

**NORFOLK AIRPORT AUTHORITY
NORFOLK INTERNATIONAL AIRPORT**

**REQUEST FOR PROPOSALS AND
PROPOSED CONCESSION AGREEMENT**

**AIRPORT LUGGAGE CART CONCESSION
NAA-2022-09-16**

August 18, 2022

PART I

REQUEST FOR PROPOSALS

TABLE OF CONTENTS

SECTION		PAGE
Section 1	Request for Proposals	R-1
Section 2	Submission of Proposals.....	R-2
Section 3	Qualifying and Supplemental Information	R-3
Section 4	Information Accompanying Proposals	R-4
Section 5	Proposal Guarantee	R-9
Section 6	Inspection and Condition of Facilities	R-9
Section 7	Negotiations	R-10
Section 8	Basis for Award	R-10
Section 9	Acceptance of Rejection of Proposal.....	R-11
Section 10	Execution of Concession Agreement.....	R-12
Section 11	Failure to Execute Concession Agreement.....	R-12
Section 12	Failure to Obtain Permits.....	R-13
Section 13	Disadvantaged Business Enterprise	R-13

SECTION 1. REQUEST FOR PROPOSALS.

1.1 The Norfolk Airport Authority (“Authority”), acting by and through its Executive Director, requests Proposals from Offerors to enter into a Concession Agreement to provide necessary equipment, furnishings, and personnel to operate an Airport Luggage Cart Concession as described herein (“Service”) at the Norfolk International Airport (“Airport”) in Norfolk, Virginia.

1.2 The Proposal Documents. This document consists of three (3) parts and the respective exhibits and attachments, if any; together these documents are referred to as the “Proposal Documents”.

Part 1: The Request for Proposals (“RFP”), which is divided into Sections and has page numbers beginning at “R-1.”

Part 2: The Proposal Form, which has page numbers beginning at “P-1” and which, when properly completed and attached to the other information provided by an Offeror, forms the Offeror’s Proposal.

Part 3: The Concession Agreement, which is divided into Articles and has page numbers beginning at “C-1.”

1.3 The final agreement entered into by the Selected Offeror and the Norfolk Airport Authority will be considered to include all three parts of the Proposal Documents, including any exhibits and attachments. Prospective Offerors are encouraged to review the Proposal Documents in their entirety before submitting a Proposal.

1.4 Copies. Additional copies of the Proposal Documents are available upon request to Steve Sterling, Deputy Executive Director/Chief of Staff, Norfolk Airport Authority, Norfolk International Airport, Norfolk, Virginia 23518-5807. The documents are also available on the Airport’s website, located at the following link: <http://www.norfolkairport.com/about-us/business-opportunities>

1.5 Unauthorized Contact. Except the communications with the Deputy Executive Director/Chief of Staff as specifically authorized herein, contact with any official or employee of the Authority, including any Commissioner, in connection with this procurement or the Proposal Documents is prohibited and shall be cause for disqualification of the Offeror. The Authority will not meet individually with any Offeror prior to receipt of proposals.

1.6 There is no scheduled preproposal conference for this offering.

1.7 Questions.

a. Offerors are encouraged to to submit questions in writing concerning this RFP, Questions may be sent by either U.S. Mail, courier, or preferably by email to ssterling@norfolkairport.com. **Questions must be received by the Authority by 5:00 p.m. (local time) on Thursday, September 1, 2022.** The questions, and the answers to the questions will be posted on the Authority's website at the above-referenced address.

d. Any changes in the requirements of this RFP that result from the questions or the Conference will be made by addendum to the RFP.

SECTION 2. SUBMISSION OF PROPOSALS.

2.1 **Proposals will be received until 2:00 p.m. (local time) on September 16, 2022 (the "Due Date").** Email submissions are acceptable in pdf format. Include in the email subject line "Airport Luggage Cart Concession Proposal". If submitting by professional courier or in person, one (1) electronic copy via CD or USB thumb drive, plus one (1) original hardcopy of the Proposal shall be submitted. Proposals shall be single sided and limited to fifteen (15) pages in length, excluding cover sheet, W-9, financials, proposal form, affidavit form, and equipment specifications and diagrams. Hardcopy submissions shall be contained in a sealed envelope labeled "Airport Luggage Cart Concession Proposal," conspicuously endorsed with the Offeror's name, and showing the Due Date and time the Proposal is to be received. Proposals must be delivered in sufficient time for receipt by the Authority not later than the Due Date. Proposals or modifications thereto received after the Due Date will not be considered.

2.2 The Proposal must be submitted upon the forms furnished by the Authority and must give **all** required information. The Proposal must be signed on behalf of the Offeror and the acknowledgment made in the form provided. Optional or additional items must be clearly identified.

2.3 It is essential that the information and requirements of the Proposal Documents be carefully studied and adhered to in the preparation and submission of Proposals. Any award will be based upon the Authority's analysis of the Proposals and upon the evaluation criteria contained herein. Failure to comply with the restrictions and provisions contained herein may be cause for rejection of the Proposal.

2.4 In making the Proposal, the Offeror expressly offers to assume all the obligations

and liabilities contained in the Proposal Documents, including the representations and warranties made by the “Concessionaire” in the Concession Agreement.

SECTION 3. QUALIFYING AND SUPPLEMENTAL INFORMATION.

3.1 In its Proposal, an Offeror must provide evidence that it is fully competent to provide the Service and that it has the necessary experience and capacity to fulfill the requirements of the Proposal Documents. Offeror must have a minimum of three (3) years substantial, continuous, and recent experience providing comparable services to the public.

3.2 In addition to the requirements of the Proposal Documents, the Authority may give oral or written notice to any Offeror at any time to furnish additional information, either in writing and/or in a verbal presentation, to representatives of the Authority relating to its qualifications to perform the obligations imposed by the Proposal Documents. The requested information shall be furnished in the format and within the time frame specified by the Authority.

3.3 The giving of the aforesaid notice to any Offeror shall not be construed as an acceptance of Offeror’s Proposal.

3.4 The Authority reserves the right to consider, in its evaluation and selection process, such additional information obtained from Offerors or as the Authority may obtain from its independent investigation of Offerors.

SECTION 4. INFORMATION ACCOMPANYING PROPOSALS.

A Proposal shall consist of a completed Proposal Form, the following information that must accompany the Proposal Form, and any other requirements set forth in the Proposal Documents:

4.1 General Information About Offeror:

- a. The legal name and principal address of the Offeror.
- b. The nature of the Offeror entity, i.e. corporation, partnership, individual, limited liability company, or other.
- c. If Offeror is a corporation, provide the following:
 - (1) The full legal name and address of each officer and director.
 - (2) Certificate of good standing issued by the Virginia State Corporation Commission not more than sixty (60) days prior to the submission of Offeror’s Proposal.

(3) If the Offeror is not incorporated under the laws of the Commonwealth of Virginia, a certificate of good standing from the state of incorporation and a certificate from the Secretary of the Commonwealth of Virginia evidencing the Offeror's legal qualifications to transact business in the Commonwealth of Virginia.

d. If Offeror is a partnership, provide the following:

(1) The full legal name and address for each partner, designating any general partners and limited partners.

(2) A copy of Offeror's partnership agreement.

(3) Evidence that the Offeror is legally qualified to transact business in the Commonwealth of Virginia.

e. If Offeror is a limited liability company, provide the following:

(1) A statement of the names and addresses of the members, designating any managing members.

(2) A copy of Offeror's articles of organization.

(3) A copy of the current operating agreement.

(4) A Certificate of Fact for Offeror.

(5) Evidence that the Offeror is legally qualified to transact business in the Commonwealth of Virginia.

f. If any of the officers, directors, partners, members, or other parties identified in the responses to subsections c, d and e above is an entity, provide the information requested in subsections c, d and e above, as appropriate, for each such entity.

g. Provide the following information regarding the finances and financial responsibility of Offeror and any of the individuals or entities identified in the responses to subsections c, d and e above as officers, directors, members and partners of Offeror which either (i) own or control any interest in the Offeror which equals or exceeds one-half of Offeror's units of ownership or control; (ii) are actively engaged in the management of Offeror; or (iii) will be actively involved in the operation of the Concession ("Controlling Party"):

(1) Federal income tax returns filed for the last two years.

(2) Either (i) a balance sheet and income statement, certified by a certified public accountant who is not otherwise an employee of Offeror, showing the net worth of Offeror as of a date not earlier than 120 days prior to the date established for receipt of the

Proposals, and the net income of the Offeror for a twelve-month period ending as of a date not earlier than 120 days prior to the date established for the receipt of the Proposals; or (ii) a balance sheet and income statement for Offeror's preceding fiscal year, certified by a certified public accountant who is not otherwise an employee of Offeror, and the net income of the Offeror for the Offeror's preceding fiscal year, along with a statement from said certified public accountant indicating that the present financial condition of the Offeror is at least as good as that shown on the balance sheet and income statement submitted.

(3) The name and address of the primary bank of Offeror and any Controlling Party with the name and telephone number of the bank representative handling the account and a signed copy of the form identified as **Proposal Exhibit A** for Offeror and each Controlling Party.

(4) A credit report on Offeror and any Controlling Party issued by a nationally recognized credit report agency (e.g., Equifax, Experian) dated within thirty (30) days of the date of Offeror's Proposal.

(5) The name, address and nature of any other business enterprise currently owned or operated by Offeror and any Controlling Party, or anticipated to be owned or operated during the Term of the Concession.

h. For Offeror, each Controlling Partner and each officer and employee of Offeror who will be directly involved in the supervision, direction, management or operation of the Concession:

(1) Provide a fingerprint-based criminal history record check if the individual or entity has been convicted of a felony, a misdemeanor that involves moral turpitude (e.g., lying, cheating, or stealing), or has pending criminal charges of any nature.

(2) Certify that the individual or entity has never been convicted of, and does not have pending criminal charges of, the disqualifying criminal offenses listed in 49 CFR §1542.209(d), as amended, or any comparable regulations.

(3) State whether any such individual or entity has ever been found to be in violation of any regulatory order of any local, state, or federal governmental agency. If so, provide information regarding each such violation.

(4) State whether any such individual or entity has any pending criminal charges or is a party to any pending civil or administrative proceeding. If so, provide information regarding each such pending charge or proceeding.

i. If applicable, information and documentation pertaining to Airport Concessionaire Disadvantaged Business Enterprise (“ACDBE”) status.

4.2 Information About Affiliates, if any:

a. For purposes of the Proposal and Concession Agreement, the term “Affiliate” shall be defined in accordance with the regulations applicable to small businesses under 15 U.S.C. § 631 et. seq., as the same may be amended from time to time. Entities or individuals are considered to be Affiliates of each other under this Proposal and Concession Agreement when one controls or has the power to control the other, or a third party (or parties) controls or has the power to control both. Factors relevant to affiliation include ownership, management, previous relationships with or ties to another entity, and contractual relationships. Individuals or firms that have identical or substantially identical business or economic interests, such as family members, persons with common investments, or firms that are economically dependent through contractual or other relationships shall be treated as Affiliates. With regard to a corporation, a person is an Affiliate if the person owns or controls, or has the power to control, fifty percent (50%) or more of its voting stock, or a block of stock which affords control because it is large compared to other outstanding blocks of stock. If two or more persons each owns, controls or has the power to control less than fifty percent (50%) of the voting stock of an entity, with minority holdings that are equal or approximately equal in size, but the aggregate of these minority holdings is large as compared with any other stock holding, each such person is presumed to be an Affiliate.

b. Identify every Affiliate of Offeror and for each such Affiliate not otherwise identified as a Controlling Party, provide all the same information requested in subsection 4.1 above with respect to the Offeror, except that the items in subsections h and i must be provided only for Affiliates which control or have the power to control the Offeror. The Authority, however, reserves the right to request such additional information regarding other Affiliates as the Authority shall determine necessary or appropriate.

4.3 Service Information:

a. Detailed information relating to concessions or other business ventures that the Offeror has operated or is currently operating that are comparable to the Service. Such

information shall include, but not be limited to, references sufficient to enable the Authority to determine the Offeror's financial responsibility and proven experience in the operation and management of a reputable comparable business.

b. Copies of the licenses, permits and/or certificates Offeror currently has to provide the Service, and a list of any licenses, permits and/or certificates for which Offeror intends to apply.

c. A proposed operating plan for the Service to be provided which plan shall address, at a minimum, the following:

(1) Locations of luggage cart stations at the airport.

