation Department. In addition, company identification must be conspicuously displayed on such motor vehicles and equipment.

Except as otherwise stated in this handbook or other rules and regulations provided to the Concessionaire, the laws of the State of Florida in regard to the operation of motor vehicles, including traffic regulation, are made applicable also to the operation of motor vehicles on the Airport.

f. AOA - Driver Training

Before any employee is permitted to operate a motor vehicle of any kind or type on the AOA, such employee must attend and successfully complete the AOA Driver Training Course conducted from time to time by the Aviation Department. The privilege of a person to operate a motor vehicle on the AOA may be withdrawn by the Aviation Department for any violation of AOA driving rules. The Concessionaire shall be responsible ensuring that all such vehicle operators possess current, valid, appropriate Florida driver's licenses.

F. Promotional Events and Public Relations Opportunities

1. Promotional Events

Concessionaires are encouraged to conduct promotional events. Concessionaires are limited to conducting promotional events within the limits of the lease premises unless otherwise approved in writing. Promotional events should be coordinated and approved by the Commercial Operations Division.

Clean up activities associated with any promotion, unless otherwise specified, are the responsibility of the concessionaire organizing the promotion.

Application to conduct promotional activities in the Terminal must be made in writing to Commercial Operations.

2. Public Relations Opportunities

MDAD recognizes the desire of concessionaires to disseminate press releases for marketing and public relations purposes. Prior to sending press releases out regarding particular MDAD unit events, promotions or news, the releases must be approved by MDAD.

MDAD will not copy edit the release, but may make recommendations. This procedure is intended as a means of keeping the appropriate departments aware of airport business activities and a coordination to ensure the varied business activities public relations' efforts are appropriately coordinated.

G. Customer Complaint/Comment Procedures

Concessionaires must make reasonable, respectful efforts to remedy problems and issues raised by Airport patrons. Concessionaire must answer in writing all written customer complaints within ten (10) calendar days after receipt thereof and furnish a copy of the complaint and said answer to the Commercial Operations within the ten-day period.

H. Airport Police

The Miami-Dade County Police Department, located on site, is responsible for the overall safety and security of the airport and is recognized by the State of Florida as officers of the law with jurisdiction over airport activities.

1. Criminal or Suspicious Activity

Concessionaires and their staff should use the following resources should they see or suspect illegal activity.

Concessionaires can call the Police Department at 305-876-7373 to report a crime in progress or other suspicious activity.

I. Concessions Security

1. Employee/Contractor Strike Activities

In the event that a Concessionaire's business anticipates a strike of its staff or of companies that service the Concessionaire, the Manager of Landside Operations must be contacted for specific guidelines for governing strike activities at MIA.

2. Store Security MDAD to Confirm

The Miami-Dade County Police Department routinely patrols the terminal building and individual concessions. Commercial Operations staff meets with concession managers, store owners and staff on a monthly basis to discuss current problems. This meeting should be used to communicate ideas and methods of improving security. Store managers with questions or concerns may contact Commercial Operations.

3. Prosecution of Shoplifters

To maintain a high level or security at the airport, Concessionaires are strongly encouraged to prosecute shoplifters and staff caught stealing by attending court sessions. If a Concessionaire catches a shoplifter or observes a theft, immediately call 305-876-7373. To curb this activity, attending court sessions are critical.

4. Reporting Incidents

Badged staff function as a second set of eyes and ears for Airport Security and the Miami-Dade County Police Department. If a crime or suspicious activity is witnessed, please call the Police Department at 305-876-7373.

5. Loitering

If the Concessionaire notices a problem with airport staff or other people unknown to the Concessionaire, please call the Police Department at 305-876-7373.

J. Emergencies

The Operations Control Room (OCR) emergency communication and dispatch functions for the airport's police, fire, airport operations and maintenance departments. For protective and emergency services call:

Police Emergency: 305-876-7373
Fire/Medical Emergency: 305-876-7070
Operations: 305-876-0125

1. Medical

MDAD Fire Department's fully-trained and equipped Emergency Medical Technicians (EMTS) are on duty twenty-four (24) hours per day to handle any and all medical emergencies, regardless of severity. For Fire and Medical emergency, call 305-876-7070. Patients are taken to nearest Hospital.

