City of Philadelphia
Procurement Department

Addendum No. 6 **Date: January 8, 2014**
Concession RFP # C-102-14
Deadline for Submitting Proposals: January 28, 2014

It is the sole responsibility of the Proposer to ensure it has received all Addenda to the RFP. The Procurement Commissioner may, in the Commissioner's sole discretion, reject any Proposal for which not all the Addenda have been executed and returned.

NOTICE

REQUEST FOR PROPOSALS
FOR

MASTER LEASE AND CONCESSION MANAGEMENT AGREEMENT
AT
PHILADELPHIA INTERNATIONAL AIRPORT

RFP # C-102-14

IS AMENDED AS FOLLOWS:

Except as expressly amended by Addendum No. 1, Addendum No. 2, Addendum No. 3, Addendum No. 4, Addendum No. 5 and this Addendum No. 6, the RFP is unchanged. Except as otherwise defined in Addendum No. 1, Addendum No. 2, Addendum No. 3, Addendum No. 4, Addendum No. 5 or this Addendum No. 6, capitalized words and phrases used in this Addendum No. 6 shall have the meanings assigned to them in the RFP (as revised by the prior Addenda).

PART 1

Questions for the City of Philadelphia on Master Lease and Concession Management Agreement RFP C-102-14 as of December 24, 2013 and Answers by the City are attached hereto in Exhibit A.

PART 2

See Exhibit B attached hereto (Uncollected Accounts Receivable).

PART 3

See Exhibit C attached hereto (Storage Space Inventory).

PROPOSER MUST SIGN THE PROPOSAL AS WELL AS ACKNOWLEDGE RECEIPT OF EACH OF ADDENDUM No. 1, ADDENDUM No. 2, ADDENDUM No. 3, ADDENDUM No. 4, ADDENDUM No. 5 AND ADDENDUM No. 6.

ADDENDUM NO. 6
ACKNOWLEDGEMENT OF RECEIPT

City of Philadelphia, Procurement Department
Request for Proposals For Master Lease and Concession Management Agreement at Philadelphia International Airport
RFP 102-14

I have carefully read Addendum No. 6 to the Request for Proposals for **Master Lease and Concession Management Agreement at Philadelphia International Airport** and I certify that I have received all pages listed in Addendum No. 6.

_____
Name of Respondent

_____
Signature of Respondent's Authorized Official

_____
Printed Name and Title of Signer

_____
Date

EXHIBIT A
Questions for the City of Philadelphia on Master Lease and Concession Management RFP C-102-14 as of 12/24/2013 and Answers by the City

1. One of the City's objectives for the Agreement is to "continually evaluate and improve the customer perception, impression, and acceptance of the food, beverage, retail and passenger services concepts and facilities at PHL" (Section 2.1). In the RFP, the City provided a recent passenger survey report. Does the City expect the Concession Manager to conduct regular passenger satisfaction surveys such as the survey provided in the RFP?

   See Attachment I, Section II-C.3.

2. The Concession Manager goal for participation by disadvantaged business enterprises is 30% of ownership and/or goals and services provided annually (Section 3.3.2). As asked at the pre-proposal meeting, how is participation measured? If expenditures-based, do expenditures by the Concession Manager for CAM services, dock master services, program marketing services, utilities and other activities reimbursed by the Concession Operators count in the base to which ACDBE participation is measured?

   See Addendum 5 Exhibit A, Question No. 29. See also 49 CFR Part 23. No further information will be provided.

3. Do payments by the Concession Manager, from its Concession Management Fee, to an ACDBE subcontractor who provides some of the required staff positions or functions (in lieu of a joint venture) count toward the Concession Manager participation goal?

   See Addendum 5 Exhibit A Question No. 29. See also 49 CFR Part 23. No further information will be provided.

4. The Minimum Qualifications state that a Proposer must have experience directly leasing concessions at other large airports (Section 3.2.1). For purposes of assessing a Proposer's background and experience, how does City define leasing? Are there specific sub-components in addition to the general tasks of identifying, soliciting, and contracting with a tenant? Are various solicitation methodologies acceptable (e.g., canvassing, direct leasing, RFP/RFQs)?

   The City will rely on the expertise of the Proposer to provide appropriate information regarding services necessary or desirable to perform the leasing function required by the RFP.

5. If the Concession Manager subcontracts to a third-party entity all portions of the work that occurs in the PHL operations area or airfield, does the Concession Manager need to maintain $25,000,000 of commercial general liability and $10,000,000 of automobile liability coverages in addition to the insurance carried by the subcontractor?

   See Attachment D to the RFP.

6. Is business and rental interruption insurance to be maintained by the Concession Manager or by the Concession Operators?
   See Attachment D to RFP.

7. In Section 5.5.2 of the replacement Section 5 provided in Addendum #1, Proposers are to submit a listing of contracts that have been terminated. What is the relevant time period for disclosure of any such contracts?

   5 years

8. Addendum #4 states that any uncollected amounts over a 0.5% allowance are to be paid to the City by the Concession Manager regardless of their collection status. Is this a correct interpretation of the answer to Question #9 in Addendum #4? Please provide the recent uncollected accounts receivable history for the concessions program.

   See Addendum No. 6, Part 2, Exhibit B.

9. Is the Concession Manager responsible to pay, from its Concession Management Fee, any development and construction costs for common area or base building improvements? For example, does the Concession Manager pay for "routine" capital expenditures related to improvement or refurbishment of concessions common areas such as food courts? Does the Concession Manager pay for base building improvements to tenant spaces to develop core and shell conditions such as demolition or utility upgrades?

   Construction management costs associated with common areas and base building improvements to tenant spaces to develop core and shell conditions should be included in the Concession Management Fee. Construction costs associated with routine repairs and maintenance of common areas are the responsibility of the Concession Manager and should be charged to the Concession Operators via CAM and/or be negotiated between the Concession Manager and the Concession Operators. In extraordinary circumstances, certain construction costs associated with repairs and maintenance of common areas may be handled as an Additional Service as determined at the sole discretion of the City.

   See also:
   Attachment I to the RFP, Section III-H. Facility Maintenance;
   Addendum No. 4, Part 2, Exhibit A Questions No.1, 17, and 24;
   Addendum No. 5, Part 1, Exhibit A Questions No.26.

10. What are hours of operation of the main receiving dock?

    Currently the hours of operation of the main receiving dock are between 6:00 A.M. and 2:30 P.M., Mondays through Saturdays.

11. Do tenants have storage space? If so, what is the current storage rent rate per square foot? Please provide a detailed list and cost per tenant.

    Many, but not all subtenants under the existing agreement, have storage space. The storage space rental rates are negotiated rates. Currently storage rental rates rate range $50-$60 per square foot.

See Addendum No. 6, Part 3, Exhibit C.

12. What is the location and amount of square footage currently provided for logistical support?

    See Attachment A to RFP.

13. Does the Concession Manager or a contractor oversee Security at the loading dock(s) today?

    The Concession Manager does not provide security at the loading dock. Today, the screening process is overseen by a security company under contract with the City. See also Attachment I, Section III-G of the RFP.

EXHIBIT B							
Marketplace Philadelphia LP Uncollected Accounts Receivable as of 11/30/13							
Name	Current Balance	Future Activity	Current 0-30 Days	Over 30 Days	Over 60 Days	Over 90 Days	Over 120 Days
Philly Steak - C	114,442		3,165	3,104			108,173
Bassett's - BC	112,712						112,712
Philly Steak - BC	103,143		2,225	2,202			98,716
Freshens	91,420						91,420
Bassett's - E	84,269						84,269
Jack Duggan's PHL, Inc.	77,564						77,564
Bassett's - B	58,627						58,627
Legal	**642,177**	**0**	**5,389**	**5,307**	**0**	**0**	**631,481**

EXHIBIT C
MarketPlace Philadelphia Storage Space Inventory

LOCATION	OCCUPANT	Old Space #	New Space #	AREA	STORAGE
				32,289	32,289
A-West					
Concourse					
	McDonald's Storage	1S-6	N/A	215	215
	McDonald's Storage	1S-9	N/A	324	324
	Angelina's Panini Storage	1S-10	N/A	206	206
	MarketPlace Landlord Storage	1S-3	N/A	623	623
	International Shoppes Storage	1S-4	N/A	489	489
	Maki of Japan Storage	1S-2	N/A	302	302
	Famous Famiglia Storage	1S-7	N/A	189	189
	Famous Famiglia Storage	1S-8	N/A	92	92
	MarketPlace Landlord Storage	1S-1	N/A	279	279
	MarketPlace Vacant Storage	1S-11	N/A	176	176
Terminal					
Int'l					
Arrivals	MarketPlace Landlord Storage	N/A	N/A	623	623
A-East					
Terminal					
Concourse					
1st Floor					
2nd Floor					
	Common and Landlord Storage	N/A	N/A	123	123
A/B Link	Concession Prep & Storage	N/A	N/A	416	416
	Loading Dock Storage and Office Space	N/A	N/A	13,920	13,920
Terminal B					
4th Floor	Concession Prep & Storage Area	N/A	N/A	555	555
Concourse	Gate B-9 Storage	N/A	N/A	1,516	1,516
1st Floor	B-12 Food Court Storage	L-12	B-12	279	279
B/C	Landlord Storage	BCS-1	N/A	91	91

MarketPlace Philadelphia
Storage Space Inventory

LOCATION	OCCUPANT	Old Space #	New Space #	AREA	STORAGE
				32,289	32,289
CONNECTOR	Landlord Storage	BCS-2	N/A	92	92
Concourse C					
1st Floor	First Floor Storage	N/A	C-ST2-LL	1,070	1,070
C/D Link					
Terminal D	Cafeteria Storage - 1st Floor	S1	N/A	2,840	2,840
Concourse	Au Bon Pain Storage	D-447	N/A	1,020	1,020
1st Floor	Cibo Market Express Storage	DHH-1	N/A	102	102
	Au Bon Pain Storage	DHH-2	N/A	100	100
	Au Bon Pain Storage	DHH-3	N/A	263	263
	Le Petit Bistro Storage	DHH-4	N/A	353	353
2nd Floor	Food Tenants Storage Space	N/A	D-ST-3	238	238
D/E					
CONNECTOR					
Terminal E					
2nd Floor					
Concourse					
1st Floor	Landlord Storage	N/A	E-ST4-LL	2,618	2,618
	Landlord Storage	N/A	E-ST7-LL	2,708	2,708
F					
Loading Dock	Hudson News Storage	F-1	F-ST-1	467	467
				TOTAL	
				AREA	**STORAGE**

MarketPlace Philadelphia
Storage Space Inventory

LOCATION	OCCUPANT	Old Space #	New Space #	AREA	STORAGE
				32,289	32,289
				32,289	32,289

City of Philadelphia
Procurement Department

Addendum No. 5 **Date: December 24, 2013**
Concession RFP # C-102-14
Deadline for Submitting Proposals: January 28, 2014

It is the sole responsibility of the Proposer to ensure it has received all Addenda to the RFP. The Procurement Commissioner may, in the Commissioner's sole discretion, reject any Proposal for which not all the Addenda have been executed and returned.

NOTICE

REQUEST FOR PROPOSALS
FOR

MASTER LEASE AND CONCESSION MANAGEMENT AGREEMENT
AT
PHILADELPHIA INTERNATIONAL AIRPORT

RFP # C-102-14

IS AMENDED AS FOLLOWS:

Except as expressly amended by Addendum No. 1, Addendum No. 2, Addendum No. 3, Addendum No. 4 and this Addendum No. 5, the RFP is unchanged. Except as otherwise defined in Addendum No. 1, Addendum No. 2, Addendum No. 3, Addendum No. 4 or this Addendum No. 5, capitalized words and phrases used in this Addendum No. 5 shall have the meanings assigned to them in the RFP (as revised by the prior Addenda).

PART 1

Questions for the City of Philadelphia on Master Lease and Concession Management Agreement RFP C-102-14 and Answers by the City are attached hereto in Exhibit A.

PART 2

Attachment G to the RFP shall be deleted in its entirety and replaced in its entirety by Attachment G attached hereto in Exhibit B.

PROPOSER MUST SIGN THE PROPOSAL AS WELL AS ACKNOWLEDGE RECEIPT OF EACH OF ADDENDUM No. 1, ADDENDUM No. 2, ADDENDUM No. 3, ADDENDUM No. 4 AND ADDENDUM No. 5.

ADDENDUM NO. 5
ACKNOWLEDGEMENT OF RECEIPT

City of Philadelphia, Procurement Department
Request for Proposals For Master Lease and Concession Management Agreement at Philadelphia International Airport
RFP 102-14

I have carefully read Addendum No. 5 to the Request for Proposals for **Master Lease and Concession Management Agreement at Philadelphia International Airport** and I certify that I have received all pages listed in Addendum No. 5.

_____
Name of Respondent

_____
Signature of Respondent's Authorized Official

_____
Printed Name and Title of Signer

_____
Date

EXHIBIT A

Questions for the City of Philadelphia on Master Lease and Concession Management RFP C-102-14 as of 12/20/2013 and Answers by the City

1. Does the definition of "Total Gross Concession Revenue" exclude pass-through charges? (i.e. marketing fees, CAM, delivery service fees, etc.)

   See Section 3.5 and Section 5.1.1 of the RFP as set forth Addendum No. 4, (Part 3).

2. Can the City please provide further information regarding the annual cost for the charges in addition to MAG and % rent (delivery service, marketing, CAM, real estate taxes, utilities, trash removal service, dumpster costs, etc.) which are charged to Concession Operators currently? Is it expected that they will be handled in a similar manner in the contract which will result from this RFP?

   See Section 5.5.4.a.vii as set forth in Addendum No. 4, (Part 3) and Attachment L as set forth in Addendum No. 4, (Part 4).

3. How are real estate taxes or other charges "in lieu of real estate taxes" assessed by the taxing authority on the concessions at PHL?

   The Concession Manager currently does not pay any real estate taxes or charges "in lieu of real estate taxes." For other taxes assessed, see answer to Question 15 below.

4. Is the City satisfied with the current delivery service, in terms of effectiveness, efficiency, costs, etc?

   See Attachment I, Section III.G. for information regarding delivery service requirements. No information regarding the City's satisfaction with the current delivery service will be provided.

5. Can the Proposer offer alternative forms of compensation, in addition to the Financial Proposal Form, as provided in Section 5.1?

   The Financial Proposal Form as provided in Section 5.1.1 (See Addendum No. 1) must be completed in its entirety in order for the Proposal to be deemed responsive. The City may, but shall not be required in its absolute discretion, consider alternate forms of compensation.

6. What is the expiration date of Cantina Laredo (Terminal E, Space E12)?

   See Addendum No. 2 Attachment H.

7. Would the City please provide copies of the bid of the company which was selected to redevelop Terminal B through the Invitation to Propose, dated September 3, 2013, and (i) revision to invitation dated September 11, 2013 and (ii) revision to invitation dated October 16, 2013 issued by the incumbent? The data contained within the selected bid is crucial in the formulation of the pro forma and financial offer for the current RFP.

   The City has been advised by MarketPlace Philadelphia Management Inc. that it has not made a selection on the Invitation To Propose to redevelop Terminal B. See Attachment G as set forth in this Addendum No. 5, (Part 2).

8. In addendum 1, section 5.5.2, bullet point 4, it asks respondents to provide the "Annual volume of sales and annual rent for the continuous five years, separating the sales volumes between food, beverage, service, and retail." Please confirm if each of those four categories must be reported separately, or whether food and beverage may be reported together and retail and services may be reported together?

   Food and beverage sales volume should be reported together. Retail and services sales volume should each be reported separately.

9. Would the City please provide information on the number of staff currently employed by the incumbent contractor to provide the Terminal Concession Management Services, and the general nature of their positions (i.e., general manager, badging clerk, security, retail manager, etc)?

   Information regarding the number of staff currently employed by the incumbent will not be provided.

10. The addendum asks for a significant amount of information about "the Proposer." However, we intend on forming a special-purpose Joint Venture for the sole purpose of responding to this RFP. Hence, the Proposer will have no history/qualifications. Is it permissible to provide the specified information for the individual experience/condition of the members of the Joint Venture?

    See Section 2.3 of the RFP and Sections 5.2 and 5.3 of Addendum No. 1, Part 2. Provide the required information for each member of any joint venture.

11. In Section 5.2.2, Part A, of the Addendum, the City requests "…audited financial statements for the three (3) most recently completed fiscal years." In the case of a newly-formed Joint Venture, does the City want the financial statements of the largest member of the Joint Venture or all members of the Joint Venture?

    Provide audited financial statements for each member of any joint venture.

12. Similarly, in Part E of that same section, does the City want three (3) financial references from only the largest member of the Joint Venture or all members of the Joint Venture?

    Provide three (3) financial references for each member of any joint venture.

13. What is the aggregate total level of ACDBE participation achieved in PHL's concession program by the incumbent manager for the past three completed calendar (or fiscal) years?

    This requirement was previously fulfilled by the joint venture Marketplace Redwood Limited Partnership. The joint venture ended in 2009 when the two companies decided they no longer wanted to continue their joint venture relationship. The current concession program manager is Marketplace Philadelphia Management, Inc. which is not a joint venture.

14. Would the City please supply copies of any annual reports submitted by the incumbent to the City regarding concession performance (financial, marketing, performance/goal achievement, etc.) for the past two calendar or fiscal years? If there is no summary annual report for any of the topics mentioned, in lieu, would the City please provide such reports for the final month of the calendar or fiscal year, as applicable?

    See Attachment H as set forth in Addendum No. 2 and Attachment L as set forth in Addendum No. 4, (Part 4).

15. What are the types and previous fiscal year amounts of taxes paid by the Concession Manager? Is there a reassessment process which might occur which could either raise or lower these figures?

    The Concession Manager will be responsible for paying the City of Philadelphia Business Privilege Tax and Use and Occupancy (U&O) Tax. U&O Tax is assessed on office space and common area space. Currently, U&O taxes approximate $3,000 per month for these spaces. Any reassessment would be issued by the City and is not under the control of the Airport.

    For information regarding the Business Privilege Tax, refer to:
    https://business.phila.gov/Pages/BusinessPrivilegeTax.aspx?stage=Start&type=All%20Business%20Types&section=Taxes&BSPContentListItem=Business%20Privilege%20Tax

    For information regarding the U&O Tax, refer to:
    http://www.phila.gov/Revenue/businesses/taxes/Pages/UseOccupancy.aspx

16. In Attachment I, Section III E, what types of "audits" are required? Does the City mean financial audits? Contract compliance audits? Are the costs for the audits specified in the responsibility of the City, the Concession Manager, or the Concession Operators?

    Attachment I, Section III.E. Concession Manager and Concession Operator Audits mean financial audits and contract compliance audits. The cost for these audits is the responsibility of the Concession Manager.

17. In Attachment G, the Proforma Financial Statement, the enplanement projections are said to increase by 1% annually, however the projected enplanement numbers listed in Years 1-7 increase by .1% annually (as opposed to the 1% referenced). Please clarify which enplanement numbers should be used for our projections.

    See Attachment G as set forth in Addendum No. 5, (Part 2).

18. Other than the tenant information included in the RFP, has the current concession manager signed any new leases and, if so, is it possible to provide the space location and rent detail?

    See Attachment H as set forth in Addendum No. 2.

19. Section 4.4.15 Performance Bond: The security deposit is 25% of the rent paid to the DOA – City of Philadelphia. This would calculate to be over $8Million. Usually security deposit is 1 or 2 months of rent. Why is this so high? Note that the concessions manager will also be holding security deposits from subtenants.

    See Section 4.4.15 as set forth in Addendum No. 4, (Part 3).

20. Attachment D - Insurance Requirement – Under the terms of the master lease, will the concession manager have any direct property or liability risk as to food courts, back of house and storage areas?

    Yes, see Attachment D of the RFP.

21. Attachment G - Pro-forma says 1% annual increase in enplanements however calculated enplanements per the DOA Proforma sheet show only increase by 0.1% (10 basis points) each year. Please clarify the enplanement growth assumption.

    See answer to Question #17above.

22. Attachment G - Pro-forma "Square footage to be used for the calculation of average per square foot is 130,000 sf": Does this amount include the square footage for the new F Terminal Hub locations recently opened?

    For purposes of the Pro-f Forma, use 145,000 square feet. See Attachment G as set forth in this Addendum No. 5 (Part 2).

23. Attachment G – Proforma Financial Statement – Per the Form, it shows "Manager Expenses" where the Form list certain expenses categories, i.e.: Salaries, Benefits, Legal Services, etc. Can we add additional expense lines to this Form such as "Insurance"? Or are we restricted to using only the line items provided on the Form?

    See Attachment G as set forth in this Addendum No. 5 (Part 2).

24. Attachment I – Section I-B, Staffing (3 g.) Other: "Such additional staffing as may be required": If additional positions are required at a later date after the contract has begun, will the concession manager be compensated for the new positions?

    See answer to Question No. 25 in Addendum 4 (Part 2).

25. Attachment I – Section I-B – g: What is the concession manager's involvement as to concession manager employee badging?

    See answer to Question No. 2 in Addendum 4 (Part 2).