(2) Offeror's proposed rate schedule for the Service to include the basis for assessing fees, along with payment methods used by customers.

(3) A description of the carts to be used in providing the Service.

(6) The Offeror's plan to service the carts both in terms of returning carts to the vending stations as well as providing maintenance for carts and vending stations.

(7) A list of the individual positions and responsibilities of the persons currently employed or to be hired to provide the Service.

(8) The full legal names and addresses of each individual who will serve in a managerial or supervisory position with regard to the Service and for each such individual, detailed information to establish to the satisfaction of the Authority the individual's qualifications and experience.

d. A safety and security plan to assure that people and property using the Service, and other people and property at the Airport, are safe and secure at all times, including but not limited to the criminal and security background check program that will be applied to all employees who will provide the Service. This program must, at a minimum, address felonies, crimes involving moral turpitude, and the disqualifying criminal offenses listed in 49 CFR §1542.209(d), as may be amended, or any comparable regulations;

e. Written certification that Offeror has determined all requirements for permits, licenses, and certificates required by any regulatory agency (federal, state, and local) for Offeror to operate the Service, and that Offeror has or will be able to obtain all required permits, licenses, and certificates upon one hundred twenty (120) calendar days of receipt of the Notice of

Intent to Award the Concession Agreement. The Selected Offeror must promptly and diligently apply for and pursue the required permits, licenses, and certificates and shall provide the Authority with copies of all applications for such permits, licenses, and certificates. Selected Offeror shall provide the Authority with a copy of any application and other information provided to such regulatory agencies and continuously keep Authority fully informed of the status of each application.

e. Offeror may submit any additional information that is material and relevant to a determination of its qualifications and ability to operate a successful concession of the type required hereunder offering safe, timely, and efficient service in a clean, attractive, and professional environment. The Authority shall be the sole judge of the qualifications of the Offeror.

SECTION 5. PROPOSAL GUARANTEE.

5.1 Each Offeror shall submit with its Proposal a Proposal Guarantee in the amount of Five Thousand and 00/100 Dollars (\$5,000.00) in the form of a bank cashier's check or bank certified check, payable to the Authority, or a bid bond issued by a surety authorized to do business in the Commonwealth of Virginia. The Proposal Guarantee of all Offerors will be retained by the Authority, without interest, until execution of the Concession Agreement by the Authority.

5.2 After the execution of the Concession Agreement, the Proposal Guarantees of all non-defaulting Offerors shall be returned without interest thereon.

SECTION 6. INSPECTION AND CONDITION OF FACILITIES.

6.1 Each Offeror may, and is encouraged to, inspect the Concession Area at the Airport, but must make reasonable prior arrangements with the Deputy Executive Director of the Authority for this purpose. No statement by any Authority representative before or during the inspection shall be a part of this procurement and may not be relied upon by the Offeror.

6.2 The Authority shall deliver the applicable Airport facilities to Concessionaire in an "AS IS, WHERE IS" condition, without representation or warranty of any kind. The Authority shall have no obligation to alter, renovate, or otherwise change the applicable Airport facilities in any manner whatsoever. By submitting a Proposal, Offeror is deemed to agree that the Concession Area is in a condition suitable for the Concession, and installation of any Improvements required of the Concessionaire under the terms of the Proposal and Concession Agreement. The Offeror

further agrees to accept the facilities as of date of delivery without further recourse to the Authority in regard thereto.

SECTION 7. NEGOTIATIONS.

7.1 The Authority may award a Concession Agreement based on the initial Proposals received, without conducting any negotiations or discussions concerning such Proposals and, accordingly, each initial Proposal should be submitted on the most favorable terms.

7.2 After receipt of Proposals, negotiations may be conducted with one or more Offerors as determined by the Authority. After these negotiations, the Authority will select the Offeror submitting the Proposal with the best overall benefit to the Authority, as determined by the Authority in its sole discretion.

SECTION 8. BASIS FOR AWARD.

8.1 The Authority reserves the right to withdraw the Proposal and Concession Agreement at any time for any reason, to reject any or all Proposals or modifications thereto, and to waive any informalities in Proposals received. The Authority reserves the right to make any award on the basis of the Proposal that it determines, in its sole discretion, best meets the requirements of the Authority as set forth in this Proposal and Concession Agreement.

8.2 The Authority's selection of a Proposal will be based upon an evaluation of the Offeror, and where applicable, its Affiliates, as being both responsive and responsible, and as being the most advantageous to the Authority, with no single evaluation factor being necessarily determinative. The Authority reserves the right to consider the following factors and others without specific prior identification, and without predetermined weight, as it may deem appropriate in evaluating the Proposals received and making its selection:

a. Experience of Offeror and those employees of the Offeror whom the Offeror certifies will have overall management supervision as well as those persons who will have major responsibilities in the control and management of the operation of the Service.

b. The Offeror's proposed operating, safety and security plans.

c. The financial condition of Offeror, and if relevant, any Controlling Party and Affiliates, and the ability to obtain adequate financing to perform those functions necessary for the Service.

d. An evaluation of the Offeror's current and past performance in providing comparable services, particularly at other airports or public facilities.

- e. Personal and professional references.
- f. The Concession Fee (percentage of gross revenue) the Offeror has proposed to pay the Authority.
- g. Offeror's ACDBE participation.
- h. Offeror's proposed rates and fares and policies for establishing the rates and fares to be charged to the public for its Services.
- i. Offeror's management policies.
- j. If applicable, Offeror's plans for Improvements as they involve use of space, décor, and quality of equipment and furnishings.
- k. Offeror's equipment maintenance plan.

8.3 In the process of evaluation, the Authority may acquire and use, to the extent deemed necessary, information obtained from the following sources:

- a. The Offeror, including representations and other data contained in the Proposal, or other written statements of commitments, such as financial assistance and subcontracting.
- b. Other existing information available to the Authority, including financial data and records concerning Offeror's performance.
- c. Publications, including credit ratings, trade and financial journals or reports.
- d. Other sources, including banks, other financial companies, state county, and municipal departments and agencies and other public airports.
- e. The Authority reserves the right to audit or to appoint a competent representative to audit the books and records of any Offeror in order to verify its financial responsibility.
- f. The results of background investigations of Offerors made to verify information furnished or to secure additional information the Authority may deem necessary or desirable.

SECTION 9. ACCEPTANCE OR REJECTION OF PROPOSAL.

9.1 Within ninety (90) days after the Due Date for receipt of Proposals, or as soon thereafter as it may act, the Authority will select one of the Proposals and will reject all other Proposals or will reject all Proposals. The Authority reserves the right to reject all Proposals if it deems such to be in the best interest of the Airport.

9.2 The selection of a Proposal will be by written Notice of Intent to Award the Concession Agreement, specifically indicating a Selected Offeror and signed by an authorized representative on behalf of the Authority. No other act of the Authority, its Commissioners, agents, or employees shall constitute the selection of a Proposal.

9.3 The selection of a Proposal shall be deemed to constitute an agreement of the Selected Offeror to execute a Concession Agreement on the terms set forth in the Proposal as may be modified by any negotiations. Notwithstanding the foregoing, the selection of a Proposal shall not be effective and binding upon the Authority until the Concession Agreement has been formally executed by both parties.

9.4 The Authority reserves the right to waive any and all defects in form in any Proposal.

SECTION 10. EXECUTION OF CONCESSION AGREEMENT.

10.1 Within fifteen (15) days after Authority's receipt from the Selected Offeror of copies of all required permits, licenses, and certificates, the Authority shall deliver or mail to the Selected Offeror, in duplicate, the final Proposal and Concession Agreement completed in accordance with the Proposal submitted by Offeror and as accepted by Authority.

10.2 Within ten (10) days thereafter, the Selected Offeror shall deliver both copies to the Authority, with the Concession Agreement duly executed by it as "Concessionaire," and the Security Deposit required in the Concession Agreement. Upon receipt, the Authority will execute both copies and return one to the Concessionaire.

SECTION 11. FAILURE TO EXECUTE CONCESSION AGREEMENT.

11.1 Should the Selected Offeror fail or refuse to execute the Concession Agreement as provided herein, or otherwise default on the agreement created by the Authority's acceptance of the Selected Offeror's Proposal, the Proposal Guarantee submitted by the Selected Offeror and any interest thereon shall become the property of the Authority, not as a penalty, but as liquidated damages. Offerors acknowledge that the Authority has incurred costs and will incur additional costs and damages by reason of such default and that such damages are difficult to determine.

11.2 Upon such failure, refusal, or other default, to execute the Concession Agreement, the Authority reserves the right to accept the Proposal of any other Offeror. Neither the exercise of such right by the Authority nor the failure to do so shall operate as a release by the Authority of

the defaulting Offeror as to any claims or rights that the Authority may have against such defaulting Offeror pursuant to the preceding paragraph or otherwise.

SECTION 12. FAILURE TO OBTAIN PERMITS.

12.1 If the Authority determines, in its sole discretion, that Selected Offeror has failed to diligently and promptly apply for or pursue all required permits, licenses, and certificates or failed to obtain the permits, licenses, and certificates required to operate the Service within the time period provided herein, including any extension of time authorized by the Authority, the Authority may: (i) withdraw the Notice of Intent to Award the Concession Agreement to the Selected Offeror and issue a Notice of Intent to Award to another Offeror submitting the Proposal with the best overall benefit to the Authority, (ii) withdraw the Proposal Documents without making an award, or (iii) take such other action as the Authority shall determine appropriate.

SECTION 13. AIRPORT CONCESSIONAIRE DISADVANTAGED BUSINESS ENTERPRISE.

13.1 It is the policy of the Authority that, in compliance with U. S. Department of Transportation (“DOT”) Regulations 49 C.F.R. Parts 23 and 26, as may be amended, and other applicable federal, state, and local statutes or regulations that may apply, a business which qualifies as an Airport Concession Disadvantaged Business Enterprise (“ACDBE”) shall have the maximum opportunity to participate in the Authority’s concession contracts and leases for the Airport. In compliance with 49 C.F.R. Parts 23 and 26, the Authority has an “ACDBE Concession Plan” setting forth the Authority’s policy pertaining to ACDBE participation in Airport concessions. The Authority’s overall ACDBE Concession participation goal for all eligible concessions at the Airport is 12.94% of gross revenue.

13.2 In conformity with the requirements of 49 C.F.R. Parts 23 and 26, as may be amended, 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 this Concession Agreement. The Concessionaire agrees to include the above statement in any subsequent concession agreements that it enters and cause those businesses to similarly include the statements in further agreements permitted under this procurement.

13.3 All ACDBE participants under the Concession Agreement must be certified by the Virginia Department of Small Business and Supplier Diversity (“SBSD”) or the Metropolitan Washington Airports Authority (“MWAA”).

13.4 The Concessionaire shall submit such reports or other documentation as may be required by the Authority for the purpose of demonstrating compliance with this Section 13.

[END OF PART I]

PART II

PROPOSAL FORM

(to be submitted in response to the Request for Proposals and Proposed
Concession Agreement for Airport Luggage Cart Concession Service,
issued by the Norfolk Airport Authority,
dated August 17, 2022)

PROPOSAL FORM

AIRPORT LUGGAGE CART CONCESSION NORFOLK INTERNATIONAL AIRPORT

TO: NORFOLK AIRPORT AUTHORITY

A. The undersigned _____, a
(Name of Offeror)¹
_____ organized and existing under the laws of the State of
(Type of Entity)²
_____, hereby offers to enter into a contract with the Norfolk Airport
(State of Formation)
Authority ("Authority"), in the form entitled "Norfolk International Airport, Airport Luggage Cart
Concession Agreement," attached hereto and incorporated herein, for the establishment and
operation of the Concession as specified in the Proposal Documents.

B. In furtherance of this Proposal, the Offeror offers to pay to the Authority during the
term of the Concession Agreement a fee, referred to hereinafter as the "Concession Fee," equal to
the greater of:

(1) _____ percent (___%) (Insert fixed percentage offered) of Offeror's
Gross Revenues (**A fixed percentage rate of less than 15% will not be accepted**); or

(2) A Minimum Annual Guarantee (MAG) as set out below for each Contract
Year (Insert a specific and definite numerical dollar amount offered for Year 1).

1st Contract Year - \$ _____ (**A Year 1 MAG of less than \$15,000 will not be
accepted**)

Contract Years 2-5 will be equal to eight-five percent (85%) of the Percentage Fee paid to the
Authority for the prior Contract Year (or portion thereof)

¹ Give the full legal name of the entity or individual making the proposal.