2. Fire

In case of fire, Concessionaires are asked to be familiar with, and to instruct new staff in, the following procedure.

1) Evacuate the area.

2) Call for Fire or Medical assistance at 305-876-7070.

3) Attempt to fight the fire with a portable fire extinguisher ONLY if:

   a. you have been trained in the use of a fire extinguisher;

   b. the Fire Department has already been notified; or

   c. you can do so without exposing yourself to injury or the possibility of becoming trapped by the fire.

The Fire Department conducts regular inspections of Concessionaire and concession premises including storage areas, the main terminal, all concourses and all MDAD owned buildings for the purpose of fire prevention and to ensure compliance with fire safety practices.

An inspection report will be issued containing information relating to issues of non-compliance and/or recommendations by the inspector, with a date of re-inspection to ensure that the required corrections have been completed.

a. Fire Safety Compliance

The Fire Department will work with Concessionaires to ensure compliance with fire safety practices and codes. More rigorous regulations may be set for specific Concessionaires through provisions in the Lease. Fines for non-compliance as a result of inspections could occur.

b. Suspected Fire Code Violations

If Concessionaire suspects a fire code problem or if there is a concern about fire safety, questions can be directed at the time of inspection, or by calling the Fire Department.

3. Other Reporting Concerns

It is in the best interest of all airport staff to ensure that MIA is a safe workplace and place to visit. All staff are required, therefore, to assist the DOA with safety by being proactive in reporting any incidents that might threaten the safety of MIA's staff or visitors. This may include the following:

- Spills
- Ceiling / roof leaks
- Roadway potholes
- Non-functioning elevators / escalators
- Buckled carpeting / flooring concerns
- Bare electrical wires
- Pests and birds in the terminal
- Unsafe construction activity

Call Operations Control Room (OCR) at 305-876-0385 to report these problems.

4. After Hours Activity

Concessionaires should notify Operations Control Room (OCR) at 305-876-0385, when Staff will be working in the store / office after normal operating hours. Some activities may need to be approved by MDAD, Security and/ or the airlines. Advance calls will prevent confusion.

5. Access to Premises

a. Keys and Locks Policy

MDAD controls all keying and re-keying of MDAD facilities excluding Concessionaire Leasehold areas. A licensed and bonded locksmith hired by MDAD does keying and lock repair through a work order request.

b. Grand Master Key Policy

The Grand Master (a key that will open all airport locks) is kept by 1) police under "break" glass, 2) each shift commander of the fire department, and 3) the licensed and bonded MDAD locksmith.

No access will be granted using the Grand Master key except under the following conditions:

a. Fire or fire emergency within the locked area (this does not include access for fire inspections, testing or other regulatory activity);

b. Life threatening policy emergency or active pursuit of known suspect;

c. Maintenance, when actively working on an authorized lock request; and

d. Other emergency conditions as authorized by the Airport Manager.

4. Locked Out Procedure

In the event a concession employee is "locked out", "locked in", "forgotten keys", "lost keys" or is not involved in any of the emergency events listed above, the Grand Master key will not be used to gain access to the premises. A new key must be authorized to cover this situation. Only an authorized representative of the concession can request additional keys to access the premises.

NOTE: Requests should not be forwarded to the Police for purposes of unlocking Concessionaire space in the case of "forgotten keys" or "locked out" events.

K. Trash Removal

1. Refuse Disposal

All concessions are required to handle, recycle or dispose of garbage, papers, or refuse or other material on the Airport in the receptacles provided for that specific type of recyclable or non-recyclable waste. MDAD is not responsible for concession's refuse. MDAD is responsible for the refuse disposal contract for the hauling of solid waste and recyclables away from the terminal building.

Concessionaires must cover trash containers in all areas. Concessionaires are not permitted to use a vehicle used for hauling trash, dirt or any other materials on the Airport unless the vehicle is constructed so as to prevent the contents from escaping.

Within the Concessionaire premises, Concessionaire must provide suitable waste receptacles for oily wastes, rags and other rubbish and trash. All waste is to be removed daily.

2. Designated Disposal Site

MDAD maintains a solid waste and disposal unit providing trash compactors and recycling bins at designated sites in the Terminal building. Refuse from store operations, deliveries and storage areas shall be contained in this area. No other areas shall be used. All such areas shall be kept clean and sanitary at all times.