26. Attachment I – Section III, H – Facility Maintenance – Regarding Repair and Maintenance – It appears that concession manager will have no financial responsibility for Repairs and Maintenance of the concession program. Will any repair and maintenance costs be allowed to be passed on to concession tenants and/or the City if applicable?

    See answer to Question No. 17 in Addendum 4 (Part 2) and see Addendum No. 4., Exhibit B, Section 5.5.4.a.vii regarding common area maintenance.

27. Attachment I – Section II, G-4 – Annual Statement verses Attachment I – Section III, E Concession Manager & Concession Operator Audits: Please explain the difference between these 2 required audits?

    Attachment I, Section III.E refers to the audits by the Concession Manager of the Concession Operators. Revised Attachment I Section II-G.4. as set forth in Addendum No. 4, (Part 3) refers to two (2) different certified annual statements: one to be submitted by the Concession Operators to the Concession Manager and one to be submitted by the Concession Manager for the Terminal Concession Program to the Airport.

28. I noticed in addendum #2 that Marketplace has sent out Requests for Proposals (RFP) for prospective retail/food vendor operators. Why is this happening now during the contracting renewal phase through the current RFP? If Marketplace does not win the award, what happens to all the work prospective vendors for PHL retail/food concessions put forth getting architects. Construction Managers, Contractors etc. lined up in anticipation of renewing current spaces or new vendors seeking to come on board as a concession operator?

    See Section 2.2.4 of the RFP and see answer to Question No. 20 in Addendum 4 (Part 2) Exhibit A.

QUESTIONS ASKED BY VARIOUS ATTENDEES AT THE MANDATORY PRE-PROPOSAL MEETING HELD ON DECEMBER 3, 2013

29. The 30 percent goal on management is 30 percent of what? How is it 30 percent of what number?

    The 30% Concession Management goal can be achieved in the form of ownership (direct or joint venture) and/or Goods/Services provided annually. The legal agreement can be structured to include all or parts of this combination.

    If achieving participation through ownership, at least 30% of the Concession Manager must be owned by a certified ACDBE firm.

    If achieving participation through joint venture, at least 30% of the joint venture or partnership entity must be owned by a certified ACDBE firm. In accordance with Section 2.1 of the FAA's 2008 Joint Venture Guidance and for purposes of this Concession Agreement and the Airport's ACDBE program, an eligible joint venture is defined as an "association of an ACDBE firm and one or more other firms to carry out a single, for-profit business enterprise, for which the parties combine their property, capital, efforts, skills and knowledge, and in which the ACDBE is responsible for a distinct, clearly defined portion of the work of the contract and whose shares in the capital contribution, control, management, risks, and profits of the joint venture are commensurate with its ownership interest." Please review the FAA's 2008 Joint Venture Guidance in its entirety for further information regarding joint venture partnerships.

    If achieving participation through goods and services, the amount of goods and services must equal at least 30% of the annual total expenses. For example: If the total amount of expenses for goods purchased and services performed at the management level are $100,000 dollars annually then the goods and services procured from a certified ACDBE firm should equal $30,000 dollars. For more specific information please refer to Attachment E, Section 4 (b) (v) of the RFP.

30. When I worked with the City, this proposal went to the street. There was 70 % goals for each area of achievement. As this gentleman was asking, it was a goal for ownership and there was a goal for any design or construction pertaining to any tenant. And I would respectfully request in your clarification rewrite, and it will come in written form, that there be separate goals.

    The former proposal which resulted in the existing agreement was done under different regulations. In complying with those regulations, the original goals, which included ownership and design and construction among various other categories, ranged from 2% to 60%. However, in accordance with the regulatory changes contained in 49CFR Part 23, which was issued in March 2005, there were program administrative changes related to the goals. Neither DBE nor ACDBE rules apply to work performed by the incumbent to fit out tenant concession locations. Subtenant construction is not counted under the Federal ACDBE Program. See 49 CFR Part 23.55 (k) which states: "Do not count costs incurred in connection with the renovation, repair, or construction of a concession facility (sometimes referred to as the "build-out")." For more specific information please refer to Attachment E, Section 4 (2) (c) of the RFP.

EXHIBIT B

ATTACHMENT G

PROFORMA FINANCIAL STATEMENT

Philadelphia International Airport
Pro Forma Statement, Terminal Concessions Management Services

7-Year Pro Forma
(constant 2013 dollars)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total	Avg per Sq Ft.
Projections									
Enplanements (1% annual increase)	15,615,539	15,771,694	15,929,411	16,088,705	16,249,593	16,412,088	16,576,209	112,643,240	
Sales per Enplanement	$	$	$	$	$	$	$	$	$
Sales per Square Foot	$	$	$	$	$	$	$	$	$
Gross Concession Operator (CO) Sales									
Existing Leases (excluding Terminal B)	$	$	$	$	$	$	$	$	$
New Leases (excluding Redeveloped Terminal B)	$	$	$	$	$	$	$	$	$
Terminal B Assumption	$ 18,894,802	$ 19,083,750	$ 19,274,588	$ 19,467,334	$ 19,662,007	$ 19,858,627	$ 20,057,213	$ 136,298,321	$
Total CO Sales	$	$	$	$	$	$	$	$	$
Gross Concession Revenues (GCR)									
Existing Leases (excluding Terminal B)	$	$	$	$	$	$	$	$	$
New Leases (excluding Redeveloped Terminal B)	$	$	$	$	$	$	$	$	$
Terminal B Assumption	$ 2,390,192	$ 2,414,094	$ 2,438,235	$ 2,462,618	$ 2,487,244	$ 2,512,116	$ 2,537,237	$ 17,241,738	$
Total GCR	$	$	$	$	$	$	$	$	$
(Total GCR as a % of Total CO Sales)	%	%	%	%	%	%	%	%	
Fee to Manager	$	$	$	$	$	$	$	$	$
(Fee to Manager as a % of CO Sales)	%	%	%	%	%	%	%	%	
(Fee to Manager as a % GCR)	%	%	%	%	%	%	%	%	
**(Flat Fee Compensation (OPTIONAL))*	$	$	$	$	$	$	$	$	$
City Rental Payment	$	$	$	$	$	$	$	$	$
City Rental Payment as a % of CO Sales)	%	%	%	%	%	%	%	%	
City Rental Payment as a % of GCR)	%	%	%	%	%	%	%	%	
Manager Expenses (should include all Concession Manager expenses)									
Salaries	$	$	$	$	$	$	$	$	$
Payroll Taxes & Employee Benefits	$	$	$	$	$	$	$	$	$
Legal Services	$	$	$	$	$	$	$	$	$
Accounting Services	$	$	$	$	$	$	$	$	$
Marketing and Promotional Expenses	$	$	$	$	$	$	$	$	$
Office Equipment and Expenses	$	$	$	$	$	$	$	$	$
Insurance	$	$	$	$	$	$	$	$	$
Other Professional Services	$	$	$	$	$	$	$	$	$
Bad Debts - Uncollected Concession Operator Rents	$	$	$	$	$	$	$	$	$
Overhead (List and describe each item in this category)	$	$	$	$	$	$	$	$	$
Other (List and describe each item in this category)	$	$	$	$	$	$	$	$	$
Total Expenses	$	$	$	$	$	$	$	$	$

Notes:
Marketing and promotional expenses shall exclude amounts expended from the marketing fund contribution collected from the Concession Operators.
Square footage to be used for the calculation of Sales & Average per square foot is 145,000.

* Complete Only If Proposer Has Submitted a Flat Fee Compensation Amount for each Agreement Year.

City of Philadelphia
Procurement Department

Addendum No. 4 **Date: December 17, 2013**
Concession RFP # C-102-14
Deadline for Submitting Proposals: January 28, 2014

It is the sole responsibility of the Proposer to ensure it has received all Addenda to the RFP. The Procurement Commissioner may, in the Commissioner's sole discretion, reject any Proposal for which not all the Addenda have been executed and returned.

NOTICE

REQUEST FOR PROPOSALS
FOR

MASTER LEASE AND CONCESSION MANAGEMENT AGREEMENT
AT
PHILADELPHIA INTERNATIONAL AIRPORT

RFP # C-102-14

IS AMENDED AS FOLLOWS:

Except as expressly amended by Addendum No. 1, Addendum No. 2, Addendum No. 3 and this Addendum No. 4, the RFP is unchanged. Except as otherwise defined in Addendum No. 1, Addendum No. 2, Addendum No. 3 or this Addendum No. 4, capitalized words and phrases used in this Addendum No. 4 shall have the meanings assigned to them in the RFP (as revised by the prior Addenda).

PART 1

The dates in the RFP have been modified as follows:

1. "Final Deadline for Questions Regarding RFP" is changed to December 24, 2013 .
2. "Date for Issuance of Addenda" is changed to January 14, 2014.

All other dates set forth in the RFP remain unchanged.

PART 2

Questions for the City of Philadelphia on Master Lease and Concession Management Agreement RFP C-102-14 and Answers by the City are attached hereto in Exhibit A.

PART 3

Sections 3.4, 3.5, 4.4.15, 5.1.1, 5.5.4.a.vii, 6.1.4, Attachment G, Attachment I-B.3.c and Attachment I-II-G.4. are deleted in their entirety and replaced by Sections 3.4, 3.5, 4.4.15, 5.1.1, 5.5.4.a.vii, 6.1.4 Attachment G, Attachment I-B.3.c and Attachment I-II-G.4. as set forth in Exhibit B.

PART 4

Attachment L attached hereto as Exhibit C.

PART 5

Transcript from Master Lease and Concession Management mandatory Pre-Proposal Meeting of December 3, 2013, attached hereto as Exhibit D.

PART 6

Sign-In-Sheet from Master Lease and Concession Management mandatory Pre-Proposal Meeting of December 3, 2013, attached hereto as Exhibit E.

PROPOSER MUST SIGN THE PROPOSAL AS WELL AS ACKNOWLEDGE RECEIPT OF EACH OF ADDENDUM No. 1, ADDENDUM No. 2, ADDENDUM No. 3 AND ADDENDUM No. 4.

ADDENDUM NO. 4
ACKNOWLEDGEMENT OF RECEIPT

City of Philadelphia, Procurement Department
Request for Proposals For Master Lease and Concession Management Agreement at Philadelphia International Airport
RFP 102-14

I have carefully read Addendum No. 4 to the Request for Proposals for **Master Lease and Concession Management Agreement at Philadelphia International Airport** and I certify that I have received all pages listed in Addendum No. 4.

_____
Name of Respondent

_____
Signature of Respondent's Authorized Official

_____
Printed Name and Title of Signer

_____
Date

EXHIBIT A

Questions for the City of Philadelphia on Master Lease and Concession Management Agreement RFP C-102-14 and Answers by the City

1. Can you please provide any plans that currently exist for construction and development, including the new B/C security checkpoint?

The only Airport projects that are currently under development that are likely to affect the passenger terminal area are the automated people mover system and the Terminal B/C redevelopment. Both of these projects are in the planning stages and no construction plans are available. The Airport will coordinate with the Concession Manager and other interested parties during the implementation and development of these projects. Any concession-related work not otherwise covered as services to be performed as part of the Concession Management Fee will be handled as "Additional Services" as defined in Section 3.5 of the RFP.

All of the foregoing projects are part of the Capacity Enhancement Program. For information regarding the Capital Enhancement Program please refer to http://www.phl-cep-eis.com/and http://www.phl.org/news/Pages/runwaycapacityvid.aspx

2. What is the scope of the Concession Manager's role in "coordinating security compliance and badging matters?" How is the badging process handled? What are the current charges? Can the tenants be billed directly for the badging of their employees? Please outline the responsibilities expected to be fulfilled by the selected Concession Manager.

Concession Manager's role in "coordinating security compliance and badging matters is as follows:

- Accountability of all Concession Manager's sponsored badges
- Schedules fingerprint appointments for Concession Manager and Concession Operator employees
- Ensures accuracy and completion of all necessary paperwork for both new and renewal ID badges
- Timely notification to all Concession Operators when CHRCs and STAs are cleared
- Keeps Concession Operators up to date on any new procedures or changes to the PHL ID badge process

- Ensures Concession Operators and Concessionaire sponsorship letters are up-to-date and ensure that all authorized signers complete Authorized Signer Training annually
- Conduct quarterly badging audits; and
- Ensure Concession Operators are in compliance with PHL ID badge Rules and Regulations (as they may be amended) pertaining to Airport issued media.

Current charge for each applicant/employee of each Concession Operator and the Concession Manager is as follows:

- $65 per applicant, which includes a $32 fingerprint fee and a $33 ID badge fee. Concession Operators shall provide company checks or money orders for payments.

The City or the TSA may modify or otherwise revise and update badging requirements. The Concession Manager will be responsible for complying with any such updated/modified requirements.

3. Does the City expect that subleases will be between the selected Concession Manager and the Concession Operators, or between the City and the Concession Operators? If the City and the Operator are the contracting parties to the lease, is there a standard form lease agreement that the City expects to incorporate in the program?

Subleases will be between the Concession Manager and the Concession Operators and will be subject to approval by the City. A copy of the current standard form of sublease agreement for both Non ACDBE Concession Operators and ACDBE Concession Operators was provided to company representatives at the Pre-Proposal Meeting and have been posted as part of Addendum 2. A revised form of sublease will be part of the negotiations between the City and the Successful Proposer.

4. Can the City please provide a summary of all existing concession subleases (including Terminal F and Terminal B, if known), including sublessee name (operator), brand name, ACDBE status and the percent of goal attainment by such ACDBE sublessees, expiration dates (particularly for any leases for Terminal B, Terminal F, and/or those extended after the RFP was issued) and rent terms (minimum annual guarantees, percentage rents, etc.)?

A revised Attachment H was provided at the Pre-Proposal Meeting and as part of Addendum 2 and provides the information requested. A copy of the Invitation to Propose (ITP) for Terminal B was provided to a company representative from each company attending the Pre-Proposal Meeting and has been posted as part of Addendum 2.

5. According to the RFP (page 74 of 220), it states that ACDBE's "…must be certified by the PaUCP before the time of proposal submission." However, it is our understanding that potential ACDBE's cannot be certified until they have a contract. Can you please clarify?

Firms can not apply for ACDBE certification until they have at least one pending deal at an Airport location that would qualify as an ACDBE project. However, firms can always apply as DBE's, prior to seeking their ACDBE designation pursuant to 49 CFR 23.37(a) & (b) and 49 CFR 23.39(g)(1) - (3). Obtaining the ACDBE designation after having DBE status is a quick and easy process that does not require a completely new certification application. For more information, you may contact Kathleen Padilla DBE Certification Coordinator at (215) 937-1801.

6. What specifically is the City looking for in the Transition Plan?

Refer to Addendum No. 1 to the RFP, Section 5.5.3.e.iii and 5.5.7, for information regarding the Transition Plan.

7. Can you define what the City is seeking in "general concession management plans and strategies?

Refer to Addendum No. 1 to the RFP, Section 5.5. Additional Proposal Information for the Agreement at PHL.

8. Can we receive higher-resolution versions of Attachment "A", or, alternately, could these drawings be provided in Autocad format?

A 24 in. X 36 in. copy of the information in Attachment A –Concession Layout Plan was provided to a company representative from each company attending the Pre-Proposal Meeting.

9. Is the Concession Manager responsible for uncollectable rents?

The Concession Manager is responsible for collection of all rents, fees and charges due from Concession Operators, and must use best efforts to collect all such payments including, without limitation, instituting suit. However, only actual amounts collected will be due to the City noting that in the event there is uncollected rent, fees, and charges, the Concession Manager: (a) will not receive any compensation on uncollected rent, fees, and charges; and (b) will have an

allowance up to one-half of one percent (0.5%) of the total amount of collected rent, fees, and charges beyond which all amounts must be paid to the City whether or not they have been collected by the Concession Manager.

10. In Section 3.1 (page 15) and Attachment I (page 5), would the City please provide additional information regarding the expected "common space improvements and base building improvements?"

See answer provided to Question 24 below.

11. Would the City please provide a copy of the draft Concession Manager Contract?

A draft Concession Manager Contract is unavailable as it is in the process of being developed.

12. In section 2.3.6 (B) (page 13), there is a reference to "Section 5.5.3 (b) & (f) but those sections do not appear in the RFP. Please clarify.

Refer to Addendum No. 1 to the RFP which includes Section 5.5.3 (b) & (f).

13. What is the status of the joint venture of Marketplace Redwood?

The Marketplace Redwood joint venture ended in 2009 when the two companies decided they no longer wanted to continue their joint venture relationship. The current terminal manager is Marketplace Philadelphia Management, which is not a joint venture.

14. What is the level of the incumbent's DBE partner equity participation amount in dollars and percent?

The minority partner, Redwood, requested that Marketplace buy out Redwood's ownership interest in the joint venture in 2009.

15. What was the incumbents last two years total DBE participation achievements for all tenant fit-out's in terms of names of firms, type of DBE for Architectural Design (A/E), Construction Management (CM); for each General Construction, Electrical, Mechanical and Plumbing prime bid packages for each tenant fit-out and the total DBE prime/subcontract dollars of those fit-outs and the DBE inclusion achievement amounts with the name and type of DBE firms and percentages?

Neither DBE nor ACDBE rules apply to work performed by the incumbent to fit out tenant concession locations. City M/W/DSBE rules have been applied to the incumbent's contracts for concession program common space and base building construction work.

16. In Attachment H, which concessions are ACDBE owners by type of ACDBE?

A revised Attachment H that shows ACDBE ownership was provided at the Pre-Proposal Meeting and is posted as part of Addendum 2.

17. Is it the Concession Manager's responsibility to fund the capital expenses, such as repairs, necessary alterations and capital improvements for tenants (Concession Operators) that may be required per sublease agreements?

Improvements such as repairs, necessary alterations and capital improvements for Concession Operators that may be required per sublease agreements, are not currently the responsibility of the Concession Manager but are the responsibility of the Concession Operators. Unless agreed to between the Concession Manager and Concession Operator, it is expected to remain as such.

18. What capital expenditures are known or expected to be necessary or advisable during the 7 year term of the Agreement?

See answer to Question 1 above.

19. Please provide available historical financial data for common area maintenance expenses relating to airport concessions, including costs for security, housekeeping, maintenance, on-site management personnel costs, utilities, taxes, or other operating expenses.

See Attachment L attached to this Addendum No. 4 (Part 4).

See also revised Section 5.5.4.a.vii of the RFP as set forth in this Addendum No. 4 (Part 3).

20. Will all subleases, including any new sublease for the whole of Terminal B as referenced in Section 2.2.4, that are entered into by the current concession manager be fully assigned to the new Concession Manager? Please provide

copies of existing subleases, or the form of sublease, for airport concessions, and the RFP for Terminal B concession locations.

Yes. All existing subleases, including the subleases for the whole or any part of Terminal B, that are entered into by the current concession manager will be assigned to the Concession Manager. A copy of the standard form of sublease for both Non ACDBE Concession Operators and ACDBE Concession Operators, as well as the RFP for the Terminal B Concession Locations were provided to company representatives at the Pre-Proposal Meeting and are posted as part of Addendum 2.

21. What is the current Rental Payment structure, including rates if available, and what concerns or issues do you have with the current fee structure or compensation**.**

Information regarding the current management fee and structure will not be provided. The scope, business terms and basis of the existing developer-type agreement are entirely different from those outlined in the fee manager-type model set forth in this RFP. As such, the current fee arrangement is not relevant. The rental payments made by Concession Operator to the City for the last three fiscal years were included in Attachment H to the RFP.

22. What is the projected selection date of the successful proposer?

The proposed selection date for the Successful Proposer has not been determined. However, a selection will be made before the start of the Agreement which is expected to commence on or about July 1, 2014. Each Proposers should include in its Transition Plan any specific timing requirements.

23. Clarify if “gross concession revenue” includes CAM, utilities, distribution and delivery charges, promotion fee and back charges? Please refer to page 17 Section 3.5., which says Gross Concession Revenues means all receipts of any kind and nature actually paid to the Concession Manager.

No. See revised Section 3.5 and Section 5.1.1 of the RFP as set forth in this Addendum No. 4, (Part 3).

24. Clarify the volume and scope of design, planning and construction management services that will be required by the Airport to be funded under the base fee of this contract. Please refer to section 3.1 second paragraph on page 15.

The Concession Manager will be responsible for all concession planning and construction management services for common space improvements, and base building improvements, as well as for each Concession Location. The fees associated with concession planning and construction management services areto be included in the Concession Management Fee or Flat Fee Compensation, as applicable. No additional fees will be paid by the City for these services, and will not be considered as Additional Services.

Any design work required by the City and the associated design fees will be considered Additional Services to be provided under the Agreement as stated in the revised Section 3.5 set forth in this Addendum No. 4, (Part 3) .

25. Attachment I page 2 item g. says additional staffing may be required. How will the concession manager be compensated for the related cost if required?

Proposers shall propose all staff that will be required to fulfill the minimum personnel requirements outlined in Attachment I, Section I-B, Staffing, as well as all staff required to fulfill the tasks outlined in paragraph 3.g of this section. The sole compensation to the Concession Manager for the provision, of all staff proposed to meet the requirements of the RFP will be the Concession Management Fee (or Flat Fee Compensation, as appropriate). If internal or contracted staffing levels over and above those proposed are requested specifically by PHL, those may be handled as part of a separate agreement that will be negotiated with the Concession Manager.