² State whether Offeror is a corporation, limited liability company, partnership, limited partnership or individual.

C. The Offeror acknowledges that payment of the Concession Fee, is subject to, and further explained by, all the other terms set forth in the Proposal Documents.

D. This Proposal shall be irrevocable for a period of ninety (90) days after the Due Date. To induce the selection of this Proposal by the Authority, the Offeror hereby makes each and every representation and agreement made by "Concessionaire" in the Concession Agreement and agrees that the selection of this Proposal shall have the effect provided in the RFP furnished herewith and that effect only. Notwithstanding any statement therein to the contrary, the Offeror agrees that none of the information, regardless of the form of communication, provided to the Authority by the Offeror, or its officers, agents or employees, has been given in confidence. All or any part of the information may be used or disclosed by or on behalf of the Authority without liability of any kind, except as may arise under letters of patent specifically identified by written attachment hereto. All financial information given as a part of this Proposal will remain confidential only to the extent permitted by law.

E. The Offeror hereby affirms that the Proposal contained herein is in no way conditioned upon any predetermined level of aviation activity or passenger activity at the Airport, past, present, or future. Offeror has not relied on any representations of the Authority's staff, either orally or in writing, as to the level of Concession business at the Airport before or during the term of the Concession Agreement, nor of any factors that might bear on such business potential, including without limitation the information provided on the exhibits attached to the Proposal Documents. The Proposal contained herein is based solely on Offeror's own knowledge of the airport luggage cart concession business and its own assessment of the market potential at the Airport for such a concession.

F. (Check the appropriate line) The Offeror DOES _____, or DOES NOT _____ wish consideration as a Airport Concessionaire Disadvantaged Business Enterprise.

G. CERTIFICATIONS:

(1) Offeror hereby certifies that no officer, director, employee, or agent of the Offeror has been convicted of, or has pending criminal charges of, the disqualifying criminal offenses identified in Section 4.1(h)(2) of the Request for Proposals will perform any work pursuant to the Proposal and Concession Agreement on the property of the Authority, without first obtaining the express prior approval of the Authority for that particular employee or agent.

(2) Neither Offeror nor any Controlling Party has ever been denied a permit, license, or certificate necessary to provide any luggage cart related services. If so, provide information regarding each such denial, including the date of each application, the type of service to be provided pursuant to each application, the governmental entity with which each application was filed, and the reasons the application was denied.

(3) Neither the Offeror or any Controlling Party has ever applied for and withdrawn an application for a license, permit, or certificate necessary to provide any luggage cart related service. If so, provide information regarding each such withdrawal, including the date of each application, the governmental entity with which each application was filed, the type of service to be provided and the reasons the application was withdrawn.

H. The entire Proposal and all of the Proposal Documents, all papers required by it and all exhibits and other papers made a part thereof by its terms are incorporated herein and made a part of this Proposal. The undersigned hereby designates the following contact information for notices to be delivered or mailed:

The designated representative of the Offeror is: _____

The mailing address of Offeror is: _____

The telephone number of the Offeror is: _____

The facsimile number of the Offeror is: _____

The e-mail address of the Offeror is: _____

(*) Witness the following signatures:

Date: _____

SIGNATURES:

Printed Name of Offeror

Signed By: _____

Title: _____

Witness

CERTIFICATE OF AUTHORITY
IF OFFEROR IS A CORPORATION
OR LIMITED LIABILITY COMPANY

I, the undersigned, as Secretary or Assistant Secretary of the Corporation or duly authorized representative of the Limited Liability Company submitting the foregoing Proposal, hereby certify that under and pursuant to the Bylaws and Resolutions of the Corporation, or Operating Agreement and Resolutions of the Limited Liability Company, as applicable, the agent who has signed this Proposal on behalf of the Offeror is fully authorized to do so.

Secretary or Assistant Secretary

(Corporate Seal)

**ACKNOWLEDGMENT OF OFFEROR
IF A CORPORATION OR LIMITED LIABILITY COMPANY**

STATE OF _____:
COUNTY OF _____:

On this _____ day of _____, 2022, before me personally came and appeared _____, to me known, who being by me duly sworn, did depose and say that he is the _____ of Offeror and he signed his name thereto by authority of the Board of Directors or Members.

Notary

My Commission expires: _____

**ACKNOWLEDGMENT OF OFFEROR
IF A PARTNERSHIP**

STATE OF _____:
COUNTY OF _____:

On this _____ day of _____, 2022, before me personally came and appeared _____, known to me to be a general partner of the firm of _____, who executed the same as and for the act and deed of said firm.

Notary

My commission expires: _____

**ACKNOWLEDGMENT OF OFFEROR
IF A LIMITED PARTNERSHIP**

STATE OF _____:
COUNTY OF _____:

On this _____ day of _____, 2022, before me personally came and appeared _____, known to me to be a general partner of the limited partnership of _____, who executed the same as and for the act and deed of said limited partnership.

Notary

My commission expires: _____

**ACKNOWLEDGMENT OF OFFEROR
IF AN INDIVIDUAL**

STATE OF _____:
COUNTY OF _____:

On this _____ day of _____, 2022, before me personally came and appeared _____, known to me to be the person who executed the foregoing instrument.

Notary

My commission expires: _____

Proposal EXHIBIT A

BANK REFERENCE AUTHORIZATION

Date

Name of Bank

Address of Bank

To Whom It May Concern:

Please provide the Norfolk Airport Authority with requested information about my account(s).

Offeror: _____

Signature of Authorized Representative

Account Numbers(s)

PART III

NORFOLK INTERNATIONAL AIRPORT

CONCESSION AGREEMENT

TABLE OF CONTENTS

ARTICLE 1	DEFINITIONS.....	C-1
ARTICLE 2	USE AND PRIVILEGES	C-2
ARTICLE 3	TERM	C-4
ARTICLE 4	PAYMENTS.....	C-5
ARTICLE 5	BOOKS AND RECORDS.....	C-6
ARTICLE 6	SECURITY DEPOSIT	C-6
ARTICLE 7	IMPROVEMENTS BY CONCESSIONAIRE.....	C-7
ARTICLE 8	REPRESENTATIONS & WARRANTIES OF CONCESSIONAIRE	C-9
ARTICLE 9	OBLIGATIONS AND COVENANTS OF CONCESSIONAIRE	C10
ARTICLE 10	INGRESS AND EGRESS	C-19
ARTICLE 11	FEDERAL AIRPORT AID	C-20
ARTICLE 12	OBLIGATIONS OF THE AUTHORITY	C-20
ARTICLE 13	LOCAL MANAGEMENT.....	C-21
ARTICLE 14	STANDARDS OF SERVICE.....	C-21
ARTICLE 15	REPAIRS AND MAINTENANCE	C-22
ARTICLE 16	VENDING MACHINES	C-22
ARTICLE 17	SIGNS AND PUBLIC ADDRESS SYSTEM	C-23
ARTICLE 18	PARKING	C-23
ARTICLE 19	FIRE OR CASUALTY DAMAGE	C-24
ARTICLE 20	INDEMNITY BY CONCESSIONAIRE	C-24
ARTICLE 21	INSURANCE.....	C-25
ARTICLE 22	RIGHTS OF ENTRY RESERVED	C-28

ARTICLE 23	SUBORDINATION OF AGREEMENT	C-29
ARTICLE 24	ASSIGNMENT OF AGREEMENT.....	C-29
ARTICLE 25	AGREEMENT BINDING UPON SUCCESSORS.....	C-30
ARTICLE 26	CONDEMNATION	C-31
ARTICLE 27	DEFAULT	C-31
ARTICLE 28	EXTRAORDINARY TERMINATION BY CONCESSIONAIRE.....	C-34
ARTICLE 29	TERMINATION FOR CONVENIENCE	C-35
ARTICLE 30	SURRENDER OF POSSESSION: HOLDING OVER.....	C-35
ARTICLE 31	REMOVAL OF PROPERTY	C-36
ARTICLE 32	RELATIONSHIP OF PARTIES.....	C-36
ARTICLE 33	WAIVERS	C-37
ARTICLE 34	WAIVER OF CLAIMS FOR ANTICIPATED PROFITS.....	C-37
ARTICLE 35	FORCE MAJEURE.....	C-37
ARTICLE 36	DISPUTES.....	C-38
ARTICLE 37	SITUS AND SERVICE OF PROCESS	C-39
ARTICLE 38	CONCESSIONAIRE'S DEALINGS WITH THE AUTHORITY	C-39
ARTICLE 39	NOTIFICATION	C-39
ARTICLE 40	INTERPRETATION.....	C-40

THIS CONCESSION AGREEMENT ("Concession Agreement") made as of the ____ day of _____, 2022 by and between the NORFOLK AIRPORT AUTHORITY ("Authority") and _____ (Concessionaire");

WITNESSETH:

The Authority and the Concessionaire, for and in consideration of the mutual agreements hereinafter contained and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, covenant and agree as follows:

ARTICLE 1

DEFINITIONS

1.1 The following terms, when capitalized and used in the Agreement, shall have the respective meanings given below:

- a. Airport shall mean the Norfolk International Airport.
- b. Authority shall mean the Norfolk Airport Authority, owner and operator of the Airport.
- c. Agreement shall mean and include this Concession Agreement, the Request for Proposals, the Concessionaire's Proposal, and all exhibits and appendixes referenced within or attached to these documents.
- d. Concession Area shall mean the general locations approved for the installation of Baggage Cart Management Units (CMUs) shown on Appendix A, the improvements thereon, and any other structures and other items permanently affixed or permanently located therein.
- e. Concessionaire or Selected Offeror shall mean the second party to this Agreement. Upon execution of this Concession Agreement, the "Selected Offeror" becomes the "Concessionaire" and shall, as such, fulfill the obligations stated for either "Selected Offeror" or "Concessionaire" in the Agreement.

f. Concessionaire's Property shall mean the CMUs, trade fixtures, business equipment, inventory, trademarked items, signs and other removable personal property installed in or on the Concession Area by Concessionaire at its expense.

g. Concessionaire's Work or Work shall mean all planning, design, and construction work needed to supply, install, and finish all Improvements and to otherwise render the Concession Area ready to provide the Service in accordance with the Agreement.

h. Equipment as used herein, shall mean the Baggage Carts and Baggage Cart Management Units (CMUs) installed, operated and maintained by Concessionaire.

i. Gross Revenue as used herein, shall mean the sum of every "net rental charge", as hereinafter defined, generated from the rentals of carts by the general public from the CMUs, excluding therefrom however, all sales taxes and excise taxes imposed by governmental taxing agencies accruing by reason of said rentals. No deductions from gross revenues, unless specifically stated herein, shall be allowed by Selected Offeror unless approved in writing by the Authority.

j. Net Rental Charge shall mean the rental charge for each cart rented by user obtaining release of the cart from the CMU less the amount of refund received by the user (or other person) upon return of the cart to the CMU.

k. Improvements shall mean all structures and other items permanently affixed to, within, or on the Concession Area (including, but not limited to, interior walls, ceilings, floor coverings, electrical wiring, water pipes, plumbing, heating and air conditioning ducts and equipment, and all interior decoration and finishing), that are installed to render the Concession Area ready to provide the Service in accordance with the Agreement.

l. Service shall mean the provision of all necessary equipment, furnishings and personnel to provide the Service at the Airport under the terms and conditions specified in the Agreement.

1.2 Definitions contained in any of the Proposal Documents also apply to all provisions of the Agreement.

ARTICLE 2

USE AND PRIVILEGES

2.1 The Authority hereby grants to the Concessionaire, subject to the terms and conditions herein, the right to conduct and provide a Self-Service Baggage Cart Concession at the Airport.

2.2 The Authority hereby lets to the Concessionaire and the Concessionaire hereby hires and takes from the Authority at the Norfolk International Airport (hereinafter referred to as the Airport) the Concession Areas, consisting of various spaces, as designated by the Authority, for the purpose of providing and operating a coin and monetary bill or credit card cart management units ("CMU") at the Airport (hereinafter referred to as "Concession"). Concessionaire shall install a minimum of eight (8) CMUs and one hundred (100) carts for an initial installation and will install such additional carts and the CMUs as may be reasonably required from time to time as approved by the Authority. The currently baggage cart operation is described in Appendix A, attached hereto.