Temporary storage or disposal of refuse in places other than the designated solid waste and recycling bins is not permitted. Dumping of boxes or other materials, particularly in or near storage rooms and access hallways, is considered a fire and safety infraction.

In the event of spillage of trash, grease or any material which may be unsightly or detrimental to the pavement, or which might cause a safety hazard, the Concessionaire is responsible for clean-up.

L. Airport Information Services

Information centers are located in the center of both the departure/ticketing and baggage claim levels of the terminal. Staffed hours are generally from 5:00 AM to 10:00 PM, Monday through Sunday.

M. Airport Paging

The Airport Paging Center pages individuals for the purpose of delivering messages or giving directions. Concessionaires can use the paging system to locate passengers who have left merchandise or belongings. Paging hours are available 24 hours daily and the center can be contacted at 305-876-7000.

N. Terminal Construction

1. Right to Develop Airport

Construction and alteration of the terminal building, concourses and roadways are ongoing to meet the demands of the traveling public. MDAD reserves the right to develop or improve the airport as it sees fit.

2. Inconveniences during Construction

During construction, remodeling, expansion, relocation, maintenance and repair of the airport Concessionaires should expect some inconveniences during the process including, but not limited to, noise, dust, vibration and changes in access. MDAD will take action necessary to ensure the safety and protection of concession staff and merchandise as it is able.

Should Concessionaires experience extraordinary, unworkable conditions related to construction, Concessionaire should contact Commercial Operations immediately. Commercial Operations will assist Concessionaire in its attempt to remedy the situation or minimize construction impact on the concession.

0. Required Monthly Meetings

The Concessionaire shall meet no less than monthly and regularly with the Department to discuss matters relating to its Agreement. In addition, at the Department's request, the

Concessionaire shall attend other meetings with the County, airlines and any other parties designated by the Department.

Concessionaires are also required participate in such safety, security and other training and instructional programs, as the Department or appropriate Federal agencies may time to time require.

V. KEY CONTACTS

AVIATION PROPERTIES DEPARTMENT		TELEPHONE NUMBER
ACCESS TO PREMISES	Superintendent, Aviation Maintenance	
BADGES	Ground Transportation Office	
CONFERENCE CENTER	Reservations and Information	305-871-4100
DELIVERIES	Airside/Superintendent Airfield Operations	305-876-0152
	Landside /Supervisor Parking Control	305-876-7024
POLICE	**Communications Center (24 Hours)**	**305-876-7373**
FIRE/MEDICAL	**EMERGENCY**	**305-876-7070**
FIRE SAFETY	Fire Inspection Section	**305-876-7070**
INFORMATION SERVICES	Information and Paging	305-876-7000 ext. 8
LEASEHOLD PREMISES	Property Manager	
MAINTENANCE	Maintenance Dispatch (24 Hours)	305-876-7311
PARKING	Manager, Parking Systems	305-876-7024
RENT, FEES, AND CHARGES	Aviation Finance Specialist	
SECURITY AND SAFETY	Chief	305-869-4247
SIGNAGE	Property Manager	305-876-0299
STORAGE	Property Manager	305-876-7753
TRASH/RECYCLING	Maintenance Coordinator	305-876-0923

EXHIBIT L
STANDARDS OF OPERATION

I. OPERATING REQUIREMENTS:

The Concessionaire shall comply with the Department's, **"Tenant Handbook" Exhibit K** and the **"Terminal Standards Manual"** (www.miami-airport.com), which may be amended from time to time, and the Concessionaire further agrees that its operation under the Agreement is a service to airline passengers and the users of the Airport and that the Concessionaire shall conduct its operation in a first-class, businesslike, efficient, courteous, and accommodating manner. The Department shall have the right, in accordance with the provisions of the Lease and Concession Agreement, to make reasonable objections to the quality of the equipment, the character of the service rendered to the public, the price charged, and the appearance and condition of the luggage wrapping machines and locations. The Concessionaire agrees to promptly discontinue or remedy any objectionable practice.

The Concessionaire shall maintain adequate personnel to provide quality service. Employees shall be courteous and helpful to the public. Employees, interacting with the public, must be able to speak English and Spanish.