26. Will the City consider proposals that seek to make a substantial investment in the infrastructure of the Airport including shell and core work for both non-premises base building work and for the concession premises? Will this type of substantial investment proposal be deemed compliant with the RFP?

While the City does not anticipate substantial investment in the infrastructure of the Airport related to the Concession Program by the Concession Manager to be required at this time, PHL will not preclude proposals that propose such. However, those proposals must first respond to all of the items requested in the RFP. If additional information is provided, you must clearly provide a plan with explanations as to how those costs are proposed to be handled. Additional information may not be reviewed by the City.

27. For a substantial investment proposal, will the City consider a 15 year or greater primary lease term with a 5 year extension option?

The term of the Agreement contemplated by this RFP shall be for a seven (7) year term with an option for a 3-year renewal and thereafter a 2-year renewal, all

renewals in the sole and absolute discretion of the City as set forth in Section 3.4 of the RFP.

28. .May Proposers submit an overall concession merchandising plan that reflects new concession premises for in-line, kiosk, floating pop-up retail and wall shop concession locations throughout the Airport? Will additional RMUs be permitted?

Yes, PHL will consider all proposals for new concession concepts and cutting edge developments. Proposers should propose a food service, retail and passenger services concepts inventory as required by Section 5.5.3.b. of Addendum No. 1 to the RFP.

29. May Proposers submit proposals for commercial activity in the Airport and within the hold rooms for items such as digital directories, digital pre-order systems, partnership marketing and sponsorships?

Proposer should submit all ideas regarding commercial activity as part of the response to the submittal requirements outlined in Section 5.5.4.b of Addendum No. 1 to the RFP. Please note that most holdrooms are leased by airlines. Please also note that there is an advertising concession contract held by another party. Proposals containing commercial activity beyond the scope of the Agreement to be awarded will not necessarily be considered and will not receive any extra weight in terms of the evaluation.

30. May Proposers submit proposals which include the use of websites and mobile apps as part of the overall marketing and promotions for the concession program in the Airport to be funded by concessionaire contributions to a marketing and promotional fund?

Proposer are encouraged to submit all ideas regarding the marketing and promotion of the Concession Program as part of the response to the submittal requirements outlined in Section 5.5.4.b of Addendum No. 1 to the RFP.

31. Will the City consider terminating any of the existing concessions prior to the expiration of any existing leases to provide proposers with opportunities to remerchandise and reconcept the concession program?

The City does not anticipate terminating any of the existing concessions prior to the expiration of any existing Sublease Agreement.

32. What is the current management fee being paid by the City in 2013?

See answer to Question 21 above.

33. What weights will be given by the Selection Committee to the specific criteria which is listed in the RFP? Please specify both the total points which can be awarded and the points that can be awarded for the six (6) specific criteria.

See Section 6.1 of the RFP. No further information will be provided.

34. What is the DBE participation with the current management company and how was this satisfied, through a joint venture ownership or through the provision of goods and services?

See answers to Questions 13 & 14 above.

EXHIBIT B

Sections 3.4, 3.5, 4.4.15, 5.1.1, 5.5.4.a.vii, 6.1.4, Attachment G, Attachment I-B.3.c and Attachment I, II-G.4. are deleted in their entirety and replaced by Sections 3.4, 3.5, 4.4.15, 5.1.1, 5.5.4.a.vii, 6.1.4, Attachment G, Attachment I-B.3.c and Attachment I, II-G.4. as set forth herein below:

3.4 Duration:

The term of the Agreement contemplated by this RFP shall be for a seven (7) year term with an option for a 3-year renewal and thereafter a 2-year renewal, all renewals in the sole and absolute discretion of the City irrespective of whether the Renewal Performance Criteria set forth herein are satisfied. Only if the Renewal Performance Criteria described below are satisfied will a renewal be considered. The effective date of the Agreement shall be negotiated between the City and the Selected Proposer, but is expected to be on or about July 1, 2014. The Renewal Performance Criteria shall include, but not be limited to a combination of: (1) total concession sales per enplaned passenger of not less than $12.00 in each Agreement Year, (2) total Rental Payment to the City of not less than those amounts shown on the Selected Proposer's proforma as set forth on the completed Attachment G, (3) ACDBE participation of not less than the levels set forth above in Section 3.3, (4) consistent monitoring of the Concession Operators' performance and the enforcement of the Concession Operations standards as developed by the Selected Proposer in conjunction with the Airport and (5) the development of a Terminal Concession Program consistent with the variety and quality of products and services outlined in the Selected Proposer's Proposal and agreed upon by the City and consistent with the Objectives set forth in Section 2.1.1 herein.

3.5 Financial Offer:

Each Proposer shall provide a financial offer to the City ("Concession Management Fee") in the form of a percent of the Total Gross Concession Revenues to be retained by the Proposer. The Concession Management Fee shall represent the Concession Manager's compensation for the privilege of managing the Terminal Concession Program at PHL, including the provision of the scope of services outlined in Attachment I to the RFP and any Addenda as well as any services beyond such scope that are proposed. The portion of the Total Gross Concession Revenues retained by the Concession Manager as the Concession Management Fee shall constitute the Concession Manager's entire compensation for the Terminal Concession Management Services required to be performed to achieve the City's Objectives pursuant to the Agreement to be awarded. In lieu of the Concession Management Fee set forth herein, the Proposer may, but shall not be required to propose a flat fee for the privilege of managing the Terminal Concession Program at PHL ("Flat Fee Compensation"). There shall be no other fees due to the Concession Manager provided, however, the City may request that the Concession Manager provide certain additional services ("Additional Services"). Upon request by the City, the Concession

Manager shall provide a fee proposal for the Additional Services ("Additional Services Fee"). If accepted by the City, the City shall pay the Concession Manager the Additional Services Fee in accordance with the fee proposal for such Additional Services. The Concession Manager shall pay the Total Gross Concession Revenues less the Concession Management Fee or the Flat Fee Compensation, as applicable, to the City, hereafter referred to as the "Rental Payment."

"Total Gross Concession Revenues" shall be defined as all receipts of any kind and nature actually paid to the Concession Manager in connection with its operation of the Terminal Concession Program from any and every source, including, without limitation, all amounts paid to Concession Manager by Concession Operators, (and other businesses and individuals other than concession operators by virtue of (or in connection with) the Agreement), whether such amounts represent rent based on Gross Concession Sales as further described in the Agreement including, but not limited to, base rent, rent for storage units used by Concession Operators, minimum annual guarantee, percentage rent, profit share, late fees, key money, and liquidated damages payments actually paid by the Concession Operators to the Concession Manager, excluding however, Concession Operator payments for marketing, logistical support, common area maintenance, or utilities due and paid as defined in each sublease, such amounts that may not be marked up by the Concession Manager for any administrative or overhead fees. Payments from the Concession Operators for the latter support services shall be paid directly to the parties to whom such payments are due (including the City, as appropriate), without mark-up by the Concession Manager. No amounts for such support services or any tenant chargebacks shall be retained by the Concession Manager. Any unspent funds for support services at the termination or expiration of the Agreement to be awarded shall be turned over to the City.

A financial proposal form set forth in Section 5.1.1 and Attachment G of this RFP shall be completed and the form shall not be modified.

4.4.15 Performance Bond:

Prior to the execution of the Agreement by the City, the Concession Manager will be required to provide the City with a Performance Bond or irrevocable Letter of Credit in the amount of Three Million Dollars ($3,000,000). At the sole discretion of the City, the amount of the Performance Bond or Letter of Credit shall be subject to adjustment at the end of each Agreement Year and any optional renewals, to an amount equal to ten percent (10%) of the estimated Total Gross Concession Revenues for the subsequent year in the Concession Operator subleases, but never less than Two Million Dollars ($2,000,000); provided, however, that the Concession Manager has not been in monetary default following applicable notice and cure periods during the prior Agreement Year. Such Performance Bond or Letter of Credit shall be for the faithful performance of and compliance with all of the terms and conditions of the Agreement. Failure to secure such Performance Bond or Letter of Credit for the Term may be considered a breach of the Agreement and will entitle the City to all rights and remedies

under the law. In the event that the City uses any or all of the proceeds of a Performance Bond or draws down on an irrevocable Letter of Credit, the Concession Manager shall be required to immediately replace the Performance Bond or the irrevocable Letter of Credit in accordance with the amounts set forth in this paragraph.

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5.1.1 FINANCIAL PROPOSAL:

Based upon the terms, provisions, and conditions of this RFP, the undersigned hereby agrees to accept the following total compensation from the City for the privileges provided under the Agreement to be awarded during Agreement Years one through seven. The percentage retained from Total Gross Concession Revenues ("Concession Management Fee") shall constitute the undersigned's full compensation for the performance of Terminal Concession Management Services under the Agreement. In lieu of the foregoing, Proposer may, but is not required to submit a Flat Fee Compensation for each year of the Agreement to be awarded.

Agreement Year	**Percentage of Total Gross Concession Revenues to be Retained (Concession Management Fee)**	**OR**	**Flat Fee Compensation (Optional)**
Year 1	*Words*: _____ percent *Numbers*: ___ %	**OR**	*Words*: _____ _____dollars *Numbers*: US$_____
Year 2	*Words*: _____ percent *Numbers*: ___ %	**OR**	*Words*: _____ _____dollars *Numbers*: US$_____
Year 3	*Words*: _____ percent *Numbers*: ___ %	**OR**	*Words*: _____ _____dollars *Numbers*: US$_____
Year 4	*Words*: _____ percent *Numbers*: ___ %	**OR**	*Words*: _____ _____dollars *Numbers*: US$_____
Year 5	*Words*: _____ percent *Numbers*: ___ %	**OR**	*Words*: _____ _____dollars *Numbers*: US$_____
Year 6	*Words*: _____ percent *Numbers*: ___ %	**OR**	*Words*: _____ _____dollars *Numbers*: US$_____
Year 7	*Words*: _____ percent *Numbers*: ___ %	**OR**	*Words*: _____ _____dollars *Numbers*: US$_____
			Total Flat Fee Compensation for Years 1 through 7: $_____

Proposer must submit completed Proforma on form attached as Attachment G.

Submitted by:
[Please type or print]

Name: _____

Company: _____

Address: _____
_____
_____

Telephone: _____

Facsimile: _____

E-mail: _____

Section 5.5.4.a.vii

vii. Proposer shall propose a plan to handle any common area maintenance ("CAM") that may apply to the Concession Program at the Airport, as well as a method to charge concession operators for the CAM costs. CAM should include food court maintenance, trash collection and removal, grease collection and removal/recycling, roof exhaust maintenance, grease trap and drain cleaning and pest control. The Proposer shall only pass through the direct costs of CAM to the Concession Operators without any additional management fees or mark-ups applied by Proposer. All Concession Manager staff associated with the management or monitoring of such common tenant services, including staff related to the marketing program funded by the marketing fund, shall be included in the staff costs covered by the Concession Management Fee and no costs of the Concession Manager shall be passed on to the Concession Operators in the form of chargebacks or common service/maintenance costs. Any revisions to the existing methodology for charging Concession Operators for CAM shall be approved in advance by the Airport. If the proposed chargeback methodology differs from the chargeback methodology currently included in the Concession Operator leases, Proposers should explain how they would implement such revisions to the methodology, either immediately or over time.

Section 6.1.4, Selection Criteria:

The following Selection Criteria will be used by the Selection Committee:

A. Financial Offer
The evaluation of the financial offer provided pursuant to Section 3.5 will be based on the amount of the Concession Management Fee or the Flat Fee Compensation to be retained by the Concession Manager as well as the projected sales and rental income to the City and the reasonableness and viability of such sales and rental income projections.

B. Development and Implementation Plan
The quality and variety of the proposed concession concept plan for PHL; demonstration of market understanding; leasing philosophy and strategy; implementation, construction management and Transition Plan; ACDBE outreach and leasing plan; including a local outreach plan targeting the Philadelphia Metropolitan Area markets, all as more particularly set forth in Section 2.1.

C. ACDBE Participation
The level and the quality of the ACDBE participation proposed by the Proposer or the Terminal Concession Management Services for the Terminal Concession Program as detailed pursuant to Sections 2.3.6, 3.3, 5.5.3, 5.5.4, **Attachment E, Attachment I** and as otherwise required by this RFP.

D. Property Management, Marketing, Advertising and Promotion

The evaluation of the proposed property management, marketing, advertising, and promotion, all as more particularly set forth in Section 5.5

E. Background, Experience, and Financial Capability of Proposer

The quality and depth of the Proposer's experience with leasing and managing comparable airport facilities, including construction management; specifically with regard to the experience outlined in response to Section 5.5.2, sound financial capability, and provided, however, that the Proposer satisfies the minimum qualifications and requirements set forth in Section 2.3.

F. Proposed Management and Key Staff

The quality and depth of experience of the proposed staff in meeting the requirements of the RFP and the minimum staff outlined in Section 5.5.6 and Attachment I of the RFP.

ATTACHMENT G

Attachment G is deleted and replaced in its entirety by Attachment G attached to this Addendum No. 4 (Part 3).

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ATTACHMENT G

PROFORMA FINANCIAL STATEMENT

Philadelphia International Airport
Pro Forma Statement, Terminal Concessions Management Services

7-Year Pro Forma
(constant 2013 dollars)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total	Avg per Sq Ft.
Projections									
Enplanements (1% annual increase)	15,615,539	15,771,694	15,929,411	16,088,705	16,249,593	16,412,088	16,576,209	112,643,240	
Sales per Enplanement	$	$	$	$	$	$	$	$	$
Gross Sales									
Existing Leases	$	$	$	$	$	$	$	$	$
New Leases	$	$	$	$	$	$	$	$	$
Total Sales	$	$	$	$	$	$	$	$	$
Rent to City									
Existing Leases	$	$	$	$	$	$	$	$	$
New Leases	$	$	$	$	$	$	$	$	$
Total Rent	$	$	$	$	$	$	$	$	$
(Total Rent to City as a % of Total Sales)	%	%	%	%	%	%	%	%	
Fee to Manager	$	$	$	$	$	$	$	$	$
(Fee to Manager as a % of Sales)	%	%	%	%	%	%	%	%	
(Fee to Manager as a % of City Rent)	%	%	%	%	%	%	%	%	
**(Flat Fee Compensation (OPTIONAL))*	$	$	$	$	$	$	$	$	$
Manager Expenses									
Salaries	$	$	$	$	$	$	$	$	$
Benefits	$	$	$	$	$	$	$	$	$
Legal Services	$	$	$	$	$	$	$	$	$
Accounting Services	$	$	$	$	$	$	$	$	$
Office Equipment and Expenses	$	$	$	$	$	$	$	$	$
Depreciation and Amortization	$	$	$	$	$	$	$	$	$
Overhead	$	$	$	$	$	$	$	$	$
Total Expenses	$	$	$	$	$	$	$	$	$

Note: Rent shall include all amounts collected from concession operators, including any fees and penalities.
Marketing and promotional expenses shall include amounts expended from the marketing fund contribution collected from the concession operators
Square footage to be used for the calculation of average per square foot is 130,000

* Complete Only If Proposer Has Submitted a Flat Fee Compensation Amount for each Agreement Year.

Attachment I Section I-B.3.c, Construction Management/Tenant Coordinator

A minimum of one (1) specific, dedicated full-time individual assigned to PHL during all times when Concession Operator or other concession space-related construction is taking place whose primary responsibility is coordinating all such concession-related construction.

Attachment I Section II-G.4. Rental Collection and Payment of Fees

Annual Statement. There shall be an annual reconciliation based on a fiscal year ending June 30 conducted by each Concession Operator of the Minimum Annual Guarantee and Percentage Rent payments and the preparation of an Annual Statement, certified as accurate by the Concession Operator subject to 18 Pa.C.S.A. §4904. The Concession Manager shall collect such certified annual statements from the Concession Operators within sixty (60) days following the end of the fiscal year, and shall prepare a comprehensive certified annual statement for the concession program for the fiscal year just ended. Such annual statement shall be submitted to the City on September 15 (or the closest business day following September 15, if that date should occur on a Saturday or Sunday or City holiday) of the following year. An independent certified public accountant ("CPA") shall prepare said annual statement for the Concession Manager. The annual statement shall also include a statement by the independent CPA that in its opinion such annual statement has been prepared in accordance with Generally Accepted Accounting Principles and in accordance with the terms and conditions of the Agreement, including the definition of Total Gross Concession Revenues set forth in the Agreement. Such annual statement shall also contain a list of the Total Gross Concession Revenues, by month, as shown on the books and records of the Concession Manager that were used to compute the Rental Payment paid to the City during the period covered by the annual statement. The City reserves the right to reject the Concession Manager's choice of independent CPA if said independent CPA does not, in the City's view, have the appropriate standing and reputation.

EXHIBIT C

ATTACHMENT L

EXISTING COMMON TENANT SERVICE RATES, REVENUES & EXPENSES

A. <u>Rates:</u> Existing Common Tenant Service Rates: (including FY 2013)

Charge/Fee	Amount Assessed	Assessment Term	Assessment Source
Marketing Fund	$150 - $700	Per Concession Operator Monthly Subject to Annual CPI Adjustment	Cost Negotiated Per Sublease
Common Area Maintenance (CAM)	$18.05	Per Concession Operator Per Square Foot Annually	
Food Court Concession Operator Additional CAM	$11.87	Per Concession Operator Per Square Foot Annually	
Delivery & Distribution Charges	$1.74	Per Concession Operator Per Square Foot Annually	
Trash Charges	$2.57	Per Concession Operator Per Square Foot Annually	
Customer Service Fee	$0.99	Per Concession Operator Per Square Foot Annually	
Use & Occupancy Tax (Philadelphia Concession Operators)	$0.15459	Per Concession Operator Per Square Foot Monthly.	City of Philadelphia Rate Direct Pass Thru for Concession Operators
Gas	Metered	Per Concession Operator utilizing gas	Usage paid for by Concession Operator. Reading Services paid for By Concession Manager
Electric	Metered	Per Concession Operator utilizing electric	Usage paid for by Concession Operator. Reading Services paid for By Concession Manager
Water	Estimated	Per Concession Operator utilizing water	
Pre-Opening Marketing Fee		One time fee	Cost Negotiated Per Sublease
Pre-Opening Plan Review Fee		One time fee	Cost Negotiated Per Sublease
Tinicum Township Tax (Tinicum Concession Operators)	$1000 or $1600	Annually Per Concession Operator Based on Square Footage	

B. Revenues: The following common tenant services revenue (approximate) was collected from the Concession Operators for FY 2013:

- CAM Charges – $2,617,500 (includes CAM, trash and food court)
- Utilities – $1,431,000
- Marketing Fund – $706,200
- Distribution - $195,900
- RMU Fund – $97,400

C. Expenses: The following are approximate common tenant service expenses by type for FY 2013. These estimated expenses do not include the current concession manager's management staff costs.

- CAM - $2,785,000
- Utilities Expenses (Tenants Only) - $1,479,000
- Marketing Fund - $552,000
- Distribution Expenses - $250,000
- RMU Fund - $47,000

EXHIBIT D

PHILADELPHIA INTERNATIONAL AIRPORT

DIVISION OF AVIATION

- - -

MASTER LEASE

AND CONCESSION MANAGEMENT AGREEMENT

PRE-PROPOSAL MEETING

- - -

Tuesday, December 3, 2013

- - -

The Pre-Proposal Meeting of the above Members was held in the Airport Marriott Hotel, One Arrivals Road, Philadelphia, Pennsylvania, commencing at 10:29 a.m. before Angela M. King, Registered Professional Reporter and Notary Public being present.

- - -

STREHLOW & ASSOCIATES
FULL SERVICE COURT REPORTING AGENCY
258 SOUTH STATE STREET
REAR BUILDING, FIRST FLOOR
NEWTOWN, PENNSYLVANIA 18940
(215) 504-4622
SERVING NJ, PA, NY & DE

PANEL MEMBERS:

JAMES TYRELL, DEPUTY DIRECTOR of AVIATION for PROPERTY MANAGEMENT & BUSINESS DEVELOPMENT
TRACY BORDA, ASSISTANT DIRECTOR of AVIATION for CONTRACTS & AUDIT
ROCHELLE CAMERON, DEPUTY DIRECTOR of AVIATION for FINANCE ADMINISTRATION
BARBARA OLIVER, ACTING DIRECTOR of COMPLIANCE & FEDERAL CERTIFICATION
STEPHANIE TIPTON, DIRECTOR for PUBLIC WORKS & SPECIAL SERVICES for PROCUREMENT DEPARTMENT

ALSO PRESENT:

RINA CUTLER, DEPUTY MAYOR, TRANSPORTATION & UTILITIES
MARK GALE, PHL/CHIEF EXECUTIVE OFFICER
DIEGO RINCON, DEPUTY DIRECTOR of AVIATION from CAPITAL DEVELOPMENT
SARA BETH KALB, CITY OF PHILADELPHIA LAW DEPARTMENT
HOPE CALDWELL, CHIEF DEPUTY INTEGRITY OFFICER
DEBBIE LAWTON, CITY OF PHILADELPHIA RISK MANAGEMENT DEPARTMENT
DEATRICE ISAAC, PHL/FINANCE
ROBIN GIBSON, PHL/PROPERTIES
COBI DUNCAN, PHL, COMPLIANCE
JENNY LY, PHL/PROPERTIES
BILL TURNER, PHL/PROPERTIES

- - -

(Pre-Proposal Meeting commenced at 10:29 a.m.)