2.3 Use of the Concession Area. Concessionaire shall use the Concession Area in full compliance with all provisions of the Agreement solely for the purpose of providing and operating the Service and for no other purpose whatsoever, unless otherwise approved in writing by the Authority. All operations of Concessionaire authorized under the Agreement must occur within the Concession Area. The rights and privileges herein granted to Concessionaire are nonexclusive.

2.4 Acceptance of Concession Area. Concessionaire acknowledges that it has had an opportunity to its satisfaction to inspect the Concession Area. Concessionaire accepts the Concession Area "AS IS, WHERE IS" in the condition existing on the date of the commencement of this Concession Agreement, and without representation or warranty of any kind.

2.5 Nothing herein shall be deemed to grant Concessionaire any exclusive right or privilege within the meaning of Section 308 of the Federal Aviation Act, or the conduct of any activity on the Airport, except that Concessionaire shall have the right to use the Concession Area in accordance with the terms of this Agreement.

2.6 The Authority reserves the right to establish additional concessions at the Airport similar to those to be provided under the terms of the Agreement as it may deem to be necessary in its sole discretion. Subject to any requirements of state or federal procurement laws, Concessionaire shall be given the first opportunity to provide such additional services, providing

that a satisfactory agreement can be reached between the parties concerned. Upon the failure of Concessionaire to provide such services within sixty (60) days after request to do so by the Authority, the Authority reserves the right to provide the services itself or under a separate agreement. The Authority agrees that if rights and privileges similar to those in the Agreement are granted to any other person, corporation, or other entity, such rights and privileges shall not be granted on more favorable terms than herein stated.

2.7 Designation of Concession Area. The Authority reserves the right to recapture all or a portion of the Concession Area during the term of this Agreement if the Authority, in its sole discretion, determines that all or such portion is required for public facilities, utilities, or other uses directly related to the efficient operation of the Airport and the furnishing of air transportation services. In such event, the Authority shall either offer substitute space or make a proportionate adjustment to the Minimum Annual Guarantee, effective on the date of such recapture. Nothing in this paragraph shall be deemed to require that the Authority provide substitute space which shall be in the sole discretion of the Authority.

ARTICLE 3

TERM

3.1 Commencement Date. The term of the Agreement shall begin on the “Commencement Date,” which shall be on or after October 1, 2022.

3.2 Termination Date. The term of this Agreement shall be for a period of five (5) years, beginning on the Commencement Date and terminating on September 30, 2027.

3.3 Renewal and Extension of Time.

a. Notwithstanding any other provisions herein to the contrary, the Authority reserves the right to extend the term of the Agreement on all the same terms and conditions set forth herein on a month-to-month basis for a period of up to six (6) months.

b. Authority shall provide Concessionaire notice of its intent to extend or renew this Agreement not less than sixty (60) days prior to the Termination Date.

3.4 Transition of Service. Concessionaire shall take all reasonable steps to coordinate with the current concessionaire, as may be applicable, a smooth transition of service within ten (10) days of execution of this Concession Agreement.

ARTICLE 4

PAYMENTS

4.1 For the privilege of operating the Concession in compliance with the terms and conditions set forth in the Agreement, Concessionaire agrees to pay to the Authority the Concession Fee, which shall be the **greater** of (i) one-twelfth (1/12) of the Minimum Annual Guarantee (as stated on Offeror's proposal form for Contract Year 1, then for Contract Years 2-5, an amount equal to eight-five percent (85%) of the Percentage Fee paid to the Authority for the prior Contract Year), or (ii) the percentage of Gross Revenue (____%).

4.2 The Concession Fee shall be due and payable monthly, without notice from the Authority, on the fifteenth (15th) day of the month following the month during which the business on which the fee is based occurred. Concessionaire shall furnish to the Authority a report in a format and level of specificity approved by the Authority describing Concessionaire's Gross Revenue and the number of luggage cart uses, for the preceding calendar month.

4.3 Within ninety (90) days after the close of each contract year, Concessionaire shall furnish to the Authority a sworn statement, certified by an independent certified public accountant, showing all Gross Revenue derived from its operation of the Concession Area for the contract year. If the aggregate of all Concession Fee payments made for any contract year shall exceed the **greater** of (i) the Minimum Annual Guarantee applicable for such year, or (ii) the percentage of Gross Revenue offered by Concessionaire in its Proposal, the excess shall be credited to Concessionaire's account, without interest, and applied against the next succeeding monthly payment(s). Upon expiration of the Agreement, a corresponding adjustment calculation shall be made and any credit balance due Concessionaire shall be reimbursed to it, without interest, by the Authority.

4.4 If such certified sworn statement indicates that Concessionaire has paid Authority less than the Minimum Annual Guarantee, Concessionaire shall pay Authority any such deficiency

not later than fifteen (15) days following delivery of such sworn statement to the Authority together with the service charge and interest applicable below.

4.5 Delinquent Payments. All delinquent payments of any amounts due to the Authority by Concessionaire shall be subject to a service charge of two percent (2.0%) per month on the outstanding balance until paid. In addition to such service charge, the Authority shall be entitled to interest at the judgment rate plus all costs of collection of amounts past due, including without limitation, attorneys' fees and court costs.

4.6 Concessionaire shall not list Concession Fees payable to the Airport as a separate item on its customer contracts or invoices.

ARTICLE 5

BOOKS AND RECORDS

5.1 Concessionaire shall maintain, in accordance with generally accepted accounting practices, throughout the term of the Agreement and for five years (5) thereafter, records and books of account, recording all transactions in any way connected with its operation at the Airport, which records and books of account shall be made available upon demand at reasonable times for audit and inspection by the Authority. If such records and books of account are maintained outside the City of Norfolk, Concessionaire shall reimburse the Authority for expenses incurred in sending representatives to wherever such records may be maintained, such expense to include, but not be limited to, transportation, lodging, food, and other out-of-pocket expenses resulting from the necessity to leave Norfolk.

ARTICLE 6

SECURITY DEPOSIT

6.1 Upon the execution of the Concession Agreement by Concessionaire and delivery thereof to the Authority, Concessionaire shall also deliver to the Authority as a security deposit, a cashier's check, certified check, irrevocable letter of credit from a bank insured by FDIC, or a performance bond issued by a surety authorized to do business in the Commonwealth of Virginia, in the amount of one-fourth (1/4) of Concessionaire's Minimum Annual Guarantee for the first contract year.

6.2 This security deposit shall remain in the possession of the Authority during the full term of the Concession Agreement as security for the full, faithful, and prompt performance of and compliance with, on the part of the Concessionaire, all of the provisions, terms, and conditions of the Concession Agreement.

6.3 The Authority shall have the right to use said deposit and any interest thereon or any part thereof in whole or partial satisfaction of any of its claims or demands against Concessionaire. In the event the Authority shall so use the deposit, or any part thereof, Concessionaire shall, on demand of the Authority and within two (2) business days thereafter, deposit with the Authority the sum necessary to maintain the deposit at the amount herein set forth.

6.4 If such security deposit is in the form of a cashier's check or certified check, it shall be deposited by the Authority in an interest-bearing account. The Authority will return said deposit with any interest earned to Concessionaire upon the expiration or termination of the Concession Agreement, less any monies owed the Authority.

ARTICLE 7

IMPROVEMENTS BY CONCESSIONAIRE

7.1 Concessionaire, at its own expense, shall make any Improvements to the Concession Area, including modifications to heat and air conditioning, as may be required for providing the Service under the terms and conditions in the Agreement.

7.2 Concessionaire shall not make any additions to, or alterations or modifications of, the Concession Area without first obtaining the written approval of the Authority. Prior to commencing its Work, Concessionaire shall submit to the Authority for its review and approval its detailed plans, designs, and specifications, including its cost estimates and proposed contractors for its Work. No substantial change, addition, or alteration shall be made in the scope or extent of Concessionaire's Work as approved by the Authority without first obtaining approval in writing from the Authority.

7.3 Concessionaire's Work shall comply with applicable federal, state, and local statutes, ordinances, building codes, and rules and regulations. Concessionaire shall procure all building, fire and safety, and other permits necessary in connection with its Work.

7.4 Concessionaire, within ten (10) days after notification by the Authority of its approval, shall commence its Work in the Concession Area in accordance with the conditions of approval and schedule agreed to by the Authority. Concessionaire shall be fully liable to the Authority for any damage that results from its Work. All deliveries of materials and supplies shall be made through routes designated by the Authority.

7.5 The payments specified in Article 4 herein shall begin on the Commencement Date of the Agreement and no allowance will be made for delay in Concessionaire completing its Work.

7.6 All work done, equipment supplied and installed, and decor furnished by Concessionaire, as herein provided, shall be at its sole cost and expense, free and clear of liens for labor and material, and Concessionaire shall hold the Authority harmless from any liability in respect thereto.

7.7 Concessionaire shall furnish its Performance and Payment Bond in the form acceptable to the Authority in the amount of one hundred percent (100%) of its total construction costs to guarantee completion of its Work.

7.8 Concessionaire shall pay all claims lawfully made against it by its contractors, subcontractors, materialmen, and workmen, and all claims lawfully made against it by other third persons arising out of or in connection with the performance of any Work, and shall cause its contractors and subcontractors to pay all such claims lawfully made against them.

7.9 Nothing herein contained shall be deemed to constitute consent to the creation of any lien or claim against the Concession Area or any part thereof, any Improvements thereto or thereon, or any other part of the Airport, and Concessionaire shall not permit any lien to be attached to such areas.

7.10 Upon the completion of the installation of all Improvements, title thereto shall be automatically transferred to and vested in the Authority. During the term of the Agreement, Concessionaire, at its expense, shall maintain, replace, and keep in good repair and operating condition all Improvements. During the term of the Agreement, the Concessionaire, at its expense, shall maintain insurance upon all Improvements which insurance coverage shall name the Authority as an additional named insured.

7.11 Concessionaire shall retain title to Concessionaire's Property. A list of such property shall be agreed to between Concessionaire and the Authority and shall be attached to the Agreement as **Appendix B**.

ARTICLE 8

REPRESENTATIONS AND WARRANTIES OF CONCESSIONAIRE

- 8.1 Concessionaire represents and warrants to the Authority that:
- a. It is duly organized and validly existing under the laws of its jurisdiction, incorporation or establishment;
 - b. It has the power and the authority to enter into and perform its obligations under the Agreement and to pay any payments and other fees required under the Agreement;
 - c. The Agreement has been duly authorized, executed, and delivered by it and, assuming the due authorization, execution and delivery hereof by the other parties hereto, constitutes a legal, valid, and binding obligation of it enforceable against it in accordance with the terms hereof, subject to applicable bankruptcy, insolvency, and similar laws affecting creditor's rights generally, and subject, as to enforceability, to general principles of equity regardless of whether enforcement is sought in a proceeding in equity or at law;
 - d. Its execution and delivery of the Agreement and its performance of its obligations hereunder do not and will not constitute or result in a default under, a breach or violation of, or the creation of any lien or encumbrance on any of its property under, its charter or by-laws (or equivalent organizational documents), or any other agreement, instrument, law, ordinance, regulation, judgment, injunction, or order applicable to it or any of its property;
 - e. All consents, authorizations, and approvals requisite for its execution, delivery, and performance of the Agreement have been obtained and remain in full force and effect and all conditions thereof have been duly complied with, and no other action by, and no notice to or filing with, any governmental authority or regulatory body is required for such execution, delivery or performance; and
 - f. There is no proceeding pending or threatened against it at law or in equity, or before any governmental instrumentality or in any arbitration, which would materially impair its ability to perform its obligations under the Agreement, and there is no such proceeding pending

against it which purports or is likely to affect the legality, validity or enforceability of the Agreement.