The Concessionaire shall provide all necessary equipment as further described in the Agreement.

In addition, the Concessionaire understands and agrees that its operation at the Airport necessitates, at a minimum, the rendering of the following services:

A. Conduct of Operations:

1. Concessionaire shall not affix or maintain upon the glass panes or supports of the show windows, doors and the exterior walls of the locations, or any place within the locations if intended to be seen from the exterior of the locations, any signs, advertising placards, names, insignia, trademarks, descriptive material or any other such like item or items. The Department shall have the right, without giving prior notice to Concessionaire and without any liability for damages to the locations reasonably caused thereby, to remove any of same from the locations, except such as shall have first received written approval of the Department as to size, type, color, location, copy, nature and display qualities.

2. No awning or other projection shall be attached to the outside walls of the locations or the terminal building without the prior written consent of the Department.

3. All loading and unloading of goods shall be done only at such times, in the areas and through the entrances designated for such purposes by the Department. The Concessionaire may be required to utilize the services of a delivery /distribution company selected by the Department, if the program is so implemented.

4. All garbage and refuse shall be kept in the appropriate containers so as to minimize the spillage of such garbage and refuse.

5. No radio or television antenna shall be erected on the roof or exterior walls of the locations without the prior written consent of the Department. Any such aerial shall be subject to removal without notice at any time, and any damage to the walls or roof caused by such removal shall be the responsibility of the Concessionaire.

6. No loudspeakers, televisions, radios, flashing lights or other devices shall be used in a manner so as to be heard or seen outside the locations without the prior written consent of the Department.

7. The outside areas immediately adjoining the locations shall be kept clear at all times by Concessionaire, and Concessionaire shall not place any obstructions, garbage, refuse, merchandise or displays in such areas.

8. Concessionaire, its employees, or its agents, shall not solicit business in any of the common areas, nor shall Concessionaire, its employees or its agents, distribute any handbills or any other advertising matter in common areas of the Terminal or in any of the related parking facilities.

9. Concessionaire shall not carry on any trade or occupation or operate any instrument or apparatus or equipment which emits an odor or causes a noise discernible outside the locations and which may be deemed offensive in nature.

10. Concessionaire shall operate on a seven days a week basis, with sufficient personnel to render a high quality of service. Hours of operations should be compatible with Airlines hours of operation to ensure customer service.

11. Concessionaire agrees that it shall obtain prior written approval from the Department in all of the following matters:
    i. Methods and hours of operation.
    ii. Uniforms to be used by employees, including nametags and Airport's ID badges.

12. The Concessionaire shall properly control the actions of its employees at all times while said employees are working on the Airport, ensuring that they present a neat appearance and discharge their duties in a courteous and efficient manner and that they maintain a high standard of service to the public.

B. Property Management:

The Concessionaire will perform the following duties, subject to the terms, conditions, limitations and all other provisions of this Agreement:

1. Function as operations liaison between the Department, governmental agencies and/or others.

2. Ensure Customer Service Program compliance. High quality customer service is the cornerstone to an effective sales program. The Concessionaire is required to submit customer service program within thirty (30) days of the Lease Effective Date of the Agreement for MDAD review and approval.

3. The Concessionaire shall cause (i) cooperation in the testing of pressure, water flow and other appropriate tests of the fire extinguishing systems and apparatus located within the support space from time to time and as often as reasonably required by the Department, and if requested by the Department, furnish the County with copies of written reports of such tests; (ii) keep in proposer functioning order all fire fighting equipment and at all times maintain adequate stocks of fresh, suitable chemicals for use in such system and apparatus; (iii) notify the Department prior to conducting such tests; (iv) monitor and enforce compliance with all firefighting and other health and safety equipment and systems, and any related licenses, certificates and inspections.

4. Direct, coordinate and monitor procedures and practices for deliveries of materials and equipment, to and from the locations, as well as the collection and disposal of all waste and refuse related to the locations.

D. Special Services

1. Monitoring Services: The Department shall have the right, without limitation, to monitor and test the quality of services of the Concessionaire, but shall not be required to do so. This monitoring shall include, but not be limited to, personnel, product quality, service, and assistance; through the use of shopping services, closed circuit T.V. and other reasonable means.