- - -

MR. GALE: Good morning, everyone.

Can everybody hear me fine? Our panel up here will be using the microphones so you can hear them a little bit better.

Welcome. My name is Mark Gale. I'm the Chief Executive Officer for Philadelphia International Airport. I'm going to welcome you here to this morning's meeting.

It's entitled Pre-Proposal Meeting for Concession Management Agreement. My notes say that we are here for the Management Services of the Food and Beverage Retail and Passenger Services Concession Program. I told Jim I was going to run out of breath before I said all that. I am going to stick with the Pre-Proposal Meeting for the Concession and Management Agreement.

There is an agenda to follow this morning. The team is actually going to go through a presentation and then not only describe why we are here this morning and then answer some questions. There will be some disclaimers, I think, by

certain representatives here as we go through the process. I wanted to get started with doing just some introductions of those who are going to be speaking to you this morning.

I think most of you already know Jim Tyrrell, Deputy Director of Aviation for Property Management and Business Development. Next to Jim is Tracy Borda, also part of the Airport team. Tracy is one of our Assistant Directors of Aviation for Contracts and Audit. Shelly Cameron, Deputy Director of Aviation for Finance Administration; Barbara Oliver who is our Acting Director of Compliance and Federal Certification. And then Stephanie Tipton -- and I want to get her title right -- Director for Public Works and Special Services for the Procurement Department. Thanks for being here, Stephanie. And there is other members of the Airport Team that are here in the audience, as well.

I did want to officially start off by introducing somebody else who wants to say a few words to you who we very much rely on for guidance and for backing of the things that we do here at the Airport, my boss, Deputy Mayor Rina Cutler,

Deputy Mayor of Transportation and Utilities.

Rina.

MS. CUTLER: Thank you.

I don't need a microphone either, so that is both good news and bad news.

Thank you all for coming, and I am going to be very brief.

As most of you are aware, the contract for the Airport has not been on the street for 20 years. And I have seen many mayors come and go in that time period, an Aviation CEO or two. And so, we consider this to be a tremendous opportunity. And we expect the best food and concession and retail program in America. We want people to be wowed when they are in our Airport. And whether the "wow" is part of the design or part of the customer amenities or part of the great staff, we want people to come in, leave our Airport saying, wow, that is not the old Philadelphia International Airport.

So, we have very high expectations for this contract and we expect it to be a very tough competition. I feel like the referee in the boxing ring when I say "everybody break clean and

play fair." But we have great expectations for a wonderful product at the end because we think we have the best aviation organization in the country and the best employees.

So thank you very, very much.

MR. GALE: Thanks, Rina.

As Rina said, we think there has been a lot of anticipation for this RFP hitting the streets. And we've also had a number of great things that have occurred at the Airport over the last several years, some of which have recently just happened within the last few weeks.

We have had some opening of some new concessions over at Terminal F that have been wonderfully received by our traveling public. We have had the announcement of the approval of the merger between U.S. Airways and American Airlines by the Bankruptcy Court. So that will be moving forward which means, we believe, not only significant changes for the Airport in retaining its hub status, its International Gateway status, but hopefully helping to serve and connect Philadelphia to the rest of the nation and the rest of the world in ways that we have not done

before.

There are probably a few people in the room that date back before these agreements, the Concession Agreement, was in place, and to some of the offerings that were in place at that point in time. My tender goes back into the early 1980s. Some of you remember what we refer to as the International Terminal, the Old Overseas Terminal, where the sum total offerings of the concession in the facility was a snack stand that you could get a hot dog and a Coke, maybe a bag of chips, cup of coffee and maybe a pastry that was brought over from the Main Terminal Complex. And a duty-free shop that probably measured about 10 foot by 10 foot at that point in time. That was our offering to international passengers arriving and departing the U.S. through Philadelphia.

And, oh, what 20 years can do in terms of changing the face and how we are perceived today with a $550 million new International Terminal facility processed over 40 million passengers in the last ten years, an Airport that handles over 30 million passengers each and every year. We expect that that number will continue to grow.

As Rina said, I think we have changed the expectations of the passengers that come through Philadelphia greatly. Mediocrity is no longer accepted. People want better things all the time, and it is our intent to deliver on that promise. The promise that we have made to our traveling public about being the best Airport not only in America but trying to be the best Airport in the world. Certainly, our concessions program goes a long, long way into making that impression on the traveling public.

So with that, I'm going to turn it over to the panel to go ahead and go through the presentation about what we're looking for in the proposal and help to answer some questions. I unfortunately will need to depart for another meeting, but there are plenty of folks here that will be able to hang out and answer your questions as we go forward.

I am sure the team will also identify some of the parameters here in terms of submitting questions in writing and making sure that we get it all right and we don't end up missing anything or missing a beat as part of this Pre-Proposal

conference.

I do want to thank you again for being here. And we very, very much look forward to all your participation in the coming proposals.

Thanks guys.

Jim.

MR. TYRRELL: Thanks Mark.

Good morning, everyone.

So Mark introduced the panel. And what I would like to do is take an opportunity to introduce some of the other representatives who are here today to provide you whatever information you will need in order to make the best in your proposals as much as we possibly can. And what I will do is I will introduce some of the representatives now, then I think what we will do is go around and have you all introduce yourselves to us so we know exactly who you are.

Today in the audience we have Mr. Diego Rincon, who is Deputy Director of Aviation from Capital Development. We also have Ms. Hope Caldwell, the Chief Deputy Integrity Officer. We also have Ms. Debbie Lawton from the City of Philadelphia's Risk Management Department. We

also have Sara Kalb who is Senior Attorney with the City of Philadelphia's Law Department. Besides several members of my staff who are in the audience today as well, we hope we can answer any questions that you will have for us.

Before we go around the room, I will give you a couple of housekeeping items that will, again, I hope, satisfy your expectations for the meeting today. I am going to give you a brief overview of the Concession Program as it exists today in the Airport. We are going to field all of your questions. We will respond to some of your questions verbally. However, I can tell you that we will respond to all of your questions in a written agenda that will be issued within a week to ten days after this meeting.

We have a stenographer on hand today who will take down all of the questions as submitted by you. What I will ask you to do is identify your name when you stand up and company when you are asking a question. We will send the list of questions that we received with the responses to all of the attendees who are here today.

After we have completed the meeting here

today, it is -- by the way, it is our intention to be out of here no later than twelve o'clock. We don't expect to be that long. Hopefully, we will be able to give you all the information that you have asked for so far today during this meeting so we don't have to spend a whole lot of time in questions and answer.

After the meeting today, we will take you through the Airport. We will take you through all of this spaces that typically are not seen by the traveling public including but not limited to the loading and delivery area, some of the storage spaces and, essentially, show you how the products move from street into the secure areas in the Airport. Also, take you through the Airport and walk you through the Concession Program, which is accessible to the traveling public.

So having said that, can we ask you maybe start over here to introduce yourself and tell us what company you are with.

- - -

(Beginning of Audience Introductions)

- - -

MR. TOLLEFSON: Brad Tollefson from

Westfield.

MS. JACKSON: Tina Jackson, Westfield.

MR. PEARSON: Mike Pearson, Union Packaging.

MS. LAFORTE: Tina Laforte, Airmall USA.

MS. EWING: Jenny Ewing, Airmall USA.

MR. TYRRELL: Clarence?

MR. LEJEUNE: Clarence Lejeune, MarketPlace.

MR. MCGINN: Paul McGinn, MarketPlace, also.

MR. HANNAH: Mel Hannah, MarketPlace.

MR. GLUCKE: Al Glucke, Airmall USA.

MR. BOGGINS: Anfarnett Boggins[phonetic].

MR. TYRRELL: Speak up, please.

MR. BOGGINS: Anfarnett Boggins.

MR. HOWELL: Mike Howell, NCR.

MR. BARRINGER: Adam Barringer, NCR.

MR. TURNER: Bill Turner, Airport Properties.

MS. DUNCAN: Cobi Duncan, PHL/Compliance.

MS. LY: Jenny Ly, Airport Properties.

MS. GIBSON: Robin Gibson, Airport Properties.

MS. ISAAC: Deatrice Isaac, Technical Services, Airport.

MS. CALDWELL: Hope Caldwell, Chief Deputy Integrity Officer of the Mayor's Office.

MS. LAWTON: Debbie Lawton, Risk Management Division.

MR. JONES: Hanson Jones, Industrial Commercial Cleaning Group.

MR. BAILEY: Donahue Bailey, Atrium International, Inc. Consulting.

MR. EVANS: Brandon Evans, Unite Here Hospitality Workers Union.

MS. WUCHINICH: Rosslyn Wuchinich, Unite Here.

MR. MEHTA: Jay Mehta, Airport Group Unite Here.

MR. WEDDIG: Andrew Weddig, Unison Consulting.

MS. KALB: Sara Kalb, City of Philadelphia Law Department.

MR. TYRRELL: And Ann.

MS. VERGALE: Ann Vergale[phonetic], AirProjects.

MR. TYRRELL: We are having a little

technical difficulty as I -- here we go.

It will be my intention now to just run you through some of the historical information concerning the Concession Program as it exists today at the Airport.

Is this not working?

(Refers to computer slideshow)

- - -

(Begins Presentation via Laptop)

- - -

As Mark said, this contract has not been out on the street since 1994 when it was last awarded. This will give you an idea of what the Airport Concession Program consisted in 1994 when we operated under the Master Concessionaire type of management. This is the hallway between Terminals B and C, which today is very vibrant mall consisting of 33 stores and a Food Court. That is typical example of what the Airport had in terms of its concessions.

To give you an idea again of where we've been, here is an example of where our sales per enplanement have been. This is 1994 when photographs I just showed you were in existence.

We have a sales per enplanement of $2.18. This represents the development period when we first entered into our concession developer agreement and we essentially had the temporary food and beverage program.

1999 represents the first year that the B/C Mall was developed. That's really the core or has been the core of our concession program. And as you can see, the sales per enplanement has continually risen every year to last year where we are at $11.96 per enplanement.

The idea of what those sales -- the sales of our concession program since the opening of B/C have continually risen. And you can see the revenue to the City as part of the agreement that we have with our developer has also continually risen. We have recently opened some of the designs that we are -- we currently have in our program today. We have, as you can see, some pretty significant national brandings in TUMI. We have Burrito Elito and Hudson News.

A very critical part of our program is AC/DBE participation. We will be speaking to that today. We are very proud of our program. As you

can see in 2008, which is when the FAA reissued their guidance with respect to joint ventures, our program had a lot of companies fall out or drop out of that program. We have continually worked today to get those companies back in, recertified under the new guidance issued by the FAA. As you can see, today we are up at about 35 percent in participation in our existing program. And we expect those numbers to continue or improve going forward.

We have a two-tier goal in the RFP that we are looking to achieve. We have one for the manager and one for the program; 30 percent ownership and/or goods and services for the management contract, and to continue achieving the current goal of 35 percent. Some of the criteria we will be asking you to include in your proposal is listed in the RFP. I won't spend a lot of time going over it. We will be prepared to answer any questions you may have as a result of reviewing the RFP.

The proposed term in the requested proposals is a base seven-year term with an opportunity to renew based on certain performance

criteria. Hopefully, they are self explanatory. Again, we will be willing to discuss those and they will be part of the discussions when your proposals are received.

(Indicating) Here is the schedule we would like to adhere to. We do not anticipate any changes from this schedule. As you can see, we've posted. We have had the meeting today. We are expecting questions to be received as a result of this meeting within a week. We will respond to those questions in a formal addendum by the end of the month.

We would like to receive your proposals on or before January 28. And there is a specific process that will be explained to you today that we expect you to adhere to in the delivery of those proposals.

Thank you. And that really concludes the brief overview of the concession program as we anticipate going over today. And we are prepared to field any questions that you may have at this time. Again, just for our court stenographer, would you please stand up, say the name and the name of your company before asking the question.

I will be happy to direct those questions to the appropriate member of the staff.

Al.

MR. GLUCKE: Al Glucke, Airmall USA.

The 30 percent goal on management is 30 percent of what?

MR. TYRRELL: Barbara?

MS. OLIVER: Good morning. My name is Barbara Oliver.

The 30 percent concession managers' goal, that is going to be strictly for ownership.

MR. GLUCKE: How is it -- 30 percent of what number?

MS. OLIVER: 30 percent of the overall.

MR. GLUCKE: Overall sales? Overall --

MR. TYRRELL: Would not be sales. Sales would be related to the program. We will issue a clarification of exactly what the number is in terms of management. But it would be in terms of revenue received.

MS. OLIVER: From the gross annual sales.

MR. TYRRELL: Yes.

MR. JONES: Yes. Hanson Jones. I am going to ask this question as a citizen of Philly and

State -- Commonwealth of Pennsylvania.

When I worked with the City, this proposal went to the street. There was 70 goals for each area of achievement. As this gentleman was asking, it was a goal for ownership and there was a goal for any design or construction pertaining to any tenant. And I would respectfully request in your clarification rewrite, and it will come in written form, that there be separate goals.

All in there makes it like if you get a rich DBE person, you don't have to achieve any other achievements because you had the "and/or." So, we would highly respectfully request that the "or" is stricken and that there be separate goals for each area of achievement, tenant fit-out work, DCN construction related to the town, tenant fit-out work [sic] because that's how it was back in the -- when we first did this, you know, late '80s. And it will be in writing.

MR. TYRRELL: We will address that question in a written form in the event of it. But I can tell you that the guidelines that were in place back in 1994 when the original program was submitted did provide for tenant construction to

be part of the DBE program. Unfortunately, I don't believe the AC/DBE program that is in existence today provides for a tenant construction to be counted towards the achievement of any AC/DBE goals. Again, we will clarify that specifically in the form of a written response.

Any more questions?

Hearing none, we are prepared to adjourn for the tour.

MS. KALB: You want to go through the procurement process?

MR. TYRRELL: We were planning to go through procurement process because we anticipated more questions about it.

Is anyone asking to go through the procurement process and the specific delivery instructions that are included in the art of it?

(No response from audience.)

MR. TYRRELL: Stephanie, is there any words of advice you'd like to give these folks at this point?

MS. TIPTON: Just a few points.

Section IV and V really detail the instructions to bidders and what should be

included in their proposal format. I'd also like to alert everyone to Addendum No. 1 that was issued on the 19th which did replace in full Section V. And you will find in there is the actual signature page that must be included with your proposal.

So, I want to reiterate to the importance of signing your proposal. And that, I believe, there is eight originals that must be submitted to us. And those have to be submitted by 10:30 a.m. on January 28. And that's to the Procurement Department, which is located in the Municipal Services Building in Room 170-A.

If you are hand delivering those, just please be mindful of the sign-in procedures at the front of our office. If you are having those mailed to us, you know, I recommend -- you can contact our office to confirm that we have received your package. So, it's really your responsibility to make sure that we receive it on time. Because late proposals will not be accepted as well as proposals that aren't fully signed by the appropriate individuals for your company.

Any questions?

MS. KALB: I just want to say that you also need to sign each addendum. There is a signature line for Addendum 1. We are going to be issuing Addendum 2 today or tomorrow which has certain documents, most of which have been given out to you, but there is a place for you to sign that. Then there will be a third addendum that will answer the questions that have been received to date, so it's important that you sign all of those.

MS. TIPTON: Right. That's just to acknowledge that you have seen the information and received the addendum as part of your proposal.

MR. PEARSON: Mike Pearson, Union Packaging.

One logistics issue. Can we have maybe five minutes to carry paperwork and bags to car so we don't tote it around?

MR. TYRRELL: We will give you ten minutes. We should anticipate that the tour will lead from here in approximately ten minutes. Please, have a cup of coffee or danish or whatever you need to do.

Yes, Adam.

MR. BARRINGER: For those of us who don't have cars, is there a storage room for bags and stuff?

MR. TYRRELL: Yeah. We will direct you to the area where you can place any suitcase or luggage or anything else you may have for storage. We will bring you back here after the tour to pick up those without any charge.

MR. BARRINGER: And no tips required?

MR. TYRRELL: None.

MR. PEARSON: Jim, again, is there some notification process when you issue an addendum or are we --

MS. KALB: It gets posted on the website.

MR. PEARSON: I understand that. It's up to us? You don't tell us.

MS. BORDA: We can't do that. It's not the same as it is on E-contract delay. My understanding is, and Stephanie can reiterate, is that there isn't an official notice. You do have to go to the website and look for it.

However, as of today, any addendum that gets issued after today because we have all of you signed in and your email addresses, we will -- we

can also notify you to go to the website. So, we will notify of you any future addendum that we issue.

MR. PEARSON: Great. Thank you.

MR. TYRRELL: Okay.

Ten minutes we will go on the tour. Thank you all.

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(At this time, the Pre-Proposal Meeting adjourned at 10:54 a.m.)

- - -

C E R T I F I C A T I O N

I, hereby certify that the proceedings and evidence noted are contained fully and accurately in the stenographic notes taken by me in the foregoing matter, and that this is a correct transcript of the same.

Court Reporter - Notary Public

(The foregoing certification of this transcript does not apply to any reproduction of the same by any means, unless under the direct control and/or supervision of the certifying reporter.)

EXHIBIT E

Master Lease And Concession Management Agreement
PRE-PROPOSAL MEETING (RFP#C-102-14)

Last Name	First Name	Company	Prime or Sub (P/S)	ACDBE Cert.	Phone #	E-mail	SIGNATURE	DOCUMENTS RECEIVED
Ewing	Jennie	Airmall USA		No	4105626629	j-ewing@airmallusa.com		
Gluck	Alan	Airmall USA						
LaForte	Christina	Airmall USA		—	216-233-4205	t_laforte@airmallusa.com	Christina LaForte	
Jones	Hanford	Industrial Commerical Cleaning Group, Inc.						
Jordan	Edward	Industrial Commerical Cleaning Group, Inc.						
Hannah	Melwood L.	MarketPlace Development						
LeJeune	Clarence A.	MarketPlace Development						
McGinn	Paul	MarketPlace Development	Prime	No	617-243-7400	pmcginn@marketplacedev.com		X
Barringer	Adam	NCR Corporation	Sub	NO	770-407-2028	adam.barringer@ncr.com		
Halpern	Michael E.	NCR Corporation		NO	856851-4272	mh131980@ncr.com		X
Alberts, Jr.	Rudolph	Pennsylvania Real Estate Investment Trust						
Marshall	David	Pennsylvania Real Estate Investment Trust						
Rubin	Daniel Jason	Pennsylvania Real Estate Investment Trust						
Pearson	Michael K.	Union Packaging, LLC						
Weddig	Andrew	Unison Consulting, Inc.						
Evans	Brandon	Unite Here			267-721-6549	bevans@unitehere.org		
Mehte	Jaykumar	Unite Here						
Wuchinich	Rosslyn	Unite Here						
Jackson	Christine Mary	Westfield Concession Management, LLC						
Tollefson	Bradley David	Westfield Concession Management, LLC			703 944 7711	btollefson@westfield.com		X
Yamamoto	David	Westfield Concession Management, LLC						

Master Lease And Concession Management Agreement
PRE-PROPOSAL MEETING (RFP#C-102-14)

Last Name	First Name	Company	Prime or Sub (P/S)	ACDBE Cert.	Phone #	E-mail	SIGNATURE	DOCUMENTS RECEIVED
Ewing	Jennie	Airmall USA						
Gluck	Alan	Airmall USA	P		717-515-1255	a_glucke airmallusa.com		
LaForte	Christina	Airmall USA						
Jones	Hanford	Industrial Commerical Cleaning Group, Inc.	Sub		6098644756	HJONES@industrialcommercialcleaninggroup.com		
Jordan	Edward	Industrial Commerical Cleaning Group, Inc.	SUB.		610-940-1716	DONALDSBAILEY@msn.com		
Hannah	Melwood L.	MarketPlace Development			215 937-1211	mhannah@phillymarketplace.com		
LeJeune	Clarence A.	MarketPlace Development			215 937-7200	Clejeune@phillymarketplace.com		
McGinn	Paul	MarketPlace Development						
Barringer	Adam	NCR Corporation						
Halpern	Michael E.	NCR Corporation						
Alberts, Jr.	Rudolph	Pennsylvania Real Estate Investment Trust						
Marshall	David	Pennsylvania Real Estate Investment Trust						
Rubin	Daniel Jason	Pennsylvania Real Estate Investment Trust						
Pearson	Michael K.	Union Packaging, LLC	S	X	215.382.0883	MPearson@unionpkg.com		X
Weddig	Andrew	Unison Consulting, Inc.	P or S	MBE	312.988.3360	Andrew.Weddig@unison-ucg.com		X
Evans	Brandon	Unite Here						
Mehte	Jaykumar	Unite Here			917-683-8400	jmehta@unitehere.org		
Wuchinich	Rosslyn	Unite Here			215-232-3145	RWUCHINICH@unitehere.org		X
Jackson	Christine Mary	Westfield Concession Management, LLC			305 684 1007	Tjackson@westfield.com		
Tollefson	Bradley David	Westfield Concession Management, LLC						
Yamamoto	David	Westfield Concession Management, LLC						

City of Philadelphia
Procurement Department

Addendum No. 3 **Date: December 6, 2013**
Concession RFP # C-102-14
Deadline for Submitting Proposals: January 28, 2014

It is the sole responsibility of the Proposer to ensure it has received all addenda to the RFP. The Procurement Commissioner may, in the Commissioner's sole discretion, reject any Proposal for which not all the addenda have been executed and returned.