ARTICLE 9

OBLIGATIONS AND COVENANTS OF CONCESSIONAIRE;

COMPLIANCE WITH LAW

9.1 Concessionaire covenants to the Authority that as long as it shall have any obligations under the Agreement it shall:

a. Provide the Service pursuant to its Proposal and in accordance with this Agreement consistent with the Standards of Service set forth herein, except as modified by written agreement with the Authority.

b. Conduct an operation that complies with the highest standards for providing the Service promptly, reliably, efficiently, and courteously to meet all reasonable demands therefore on a fair, equal, and nondiscriminatory service basis.

c. Furnish all equipment, supplies, material, and personnel necessary for the Service.

d. Obtain and maintain in full force and effect all authorizations, consents, approvals, permits, licenses, and certificates required by any governmental or other authority (federal, state, or local) to provide and operate the Service. Concessionaire shall notify the Authority immediately in writing in the event that any such authorization, consent, approval, permit, license, or certificate is terminated, revoked, restricted, suspended, forfeited, or otherwise lost for any reason.

e. Use its best efforts in every proper manner to maintain, develop, and increase the business conducted by it hereunder.

f. Not divert or cause to be diverted any business provided under the Agreement or which may be provided by other tenants and concessionaires on the Airport.

g. Not place any merchandise, furnishings, displays, or Concessionaire's Property outside the Concession Area at any time.

h. Conduct its operations in an orderly and proper manner so as not to unreasonably annoy, disturb, or be offensive to others on or near the Airport. Concessionaire shall

take all reasonable measures to eliminate vibrations tending to damage any equipment, structures, buildings, or portions of buildings.

i. Be responsible for the conduct, demeanor, and appearance of its employees and invitees and of those doing business with it. Upon receipt of any complaint or objection to the conduct, demeanor, or appearance of the employees, invitees or those doing business with the Concessionaire, Concessionaire shall immediately take all reasonable steps necessary to remove the cause of the complaint or objection.

j. Be responsible for the proper storage and removal from the Airport of all garbage, debris, and other waste materials, arising out of its operation, and shall not use any facilities of the Authority for such purpose without the prior written consent of the Authority. No such garbage, debris, or other waste materials shall be thrown, discharged, or deposited into or upon the waters on or bordering the Airport.

k. Not do or permit to be done anything which may interfere with free access and passage on the Airport.

l. Pay all taxes and assessments of any nature whatsoever arising in connection with any aspect of the Service, as well as all taxes and assessments against Concessionaire's Property, and secure all necessary city, state, and federal licenses.

9.2 Compliance With the Law. Concessionaire shall observe and obey, and shall ensure that its officers, employees, agents, guests, invitees, and those doing business with it observe and obey, all federal, state, and local laws and ordinances, including all governmental rules, regulations, decisions, and orders of any nature whatsoever applicable to the operations of the Airport or to Concessionaire's operation at the Airport whether presently in force or enacted during the term of the Agreement. Without limiting the generality of the foregoing, Concessionaire specifically agrees as follows:

a. Concessionaire, its representatives, successors in interest, and assigns, as part of the consideration hereof, will not discriminate against any person on the grounds of race, color, sex, creed, or national origin, nor exclude any person from participation in, nor deny the benefits of or be otherwise subjected to discrimination in the provision of Services, or in the

construction of any Improvements relating to the Concession Area or the furnishing of services thereon.

b. **General Civil Rights Provisions** The tenant/concessionaire/lessee and its transferee agree to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision obligates the tenant/concessionaire/lessee or its transferee for the period during which Federal assistance is extended to the airport through the Airport Improvement Program. In cases where Federal assistance provides, or is in the form of personal property; real property or interest therein; structures or improvements thereon, this provision obligates the party or any transferee for the longer of the following periods: (i) The period during which the property is used by the airport sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or (ii) The period during which the airport sponsor or any transferee retains ownership or possession of the property.

c. Concessionaire shall use the Concession Area in compliance with all other requirements imposed by or pursuant to 49 C.F.R. Part 21, entitled “Nondiscrimination in Federally-Assisted Programs of the Department of Transportation – Effectuations of Title VI of the Civil Rights Act of 1964,” as may be amended, which is expressly incorporated herein and made a part hereof by reference.

d. Concessionaire shall comply with all applicable provisions of the Americans with Disabilities Act, Public Law 101-336 (“ADA”), as may be amended, with regard to the operations of the Service. Concessionaire shall indemnify the Authority for any damages suffered by or liability imposed on the Authority as a result of Concessionaire's failure to comply with the obligations and responsibilities imposed by the ADA.

e. Concessionaire shall undertake an affirmative action program as required by 14 C.F.R. Part 152, Subpart E, as amended, or any subsequent comparable regulation, to ensure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in or receiving the services or benefits of any program or activity covered by this

regulation. Concessionaire assures that it will require that its covered sub-organizations provide assurance to Concessionaire that they similarly will undertake affirmative action programs and that they will require like assurance from their sub-organizations, as required by 14 C.F.R. Part 152, Subpart E, as amended, which is expressly incorporated herein and made a part hereof by reference.

f. Concessionaire shall comply with and enforce, as is currently or may be required, all rules, policies, and procedures of the Transportation Security Administration (“TSA”) and all other governmental entities pertaining to airport security which affect Concessionaire's operation on the Airport and the Concession Area. In this connection, Concessionaire shall be responsible to ensure that no unauthorized person enters any Security Identification Display Area (“SIDA”) which has been or may be designated by the Authority in its Airport Security Plan.

g. Anti-Discrimination.

(i) During the performance of this Agreement, Concessionaire agrees as follows:

(A) The Concessionaire will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Concessionaire. The Concessionaire agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

(B) The Concessionaire, in all solicitations or advertisements for employees placed by or on behalf of the Concessionaire, will state that such Concessionaire is an equal opportunity employer.

(C) Notices, advertisements and solicitations placed in accordance with federal law, rule or regulations shall be deemed sufficient for the purpose of meeting the requirements of this Section.

(ii) The Concessionaire will include the provisions of the foregoing Sections 9.2(f)(i)(A), (B), and (C) in every subcontract or purchase order of over Ten Thousand

and 00/100 Dollars (\$10,000.00), so that the provisions will be binding upon each subcontractor or vendor.

h. Immigration. Concessionaire does not, and shall not during the performance of this Agreement, knowingly employ any unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986, as the same may be amended.

i. Drug-Free Workplace. During the performance of this Agreement, the Concessionaire agrees to (i) provide a drug-free workplace for the Concessionaire's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Concessionaire's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Concessionaire that the Concessionaire maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over Ten Thousand and 00/100 Dollars (\$10,000.00), so that the provisions will be binding upon each subcontractor or vendor.

j. Ethics in Public Contracting. The Concessionaire shall not offer or receive any kickbacks or inducements from any other offeror, supplier, manufacturer, or subcontractor in connection with the Services provided under this Agreement. The Concessionaire shall not confer on any public employee having official responsibility for the Services under this Agreement any payment, loan, subscription, advance, deposit of money, services, or anything more than nominal value, present or promised, unless consideration of substantially equal or greater value is exchanged.

k. Federal Fair Labor Standards Act All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. The Concessionaire has full responsibility to monitor compliance to the referenced statute or regulation. The Concessionaire must address any claims or disputes that arise from this

requirement directly with the U.S. Department of Labor – Wage and Hour Division

1. Occupational Safety and Health Act of 1970 All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The Contractor retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Contractor must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

9.3 Title VI Clauses

A. Compliance with Nondiscrimination Requirements

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “contractor”) agrees as follows: (i) Compliance with Regulations: The contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract, (ii) Non-discrimination: The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21, (iii) Solicitations for Subcontracts, Including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin, (iv)

Information and Reports: The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts And Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information, (v) Sanctions for Noncompliance: In the event of a contractor's noncompliance with the Non-discrimination provisions of this contract, the sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to (a) Withholding payments to the contractor under the contract until the contractor complies; and/or (b) Cancelling, terminating, or suspending a contract, in whole or in part, (vi) Incorporation of Provisions: The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

B. Clauses For Construction/Use/Access To Real Property Acquired Under The Activity, Facility Or Program

The following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by the Authority pursuant to the provisions of the Airport Improvement Program grant assurances. (i) The Concessionaire for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the

ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Concessionaire will use the premises in compliance with all other requirements imposed by or pursuant to the List of discrimination Acts And Authorities; (ii) With respect to this agreement, in the event of breach of any of the above nondiscrimination covenants, the Authority will have the right to terminate this agreement and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said agreement had never been made or issued; (iii) With respect to deeds, in the event of breach of any of the above nondiscrimination covenants, the Authority will there upon revert to and vest in and become the absolute property of the Authority and its assigns.

C. Title VI List of Pertinent Nondiscrimination Acts and Authorities

During the performance of this contract, the Concessionaire, for itself, its assignees, and successors in interest agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- (i) Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- (ii) 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- (iii) The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- (iv) Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- (v) The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age);
- (vi) Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended,

- (prohibits discrimination based on race, creed, color, national origin, or sex);
- (vii) The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- (viii) Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- (ix) The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- (x) Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- (xi) Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- (xii) Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

9.4 Compliance With Airport Rules and Regulations.

a. Concessionaire shall observe and obey, and shall ensure that its officers, employees, agents, guests, invitees, and those doing business with it observe and obey, all applicable rules and regulations of the Authority, now in effect or hereinafter promulgated, governing the conduct and operation of the Airport.

b. The Authority agrees that, except in cases of emergency, it will give notice to Concessionaire of all such rules or regulations adopted by it at least five (5) days before Concessionaire shall be required to comply therewith. Copies of the rules and regulations are available at the offices of the Authority.

9.5 The Concessionaire shall provide the Authority a true copy of any notice, warning, summons, or other legal process for the enforcement of any laws, ordinances, rules, regulations, decisions, or orders immediately upon receipt of same. Concessionaire shall indemnify and hold the Authority harmless from and against any and all claims, actions, damages, liabilities, fines, penalties, costs, and expenses including attorney fees suffered or incurred by the Authority as a result of Concessionaire's noncompliance with any applicable laws, ordinances, rules, regulations, decisions, or orders.

9.6 Concessionaire shall have such time within which to comply with the aforementioned laws, ordinances, rules, regulations, decision, or orders as the authorities enforcing the same shall allow.

9.7 Concessionaire covenants and agrees that it will not enter into any agreements or understandings, whether or not binding, with any person, firm, association, corporation, or other entity, which would be in violation of applicable federal, state and/or local law.

ARTICLE 10

INGRESS AND EGRESS

10.1 The Concessionaire, its customers, invitees, employees, contractors, suppliers of material, and furnishers of services, shall have the right of ingress and egress between the Concession Area and the city streets or public ways used in common with others having similar rights. The Authority may temporarily or permanently close any such roadway and any other area at the Airport presently or hereafter used as such, so long as an equivalent means of ingress and egress remains available to Concessionaire.

10.2 Concessionaire hereby releases and discharges the Authority, its successors and assigns, of and from any and all claims, demands, or causes of action arising or alleged to arise out of the closing of any street, roadway or other area, whether on or off the Airport.

ARTICLE 11

FEDERAL AIRPORT AID

11.1 Concessionaire acknowledges that the Authority has received, and may in the future apply for and receive, grants of money for the benefit of the Airport, from (i) the Federal Aviation Administration (“FAA”), pursuant to the Federal Airport Act of 1946, the Airport and Airways Development Act of 1970 (“ADAP”), and the Airport and Airway Improvement Act of 1982 (“AIP”), as the same may hereafter be amended and/or replaced by comparable legislation from the FAA; (ii) the Department of Aviation of the Commonwealth of Virginia; and (iii) the City of Norfolk. In connection therewith, the Authority has undertaken or may undertake certain obligations respecting its operation of the Airport and the activities of its lessees, concessionaires, permittees, and contractors thereon.

11.2 Concessionaire covenants and agrees that if the FAA or any other governmental office or body having jurisdiction for the enforcement of the obligations of the Authority resulting from such grant or grants shall make any orders, recommendations or suggestions to the Authority or Concessionaire regarding or affecting the performance of Concessionaire, Concessionaire shall promptly comply therewith.

ARTICLE 12

OBLIGATIONS OF THE AUTHORITY

12.1 The Authority agrees that upon payment of all rents and fees set forth herein during the term of this Agreement and any extension or renewal thereof, and provided that Concessionaire is in full compliance with the terms and conditions of this Agreement, Concessionaire shall have the peaceful right to use the Concession Area for its Service in accordance with all the rights and privileges herein stated.

12.2 The Authority agrees to furnish to Concessionaire electricity for normal lighting, heating during the heating season, and air-conditioning as required in or about the Concession Area. Concessionaire shall furnish, at its own expense, all telephone line charges, internet services, phone equipment and the cost of maintenance for all three required by it.

ARTICLE 13

LOCAL MANAGEMENT

13.1 Concessionaire shall have in charge at all times a competent and experienced manager who shall be responsible for the day-to-day operation and maintenance of the Service under the Agreement. Concessionaire further agrees that upon notification by the Authority of its dissatisfaction with the manager's performance, Concessionaire shall place the manager on probation for thirty (30) days and, if the manager's performance does not improve to the satisfaction of the Authority, Concessionaire shall immediately replace the manager with one satisfactory to the Authority.