2. Prohibited Items/Shipping Services: The Transportation Security Administration (TSA) has instituted a security measure that prevents certain items from entering the Airport's sterile areas or post-security checkpoints.

   The Department will provide a list of those items, which may change from time to time, to the Concessionaire as depicted on Exhibit J "Prohibited Items List" and upon receipt the Concessionaire shall acknowledge receipt of said Exhibit J "Prohibited Items List".

E. Security:

1. Security: The Concessionaire acknowledges and accepts full responsibility for the security and protection of the locations, any improvements thereon, its equipment and property on the Airport, and control of access to the Air Operations Area ("AOA") through the locations by persons and vehicles. The Concessionaire fully understands and acknowledges that any security measures deemed necessary by the Concessionaire for the protection of said

locations, equipment and property and access to the AOA through the locations shall be the sole responsibility of the Concessionaire and shall involve no cost to the County.

2. Security Identification Display Areas Access - Identification Badges: The Concessionaire shall be subject to all Departmental requirements and FAA mandates pertaining to the issuance of airport identification badges. Including, but not limited to employee completion of SIDA training conducted by the Department and extensive background checks, as required by the FAA Unescorted Access Privilege Rule. The Concessionaire shall pay, or cause to be paid, to the Department such nondiscriminatory charges, as may be established from time to time, for lost or stolen ID badges and those not returned to the Department in accordance with this covenant. The Department shall have the right to require the Concessionaire to conduct extensive background investigations and to furnish certain data on such employees before the issuance of such ID badges, which data may include the fingerprinting of employee applicants for such badges. The employees will be required to complete a Criminal History Records Check and Security Threat Assessment in accordance with 49 C.F.R. Part 1542 and security directive SD 1542-04-08 series. Furthermore, for those employees that will be performing their duties around or in the TSA areas, a TSA and Custom and Border Protection ("CBP") background check will be performed to secure the issuance of an Airport ID badge or any another determined seal to access the TSA areas.

3. AOA - Driver Training: Before the Concessionaire shall permit any employee to operate a motor vehicle of any kind or type on the AOA, the Concessionaire shall require such employee to attend and successfully completed the AOA Driver Training Course conducted from time to time by the Department. The privilege of a person to operate a motor vehicle on the AOA may be withdrawn by the Department for any violation of AOA driving rules. Notwithstanding the above, the Concessionaire shall be responsible ensuring that all such vehicle operators possess current, valid, appropriate Florida driver's licenses.

4. Alcohol and Drug Testing: The Concessionaire acknowledges that the County, as a public agency, sponsors under the provisions of the Airport and Airway Improvement Act of 1982, as amended (the "Act"), has the obligation to establish a drug free workplace and to establish policies and programs to ensure airport safety and security. The Concessionaire acknowledges that Department, on behalf of the County, has the right to require users of the Airport (Concessionaires, Permittees, Licensees, etc.) To establish reasonable programs to further the achievement of the objectives described herein. Accordingly, the Concessionaire shall establish programs for pre-employment alcohol and drug screening for all candidates for employment at the Airport who will as a part of their duties (a) be present on the AOA; (b) operate a motor vehicle of any type on the AOA; or (c) operate any equipment, motorized or not, on the AOA and for the same or similar screening based upon a reasonable suspicion that an employee, while on duty on the AOA, may be under the influence of alcohol or drugs. Notwithstanding the above, the Concessionaire

specifically acknowledges that the County, acting through the Department, has the right and obligation to deny access to the AOA and to withdraw AOA driving privileges from any person who it has a reasonable suspicion to believe is under the influence of alcohol or drugs.

5. Special Programs: The Concessionaire shall ensure that all employees so required participate in such safety, security and other training and instructional programs, as the Department or appropriate Federal agencies may time to time require.

6. Vehicle Permit and Company Identification: Motor vehicles and equipment of the Concessionaire operating on the AOA must have an official motor vehicle identification permit issued pursuant to Operational Directives of the Department. In addition, company identification must be conspicuously displayed on such motor vehicles and equipment.