NOTICE

REQUEST FOR PROPOSALS
FOR

MASTER LEASE AND CONCESSION MANAGEMENT AGREEMENT
AT
PHILADELPHIA INTERNATIONAL AIRPORT

RFP # C-102-14

IS AMENDED AS FOLLOWS:

Except as expressly amended by Addendum No. 1, Addendum No. 2 and this Addendum No. 3 the RFP is unchanged. Except as otherwise defined in Addendum No. 1, Addendum No. 2 or this Addendum No. 3, capitalized words and phrases used in this Addendum No. 3 have the meanings assigned to them in the RFP.

1. "Final Deadline for Questions Regarding RFP" is changed to December 18, 2013.

2. "Date for Issuance of Addenda" is changed to January 7, 2014.

PROPOSER MUST SIGN THE PROPOSAL AS WELL AS ACKNOWLEDGE RECEIPT OF EACH OF ADDENDUM No. 1, ADDENDUM No. 2 AND ADDENDUM No. 3.

ADDENDUM NO. 3
ACKNOWLEDGEMENT OF RECEIPT

City of Philadelphia, Procurement Department
Request for Proposals For Master Lease and Concession Management Agreement at Philadelphia International Airport
RFP 102-14

I have carefully read Addendum No. 3 to the Request for Proposals for **Master Lease and Concession Management Agreement at Philadelphia International Airport** and I certify that I have received all pages listed in Addendum No. 3.

_____
Name of Respondent

_____
Signature of Respondent's Authorized Official

_____
Printed Name and Title of Signer

_____
Date

City of Philadelphia
Procurement Department

Addendum No. 2 **Date: December 3, 2013**
Concession RFP # C-102-14
Deadline for Submitting Proposals: January 28, 2014

It is the sole responsibility of the Proposer to ensure it has received all addenda to the RFP. The Procurement Commissioner may, in the Commissioner's sole discretion, reject any Proposal for which not all the addenda have been executed and returned.

NOTICE

REQUEST FOR PROPOSALS
FOR

MASTER LEASE AND CONCESSION MANAGEMENT AGREEMENT
AT
PHILADELPHIA INTERNATIONAL AIRPORT

RFP # C-102-14

IS AMENDED AS FOLLOWS:

Except as expressly amended by Addendum No. 1 and this Addendum No. 2, the RFP is unchanged. Except as otherwise defined in this Addendum No. 2, capitalized words and phrases used in this Addendum No. 2 have the meanings assigned to them in the RFP.

The following documents have been requested to be provided to Proposers and are attached here as Addendum No. 2:

1. Revised Attachment H to the RFP – Concession Performance Data – with addition of ACDBE participation and all Concession Operators' rental terms as of December 1, 2013;

2. MarketPlace Philadelphia Limited Partnership Concourse B Invitation to Propose dated September 3, 2013, and (i) revision to invitation dated September 11, 2013 and (ii) revision to invitation dated October 16, 2013;

3. Current form of Sublease Agreement for non-ACDBE Concession Operators; and

4. Current form of Sublease Agreement for ACDBE Concession Operators.

In addition, at the mandatory Pre-Proposal Meeting on December 3, 2013, a large-size high-resolution Attachment A to the RFP (Concession Layout Plan) will be distributed – one to each prospective Proposer.

END OF ADDENDUM TEXT: SIGNATURE PAGE FOLLOWS

PROPOSER MUST SIGN THE PROPOSAL AS WELL AS THE ACKNOWLEDGEMENTS OF RECEIPT OF EACH OF ADDENDUM NO. 1 AND ADDENDUM NO. 2

ADDENDUM NO. 2
ACKNOWLEDGEMENT OF RECEIPT

City of Philadelphia, Procurement Department
Request for Proposals for Master Lease and Concession Management Agreement at Philadelphia International Airport
RFP 102-14

I have carefully read Addendum No. 2 to the Request for Proposals for **Master Lease and Concession Management Agreement at Philadelphia International Airport** and I certify that I have received all documents listed in Addendum No. 2.

_____
Name of Respondent

_____
Signature of Respondent's Authorized Official

_____
Printed Name and Title of Signer

_____
Date

Philadelphia International Airport- Food & Beverage

Rental Terms								July 2009-June 2010				July 2010-June 2011				July 2011-June 2012				July 2012-June 2013			
Terminal A-West																							
Tenant	**Start**	**Expiration**	**Space**	**ACDBE Ownership Participation %**	**Sq. ft.**	**MAG**	**MAG FY2013**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**
Famous Famiglia	5/3/2003	5/31/2017	AW12-A	0%	718	$225,000		$823,140	-	225,000	27.33%	$710,995	-	$225,000	31.65%	1,105,162	-	$225,000	20.36%	1,100,777		$225,000	20.44%
Maki of Japan	5/3/2003	12/31/2016	AW12-B	25%	768	$170,000		$1,141,031	$35,386	205,386	18.00%	$1,016,973	$13,055	$183,055	18.00%	989,437	8,099	$178,099	18.00%	955,600	2,008	$172,008	18.00%
Cibo Bistro & Wine Bar	5/18/2003	m-t-m	AW13	0%	1,812	$267,631		$2,389,559	$139,538	407,169	17.04%	$2,181,809	$37,823	$305,454	14.00%	2,137,200	31,717	$299,348	14.01%	2,239,011	45,831	$313,462	14.00%
Chickie & Pete's **(B)**	8/22/2008	6/30/2016	AW15	0%	1,996	$101,500		$1,583,144	$0	101,500	6.41%	$1,579,128	-	$101,500	0.00%	1,638,732	-	$0	0.00%	1,713,326		$101,500	0.00%
LePetit Bistro	6/12/2003	12/19/2011	AW18-A	100%	676	$60,000		$324,329	$7,873	50,414	15.54%	na	na	na	na	na	na	na	na	na	na	na	na
Angelina's Panini Bar	8/3/2012	7/31/2014	AW18-A	0%	676	$150,000		na	na	na	na	na	na	na	na	na	na	na	na	$543,053		$136,694	0.00%
McDonalds	5/6/2003	5/31/2013	AW16-A	100%	908	$65,000		$1,817,627	$188,620	$253,620	13.95%	$1,614,838	$160,002	$225,002	13.93%	$1,532,047	$149,487	$214,487	14.00%	$1,568,734	$154,623	$219,623	14.00%
Flight Meals	1/16/2008	m-t-m	AW19	0%	174	$50,000		$536,800	$32,360	82,360	15.34%	$473,039	$21,064	$71,064	15.02%	487,450	23,118	$73,118	15.00%	545,251	34,051	$84,051	15.42%
Au Bon Pain	4/23/2007	12/31/2018	AW5	30%	540	$91,063		$970,028	$55,166	146,229	15.07%	$872,138	$39,542	$130,605	14.98%	896,777	39,552	$130,615	14.56%	793,219	70,151	$115,651	14.58%
Vino Volo	5/16/2011	5/31/2016	AW6	0%	528	$75,000		na			na	$53,009	-	$9,476	17.88%	399,027		$75,000	18.80%	$501,412		$75,000	14.96%
Healthy Gourmet	3/22/2013	3/31/2018	AW11	0%	228		$75,000															20,766	na
Total						$1,255,194		$9,585,658	$458,943	$1,471,678	15.35%	$8,501,928	$271,486	$1,251,156	14.72%	$9,185,833	$251,973	$1,195,667	13.02%	$9,960,383	$306,664	$1,463,755	14.70%
Enplanements								1,952,939				1,805,133				1,714,978				1,743,607			
Sales/EP								$4.91				$4.71				$5.36				$5.71			
Terminal A-East																							
Guava Java **(A)**	7/18/2008	9/30/2014	AE-4A	100%	800	$250,000		$1,061,735	$114,668	364,668	34.35%	$1,085,944	$76,105	$326,105	$0	$1,197,708	$78,326	$328,326	27.41%	$1,204,200	$40,683	$290,683	24.14%
Jack Duggan's PHL	9/15/2009	8/31/2015	AE-4B	100%	2155	$140,000	$180,000	$1,881,426	$196,285	336,285	17.87%	$2,719,063	$363,812	503,812	18.53%	$2,883,341	$396,668	$536,668	18.61%	$3,054,960	$430,992	$597,659	19.56%
Olde Philadelphia Tavern	2/10/1998	9/28/2009	AE5-A	0%	838	$170,164		$324,329	$7,873	50,414	15.54%	na	na	na	na	na	na	na	na	na	na	na	na
Salad Works	7/6/1997	6/30/2020	AE5-B	100%	748	$125,000		$797,327	-	125,000	15.68%	$790,993	-	125,000	15.80%	$946,951	$7,512	$132,512	13.99%	$954,299	$8,688	$133,688	14.01%
Villa Pizza	10/6/2007	6/30/2014	AE5-C	100%	764	$139,992		$1,671,613	$157,129	297,121	17.77%	$1,669,857	$160,574	300,566	18.00%	$1,619,655	$151,234	$291,226	17.98%	$1,473,111	$125,160	$265,152	18.00%
														-									
Total						$825,156		$5,736,429	$475,955	$1,173,488		$6,265,857	$600,491	$1,255,483	20.04%	$6,647,656	$633,740	$1,288,732	19.39%	$6,686,570	$605,523	$1,287,182	19.25%
Enplanements								1,578,724				1,601,201				1,574,785				1,519,699			
Sales/EP								$3.63				$3.91				$4.22				$4.40			
Terminal B																							
Jet Rock	12/24/1996	12/31/2013	B10-A	0%	2560	$500,000		$4,033,192	$176,638	676,638	16.78%	$4,000,261	$170,052	670,052	16.75%	$3,800,556	$134,100	$634,100	16.68%	$4,235,453	$217,091	$717,091	16.93%
Eat at Joes	5/23/1998	4/30/2017	B12-A	0%	845	$168,000		$1,158,900	-	168,000	14.50%	$990,203	$19,847	187,847	18.97%	$1,324,514	$44,750	$212,750	16.06%	$1,101,641		$168,000	15.25%
Bassett's Turkey	10/23/2001	6/11/2013	B12-B	0%	583	$100,000		$1,042,373	$66,627	166,627	15.99%	$968,753	$58,181	158,181	16.33%	$954,411	$50,794	$150,794	15.80%	$841,506	$30,471	$125,193	14.88%
Vino Volo	2/16/2010	m-t-m	B13	0%	152	$48,557	$36,418	$121,728	$14,607	63,164	51.89%	$375,785	$45,094	93,651	24.92%	$418,177	$1,635	$50,192	12.00%	$427,224	$14,849	$51,267	12.00%
Mrs. Fields Cookies	4/15/2005	3/28/2010	B5-A	100%	1465	$70,000		$285,671	-	62,500	21.88%	na	na	na	na	na	na	na	na	na	na	na	na
Guava Java	7/14/2010	7/31/2017	B5-A	100%	536	$100,000		na	na	na	na	$855,191	$40,666	140,666	16.45%	$989,508	$58,321	$158,321	16.00%	$1,058,899	$70,602	$170,602	16.11%
Auntie Anne's Pretzels	8/2/1996	12/31/2016	B5-B	0%	562	$146,808		$877,268	$47,422	194,230	22.14%	$1,002,045	$64,445	211,253	21.08%	$966,878	$51,756	$198,564	20.54%	$1,052,376	$72,829	$219,637	20.87%
Cibo Bistro & Wine Bar	10/3/1996	11/30/2020	B7	0%	1465	$450,000		$2,468,602		450,000	18.23%	$1,689,901		450,000	26.63%	$2,716,292		$450,000	16.57%	$2,759,711		$450,000	16.31%
Villa Pizza	8/28/2008	6/30/2015	B8-A/B	100%	1125	$195,000		$1,667,477	$78,495	273,495	16.40%	$1,568,376	$58,675	253,675	16.17%	$1,374,957	$22,231	$217,231	15.80%	$1,270,525	$3,695	$198,695	15.64%
														-									
Total						$1,778,365		$11,655,211	$383,789	$2,054,654	17.63%	$11,450,516	$456,960	$2,165,325	18.91%	$12,545,292	$363,587	$2,071,952		$12,747,335	$409,537	$2,100,485	
Enplanements								2,058,481				2,760,608				$2,820,613				2,777,384			
Sales/EP								$5.66				$4.15				$4.45				$4.59			

Philadelphia International Airport- Food & Beverage

Rental Terms								July 2009-June 2010				July 2010-June 2011				July 2011-June 2012				July 2012-June 2013			
B/C Connector																							
Tenant	**Start**	**Expiration**	**Space**	**ACDBE Ownership Participation %**	**Sq. ft.**	**MAG**	**MAG FY2013**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**
Asian Chao	6/4/1998	12/31/2016	BC10	25%	714	$250,000		$1,739,096	$87,819	337,819	19.42%	$1,656,804	$71,361	321,361	19.40%	$1,683,605	$76,721	$326,721	19.41%	$1,562,855	$52,571	$302,571	19.36%
Bassett's Turkey & Café	6/4/1998	12/4/2012	BC11	0%	397	$150,000		$869,959	$6,593	156,593	18.00%	$759,860		150,000	19.74%	$654,622		$150,000	22.91%	$203,812		$64,113	31.46%
Pinkberry	4/23/2013	4/30/2020	BC11	0%	435	$125,000		na	na	na	na	na	na	na	na	na	na	na	na	$177,344	$2,377	$25,988	14.65%
Legal Seafood	5/15/2010	12/31/2019	BC13	0%	3656	$292,706	$334,429	$620,555	$7,973	300,679	48.45%	$5,182,740	$99,487	392,193	7.57%	$5,804,167	$154,414	$447,120	7.70%	$5,886,285	$160,949	$495,378	8.42%
Jazz & Java/Saxby's	6/4/1998	11/30/2009	BC18	100%	826	$150,000		$285,671	-	62,500	21.88%	na	na	na	na	na	na	na	na	na	na	na	na
Le Bus Café	8/24/2011	8/31/2018	BC18-A	100%	350	$150,000		na	na	na	na	na	na	na	na	$967,213	$17,274	$145,500	15.04%	$1,109,822	$16,473	$166,473	15.00%
Vino Volo	5/21/2008	6/30/2013	BC27-A/B	0%	813	$125,000		$1,075,657	$9,079	134,079	12.46%	$989,720		125,000	12.63%	$982,667		$125,000	12.72%	$1,013,475	$1,617	$126,617	12.49%
Dunkin Donuts	6/15/2007	8/31/2013	BC32	0%	194	$150,000		$1,074,279	$66,341	216,341	20.14%	$1,191,786	$92,193	242,193	20.32%	$1,170,437	$87,496	$237,496	20.29%	$1,153,433	$83,755	$233,755	20.27%
Philly Steak & Gyro	8/6/2009	8/31/2016	BC6	0%	599	$200,000		$1,501,766	$58,365	258,365	17.20%	$1,401,350	$24,216	224,216	16.00%	$1,232,902		$200,000	16.22%	$1,091,249		$200,000	18.33%
Chick-Fil-A	5/10/2005	m-t-m	BC7	100%	651	$165,000		$2,424,719	$153,708	318,708	13.14%	$2,311,766	$136,773	301,773	13.05%	$2,535,400	$170,310	$335,310	13.23%	$2,665,821	$189,873	$354,873	13.31%
Sbarro	6/4/1998	m-t-m	BC8	0%	812	$275,000		$1,516,555	$74,973	349,973	23.08%	$1,176,797		275,000	23.37%	$1,192,194		$275,000	23.07%	$1,181,361		$275,000	23.28%
Johnnies Dog House	10/13/2006	1/13/2010	BC9	100%	849	% of sales		$267,361	$13,368	13,368	5.00%	na	na	na	na	na	na	na	na	na	na	na	na
Wendy's	7/13/2010	7/31/2017	BC9	100%	849	$120,000		na	na	na	na	$1,697,405	$126,517	246,517	14.52%	$1,906,673	$155,068	$275,068	14.43%	$1,892,021	$152,724	$272,724	14.41%
Auntie Anne's	4/20/2000	12/31/2016	BCK2-LL	100%	200	$53,192		$387,232	-	53,192	13.74%	$277,218	-	53,192	19.19%	$251,957		$53,192	21.11%	$266,810		$53,192	19.94%
Ray's Dog House	12/18/2009	12/31/2013	BCK3-LL	100%	200	% of sales		$121,902	$10,245	42,342	34.73%	$175,832	$1,534	25,534	14.52%	$185,145	$10,279	$10,279	5.55%	$136,471	$9,965	$9,965	7.30%
Total						$2,205,898		$11,884,753	$488,464	$2,243,959		$16,821,278	$552,081	$2,356,979	14.01%	$18,566,981	$671,562	$2,580,686	13.90%	$18,340,759	$670,304	$2,580,649	14.07%
Enplanements								5,676,453				5,744,973				5,811,351				5,822,445			
Sales/EP								$ 2.09				$ 2.93				$ 3.19				$ 3.15			
Terminal C																							
Au Bon Pain	12/21/2006	12/31/2018	C1	30%	3230	$170,169	$273,000	$3,614,415	$382,185	552,354	15.28%	$3,701,969	$398,315	568,484	15.36%	$3,487,930	$330,167	$500,336	14.34%	$3,085,800	$336,618	$609,618	19.76%
Chickie & Pete's **(B)**	2/8/2008	6/30/2016	C11	0%	2382	$124,250		$3,010,869	-	124,250	4.13%	$3,086,750	-	124,250	4.03%	$3,606,601	-	$124,250	3.45%	$3,905,779		$124,250	3.18%
LePetit Bistro	6/19/2000	12/31/2011	C12-A	100%	645	$60,000		$1,251,322	$55,966	115,966	9.27%	$1,138,356	-	60,000	5.27%	$413,909	$13,008	$36,504	8.82%	na	na	na	na
Popeye's Chicken	2/7/2013	2/29/2020	C12-A	0%	645	$100,000		na	na	na	na	na	na	na	na	na	na	na	na	$457,893	$15,495	$55,376	12.09%
Jazz & Java/Saxby's	6/2/2000	8/31/2009	C12-B	100%	615	$55,000		$71,817	-	9,167	12.76%	na	na	na	na	na	na	na	na	na	na	na	na
Auntie Anne's	12/22/2009	12/31/2015	C12-B	100%	615	$119,335	$100,000	$290,828	-	119,335	41.03%	$667,077	$31,453	150,788	22.60%	$762,759	$31,969	$151,304	19.84%	$867,551	$48,088	$148,088	17.07%
Sky Asian Bistro	5/16/2001	12/31/2021	C5	0%	2237	$248,225	$400,000	$3,229,628	$408,518	656,743	20.33%	$3,057,393	$370,626	618,851	20.24%	$2,481,988	$125,345	$373,570	15.05%	$3,959,715	$158,957	$558,957	14.12%
Burrito Elito	5/15/2012	5/31/2019	C6	100%	711	$150,000		na	na	na	na	na	na	na	na	$156,273	$2,563	$21,918	14.03%	$1,149,442	$10,922	$160,922	14.00%
Cibo Express Gourmet	10/5/2010	10/31/2015	C8-A	0%	325	$200,000		na	na	na	na	$926,642	$28,448	228,448	24.65%	$1,369,439	$55,416	$255,416	18.65%	$1,622,946	$94,671	$294,671	18.16%
Freshens Yogurt	2/22/1997	12/5/2012	C9-A	0%	555	$100,000		$648,971	-	100,000	15.41%	$615,684	-	100,000	16.24%	$510,575	-	$100,000	19.59%	$171,375		$43,011	25.10%
Jamba Juice	3/12/2013	3/31/2020	C9-A	100%	555	$160,000		na	na	na	na	na	na	na	na	na	na	na	na	$324,975		$48,602	14.96%
Philly Steak & Gyro	6/4/1998	7/31/2017	C9-B	0%	528	$200,000		$1,094,198	-	200,000	18.28%	$651,915	-	200,000	30.68%	$967,482	-	$200,000	20.67%	$783,095		$200,000	25.54%
Sbarro	5/18/1998	9/30/2013	C9-C	0%	617	$275,000		$1,856,290	$156,510	431,510	23.25%	$1,716,950	$123,068	398,068	23.18%	$1,805,987	$144,437	$419,437	23.22%	$1,760,891	$133,614	$408,614	23.20%
Total						$1,961,979		$15,068,340	$1,003,179	$2,309,325	15.33%	$15,562,736	$951,910	$2,448,889	15.74%	$15,562,943	$702,905	$2,182,735	14.03%	$18,089,462	$798,365	$2,652,109	14.66%
Enplanements								3,617,972				2,984,365				2,990,738				3,045,061			
Sales/EP								$ 4.16				$ 5.21				$ 5.20				$ 5.94			