ARTICLE 14

STANDARDS OF SERVICE

14.1 Concessionaire shall provide the public and the air traveler with first class facilities and equipment, nondiscriminatory services and shall offer only high-quality, prompt and effective ground transportation services adequate to meet all reasonable demands for the Service at the Airport.

14.2 Concessionaire acknowledges the desire of the Authority, as part of its obligation to ensure the highest level of public service, to provide the public and air traveler adequate and competent ground transportation services throughout the year on a seven-day week.

14.3 Concessionaire's equipment shall be maintained in good operating order, free from known mechanical defects, and in a neat and attractive condition.

14.4 Concessionaire covenants and agrees to offer all services at reasonable prices. The Authority reserves the right to request from Concessionaire a list of the rates for each type of service offered by Concessionaire and Concessionaire shall provide such a list within ten (10) days of receipt of the Authority's request.

14.5 Personnel performing services hereunder shall be neat, clean and courteous, and Concessionaire shall not permit its agents, servants or employees so engage to conduct business in a loud, noisy, boisterous, offensive or objectionable manner, or to solicit business outside the Concession Area in any manner whatsoever except through the use of signs constructed, installed and maintained in accordance with this Agreement.

ARTICLE 15

REPAIRS AND MAINTENANCE

15.1 Concessionaire shall furnish, at its own expense, janitorial service for the Concession Area and all other areas assigned or leased to Concessionaire for its exclusive use, and shall maintain such areas and all the furnishings and equipment included therein in a safe, clean, neat, and sanitary condition at all times satisfactory to the Authority.

15.2 Concessionaire, at its own expense, shall maintain the Improvements and Concessionaire's Property in a good state of repair and operating condition, including the replacement and refurbishing of any such items as may require same during the term of the Agreement, whether installed by the Authority or Concessionaire.

15.3 In the event Concessionaire fails to commence such repairs, replacements or refurbishing required hereunder within a period of ten (10) days after written notice from the Authority to do so, or fails to complete same within thirty (30) days after such notice, the Authority may, at its option, and in addition to all such other remedies which may be available to it, repair, replace or refurbish any such item included in said notice and the cost thereof shall be paid by Concessionaire upon demand.

15.4 In the event that the Concession Area is damaged or destroyed, in whole or in part, from any cause whatsoever, Concessionaire shall forthwith proceed with the replacement of, or the reconstruction work necessary to restore the area to the condition and function existing prior to the occurrence of such damage or destruction, and all costs and expense incurred in connection therewith, not covered by Concessionaire's insurance proceeds, shall be paid by Concessionaire.

15.5 Concessionaire shall have the right to contract for delivery of its requirements for any material necessary to the Service and shall be responsible for the collection and daily removal of its refuse and waste from the Concession Area. All deliveries shall be made through the designated service area or as may be otherwise designated by the Authority.

ARTICLE 16

VENDING MACHINES

16.1 The installation of vending machines which dispense food, beverages, chewing

gum, tobacco products or any other merchandise shall not be permitted within the Concession Area.

ARTICLE 17

SIGNS AND PUBLIC ADDRESS SYSTEM

17.1 All signs must be constructed and erected in accordance with standards approved by the Authority and at no cost to the Authority. Prior to the erection, construction, or placing of any such signs or advertising matter in the Concession Area, Concessionaire shall submit to the Authority, for its written approval, such drawings, sketches, design dimensions and type, number and character of the sign of advertising matter as necessary to obtain such approval, which approval may be withheld in the Authority's sole discretion.

17.2 Concessionaire shall not hang or affix any sign, poster or other form of display material anywhere outside the Concession Area, nor shall Concessionaire hang any posters, forms of advertising, or any object from the ceiling of the Concession Area.

17.3 The Authority shall have the right, in its sole discretion, to install one or more public address system speakers in the Concession Area for announcing Airport information. Concessionaire shall not install any public address, paging, or other audio system in the Concession Area without the express written approval of the Authority.

17.4 If Concessionaire requests the Authority's approval to sell advertising displays on the luggage carts, the Selected Offeror must agree to pay the Authority an additional commission payment (percentage) on the revenue generated from the sale of such advertising. This additional commission payment shall be negotiated at time Selected Offeror submits its request to sell advertising displays to the Authority.

ARTICLE 18

PARKING

18.1 The Authority may permit the officers, employees, invitees, and business visitors of Concessionaire to park vehicles in such areas designated by the Authority for such purpose. The fee, if any, for such parking shall be paid by Concessionaire or the operator of the vehicle. Regulations governing employee parking are attached as **Appendix C** to the Agreement.

ARTICLE 19

FIRE OR CASUALTY DAMAGE

19.1 In the event that Improvements or Concessionaire's Property are damaged or destroyed, in whole or in part, from any cause whatsoever including vandalism or trespass, Concessionaire shall forthwith proceed with the replacement of, or the reconstruction work necessary to restore the area to the condition and function existing prior to the occurrence of such damage or destruction, and all costs and expense incurred in connection therewith, not covered by Concessionaire's insurance proceeds, shall be paid by Concessionaire.

19.2 In no event shall Authority be responsible to reimburse Concessionaire any incidental or consequential damages, including, but not limited to, lost profits which may be sustained by Concessionaire.

ARTICLE 20

INDEMNITY BY CONCESSIONAIRE

20.1 Concessionaire shall protect, defend, indemnify, and hold the Authority and its commissioners, officers, directors, and employees, completely harmless from any and all liabilities, losses, suits, actions, claims, judgments, fines, or demands of any character, including, but not limited to, court costs and attorney's fees, brought because of any injuries (including death) or damages received or sustained by any person, persons, or property arising out of or related, in whole or in part, in any way to the provision of the Service or the operations of Concessionaire, its successors, contractors, subcontractors, suppliers, agents, employees or invitees, including but not limited to injuries or damages arising (i) on account of or in consequence of any neglect in safeguarding the Concession Area; (ii) through use of unacceptable materials in constructing the Improvements; (iii) because of any negligent acts or omissions, or misconduct of Concessionaire; (iv) because of any claims for or amounts recovered by any infringements of patent, trademark, or copyright; (v) from any claims or amounts arising or recovered under Concessionaire's worker's compensation coverage, or any other law, ordinance, order, or decree; and (vi) claims arising or alleged to arise with respect to protection of or damages to the Airport or its passengers, guests, invitees and employees.

20.2 Any funds due Concessionaire under and by virtue of the Agreement, as may be considered necessary by the Authority for such purpose, may be retained for the use of the Authority or, in case no such funds are due, Concessionaire's Security Deposit may be held until such suit or suits, action or actions, claim or claims for injuries or damages as aforesaid shall have been settled and suitable evidence to that effect furnished to the Authority, except that funds due Concessionaire will not be withheld when Concessionaire produces satisfactory evidence, in the form hereinafter prescribed, that Concessionaire is adequately protected by commercial general and automobile liability and property damage insurance provided that the foregoing provisions shall in no way be deemed released, waived, or modified in any respect by reason of any insurance or surety provided by Concessionaire under the Agreement.

20.3 In the event of any such injury (including death), or loss or damage (or claims or claims therefore), Concessionaire shall give immediate notice thereof to the Authority within twenty-four (24) hours of the event.

ARTICLE 21
INSURANCE

21.1 Concessionaire's Insurance. Concessionaire shall maintain such insurance as is customarily maintained by similar business enterprises at commercial airports, which insurance must include, but is not necessarily limited to, the insurance required by the provisions of this Section. Concessionaire shall maintain insurance in companies acceptable to the Authority of the kinds and in the amounts herein specified, with companies licensed and qualified to conduct business within the Commonwealth of Virginia, and having a current A. M. Best Key Rating of at least A, in the prescribed form or such other form as is, in its sole discretion, acceptable to the Authority.

21.2 Forms of Coverage; Limits. In accordance with the above, Concessionaire and any subtenants shall maintain the following forms of insurance coverage and corresponding minimum limits of liability:

<u>FORMS OF COVERAGE</u>	<u>MINIMUM LIMITS</u>

Workers' Compensation	Statutory Limits for Virginia
<u>Employer's Liability</u>	
Bodily Injury By Accident	\$100,000 each accident
Bodily Injury by Disease	\$500,000 policy limit
Bodily Injury by Disease	\$100,000 each employee
<u>Commercial General Liability on an occurrence basis as follows:</u>	
Combined Single Limit	\$1,000,000
General Aggregate Limit	\$2,000,000
Products-Completed Operations	\$1,000,000
Each Occurrence Limit	\$1,000,000
Aggregate Personal Injury and Advertising Injury	\$1,000,000
Fire Damage Limit	\$100,000
Medical Expense Limit	\$5,000
<u>Business Automobile Liability for owned, non-owned, hired, leased, and rented vehicles:</u>	
Combined Single Limits	\$1,000,000
Uninsured Motorists	\$1,000,000

Commercial General Liability shall include coverage for: (i) Contractual Liability; (ii) Contractor's Protective Liability, including, but not limited to, coverage for explosion, collapse, and damage to underground utilities; and completed operations for 24 months after the work has been completed; and (iii) the Broad Form Comprehensive General Liability Endorsement shall include all of the aforementioned coverages.

21.3 Evidence of Insurance Coverage: Concessionaire shall submit, along with the executed Agreement, the standard "ACORD" insurance certificate forms (or comparable insurance certificate form(s) acceptable to the Authority) signed by an authorized representative of the insurance companies, certifying that the insurance coverage required hereunder is in effect for the Service and Work covered by the Agreement. Said insurance certificate shall indicate that the Authority will be given written notice at least forty-five (45) days prior to cancellation or non-renewal of any insurance required hereunder. Insurance company shall further agree to deliver

copies of any insurance policies covering the insurance required hereunder to the Authority within ten (10) days following a request by the Authority for such copies. On all policies of insurance, the Authority shall be an additional insured, or loss payee, as applicable. If available, the policy shall provide for a waiver of subrogation against the Authority.

21.4 Cost of Insurance Coverage: The cost of all insurance required by the Agreement shall be paid by Concessionaire. Notwithstanding the provisions of this paragraph, the Authority shall have the right to pay the premium for each insurance policy required under the Agreement and Concessionaire agrees to reimburse the Authority for all premiums and related expenses associated with the procurement of the necessary insurance coverages under the terms and conditions of the Agreement. Failure of the Authority to secure such insurance for Concessionaire shall not impose any liability upon the Authority and such failure shall not operate to waive or invalidate any obligation assumed hereunder by Concessionaire.

21.5 Notice of Claims: In addition to the provisions of Section 21.4 above, Concessionaire shall provide Authority immediate notice in writing of any claim made on Concessionaire's insurance. The Authority agrees to notify Concessionaire promptly in writing of any claim, demand, or action arising out of an occurrence related to the performance of the Agreement of which the Authority has knowledge and to cooperate with Concessionaire in the investigation hereof.

21.6 Limitation of Liability: The Authority shall not be liable or responsible for any loss or damage to any real and personal property of Concessionaire, including Concessionaire's vehicles or other equipment, be it mobile, portable or fixed, including loss of income and extra expense associated with any incident, arising out of any incident that is the proximate cause of any peril included within the "Special Causes of Loss" form of the standard Commercial Property Policy as used within the Commonwealth of Virginia, and including additional perils of flood, the dishonest acts of either the Authority's or Concessionaire's employees, earthquake, earth movement, the backup of sewers or drains, collapse of any building or structure, weather conditions, acts of God, or any other cause of loss arising out of nature.

21.7 Third Party Beneficiaries: Concessionaire and the Authority specifically agree that it is not intended by any of the provisions nor any part of the Agreement to cause or create in the

public or any individual or other entity a third party beneficiary or to authorize anyone not a party to the Agreement to maintain an action for personal injuries or property damage pursuant to the terms or provisions of the Agreement.