7. Federal Agencies Right to Consent: The Concessionaire understands and agrees that all persons entering and working in or around arriving international aircraft and facilities used by the various Federal Inspection Services agencies may be subject to the consent and approval of such agencies. Persons not approved or consented to by the Federal Inspection Services shall not be employed by the Concessionaire in areas under the jurisdiction or control of such federal inspection agencies.

8. AOA - Right to Search: The Concessionaire agrees that its vehicles, cargo, goods and other personal property are subject to being searched when attempting to enter or leave and while on the AOA. The Concessionaire further agrees that is shall not authorize any employee or agent to enter the AOA unless and until such employee or agent has executed a written consent-to-search form acceptable to the Department. Persons not executing such consent-to-search form shall not be employed by the Concessionaire at the Airport, in any job requiring access to the AOA.

   It is further agreed that the Department has the right to prohibit an individual, agent or employee of the Concessionaire from entering the AOA based upon facts which would lead a person of reasonable prudence to believe that such individual might be inclined to engage in theft, cargo tampering, aircraft sabotage or other unlawful activities. Any person denied access to the AOA or whose prior authorization has been revoked or suspended on such grounds shall be entitled to a hearing before the Director of the Department of his authorized designee within a reasonable time. Prior to such hearing, the person denied access to the AOA shall be advised, in writing, of the reasons for such denial.

   The Concessionaire acknowledges and understands that these provisions are for the protection of all users of the AOA and is intended to reduce the incidence of thefts, cargo tampering, aircraft sabotage and other activities at the Airport.

II. PRICING POLICY

1. Price Increases: The Concessionaire shall receive written approval from the Department to increase the rental price, and any such request must be accompanied by a price survey. The Department reserves the right to verify price prior to approval. Prices may be checked periodically to assure compliance with this policy.

2. Marketing: The Concessionaire may be responsible for implementing a marketing plan for their luggage wrapping concession program.

III. MANAGEMENT AND PERSONNEL:

A. Management:

1. Personnel: The Concessionaire shall maintain a full time professional staff during the term of this Agreement of sufficient size, expertise and experience to manage the operations.

2. General Manager: The Concessionaire shall employ, at no cost to the Department, a full time, dedicated, on-site General Manager experienced in management and supervision who has sufficient authority and responsibility to administer and manage the luggage cart program under this Agreement. The General Manager (or his/her authorized representative) shall be immediately available, the base of operations of the General Manager shall be at the Airport, and the General Manager shall spend substantially all of his working hours at the Airport. In those cases where the General Manager is scheduled to be absent from the post for a period greater than forty-eight (48) consecutive hours, a substitute General Manager must be appointed from the existing staff, and the Department notified in writing.

   The Department reserves the right to require Concessionaire to remove and replace any General Manager or Assistant who, in the opinion of the Department, does not perform up to the standards consistent with the fulfillment of Concessionaire's obligations under this Agreement.

   Management Responsibilities: In its capacity as the Concessionaire under this Agreement, and not as an agent of the Department, Concessionaire shall manage the locations in accordance with this Agreement, in furtherance of which Concessionaire shall, among other things, (i) use reasonable efforts to remedy problems and issues raised by Airport patrons with respect to the operation of the locations, (ii) answer in writing all written customer complaints within ten (10) calendar days after receipt thereof and furnish a copy of the complaint and said answer to the Department within said ten (10) calendar day period; and (iii) promptly furnish the Department with copies of all written

notices received by Concessionaire from any governmental authority with respect to the locations.

B. Administrative Functions:

1. The Concessionaire shall provide quality control audits and reports covering compliance with contract requirements, cleanliness of the facility, timeliness of service and quality of the product. (MDAD will establish its own rules and regulations that are subject to its unilateral revision and implementation).

2. The Concessionaire shall generate monthly reports to MDAD, including sales by location; shall develop annual revenue projections by month and by location to be updated on a regular basis.

3. Generate monthly airport revenue reports, DBE Monthly Utilization Reports and such other financial and management reports as are usual and customary concession management programs. Prepare other reports and analyses as may be requested periodically by MDAD including number of transactions per period, average transaction value and sales per location.

4. Maintain computerized records on a management software program acceptable to MDAD. Programs and all data collected should be available to the Department on-line (digital and electronic).