Philadelphia International Airport- Food & Beverage

Rental Terms								July 2009-June 2010				July 2010-June 2011				July 2011-June 2012				July 2012-June 2013			
Terminal D																							
Tenant	**Start**	**Expiration**	**Space**	**ACDBE Ownership Participation %**	**Sq. ft.**	**MAG**	**MAG FY2013**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**
Chickie & Pete's	11/10/2011	11/30/2018	D1	0%	2744	$200,000		na	na	na	na	na	na	na	na	$1,344,122	$60,510	$188,843	14.05%	$2,262,724	$116,788	$316,788	14.00%
Jet Rock	10/29/2002	m-t-m	D11	0%	4372	$546,691		$3,504,100	-	546,691	15.60%	$3,394,445	-	546,691	16.11%	$2,643,085	-	$546,691	20.68%	$2,356,069		$546,691	23.20%
Earl of Sandwich	11/29/2010	11/30/2017	D3-A	100%	897	$125,000		na	na	na	na	$578,885	$7,756	73,885	12.76%	$1,044,226	$21,192	$146,192	14.00%	$961,329	$9,586	$134,586	14.00%
Currito Burrito	12/13/2010	12/31/2017	D3-B	100%	897	$120,000		na	na	na	na	$484,895	$2,132	75,743	15.62%	$899,847	$5,979	$125,979	14.00%	$894,237	$5,193	$125,193	14.00%
Famous King of Pizza	6/4/1998	m-t-m	D6-A	0%	452	$75,000		$678,533	-	75,000	11.05%	$737,229	-	75,000	10.17%	$576,013		$75,000	13.02%	$498,458		$75,000	15.05%
Burger King	12/1/1998	8/31/2009	D6-B	0%	744	$150,000		$784,530	-	80,374	10.24%	na	na	na	na	na	na	na	na	na	na	na	na
TCBY	4/1/2004	1/11/2010	D6-C	0%	179	$50,000		$170,432	-	29,167	17.11%	na	na	na	na	na	na	na	na	na	na	na	na
Jamba Juice	4/4/2011	4/30/2016	D6-D	100%	268	$32,000		na	na	na	na	$136,003	$8,413	40,413	29.71%	$506,666	$25,067	$57,067	11.26%	$508,034	$25,285	$57,285	11.28%
Auntie Anne's	2/26/2010	12/31/2015	D6-E	100%	272	$80,665	$100,000	$156,193	-	80,665	51.64%	$455,077	-	80,665	17.73%	$361,853		$80,665	22.29%	$333,821		$100,000	29.96%
Dunkin Donuts	6/6/2008	2/28/2015	D8	0%	574	$100,000		$1,007,552	$101,661	201,661	20.01%	$1,110,725	$124,359	224,359	20.20%	$1,177,300	$139,006	$239,006	20.30%	$1,117,713	$125,897	$225,897	20.21%
LePetit Bistro	10/29/2002	7/5/2011	D9	100%	1272	$60,000		$1,444,888	$135,358	195,358	13.52%	$1,520,698	$96,105	156,105	10.27%	na	na	na	na	na	na	na	na
Greenleaf	10/20/2011	10/31/2018	D9	51%	580	$105,645	$150,000	na	na	na	na	na	na	na	na	$955,503	$49,701	$155,346	16.26%	$1,559,654	$95,055	$245,055	15.71%
Total						$1,645,001		$7,746,226	$237,019	$1,208,916		$8,417,957	$238,765	$1,272,861	15.12%	$9,508,614	$301,455	$1,614,789	16.98%	$10,492,039	$377,804	$1,826,495	17.41%
Enplanements								1,929,714				1,943,827				$1,900,908				1,897,185			
Sales/EP								$ 4.01				$ 4.33				$ 5.00				$ 5.53			
D/E Connector																							
Vino Volo	12/30/2008	12/31/2015	DE-5	0%	1164	$175,000		$775,293	-	175,000	22.57%	$698,816	-	175,000	25.04%	$585,231	-	$175,000	29.90%	$586,203		$175,000	29.85%
Peet's Coffee	12/30/2008	12/31/2015	DE-6	100%	569	$150,000		$830,136	-	150,000	18.07%	$843,700	-	150,000	17.78%	$884,524	-	$150,000	16.96%	$904,611		$150,000	16.58%
Total						$325,000		$1,605,430	-	$325,000		$1,542,516	-	$325,000	21.07%	$1,469,755	-	$325,000	22.11%	$1,490,814	-	$325,000	21.80%
Enplanements								3,622,518				3,944,274				3,692,602				3,418,910			
Sales/EP								$ 0.44				$ 0.39				$ 0.40				$ 0.44			
Terminal E																							
Cantina Laredo	2/16/2010	2/28/2017	E12	100%	2049	$250,000		$662,020		250,000	37.76%	$1,884,548	$14,054	264,054	14.01%	$1,558,196		$250,000	16.04%	$1,114,040		$250,000	22.44%
Au Bon Pain	5/2/2012	12/31/2018	E14	30%	369	$31,500		na	na	na	na	na	na	na	na	$130,474	$18,235	$23,400	17.93%	$753,676	$80,358	$111,858	14.84%
McDonald's	2/16/2010	2/29/2020	E15	100%	1110	$120,000		$920,761	$51,157	171,157	18.59%	$2,471,928	$135,508	255,508	10.34%	$2,126,346	$80,215	$200,215	9.42%	$1,982,881	$57,946	$177,946	8.97%
Good 2 Go III	3/18/2011	m-t-m	E1-B	100%	166	$50,000		na	na	na	na	$189,064	$12,085	62,085	32.84%	$668,546	$43,597	$93,597	14.00%	$547,156	$26,595	$76,595	14.00%
Chickie & Pete's **(B)**	12/21/2007	6/30/2016	E6-A	0%	2239	$124,250		$3,341,787	$647,947	772,197	23.11%	$3,209,088	$663,667	787,917	24.55%	$2,732,700	$666,705	$790,955	28.94%	$2,279,412	$654,778	$779,028	34.18%
Guava & Java **(A)**	9/3/2008	9/30/2014	E6-B	100%	559	-		$1,047,563	$0	-	0.00%	$881,056	-	-	0.00%	$693,242	$0	$0	0.00%	$521,818		$0	0.00%
Cibo Market Express	9/16/2005	4/26/2010	E7	0%	120	$75,000		$736,618	$48,628	111,128	15.09%	na	na	na	na	na	na	na	na	na	na	na	na
Bassett's Deli	10/9/2001	12/3/2012	E8-A	0%	450	$175,000		$862,069	$28,867	203,867	23.65%	$447,818		175,000	39.08%	$397,298		$175,000	44.05%	$97,434		$74,328	76.29%
Maki of Japan	12/18/2009	12/31/2016	E8-B	25%	795	$80,000		$579,106	$13,883	93,883	16.21%	$1,020,666	$13,720	93,720	9.18%	$765,362		$80,000	10.45%	$588,061		$80,000	13.60%
Sbarro	3/11/2010	3/31/2014	E8-C	49%	870	$250,000		$351,135	$11,071	261,071	74.35%	$1,130,641	$32,660	282,660	25.00%	$917,185		$250,000	27.26%	$744,130		$250,000	33.60%
Total						$1,155,750		$8,501,059	$801,553	$1,863,303		$11,234,809	$871,694	$1,920,944	17.10%	$9,989,349	$808,752	$1,863,167	18.65%	$8,628,608	$819,677	$1,799,755	20.86%
Enplanements								1,692,804				2,000,447				$1,791,694				1,521,725			
Sales/EP								$ 5.02				$ 5.62				$ 5.58				$ 5.67			

Philadelphia International Airport- Food & Beverage

Rental Terms								July 2009-June 2010				July 2010-June 2011				July 2011-June 2012				July 2012-June 2013			
Terminal F																							
Tenant	**Start**	**Expiration**	**Space**	**ACDBE Ownership Participation %**	**Sq. ft.**	**MAG**	**MAG FY2013**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**
Revive	6/23/2011	4/5/2013	F11	0%	1118	$423,750		na	na	na	na	$24,467	$0	$ 9,417	38.49%	$2,600,460	$0	$423,750	16.30%	$1,993,689		$323,698	16.24%
Cibo Market	10/26/2011	6/30/2013	F12-A	0%	295	$76,814	$112,500	na	na	na	na	na	na	na	na	$289,661	-	$76,814	26.52%	$430,274		$112,500	26.15%
Au Bon Pain	8/9/2011	m-t-m	F14	30%	615	$41,625	$46,500	na	na	na	na	na	na	na	na	$2,669,544	$633,211	$674,836	25.28%	$2,793,543		$46,500	1.66%
Jet Rock	6/17/2001	7/4/2011	F2	0%	1804	$125,000		4,326,214	$492,194	617,194	14.27%	$4,464,186	514,270	639,270	14.32%	48,297	5536	$130,536	270.28%	na	na	na	na
Cibo Express Gourmet	6/23/2011	3/13/2013	F25-B	0%	565	$213,750		na	na	na	na	$20,154	-	4,750	23.57%	$1,080,785	-	$213,750	19.78%	$854,294		$151,694	17.76%
Sbarros	6/17/2001	6/17/2011	F4-A	0%	685	$200,000		$1,714,767	$241,584	441,584	25.75%	$1,642,243	$217,683	410,461	24.99%	na	na	na	na	na	na	na	na
Asian Chao	6/17/2001	6/17/2011	F4-B	25%	773	$170,000		$1,585,704	$115,427	285,427	18.00%	$1,550,385	$115,124	278,985	17.99%	na	na	na	na	na	na	na	na
Au Bon Pain	8/22/2008	8/14/2011	F5-A/B	30%	951	$12,097		$1,585,704	$115,427	127,524	8.04%	$1,550,385	$115,124	278,985	17.99%	na	na	na	na	na	na	na	na
Good 2 Go II	8/27/2009	2/28/2014	F8	100%	358	$98,000		$522,558	-	98,000	18.75%	$669,337	-	98,000	14.64%	$1,049,788	$48,970	$146,970	14.00%	$1,034,569	$46,840	$144,840	14.00%
Au Bon Pain	10/27/2011	m-t-m	F8-B	30%	376	$28,500		na	na	na	na	na	na	na	na	$827,062	$0	$19,383	2.34%	$1,269,253	$649,114	$693,469	54.64%
Revive	3/15/2013	3/31/2015	FH21	0%	2303	$150,000														$1,315,195	$148,294	$166,036	12.62%
Good 2 Go	3/15/2013	2/28/2020	FH22	100%	426	$60,000														$449,833	$48,422	$57,755	12.84%
Local Tavern	10/1/2013	10/31/2023	FH17	0%	3221		$300,000																
Pretzel Factory	10/31/2013	10/31/2018	FH5	0%	638		$108,000																
Red Mango	10/31/2013	10/31/2020	FH6	0%	897		$50,000																
Le Bus Café	10/31/2013	10/31/2020	FH14	100%	693		$150,000																
Chipotle	10/31/2013	10/31/2020	FH13	0%	831		$125,000																
Tony Luke's	10/31/2013	10/31/2020	FH12	0%	821		$85,000																
Au Bon Pain	10/31/2013	10/31/2020	FH10	30%	2071		$90,000																
Sbarros	10/31/2013	10/31/2020	FH9	100%	779		$150,000																
Smashburger	10/31/2013	10/31/2020	FH7	0%	902		$150,000																
Far East	10/31/2013	10/31/2020	FH8	0%	918		$75,000																
Total						$1,599,536		$9,734,947	$964,632	$1,569,729		$9,921,158	$962,201	$1,719,868	17.34%	$8,565,597	$687,717	$1,686,039	19.68%	$10,140,650	$892,670	$1,696,492	16.73%
Enplanements								2,407,478				2,519,958				$2,550,410				2,711,224			
Sales/EP								$ 4.04				$ 3.94				$ 3.36				$ 3.74			
Total						$12,751,879		$81,518,053	$4,813,534	$ 14,220,052	17.44%	$89,718,754	$4,905,588	$ 14,716,505	16.40%	$92,042,021	$4,421,691	$ 14,808,767	16.09%	$96,576,620	$4,880,544	$ 15,731,922	16.29%
Enplanements								15,238,112				15,615,539				15,344,126				15,215,885			
Sales/EP								$ 5.35				$ 5.75				$ 6.00				$ 6.35			

(A)	Guava Java is one lease for A-East and E locations - rent and % rent shown in A-East location
(B)	Chickie's and Pete's A-West, C and E are in one lease - % rent is shown in E location

MARKETPLACE DEVELOPMENT

MarketPlace Development, Inc.
One Wells Avenue, Suite 205
Newton, Massachusetts 02459

TEL 617-243-7400
FAX 617-243-7459

www.marketplacedevelopment.com

September 3, 2013

RE: **INVITATION TO PROPOSE**- Re-development of the Retail, Newsstands, and Food and Beverage Concessions at **Philadelphia International Airport, Concourse B.**

Dear Prospective Proposer:

MarketPlace Development, Inc. (MPD) invites you to submit a proposal to operate retail, newsstands and food and beverage concessions in Concourse B at Philadelphia International Airport (PHL).

Concourse B is part of the US Airways hub at PHL, boasting 2.7 million enplanements in 2012. PHL is the second largest hub and the primary international hub for U.S. Airways, and has services to destinations in the US, Canada, the Caribbean, Latin America, Europe and the Middle East.

The 21st century has produced significant developments for PHL. Since 2001, the opening of two new terminals and other terminal expansions has more than doubled the size of the Airport complex from 1.4 million to 3.1 million square feet and expanded the number of boarding gates from 65 to 126. Demand for air travel, spurred by low-fare competition, has increased passenger traffic from 24.9 million in 2000 to 30.2 million in 2012. PHL continues to grow by attracting new airlines with the most recent being Virgin America, JetBlue, Spirit, and Alaska Airlines. Qatar Airlines will start services in April 2014.

MPD is excited about the opportunity to redevelop the newsstands and the food and beverage concessions in Concourse B. We have chosen to invite a select number of newsstand and food and beverage operators to submit proposals for this opportunity, and we would very much like your company to be included as a candidate. We hope that you will be able to respond to this invitation.

In reviewing your proposal, MPD will give preference to an operator that:

- has an impressive, attractive and efficient design
- has a balanced offering and well-merchandized plan
- has exhibited the ability to maximize sales while providing excellent customer service
- operates first class locations in other airports
- meets or exceeds the ACDBE goal for this opportunity
- has a minimum five (5) year operating history in airports
- has a wide variety of local and national food and beverage concepts
- offers competitive percentage rent and minimum rent.

The attached invitation has two (2) sections and three (3) appendices:

- **Section 1** - provides a general overview intended to assist in the development of the proposal.

- **Section 2** - describes the required proposal format.

Appendix A - provides concourse layout plan, storage LOD and current advertising locations.

Appendix B - provides a schedule for the design and construction of the locations in this package.

Please submit a $50,000 proposal deposit in the form of a bid bond, certified check or treasurer's check, along with one (4) copies of your proposal and one (1) electronic version on a flash drive by **5:00 PM EST on November 4, 2013** to:

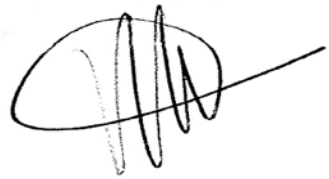
Michael DiCosola
MarketPlace Development
One Wells Avenue
Newton, MA 02459

A pre-proposal meeting will be held on September 10, 2013 at 2:00 PM at the Marriott Hotel located at the Philadelphia International Airport. Please RSVP if you are planning to attend this meeting by contacting Mignon Buckholtz at 215-937-1200. Each proposer or team will be allowed to have three individuals at this meeting. Attendance at the meeting is not mandatory.

MPD functions as the developer and manager the food service and retail concessions at PHL under the terms of the Master Lease between the City of Philadelphia and MPD**. This solicitation of proposals is not required under the terms of this agreement. Proposers are reminded that this is not a bid process.** MPD reserves the right to accept or reject any or all proposals, to modify proposals and to request that a proposer adjust terms or components of their proposal.

Please contact Mel Hannah at (215) 937-1200 if you are interested in conducting a site visit to look at the concession locations contained in this package. If you have any questions, please call me at (617) 243-7400. We look forward to speaking with you soon.

Sincerely,



Michael DiCosola
Executive Vice President

Cc: Paul McGinn
Clarence LeJeune
Mel Hannah

PHILADELPHIA INTERNATIONAL AIRPORT
INVITATION FOR PROPOSAL FOR
NEWSSTAND OPERATIONS AND
FOOD AND BEVERAGE CONCESSIONS
FOR CONCOURSE B

SECTION 1 – PROJECT OVERVIEW

CONCESSIONS OPPORTUNITIES

Concourse B

Concourse B serves US Airways

2012 Enplanements: 2,711,163

Location	Current Tenant	Lease Expiration Date	Sq Ft	2012 Sales
BSNG	CNBC	06/30/13	142	$686,306
B1	CNBC	06/30/13	2,204	$1,821,454
B2	Taxco Sterling	03/31/14	814	$360,384
B3	Afaze	12/31/15	863	$647,267
B4	Tech Interaction	1/31/16	1,548	$1,154,992
B5-A	Guava Java	07/31/17	536	$1,033,792
B5-B	Auntie Anne's	12/31/16	552	$971,672
B7	Cibo	11/30/20	1,464	$2,598,857
B8-A/B	Villa Pizza	06/30/15	1,125	$1,239,003
B10-A	Jet Rock	12/31/13	2,561	$3,776,586
B10-B	CNBC	06/30/13	423	$1,475,330
B12-A	Eat At Joe's	04/30/17	845	$1,117,218
B12-B	Bassett's	CLOSED	584	$936,074
B13	Vino Volo	06/30/13	152	$407,475
BC32	Dunkin Donuts	06/30/14	194	$1,148,311
	RMU	MTM		$1,088,713
		Total:	**14,007**	**$20,463,435**

Future Location

Location	Current Tenant	Sq Ft
B6	**Future**	585

2012 Sales by Category

Concourse B	Gross Sales	Sales/EP	Gross Rents
Food & Beverage	$13,393,906	$4.52	$2,170,210
Specialty Retail	$3,086,438	$1.14	$479,640
News & Gifts	$3,983,091	$1.47	$781,503
Total:	**$20,463,435**		**$3,431,353**

MERCHANDISING:

MPD believes that the merchandising of the Concourse B is critical. We are looking for a balanced food and beverage offering with the essential elements of quick service, sit down dining, bar service, coffee and news, easily accessible to all travelers on the concourse. The food and beverage offering should be diverse and include a healthy option, grab and go opportunities, sit down and quick serve throughout the program. A balance of local/regional and national concepts is desired.

The newsstands should provide a full range of news and reading materials such as magazines, periodicals, books, an appropriate amount of travel necessities/sundries, travel electronics as well as a limited selection of gift items. Although MPD believes that a certain amount of gift merchandise should be included, MPD reserves the right to limit and/or restrict the amount and type of merchandise allowed.

MPD would expect the successful operator to provide, at a minimum, the following items within newsstands.

- Wide variety of magazine/periodical titles
- At least three general readership newspapers, major national newspapers, and regional newspapers consistent with the destination of the applicable passenger
- Paperback and hard-cover book titles including the top ten bestsellers
- Prepackaged candy, gum, mints and snacks
- Travel electronics and related accessories
- Postcards and greeting cards
- Tobacco products

Notwithstanding these descriptions, MPD reserves the right to limit and/or restrict merchandise items at its sole discretion.

Retail Merchandising Unit (RMU) Program

The existing RMU program will be removed in Concourse B at the commencement of this project.

TERMINAL B REDEVELOPMENT TO INCLUDE THE INTEGRATION OF CONCESSIONS IN THE HOLD ROOM AREAS AND PASSENGER CIRCULATION AREAS

We are requiring that the selected operator completely redevelop the Terminal to include the seamless integration of the whole concessions program (news, food and beverage and retail) with the hold room areas and passenger circulation areas within the Terminal. There will be areas within the hold rooms, however, that are exclusively designated as airline space, which will be maintained by the airline. The hold room seating area plan must maintain airline circulation for boarding and deplaning passengers and have a minimum seat count equal to what currently exists. Additionally, the design of the hold room seating should be consistent with concessions design and also consistent with the airline branding and colors. More specifically, the furniture, fixtures and color schemes should reflect the airline brand in each hold room and maintain the integrity of the airline branding. Your design is **not** required to maintain ridged distinctions between concessions, hold room and passenger circulation areas. Designs that “blur the lines” between these areas and integrate these functions are encouraged. To ensure the design meets expected standards, the selected proposer will be required to be involved in a series of design review meetings with City of Philadelphia, the Airlines and MPD after the award of the contract.