21.8 Defense of Claims. Concessionaire shall defend any and all suits brought against the Authority, and its representatives, officers, agents and employees by any employee or other person (whether employed by Concessionaire or not) for damage to real or personal property and/or injury to persons (including death) alleged or claimed to have been caused by or through the performance of Concessionaire, and shall indemnify and hold harmless the Authority, and its representatives, officers and agents and employees of each of them from and against any and all claims arising out of the operations by Concessionaire, and whether or not such claim or claims are based in whole or in part on the negligence of any one or more of them, except that Concessionaire shall not be liable for any gross negligence on the part of the Authority. Concessionaire shall pay, liquidate and discharge any and all claims or demands for personal injury (including death), and for loss or damage to any and all property caused by, growing out of or incidental to the performance by Concessionaire or the condition of the Concession Area, including, without limitation, damage to the property of the Authority, and including all other damages and all costs and expenses of such suits and reasonable attorneys' fees. The obligation set forth in this Article shall specifically include, without limitation, all claims and judgments arising or alleged to arise with respect to protection of or damages to adjacent areas of the Airport.

ARTICLE 22

RIGHTS OF ENTRY RESERVED

22.1 The Authority, by its employees, agents, representatives, and contractors shall have the right at all reasonable times to enter upon the Concession Area for the purpose of inspecting the same and for observing the performance by Concessionaire of its obligations under the Agreement and otherwise.

22.2 Without limiting the foregoing, the Authority, through its employees, agents, representatives, contractors, and furnishers of utilities and other services shall have the right to maintain existing and future utility, mechanical, electrical and other systems, and to enter upon the Concession Area at all reasonable times to make such repairs, replacements, or alterations as the

Authority may deem necessary or advisable and, from time to time, to construct or install over, in or for access to other parts of the Airport otherwise not conveniently accessible; provided, however, that the exercise of such rights shall not unreasonably interfere with the use and occupancy of the Concession Area by Concessionaire, and that every reasonable effort shall be made to restore the Concession Area to the condition existing prior to the exercise of such rights.

22.3 The exercise of any or all of such rights by the Authority, or others acting on behalf of the Authority, shall not be construed to be an eviction of Concessionaire nor be the grounds for any abatement of the Fixed Rent, Concession Fee, or charge of any type, nor for any claim or demand for damages, consequential or otherwise.

ARTICLE 23

SUBORDINATION OF AGREEMENT

23.1 The Agreement shall be subordinate to the provisions of any existing or future agreement between the Authority and the City of Norfolk, Commonwealth of Virginia, or the United States, relative to the operation, maintenance, or development of the Airport, the execution of which has been or may be required as a condition precedent to the granting of city, state or federal funds for the benefit of the Airport. In the event any such future provision materially impairs Concessionaire's ability to perform the Agreement, Concessionaire shall have the option to terminate the Agreement on six (6) months written notice to the Authority.

23.2 The Agreement shall be subject to the effect of any covenants, conditions, restrictions, easements, mortgages, deeds of trust, ground leases, rights of way, and any other matters of record; and any land use or zoning laws or regulations of the Commonwealth of Virginia and the City of Norfolk.

ARTICLE 24

ASSIGNMENT OF AGREEMENT

24.1 Concessionaire shall not at any time sell, assign, transfer, pledge or otherwise encumber in any manner whatsoever the Agreement nor any part thereof, nor sublet any portion of the Concession Area, nor any Improvements thereon or thereto for any purpose, nor allow others to use the Concession Area without the prior written consent of the Authority, which consent may be withheld in the Authority's sole discretion.

24.2 Concessionaire acknowledges the importance of the experience, financial capability, and performance criteria that are set forth in the Proposal Documents and that Concessionaire was selected only as a result of Concessionaire's demonstration of Concessionaire's ability to meet and comply with such criteria. Accordingly, Concessionaire agrees that any assignee or transferee of this Agreement must, at the time of assignment or transfer, meet such experience, financial capability, and performance requirements, and thereafter must continue to comply with such requirements throughout the remaining term of this Agreement. Specifically, Concessionaire acknowledges that the prior experience requirements set forth in the bid documents were a material basis upon which Concessionaire was awarded this Agreement and that any assignee or successor must meet such requirements at the time of assignment or transfer. In addition, Concessionaire acknowledges that its financial capability as demonstrated during the procurement stage was a material basis upon which Concessionaire was awarded this Agreement and that meeting and maintaining the financial capability requirements are critical to Concessionaire's ability to perform under this Agreement. Accordingly, Concessionaire acknowledges and agrees that any assignee or successor must meet the financial capability standard in the Proposal Documents at the time of the assignment or transfer and must thereafter maintain the required levels of financial capability throughout the remaining term of this Agreement.

24.3 No assignment or sublease shall in any way affect or diminish Concessionaire's obligation to perform all of the terms, covenants, conditions, and provisions contained in the Agreement.

24.4 The sale or transfer of (i) the controlling stock of a closely held corporation, (ii) the controlling interest in a partnership or limited liability company, or (iii) a sale or transfer of a controlling interest in any Affiliate, whether in a single transaction or as a result of more than one transaction, shall be considered as an assignment for the purpose of this Article.

ARTICLE 25

AGREEMENT BINDING UPON SUCCESSORS

25.1 The Agreement shall be binding upon and shall inure to the benefit of the successors

and assigns of the parties hereto, as may be permitted herein.

ARTICLE 26

CONDEMNATION

26.1 In the event of the acquisition by condemnation or the exercise of the power of eminent domain (which for these purposes shall not be deemed to include the Authority) of any interest in all or part of the Concession Area, Concessionaire shall not institute any action or proceeding or assert any claim against the Authority for compensation or consideration of any nature whatsoever, and any provision herein contained contrary to the provisions of this Section shall have no force or effect. All compensation awarded or paid upon such a total or partial taking of the Concession Area shall belong to and be the property of the Authority without any participation by Concessionaire.

26.2 Nothing contained herein shall be construed or preclude Concessionaire from recovering directly from the condemning authority the value of any claim, as may exist, for loss of business, or depreciation, damage, or cost of removal, or for the value of Concessionaire's property; provided, however, that no such claim shall diminish or otherwise adversely affect the Authority's award or the award of the Trustee of the presently outstanding Airport Revenue Bonds or future Revenue Bond Issues.

ARTICLE 27

DEFAULT

27.1 The occurrence of any of the following shall constitute a default by Concessionaire:

- a. Concessionaire fails to make or cause to be made any payment required herein when due, or fails to provide the insurance herein;
- b. Concessionaire fails to observe or perform any provision, covenant, condition, or agreement contained in the Agreement, and such failure continues for a period of five (5) days after written notice of such failure, requiring the same to be remedied, shall have been given by the Authority; provided that if such observance or performance requires work to be done, actions to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied within such 5-day period but can be done, taken or remedied within a reasonable

period of time, no default shall be deemed to have occurred or to exist if, and so long as, Concessionaire shall commence such work, action, or other remedy within such 5-day period and shall diligently and continuously prosecute the same to completion;

c. Concessionaire repeatedly fails to observe or perform any provision, condition, covenant, or agreement in the Agreement even if each such failure shall be cured within the time provided in subsection b above.

d. Any warranty, representation, certification, financial statement, or other information made or furnished by Concessionaire at any time is determined by the Authority, in its sole judgment, to be false or misleading in any material respect;

e. If Concessionaire, or any successor or assignee, while in possession, shall file a petition in bankruptcy or insolvency or for reorganization under any bankruptcy act, or shall voluntarily take advantage of any such act by answer or otherwise, or shall make an assignment for the benefit of creditors.

f. If involuntary proceedings under any bankruptcy law or insolvency act shall be instituted against Concessionaire, or if a receiver or trustee shall be appointed of all or substantially all of the property of Concessionaire and such proceedings shall not be dismissed or the receivership or trusteeship vacated within thirty (30) days after the institution or appointment.

g. If Concessionaire shall vacate or abandon the Service;

h. If the Service or any controlling interest in Concessionaire shall be transferred to or shall pass to or devolve on any other party, except in the manner permitted herein;
or

i. The criminal conviction of Concessionaire, any Principal of Concessionaire, or any Affiliate of Concessionaire. For purposes of this Section, the term Principal shall include a shareholder, director, officer, general manager, partner, or member of Concessionaire.

27.2 In the event of any default by Concessionaire under the Agreement, in addition to any other remedies available at law or in equity, the Authority shall have the following rights, options, and remedies which shall be construed and held to be cumulative, and no one of them shall be exclusive of the other:

a. The Authority shall have the right to cancel and terminate the Agreement immediately by giving to Concessionaire written notice of the cancellation and termination.

b. The Authority may elect, but shall not be obligated, to make any payment required of Concessionaire or comply with any agreement, term, or condition required by the Agreement to be performed by Concessionaire. The Authority shall have the right to assume the Service for the purpose of correcting or remedying any such default and to continue the Service until the fault has been corrected or remedied, but any expenditure by the Authority shall not constitute a waiver or release of the default of Concessionaire or the right of the Authority to take any action as may be otherwise permissible at law or equity or under the Agreement in the case of any default.

c. The Authority may recover from Concessionaire all damages proximately resulting from the breach, including the cost to the Authority for providing the Service and the payments due the Authority for the balance of the term, which sum shall be due immediately.

d. The Authority shall have the right, but not the obligation, to remove all or any part of Concessionaire's Property located on the Airport and to sell such property and apply the proceeds to any damages incurred by the Authority, or to store Concessionaire's Property in a public warehouse or at a place selected by the Authority, without liability therefore, at the expense and risk of Concessionaire.

27.3 If the Authority pays any sum or incurs any cost as a result of a default, Concessionaire shall reimburse the Authority for all such costs or expenses within ten (10) days from the date of Concessionaire's receipt of the invoice. If Authority personnel is used in the performance of any work as a result of a default, Concessionaire shall reimburse the Authority at an hourly rate equal to two (2) times the rate of pay (including benefits) normally received by each employee. If material is used in the performance of any work as a result of a default, Concessionaire shall reimburse the Authority at two (2) times the cost of acquisition by the Authority of all such material.

27.4 Concessionaire shall pay all expenses incurred by the Authority in the collection of any payments, damages, or other monies due, or that are incurred by the Authority in any action

or proceeding that arises or results from a default, including, but not limited to, court costs and attorney's fees.

27.5 The rights of termination described above shall be in addition to any rights and remedies that the Authority shall have pursuant to the Agreement or at law or in equity, and the exercise by the Authority of any right of termination shall be without prejudice to any other such rights or remedies.

27.6 Default by Authority: Concessionaire's sole remedy against the Authority for its default shall be the right to terminate the Agreement upon ninety (90) days written notice to the Authority if the Authority fails to comply with provisions of the Agreement and such failure is not cured within sixty (60) days of receipt of written notice from Concessionaire.

ARTICLE 28

EXTRAORDINARY TERMINATION BY CONCESSIONAIRE

28.1 The Agreement shall be subject to termination by Concessionaire in the event of any of the following events:

- a. The permanent abandonment of the Airport as a commercial air terminal.
- b. The lawful assumption by the United States government, or any authorized agency thereof, of the operation, control, or use of the Airport, or any substantial part or parts thereof in such a manner as to substantially restrict Concessionaire from operating there from for a continuous period in excess of ninety (90) days.
- c. Issuance by any court of competent jurisdiction of an injunction in any way preventing or restraining the Authority's use of the Airport in such a manner as to substantially restrict Concessionaire from conducting its Services hereunder, provided that such injunction remains in force for a period of ninety (90) days.

28.2 In the event Concessionaire terminates the Agreement pursuant to this Section, Concessionaire shall have no right to seek or recover any damages against the Authority by reason of the termination of the Agreement.

ARTICLE 29

TERMINATION FOR CONVENIENCE

29.1 The Authority reserves the right to cancel and terminate the Agreement for its convenience, for any reason whatsoever, upon thirty (30) days written notice to Concessionaire. In the event of such termination, Concessionaire shall not be entitled to recover any damages from the Authority including, without limitation, lost profits or overhead costs of any nature; provided, however, that Concessionaire may recover the unamortized costs of capital improvements made to, and the equipment used in, the Concession Area which have not been depreciated at the time of termination.

29.2 For purposes of this Section, the unamortized costs of capital improvements shall be calculated on the basis of a straight line, seven (7) year depreciation schedule.

ARTICLE 30

SURRENDER OF POSSESSION; HOLDING OVER

30.1 On the date of the expiration or other termination of the Agreement, the Concessionaire covenants and agrees to yield and deliver, peaceably and promptly, the Concession Area to the Authority, all being in good condition as required by the Agreement.

30.2 Upon the expiration or termination of the Agreement, Concessionaire shall, upon notice from the Authority, take all reasonable steps to cooperate with the designated replacement concessionaire to ensure a smooth transition of the Service.