5. Respond to customer/passenger complaints on behalf of MDAD.

6. Implement any new policies and procedures as directed by MDAD.

7. Ensure payment to MDAD to include all required reports. The Concessionaire is prohibited from waiving any right to receive rents, fees, charges, or other revenues that may be paid without the prior written consent of MDAD, and will similarly be prohibited from granting any rent abatements, extensions, or other modifications without such prior written consent.

8. Coordinate and maintain general oversight of deliveries of materials and equipment from designated on or off-airport storage areas for the locations and support space.

9. Develop, maintain and make available if requested, files to include copies of licenses, permits, insurance certificates, letters of credit, annual DBE certification and correspondence.

C. Training:

The Concessionaire shall submit a copy of its employee Customer Service Training Program within thirty (30) calendar days of the Effective Date of this Agreement. In addition, the Concessionaire shall annually hereafter establish a

training program for its employees shall submit a summary report of the training areas covered and the number of participants in the following areas:

1. Customer service
   a. Greeting/approaching customers
   b. Answering questions
   c. Complaints resolution
   d. Establishing priorities
   e. Handling emergencies

2. Operations
   a. Hours of operations
   b. Inventory
   c. Conducting and reporting transactions
   d. Management structure
   e. Hierarchy of decision-making
   f. Attire/appearance standards

The Concessionaire must maintain training records of its employees and provide TSA, upon request, with access to the training records. The training records must be maintained for no less than ninety (90) days following termination of the individual's employment.

D. Staffing:

The Concessionaire shall ensure that passengers are provided the highest level of customer service. Adequate staffing levels must be maintained at all times. Peak passenger activity, the nature of the retail operation, and customers' needs shall be taken into account in determining these staffing levels. The level of staffing shall encompass employees, as well as managers and support staff, as appropriate to the operation.

Employee uniforms and nametags will be required in MIA retail operations. All employees are required to wear a uniform in the course of business, the uniform's design, color and overall appearance should be tasteful and in keeping with the theme of the particular type of operation.

The Concessionaire and its employees, who are located in TSA areas, may have access to Sensitive Security Information (SSI) and TSA non-public information. The Concessionaire and its employees must safeguard SSI and protect such information from unauthorized disclosure by providing training to its employees on what information constitutes SSI, the requirements to protect SSI, and the consequences of unauthorized disclosure of SSI as described in title 49, Code of Federal Regulations (49 CFR), part 1520. Additionally, the Concessionaire must train its employees to prevent unauthorized disclosure of TSA non-public information.

In the event any of the Concessionaire's wrapped baggage alarms during TSA screening, the Concessionaires must retrieve the baggage from the system, transport the baggage to an area and/or table as directed by TSA, remove the

wrapping material from the baggage to allow TSA to screen the baggage and resolve any alarm, discard the waste, and when notified by TSA, transport the baggage back into the system or transport the baggage to other areas as designated by TSA.

The Concessionaire must maintain physical custody and control of checked baggage from the time he takes possession of the baggage until it hand delivered it to TSA.

The Concessionaire and its employees must not alter or remove any identification associated with the checked luggage.

The Concessionaire must not allow anyone, to include a passenger or owner of th3e checked baggage, to introduce any items into the baggage at any point after the baggage has been submitted to TSA for screening.

The Concessionaire must not at any time open, add items to, or remove items from checked baggage.

The Concessionaire shall be responsible for any damage arising from its handling the checked baggage, including removal of the wrapping or during the re-wrapping process. At the same time, the Concessionaire agrees to hold TSA harmless for any complaints or claims to such effect.

The Concessionaire must prevent unauthorized access to checked baggage from the time it receives the baggage for re-wrapping to the time it hands deliver back to TSA. Under no circumstances the Concessionaire must open or add/remove items from the luggage. Furthermore, no one, including the passenger or owner of the checked baggage can access the luggage after having passed TSA screening.

The Concessionaire must ensure that the checked baggage wrapping service does not interfere with TSA's security mission at the Airport.

E. Meetings:

The Concessionaire shall meet regularly with the Department to discuss matters relating to this Agreement. In addition, at the Department's request, the Concessionaire shall attend other meetings with the County, airlines and any other parties designated by the Department.

EXHIBIT M

LABOR PEACE AGREEMENT