A listing of all hold rooms, current airline seating and approximate size is outlined below:

Hold Rooms				
Gate #	**SF**	**Handicap Passenger Seating**	**Regular Passenger Seating**	**Total Passenger Seating**
B1	2,476	4	132	136
B2	2,592	4	116	120
B3	2,033	4	104	108
B4	2,511	4	108	112
B5	1,999	4	84	88
B6	3,111	4	136	140
B7	2,422	4	87	91
B8	2,569	4	120	124
B9	3,884	4	196	200
B10	2,366	4	107	111
B11	2,502	4	128	132
B13	2,451	4	94	98
B14	3,718	8	130	138
B15	1,760	5	105	110
TOTAL	**37,430**	**60**	**1647**	**1,707**

PREMISES

The premises will include all areas shown on Exhibit A1 excluding restrooms and airline ticketing/boarding counters and airline boarding areas in the hold rooms. All concession areas hold rooms and concourse circulation areas are part of the premises. As shown in Exhibit C the current display advertising areas are **not** included in the premises and must be accommodated in your plan.

DELIVERY OF PREMISES

All of the premises will be delivered on April 1, 2014 with the exception of those concessions areas where the current lease term has not expired. These remaining spaces will be delivered upon the expiration of the existing leases. The successful proposer will be responsible for integrating these spaces in its overall concessions redevelopment plan for the terminal as they are delivered.

AIRPORT CONCESSIONS DISADVANTAGED BUSINESS ENTERPRISE (ACDBE) GOAL AND PLAN:

MPD is committed to ensuring meaningful and substantial participation of disadvantaged and minority and women business enterprises (ACDBEs) in all aspects and phases of the concession activities at PHL. We have a goal of at least 27% ACDBE participation for this package. In addition, we are requesting 25% ACDBE participation in construction contracts and construction employment. Please indicate who your ACDBE participant(s) will be, the structure of the participation and the proposed ACDBE percentage. A copy of current PAUCP certification should be submitted for all ACDBE participants in your proposal.

OPERATIONS:

Street Pricing

The Master Lease between the City of Philadelphia and MPD provides that merchants must charge street prices for products or services at comparable locations approved by MPD.

The price charged at the Airport may not exceed the range of prices charged at the comparable locations. Usually, "comparable location" means another location trading under the same Trade Name. In the case of merchants with other locations trading under the same Trade Name in the Greater Philadelphia Area (meaning Philadelphia, Delaware, Chester, Montgomery, or Bucks Counties in PA or Camden or Burlington Counties in NJ), the price charged at one comparable location will suffice. Generally, one price is required to establish the range of street prices. In some cases, especially where you may doubt the adequacy of a comparable location or item, we recommend that two or three prices be submitted.

In order for a location to be comparable, it must be in Philadelphia, Delaware, Chester, Montgomery, or Bucks Counties in Pennsylvania, or Camden or Burlington Counties in New Jersey.

In the case of merchants without other locations trading under the same trade name in the greater Philadelphia area, it will be necessary to give the price charged at least one but not more than five (5) comparable locations in the greater Philadelphia area operating under a different trade name. The price charged at the Airport may not exceed the range of prices at those locations.

Operation and Maintenance

The merchant must operate and maintain the premises (including hold and passenger circulation areas) consistent with the standards of operation of first-class retail in a regional shopping center or major transportation facility. The tenant is responsible to operate, clean, and maintain its concessions units, including signage, flooring, ceilings, windows, wall surfaces and seating areas in a first class manner. The tenant is not responsible for operations, maintenance repair or replacement of base building HVAC, restrooms, structural elements, utility infrastructure and building exterior including roof, windows and curtain wall.

Hours of Operation

All newsstands and food and beverage concessions must be open forty-five minutes before the first departing flight and remain open thirty minutes after the last scheduled departing flight in that concourse. At the discretion of the landlord, hours of operation are subject to change based on flight schedule changes.

Signs and Graphics

The tenant's sign and graphics program must allow for all required airport (including but not limited to directional signs, public service signs, flight information displays and advertising under contract to PHL) and airline signs and graphics.

FINANCIAL COMPONENTS:

The Term of the lease will expire 10 years from the earlier of (1) the date the last unit opens or (2) December 31, 2014.

Rent

Newsstands, Retail and Food & Beverage Concessions

The successful operator will pay a minimum guaranteed rent and a percentage of gross sales over a natural breakpoint in sales volume. Gross sales to include but not limited to:

- All revenue from retail display advertising
- All amounts paid or payable on all sales of lottery, gaming or entertainment products and services
- All revenue for sale of products, goods and services from or via the use of tenant installed tablets and/or similar next generation devices or customer mobile devices, including specifically entertainment, lottery and gaming products and services authorized by applicable law
- All revenue from the sale of time and/or space on tenant installed tablets and/or similar next generation devices or tenant websites or mobile applications for the purpose of advertising or promoting the sale of third party goods or services
- All revenue from affiliate marketing programs or services for the purpose of advertising or promoting the sale of third party goods or services to be included in sales.
- All revenue from the sale of data or information that is acquired either electronically or otherwise by the operator at PHL

Storage

Approximately 1,130 square feet of storage space located within the concourse will be provided to the selected proposer for operational use.

Common Facilities Charges

Common Facilities Charges are currently billed to tenants on a pro-rata basis. Based on the scope of this project, the landlord will negotiate a base fee for all required services with the selected proposer. These fees will include the following:

Marketing Fund
Common Area Maintenance (CAM)
Customer Service
Trash
Delivery & Distribution

Fees for cleaning of exhaust hoods and grease traps will be billed directly as needed.

Utilities

Payment of utilities will be the tenant's responsibility and are billed directly to the tenant. If landlord requires, tenant shall cause the utilities to be separately metered.

Guaranty

It is the expectation that the entity submitting financial statements as a response to this invitation will be the same entity as will be party to the lease and will provide the financial guaranty. Depending upon landlord's evaluation of the credit of tenant, landlord reserves the right to require that tenant establish security for the lease at landlord's discretion.

DESIGN AND CONSTRUCTION REQUIREMENTS:

The selected proposer will be required to provide a phasing schedule that outlines the completion of the project by

PREMISES DELIVERY:

All spaces will be delivered in "as is" condition.

It is anticipated that during the development of this project PHL will redevelop the Concourse B security checkpoint. The selected proposer will be required to coordinate with the design of this project.

SECTION 2 – SUBMITTAL FORMAT

PROPOSAL DEADLINE:

PROPOSALS ARE DUE BY: **November 4, 2013**.

PLEASE SEND FOUR (4) COPIES AND ONE (1) ELECTRONIC VERSION ON A FLASH DRIVE, AND A PROPOSAL DEPOSIT TO:

Michael DiCosola
MarketPlace Development
One Wells Avenue
Newton, MA 02459
Phone (617) 243-7400

This solicitation of proposals is not required under the terms of the Concession Management Contract between The City of Philadelphia and MPD. Proposers are reminded that this is not a bid process. MPD reserves the right to accept or reject any or all proposals, to modify proposals and to request that a proposer adjust terms or components of their proposal.

RECOMMENDED FORMAT

A. Executive Summary

B. Proposal Deposit of $50,000

A proposal deposit in the amount of $50,000 in the form of a bid bond, certified check or a treasurer's check issued by a bank or trust company, payable to MarketPlace Development, Inc., must accompany the proposal. The successful proposer's deposit will be retained until successful negotiation of a signed lease agreement. Upon execution of a lease, the deposit will be credited against the first month's rent. Should the successful proposer not complete negotiations, the deposit will be retained by MPD as liquidated damages to compensate MPD for expenses incurred in such negotiations and the delay in leasing such space resulting there from. The deposits of unsuccessful proposers will be returned.

C. Experience and Expertise

1. Include a brief description and operating data for all airport locations operated by proposer. The proposer is required to submit relevant sales information for all airport units. Required in this submittal are the following listings:

    - Please also include enplanement information for these same periods so that we may derive Sales per Enplanement (SPE) figure.

2. Include the names, addresses and phone numbers of landlords for three (3) of the above locations.

D. Financial Background

Provide financial statements for the last three years for the proposed tenant entity. Note whether the proposed tenant entity, its parent company or any affiliates have filed for bankruptcy in the last five years. If so, please describe the current status.
State if any agreement has been terminated or renegotiated early. If so, please describe the current status and the reason for termination or renegotiation.
Describe whether there has been a material change in the structure of the proposed tenant entity in the last two years.

E. Merchandise Mix

Summarize the merchandising strategy you would propose to implement for each unit/location described in this invitation. Please include a detailed product list and/ or menu for each location. Also provide descriptions of the concepts or brands that you are proposing.

F. Business Structure

If more than one firm is participating in a joint venture, describe the relationship between the firms from an operational, financial and governance perspective.

G. Financial Proposal

Components of Financial Proposal:

- Provide a projected minimum investment per unit/location.

    - Concourse B currently generates $3,431,353 in rent revenue. The minimum annual guaranteed rent for this package must be not less than $3,431.353.

- Propose a percentage rental rate structure for this package.

- Provide projected sales for each unit for the first four years. Be sure to include enplanement assumptions and the methodology for how you estimated sales levels. Assume actual enplanements escalate at 3% / year. (Please use base year 2012.)

H. Disadvantaged Business Enterprise Plan

1. Describe your ACDBE Plan, including name of ACDBE participant(s), projected ownership share and role in the business.

2. Note whether the ACDBE participant(s) is certified by The Pennsylvania Unified Certification Program (PAUCP). If so, please provide evidence of certification. If you are representing ACDBE participation in your proposal, then the tenant entity must be certified by the PAUCP. For more information on the certification process refer to their web site at: www.paucp.com. Please provide the name of the ACDBE business entity and a copy of its PAUCP certification.

3. If your plan requires the creation of a joint venture (JV), the JV will need to be approved by The City of Philadelphia's Division of Aviation Compliance Office. Note that this process must be completed in advance of the execution of the lease. We expect to execute the lease in December 2013.

4. Please contact the Division of Aviation Compliance Department at Philadelphia International Airport at 215-937-1801, if you have any questions about the approval and certification process.

I. Storage Requirements

Approximately 1,130 square feet of storage space located within the Terminal will be provided to the selected proposer.

J. Retail Design

Provide photos, renderings and plans that clearly communicate the design, image, functionality and quality of the newsstands and food and beverage concessions that you are proposing. They should also demonstrate how the design of the concessions portion and hold-room portion of the program are consistent with each other. Please prepare specific or custom plans and renderings for all locations and overall program.

K. Phasing Plan

Please provide a phasing plan for the whole project that includes the build-out of both the concessions and seating plan that maintains continuous operations, maintains customer service, and minimizes disruption to the traveling public and existing concessions tenants. This plan should provide essential offerings (coffee, news, bar, food beverage) at all times. It is anticipated that MPD will deliver all expired leases in this package on April 1, 2014. The selected proposer will be required to provide temporary/transitional services during the development phase of the permanent program. The permanent program for Concourse B must be complete by April 1, 2015.

Expiration dates for the existing tenants are provided on page 3 of this document. Please indicate how you will phase the inclusion of these locations upon expiration.

L. Mid-Term Refurbishment

A mid-term refurbishment will be required before the end of the fifth (5th) year. Please provide the minimum budget for mid-term refurbishment that you are prepared to commit to in the lease. Your mid-term refurbishment budget should not be less than 25% of your initial investment in this project. Note that the mid-term refurbishment must include refurbishment of all architectural elements, floors, walls, ceilings, lighting, HVAC, signs, graphics, furniture, fixtures and equipment, as well as updates and/or replacement of all technology to the "state of the art" including both software and hardware.

One–fifth (1/5) of the mid-term reimbursement budget will be deposited in an escrow account at the end of each of the first five (5) lease years. Withdrawals from the escrow will require approval of the landlord. If the operator fails to spend the mid-term refurbishment escrow it will be forfeited to the landlord.

M. Hold Room Seating Plan

Please provide us with a hold room seating plan. Please include renderings and pictures of the type of seating you will use in the Concourse B hold rooms. Also please provide an overall layout of the seating plan and explain how this plan will maintain the seat count and circulation flow at all times during the development process. The hold room seating plan should also indicate how convenience power will be provided and describe other amenities that will enhance the customer experience. As stated previously, the hold room seating area plan must maintain airline circulation for boarding and deplaning passengers and have a minimum seat count equal to what currently exists. Additionally, the design of the hold room seating should be consistent with concessions design and the airline branding and colors. More specifically, the furniture, fixtures and color schemes should reflect the airline brand in each hold room and maintain the integrity of the airline branding. To ensure the design meets expected standards, the winning proposer will be required to be involved in a series of design review meetings with City of Philadelphia, the Airlines and MPD after the award of the contract.

N. Technology Plan

If your plan includes the use of technology please provide a plan that describes the following:

- How the software and hardware will improve the experience of the traveling public and increase revenue
- How publically accessible computers and/or tablets will be controlled to control their use for offensive uses such as pornography and loud music
- How your software and hardware will be maintained to minimize downtime and passenger inconvenience
- How your technology (hardware and software) will be updated and upgraded over the term of this agreement in order to maintain a "state of the art" standard

- **Appendix A-Exhibits**

  - **A-Concourse Layout Plan**

  - **B-Storage Plan**

  - **C-Existing Advertising Plan**

- **Appendix B-Design and Construction Schedule**

CAD Files for Terminal B - Can be located using the link provided below.

https://app.box.com/s/mmvmndtk7bwl46968ydu

A-Concourse Layout Plan

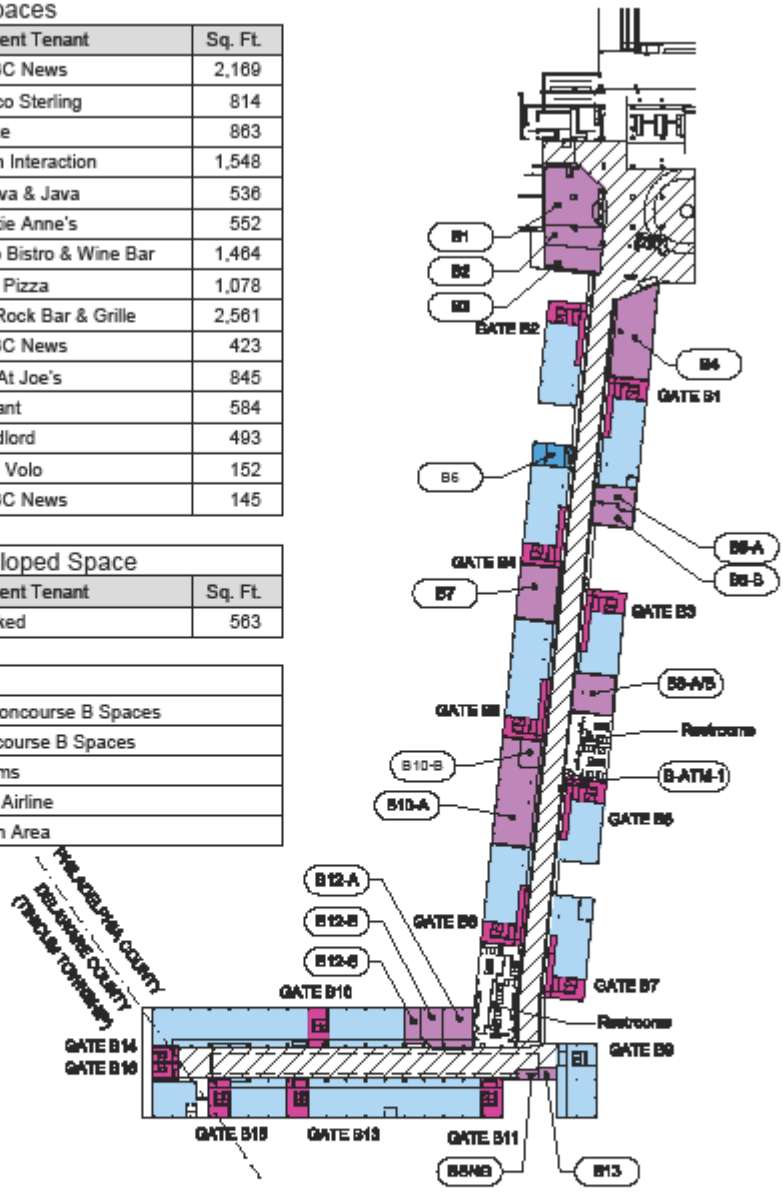
14 Existing Spaces

Space #	Current Tenant	Sq. Ft.
B1	CNBC News	2,169
B2	Taxco Sterling	814
B3	Afaze	863
B4	Tech Interaction	1,548
B5-a	Guava & Java	536
B5-b	Anutie Anne's	552
B7	Cibo Bistro & Wine Bar	1,464
B-8a/b	Villa Pizza	1,078
B10-a	Jet Rock Bar & Grille	2,561
B10-b	CNBC News	423
B12-a	Eat At Joe's	845
B12-b	Tenant	584
B12-s	Landlord	493
B13	Vino Volo	152
BSNG	CNBC News	145

1 Newly Developed Space

Space #	Current Tenant	Sq. Ft.
B6	Banked	563

Key	
	Current Concourse B Spaces
	New Concourse B Spaces
	Hold Rooms
	Exclusive Airline
	Circulation Area



PHL PHILADELPHIA INTERNATIONAL AIRPORT

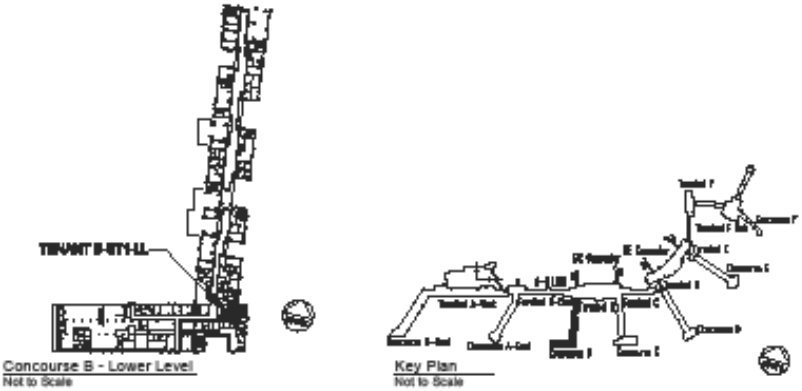
MARKETPLACE PHILADELPHIA

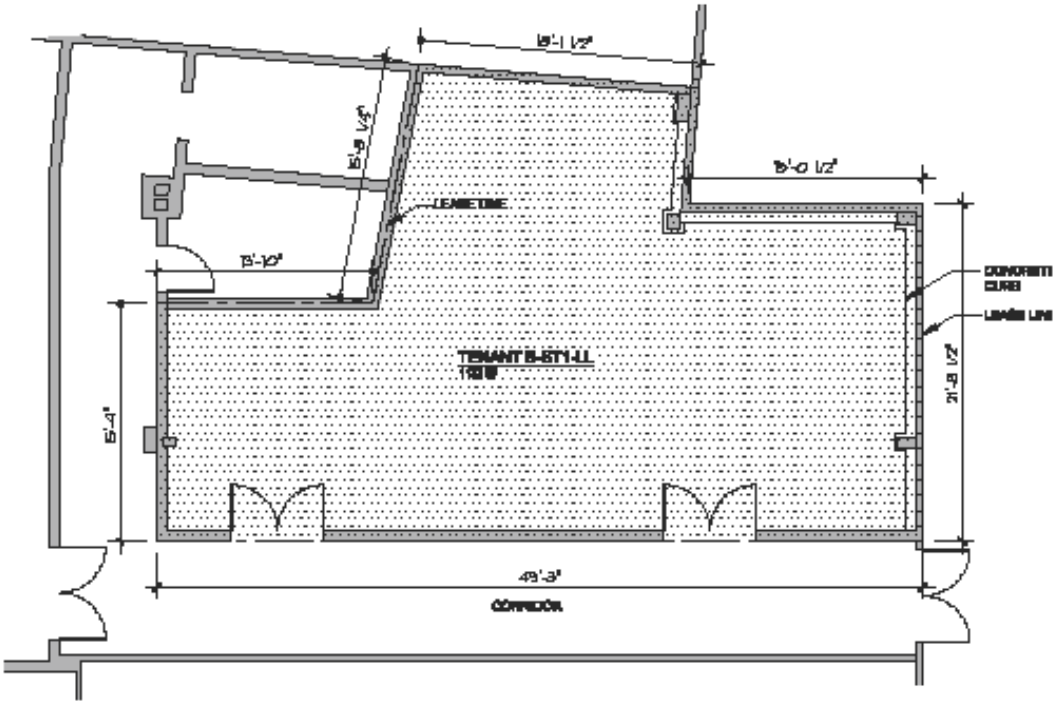
Philadelphia International Airport, Philadelphia PA

Exhibit A1
Concourse B
Level 2

Concession Spaces Plan
Date: 07.24.2013

B-Storage Plan





PHL PHILADELPHIA INTERNATIONAL AIRPORT

MARKETPLACE PHILADELPHIA

Philadelphia International Airport, Philadelphia PA

Exhibit A2
Concourse B
Level 2

Concession Space
B-ST1-LL
Date: 07.24.2013

C-Existing Advertising Plan

D 5' X 4' BACKLITS

01	CC-FCD-1
02	CC-FCD-2
03	BB-FCD-1
04	BB-FCD-2
05	CC-D-1
06	BB-D-1
07	CC-D-2
08	CC-D-3
09	CC-D-4
010	CC-D-5
011	BB-D-2
012	BB-D-3
013	BB-D-4
014	BB-D-5
015	BB-D-6

CW COLUMN WRAP

016	BB-CW-1
017	CC-CW-1

TFD 7 X 11 LIT TENSION FABRIC DISPLAYS

018	CC-7TFD-1
019	CC-7TFD-2
020	CC-7TFD-3
021	BB-7TFD-1
022	BB-7TFD-2
023	BB-7TFD-3

TFD TENSION FABRIC DISPLAYS

024	BB-FCTFD-1
025	BB-FCTFD-2
026	BB-FCTFD-3
027	BB-FCTFD-4
028	CC-FCTFD-1
029	CC-FCTFD-2
030	CC-FCTFD-3
031	CC-FCTFD-4
032	BB-TFD-1
033	BB-TFD-2

DIGITAL

034	
035	
036	
037	
038	
039	
040	
041	

VW VIDEO WALL

0	
0	

EX EXHIBITS

042	CC-EX-1
043	BB-EX-1
044	CC-EX-2

PHL PHILADELPHIA INTERNATIONAL AIRPORT

MARKETPLACE PHILADELPHIA

Philadelphia International Airport, Philadelphia PA

Exhibit A3
Concourse B -
Advertising Plan
Level 2
Concession Spaces Plan
Date: 07.24.2013

Appendix B-Design and Construction Schedule

MARKETPLACE DEVELOPMENT

MarketPlace Development, Inc.
One Wells Avenue, Suite 205
Newton, Massachusetts 02459

TEL 617-243-7400
FAX 617-243-7459

www.marketplacedevelopment.com

October 16, 2013

XXX
XXX
XXX

RE: **REVISION-INVITATION TO PROPOSE**- Re-development of the Retail, Newsstands, and Food and Beverage Concessions at **Philadelphia International Airport, Concourse B.**

Dear Prospective Proposer:

This letter shall serve as notice of a revision to the Invitation to Propose issued on September 3, 2013 for the Redevelopment of the Retail, Newsstands and Food and Beverage Program in Concourse B at the Philadelphia International Airport.