30.3 If Concessionaire holds over and remains in possession of the Concession Area after the expiration or other termination of the Agreement, without the written approval of the Authority, the Authority may treat such holdover as a month to month tenancy, subject to all the terms and conditions provided in the Agreement, except that any applicable payments shall be equal to 150% of the payments in effect immediately prior to the date of the holding over.

30.4 In addition to any payments as set forth above, Concessionaire shall be liable to the Authority for any and all loss or damages that result from holding over by Concessionaire without the written approval of the Authority.

30.5 It is expressly agreed that the acceptance of any payment by the Authority from Concessionaire in the event that Concessionaire holds over shall not constitute a waiver by the

Authority of its right to immediate possession of the Concession Area or any other right at law or equity or pursuant to the Agreement.

ARTICLE 31

REMOVAL OF PROPERTY

31.1 Upon the expiration or termination of the Agreement, or under any other circumstances permitting or requiring Concessionaire to remove all Concessionaire's Property, Concessionaire shall remove such property in a manner and at a time that shall permit continued, uninterrupted operation of the Service. Removal operation shall commence at a time specified by the Authority and shall be completed within five (5) days, but Concessionaire's Property shall be subject to any lien that the Authority may have for any unpaid rents or other fees and charges due under the terms of the Agreement.

31.2 Concessionaire shall repair all damage done to the Concession Area or other Airport property resulting from the removal of Concessionaire's Property, and shall restore the Concession Area to the state of good repair that existed prior to the installation of Concessionaire's Property, less normal wear and tear.

ARTICLE 32

RELATIONSHIP OF PARTIES

32.1 It is understood and agreed that nothing in the Agreement is intended or should be construed as in any way creating or establishing a partnership between the Authority and Concessionaire or of creating a joint venture, or as establishing Concessionaire as the agent, representative, or employee of the Authority for any purpose or in any manner whatsoever. This Agreement is not intended to, and in no event shall it be construed as, granting Permittee any express or implied right or authority to bind the Authority in any manner whatsoever.

32.2 Concessionaire is to be, and shall remain, an independent contractor with respect to the Service and any other actions performed under the Agreement or any part thereof. Concessionaire shall be solely responsible for paying any and all applicable income and payroll

taxes, employment taxes, social security, Medicare, and the like, related to any remuneration received by Concessionaire in performing the Services and any other actions under this Agreement.

ARTICLE 33

WAIVERS

33.1 Every provision herein imposing an obligation upon Concessionaire is a material inducement and consideration for the execution of the Agreement. No waiver by the Authority of any of the terms, covenants, or conditions of the Agreement, or noncompliance therewith, shall be deemed as a waiver at any time thereafter of the same or any other term, covenant, or condition herein contained, nor of the strict and prompt performance thereof.

33.2 No delay, failure, or omission of the Authority to re-enter the Concession Area or to exercise any right, power, privilege, or option arising from any default, or subsequent acceptance of payment of any sort then or thereafter accrued shall impair any such right, power, privilege, or option, nor be construed as a waiver of any such default or acquiescence therein.

33.3 No notice by the Authority shall be required to restore or revive time as being of the essence hereof after waiver by the Authority of any event of default in one or more instances.

ARTICLE 34

WAIVER OF CLAIMS FOR ANTICIPATED PROFITS

34.1 Concessionaire waives any claims against the Authority and its Commissioners, officers, directors, agents, or employees for loss of anticipated profit in any suit or proceeding involving the Agreement or any part thereof.

ARTICLE 35

FORCE MAJEURE

35.1 If either party hereto shall be delayed, hindered in, or prevented from, the performance of its obligations under the Agreement by reason of riots, insurrection, war, acts of

God, terrorism or other reason of like nature, not the fault of such party (hereinafter, a “Permitted Delay,” or the “Permitted Delays”), such party shall be excused for the period of time equivalent to the delay caused by such Permitted Delay. Notwithstanding the foregoing, any extension of time sought by Concessionaire for a Permitted Delay shall be conditioned upon it providing written notice of such Permitted Delay to the Authority within ten (10) days of the event causing the Permitted Delay.

35.2 In no event shall Concessionaire be relieved of its obligations to pay the Concession Fee or the Fixed Rental except as otherwise set forth in the Agreement.

ARTICLE 36

DISPUTES

36.1 Concessionaire shall submit all claims, of whatsoever nature or basis, in writing, to the Executive Director of the Authority within ten (10) days of the occurrence allegedly giving rise to such claim. Any claim not timely submitted to the Executive Director is waived.

36.2 The Executive Director shall respond to such written claim within thirty (30) days of the receipt of the claim by either: (i) making a written determination with respect to the claim, or (ii) making a writing request for additional information. If requested, Concessionaire shall provide all requested additional information within ten (10) days of the date of the Executive Director’s request, or the claim is waived. Thereafter, the Executive Director shall make a written determination with respect to the claim within thirty (30) days after receipt of the additional information. In either case, the Executive Director’s written determination shall be final and conclusive unless within thirty (30) days from the date of the Executive Director’s written determination, Concessionaire requests, in writing, an appeal to the Authority’s Board of Commissioners (the “Board”) stating specifically all grounds of appeal.

36.3 The Board shall use its best efforts to hear any such appeal within one hundred twenty (120) days after the Board’s receipt of the written appeal. At such hearing, Concessionaire shall be afforded such opportunity to be heard and to offer relevant evidence in support of its appeal, as may be determined by the Board in its sole discretion. The decision of the Board shall be final and conclusive unless appealed by Concessionaire within thirty (30) days to the Circuit

Court for the City of Norfolk and found by the Court to have been fraudulent, capricious, arbitrary, or so grossly erroneous as necessarily to imply bad faith.

36.4 Concessionaire shall diligently continue performance of the Agreement, including as may be directed by the Executive Director or the Board, regardless of whether such dispute is pending or on appeal, and regardless of the outcome of such dispute or appeal.

ARTICLE 37

SITUS AND SERVICE OF PROCESS

37.1 The Circuit Court for the City of Norfolk shall have exclusive jurisdiction and venue with respect to all disputes, actions, and proceedings arising from or under the Agreement, regardless of the nature or basis of the dispute.

37.2 Concessionaire consents to the jurisdiction and venue of the aforesaid Court and waives personal service of any and all process upon Concessionaire in all such actions or proceedings, and consents that all such service or process shall be made by certified mail, return receipt requested, directed to Concessionaire at the address herein stated, and service so made shall be completed two (2) days after the same shall have been posted as aforesaid.

ARTICLE 38

CONCESSIONAIRE'S DEALINGS WITH THE AUTHORITY

38.1 Whenever Concessionaire is required or permitted to obtain the approval of, consult with, give notice to, or otherwise deal with the Authority, Concessionaire shall deal with the Authority's authorized representative.

38.2 The Authority's authorized representative shall be its Executive Director, unless or until the Authority shall give Concessionaire written notice to the contrary.

ARTICLE 39

NOTIFICATION

39.1 All notices from one party to the other under the Agreement shall be in writing, delivered by hand or by recognized commercial courier services or mailed by registered or certified

mail to the address indicated herein, with the right to change addresses upon written notice of one party to the other.

If to Norfolk Airport Authority:

Executive Director
Norfolk Airport Authority
2200 Norview Avenue, STE 200
Norfolk, Virginia 23518-5807

If to Concessionaire:

ARTICLE 40

INTERPRETATION

40.1 The Agreement shall be construed according to the laws of the Commonwealth of Virginia, without regard to its conflicts of law principles.

40.2 The language of the Agreement shall be construed according to its fair meaning, and not strictly for or against either the Authority or Concessionaire.

40.3 The table of contents, titles, and section headings appearing herein are solely for convenience of reference for the parties and shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of the Agreement.

40.4 If any provision of the Agreement is determined to be void or unenforceable for any reason by any court of competent jurisdiction, then such determination shall not affect any other provision of the Agreement and all such other provisions shall remain in full force and effect.

40.5 The Agreement constitutes the entire agreement between the Authority and Concessionaire. Each of its documents, and the exhibits and appendixes attached hereto, are incorporated herein by this reference as if fully set forth herein and made apart thereof. No change in, modification of, or supplement to, the Agreement shall be valid or enforceable unless it is in writing and signed by the duly authorized representatives of both the Authority and Concessionaire.

[Remainder of page intentionally left blank. Signature page follows.]

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

AUTHORITY:

NORFOLK AIRPORT AUTHORITY,
a political subdivision of the
Commonwealth of Virginia

By: _____
Name: Mark A. Perryman
Title: Executive Director & CEO

Witness:

Assistant Secretary

SMARTE CARTE, INC.:

By: _____
Name: _____
Title: _____

Witness:

**Concession Agreement
APPENDIX A**

CONCESSION AREAS NORFOLK INTERNATIONAL AIRPORT

Cart Management Units will be placed at the following locations:

2 at Curbside Departures South (Ticketing)

2 at Curbside Departures North (Ticketing)

2 in Rental Car Return Lot

2 in Baggage Claim Lobby

Concession Agreement
APPENDIX B

CONCESSIONAIRE'S PROPERTY

Concession Agreement
APPENDIX C

NORFOLK INTERNATIONAL AIRPORT
Rules, Regulations and Parking Agreement
Tenant Employee Parking Program

As operator of Norfolk International Airport, the Norfolk Airport Authority (Authority) provides parking accommodations for employees of Airport Tenants which are under contract/lease with the Authority. Generally, the contract/lease between the Authority and the Airport Tenant addresses "parking" on the Airport.

To establish effective controls governing employee parking, the Authority hereby establishes the following Rules and Regulations for the Tenant Employee Parking Program at Norfolk International Airport:

1. Tenant employee parking is to be used in conjunction with official business duties and is available at location(s) designated by the Authority. Currently, the public Long Term Parking facilities have been designated as authorized location(s) for tenant employee parking. **Unauthorized tenant employees parking in any Short Term Parking facility will be required to pay the parking fees accrued and will not be eligible for reimbursement.**
2. Tenants will be invoiced a fee of \$30.00 per month, or **any part thereof**, for each employee enrolled in this program. This rate is subject to future increases at the discretion of the Norfolk Airport Authority.
3. The signatory of each Airport Tenant (including Airlines) will be responsible for requesting issuance of a parking access card for each authorized Tenant employee in accordance with the following criteria and procedures:
 - a. Each Tenant employee enrolled in this program will receive one parking access card. This parking access card will be specially encoded to allow entry and exit into authorized locations for Tenant employee parking. **This parking access card may not be utilized by anyone other than the employee to whom the credential was issued. This parking access card shall not be altered in any way or stored near credit cards or any other type of magnetic source.**
 - b. There will be a \$25.00 replacement fee for all lost, stolen, or damaged cards.
 - c. The signatory of each Airport Tenant (including Airlines) will be responsible for obtaining and issuing employee parking access cards to

their authorized employees. **UNDER NO CIRCUMSTANCES** will anyone other than the signatory retrieve employee parking access cards directly from the Authority. For definition purposes, **AUTHORIZED EMPLOYEES ARE THOSE PERSONS WHO WORK DIRECTLY FOR A TENANT UNDER CONTRACT/LEASE WITH THE AUTHORITY AND WORK ON THE NORFOLK INTERNATIONAL AIRPORT PROPERTY. NON-BASED AIRLINE CREW MEMBERS ARE NOT CONSIDERED AUTHORIZED EMPLOYEES.**

- d. The Authority will invoice Airport Tenants monthly for each employee registered in this program. Payment for employee monthly parking fees is due thirty (30) days after invoiced by the Authority.
 - e. The signatory of each Airport Tenant (including Airlines) will be responsible for sending a request to de-activate the parking access card for a terminated employee. This notification should be sent to: employeeparking@norfolkairport.com. Failure to do so will result in the continued billing of all appropriate fees associated with the parking access card.
 - f. Tenant employees must have their parking access card and their SIDA badge or other photo identification in their possession at the time of exit. **Tenant employees that do not have either of these items will be required to pay the parking fees accrued and will not be eligible for reimbursement.**
 - g. Tenant employees agree to abide by all signs, pavement markings, and Airport rules and regulations while utilizing any parking facility at the Norfolk International Airport.
4. Employees of Airport Tenants with independent facilities not located in the Departures Terminal or Arrivals Terminal are not eligible for parking privileges under this program.
5. These Rules and Regulations are subject to modification at the discretion of the Authority.