The original due date of **November 4, 2013** for the submission of all proposals has been extended to **December 4, 2013**.

Please submit a $50,000 proposal deposit in the form of a bid bond, certified check or treasurer's check, along with one (4) copies of your proposal and one (1) electronic version on a flash drive by **5:00 PM EST on December 4, 2013** to:

Michael DiCosola
MarketPlace Development
One Wells Avenue
Newton, MA 02459

If you have any questions, please call me at (617) 243-7400.

Sincerely,

Michael DiCosola
Executive Vice President

Cc: Paul McGinn
Clarence LeJeune
Mel Hannah

MARKETPLACE DEVELOPMENT

MarketPlace Development, Inc.
One Wells Avenue, Suite 205
Newton, Massachusetts 02459

TEL 617-243-7400
FAX 617-243-7459

www.marketplacedevelopment.com

September 11, 2013

RE: Revision to the **AIRPORT CONCESSIONS DISADVANTAGED BUSINESS ENTERPRISE (ACDBE) GOAL AND PLAN** Requirements for the Invitation to Propose for Re-development of the Retail, Newsstands, and Food and Beverage Concessions at Philadelphia International Airport, Concourse B**.**

Dear Prospective Proposer:

This is a revision to the Invitation to Propose issued on September 3, 2013 for the Redevelopment of the Retail, Newsstands and Food and Beverage Program in Concourse B at the Philadelphia International Airport.

The proposal requirement:

The **AIRPORT CONCESSIONS DISADVANTAGED BUSINESS ENTERPRISE (ACDBE) GOAL AND PLAN** section on Page 5 of the document request **25% ACDBE participation in construction contracts and construction employment.**

The revision to the proposal requirement:

Under 23.55(k) ACDBE participation cannot be counted towards construction, therefore the 25% ACDBE Goal for participation in construction contracts and employment is deleted. Please however, consider the use of minority and woman owned design, engineering and construction companies listed in the City of Philadelphia's, Office of Economic Opportunity website. The website can be accessed at www.phila.gov/oeo.

Please feel free to contact me if you have any questions at (215) 937-1200.

Thank you,

Sincerely,

Michael DiCosola
Executive Vice President

Cc: Paul McGinn
Clarence LeJeune
Mel Hannah

PHILADELPHIA REVISED MASTER SUBLEASE

USE THIS SUBLEASE FORM FOR NON-ACDBE TENANTS ONLY

SUBLEASE AGREEMENT

BETWEEN

MARKETPLACE PHILADELPHIA
LIMITED PARTNERSHIP

AND

[TENANT]

[d/b/a _____]

PHILADELPHIA INTERNATIONAL AIRPORT
PHILADELPHIA, PENNSYLVANIA

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SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT ("Sublease") dated _____, _____, by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a MarketPlace Redwood Limited Partnership), a Delaware limited partnership ("Landlord") and _____, a _____ corporation ("Tenant").

WITNESSETH:

WHEREAS, the City of Philadelphia (the "Prime Landlord") and the Landlord have entered into a certain Second Amended and Restated Master Lease, Development and Concession Agreement and Sub Sublease, Development and Concession Agreement dated January 31, 2001 (the "Prime Lease"), pursuant to which, among other things, the Prime Landlord leased or subleased to the Landlord the Prime Leased Premises (as hereinafter defined);

WHEREAS, Landlord and Tenant desire to enter into this Sublease as hereinafter set forth.

NOW, THEREFORE, for and in consideration of the mutual covenants, promises and agreements herein contained, and intending to be legally bound, the Landlord and the Tenant hereby agree as follows:

ARTICLE 1
DEFINITIONS AND ATTACHMENTS

Section 1.1. Certain Defined Terms.

As used herein, the term:

A. "Advance Rental" means the sum of $_____. See Section 6.9.

B. "Airport" means the Philadelphia International Airport and the adjacent parcel or parcels of land not owned, leased or controlled by the Prime Landlord but which are operated as an integral part of the Airport, located partially in the City and County of Philadelphia, and partially in Tinicum Township, Delaware County, Pennsylvania.

C. "Airport Concession Disadvantaged Business Enterprise" or "ACDBE" means an entity meeting the definition of airport concession disadvantaged business enterprise as defined in the U.S. Department of Transportation Regulation Title 49, Code of Federal Regulations, Part 23, Section 3, as may be amended from time to time.

D. "Airport Retained Space" means that space in the Terminal Building which is not a part of the Prime Leased Premises.

E. "Annual Basic Rental" means an amount equal to the product of the following figure multiplied by Tenant's Floor Area: _____ Dollars ($_____). [Insert applicable terms for step ups in Annual Basic Rental]

F. "Annual Percentage Rental" means a sum equal to _____ percent (___%) of the amount by which annual Gross Concession Sales exceed the product of $_____ multiplied by Tenant's Floor Area (such product being hereinafter referred to as the "Breakpoint"); provided, however, that if, during the first or last Rental Year in the Term, the Premises are not open for business with the general public for three hundred sixty-five (365) days, the Breakpoint shall be adjusted for any such Rental Year by multiplying the Breakpoint specified above by a fraction, the numerator of which shall be the actual number of days in such Rental Year during which the Premises were open for business with the general public, and the denominator of which shall be three hundred sixty-five (365).

G. "Common Areas" means those areas and facilities which may be furnished by Prime Landlord, Landlord or others in or near the Prime Leased Premises for the non-exclusive general common use of tenants, sub-tenants, licensees or concessionaires and other occupants of the Prime Leased Premises, their officers, agents, employees and customers, including (without limitation) access areas, delivery passageways, package pick-up stations, sidewalks, interior and exterior pedestrian walkways and pedestrian bridges, malls, promenades, mezzanines, roofs, plazas, courts, ramps, common seating areas, landscaped and planted areas, retaining walls, balconies, stairways, escalators, elevators, first-aid stations, lighting facilities, comfort stations or rest rooms, civic center, meeting rooms, and other similar areas, facilities or improvements.

H. "Commonwealth" shall mean the Commonwealth of Pennsylvania.

I. "Concession Areas" means the areas delineated in the Prime Leased Premises as locations or potential locations for present or future retail subtenants or concessionaires, as designated in Exhibit B, as the same may be increased from time to time pursuant to the Prime Lease.

J. "Default Rate" means an annual rate of interest equal to the lesser of (i) the maximum rate of interest for which Tenant may lawfully contract in the Commonwealth, or (ii) eighteen percent (18%).

K. "ACDBE Program" means the ACDBE Program submitted every three (3) years by the City of Philadelphia for Philadelphia International Airport to the Federal Aviation Administration, in accordance with 49 CFR Parts 23 and 26.

L. "Development Plan" means Landlord's master conceptual plan for the development of the Prime Leased Premises as set forth in the Prime Lease, as the same may be amended from time to time.

M. "Guarantor of Tenant's Obligations" means _____, having a mailing address of _____.

N. "Landlord's Floor Area" means the aggregate number of square feet of Landlord's leasable floor area in the Prime Leased Premises, excluding the Airport Retained Space, which, with respect to any such floor area which has been leased, subleased, licensed or concessioned to any rent-paying tenant, subtenant, licensee or concessionaire shall be determined in accordance with the provisions of any lease, license or concession agreement applicable thereto and which, with respect to any such floor area not so leased, subleased, licensed or concessioned shall consist of all such leasable floor area in the Prime Leased Premises designed and currently available for the exclusive use and occupancy of rent-paying tenants or sub-tenants, or licensees or concessionaires paying license or concession fees, as the same may be increased or reduced from time to time in accordance with the Prime Lease, which shall exclude Common Areas, storage areas leased separately from retail areas, mezzanine areas, areas leased for self service operations (such as a postage vending machine), areas used for Landlord's management and promotion offices and areas utilized by the Prime Landlord or anyone acting through or under the Prime Landlord for the operation or maintenance of the Airport. Tenant acknowledges that not all of the space that will ultimately be included in the Landlord's Floor Area shall be so included as of the Commencement Date. Such non-included space shall be included in the Landlord's Floor Area at such time as Landlord completes performance of the work therein necessary to make same available for exclusive use and occupancy by tenants as provided above.

O. "Landlord's Leased Floor Area" means the monthly average of the aggregate number of square feet contained in those portions of Landlord's Floor Area leased to tenants, subtenants, licensees or concessionaires (including the Premises) as of the first day of each calendar month during the billing period in question, but not less than eighty percent (80%) of Landlord's Floor Area.

P. "Commencement Date" means the date determined in accordance with the provisions of Section 4.1 hereof.

Q. "Termination Date" means _____.

R. "Permitted Use" means the sale at retail of _____.

S. "Premises" or "Leased Premises" means Tenant's portion of the Prime Leased Premises having the following Tenant's Floor Area and shown cross-hatched on Exhibit A: Approximately _____ square feet.

T. "Prime Leased Premises" means that certain area located within the Terminal Building leased or subleased by Prime Landlord to Landlord pursuant to the Prime Lease, as more particularly designated in Exhibit B attached hereto and made a part hereof, as said Prime Leased Premises may be expanded, reduced or otherwise altered pursuant to the provisions of the Prime Lease.

U. "Security Deposit" means: $_____.

V. "Store Hours" means such days and hours as may from time to time be designated by Landlord in order to, inter alia, maximize offerings to the traveling public and respond to changes in airline flight schedules.

W. "Tenant Notice Address" means

_____
_____
_____

X. "Tenant Trade Name" means _____ which Tenant represents it is entitled to use pursuant to all applicable laws.

Y. "Tenant's Floor Area" means the number of square feet contained in that portion of Landlord's Floor Area constituting the Premises which shall be measured from the exterior face of any exterior or corridor wall, and with respect to demising walls, from the center of the demising partition; and in no case shall there be any deduction for columns or other structural elements within any tenant's premises.

Z. "Terminal Building" means the seven interconnected facilities at the Airport, which are known individually as Terminal A, Terminal B, Terminal C, Terminal D, Terminal E, Terminal F and Terminal A-West, together with any improvements or renovations now or hereinafter constructed thereto, and all pedestrian bridges, baggage claim areas and train platforms appurtenant thereto, including, however, any future expansion thereof or additions thereto, and excluding any future new terminals.

AA. "Initial Marketing Charge" means the sum of $_____ per calendar month and proportionately at such rate for any partial month.

BB. "Pre-Opening Marketing Charge" means the sum of $_____.

Section 1.2. Additional Defined Terms.

The following additional terms are defined in the Sections of this Sublease noted below:

Term	Section

"ADA"	9.1(b)
"Additional Rental"	6.1
"Affiliate of Tenant"	20.1
"Annual Report"	6.6
"Commencement Date"	4.1
"Contractors"	8.3
"CPA"	6.6
"Delivery Service Charge"	9.4(b)
"DOT"	9.7(b)
"Environmental Laws"	9.1(b)
"Event of Default"	17.1
"Excluded Products and Services"	5.1(a)
"FAA"	9.1(b)
"Gross Concession Sales"	6.5
"Hazardous Substance"	9.6
"HVAC Service"	12.2
"Investment Certificate"	8.5
"Landlord's Operating Costs"	11.5
"Landlord's Work	8.1
"Liquidated Damages"	17.3
"Monthly Report"	6.6
"Mortgage"	18.1
"Mortgagee"	18.1
"Premises Minimum Investment"	8.5
"Price Index"	9.15
"Prime Landlord"	Witnesseth Clause
"Prime Lease"	Witnesseth Clause
"Quarterly Report"	6.6
"Release"	9.6
"Rent Commencement Date"	4.1
"Rental"	6.1
"Rental Year"	6.4
"Revenue Category"	6.6
"Street Pricing Plan"	9.13
"Taxes"	7.1
"Tax Year"	7.3
"Tenant Improvements"	8.2
"Tenant's Work"	8.2
"Term"	4.1
"Termination Damages"	17.3
"Transfer"	16.1

Section 1.3. Attachments.

The following documents are attached hereto, and such documents, as well as all drawings and documents prepared pursuant thereto, shall be deemed to be a part hereof:

Guarantee **[Delete if no guarantee]**

Exhibit A	-	Drawing of Terminal Building Including Tenant's Premises
Exhibit B	-	Drawing of Concession Areas and Prime Leased Premises
Exhibit C	-	Landlord's and Tenant's Work
Exhibit D	-	Investment Certificate
Exhibit E	-	Form of Nondisturbance, Subordination and Attornment Agreement
Exhibit F	-	Disadvantaged Business Enterprise Statement and Letter of Intent
Exhibit G	-	Certificate of Non-Indebtedness
Exhibit G-1	-	Certificate of Non-Indebtedness
Exhibit H	-	Menu **[Delete if not a food tenant]**

ARTICLE 2
PRIME LEASE

Section 2.1. Prime Lease.

This Sublease is subject and subordinate to the Prime Lease. Tenant acknowledges that Landlord's rights to the Premises arise solely under the Prime Lease. Notwithstanding any provisions of this Sublease to the contrary, Landlord and Tenant hereby agree as follows:

(a) Tenant agrees to be bound by and perform all of the terms and conditions to be performed by Landlord under the Prime Lease to the extent applicable to the Premises and/or Tenant's tenancy under this Sublease (except those that require the payment of money to the Prime Landlord);

(b) Tenant will comply with all covenants and conditions of the Prime Lease respecting Landlord's use and occupancy of the Premises (except those that require the payment of money to the Prime Landlord);

(c) Tenant will not do or permit anything to be done in or on the Premises which will cause the occurrence of a default by Landlord under the Prime Lease;

(d) Tenant shall indemnify, defend and hold Landlord harmless from and against any cost, claim, liability, loss or damage occurring by reason of Tenant's breach or default of this Sublease, including, without limitation, the cost of cure, loss of the Prime Lease, and any attorneys' fees and disbursements incurred in connection with the foregoing; and

(e) Except as set forth in clause (k) below, if the Prime Lease expires or is terminated for any reason, including without limitation, any default by the Prime Landlord or Landlord thereunder, or Landlord's election to exercise any right of termination, then this Sublease shall thereupon terminate, without any liability to Landlord, as if such date were the scheduled expiration date of the Term. Landlord shall take all reasonable actions to keep the Prime Lease in full force and effect during the Term of this Sublease. Notwithstanding the preceding sentence, Landlord shall not be required to initiate any legal action.

In addition to the foregoing and notwithstanding any provisions of this Sublease to the contrary, the Tenant agrees as follows:

(f) Operations conducted and work performed by the Tenant shall be in accordance with the terms of the Prime Lease;

(g) Nothing contained in this Sublease shall be construed to impair the rights of Prime Landlord under the Prime Lease;

(h) Nothing contained in this Sublease or the Prime Lease shall create or purport to create any obligations of the Prime Landlord to the Tenant;

(i) The Prime Landlord's approval of this Sublease shall not create or purport to create any obligation of the Prime Landlord to the Tenant;

(j) The Prime Landlord shall be a third party beneficiary of this Sublease;

(k) At the request of the Prime Landlord (at the Prime Landlord's option) and upon receipt of written notice from the Prime Landlord stating that the Prime Lease has been terminated, the Tenant agrees that it will continue to perform its obligations under this Sublease for the benefit of Prime Landlord; and

(l) The Tenant shall be bound by the same requirements as Landlord under the Prime Lease, including, without limitation, confidentiality requirements, maintenance and preservation of records, and audit by government representatives.

This Sublease shall be subordinate to the provisions of any existing or future agreements between Prime Landlord and any agency or instrumentality of the United States government relative to the operation and maintenance of the Airport.

Section 2.2. Prime Landlord.

Landlord shall have no liability to Tenant for Prime Landlord's defaults under the Prime Lease. Tenant agrees that Landlord shall not be obligated to perform any of the Prime Landlord's obligations under the Prime Lease. Tenant further agrees that neither this Sublease nor any obligation hereunder, including the payment of Rental, shall be affected by Prime Landlord's default under the Prime Lease, except to the extent the Prime Lease is terminated. Landlord reserves exclusively all rights to enforce the Prime Lease, but agrees to make reasonable efforts to enforce the Prime Landlord's obligations thereunder, to the extent that Tenant is a material beneficiary thereof. Landlord shall not be required to initiate any legal action against Prime Landlord, but agrees to reasonably cooperate with Tenant to enforce the Prime Landlord's obligations under the Prime Lease.

Section 2.3. Prime Lease Governs.

In the event of any conflict in the rights of Tenant under this Sublease and the rights of Landlord under the Prime Lease, the terms, conditions and covenants of the Prime Lease shall control.

ARTICLE 3
PREMISES

Section 3.1. Demise.

Landlord hereby leases to Tenant, and Tenant hereby rents from Landlord, the Premises having the Tenant's Floor Area as set forth in clause Y of Section 1.1 hereof, which Landlord and Tenant hereby conclusively agree represents Tenant's Floor Area for all purposes of this Sublease. Nothing contained in Exhibits A or B shall be treated as a representation that the Premises, the Terminal Building, the Prime Leased Premises or any of the other areas shown on Exhibits A and B shall be precisely of the area, dimensions, or shapes as shown thereon, it being the intention of the parties only to show diagrammatically, rather than precisely, on Exhibits A and B the layout of such areas.

Excepting and reserving to Landlord the right to place in the Premises (but in a manner that will not unreasonably interfere with Tenant's use of the Premises) utility lines, pipes and the like to serve the Premises or premises other than the Premises and to replace, maintain and repair such utility lines, pipes and the like in, over and upon the Premises.

Landlord warrants that it and no other person or corporation has the right to lease the Premises hereby demised, and that so long as Tenant is not in default hereunder, Tenant shall have peaceful and quiet use and possession of the Premises, subject to the Prime Lease, as hereinafter provided, and any Mortgage, and all matters of record or other agreements to which this Sublease is or may hereafter be subordinated.

Notwithstanding anything to the contrary contained herein, the Premises have been inspected by Tenant who shall be deemed to have accepted the same as existing as of the date Landlord delivers the Premises to Tenant for completion of all work required of it, and neither Landlord nor Prime Landlord makes any representation or warranty, express or implied, as to the condition of the Premises or the suitability of the Premises for Tenant's purposes or needs,

except as otherwise provided herein. Neither Landlord nor Prime Landlord shall be responsible for any latent defect and the Tenant shall not, under any circumstances, withhold any Rental or other amounts payable to the Landlord hereunder on account of any defect in the Premises. Except as otherwise provided herein, the Tenant accepts the Premises in its "as-is and where-is" condition as being free and clear from all defects and in good, safe, clean and orderly condition and repair.

In addition and notwithstanding anything to the contrary contained herein, either party may at any time prior to the date that is one hundred twenty (120) days following the date possession of the Premises is delivered to the Tenant cause the floor area of the Premises to be remeasured by a licensed architect or engineer, at the cost of the electing party. The floor area of the Premises shall be measured from the exterior face of the service corridor walls, the exterior lease line for wall footage and the center line of party walls. If the floor area resulting from such remeasurement is other than that set forth in clause S of Section 1.1 hereof, then the electing party shall forward the results of such remeasurement to the other party in writing promptly upon completion of such remeasurement. In the event the other party agrees with the results of such remeasurement, the parties shall promptly enter into a written agreement amending this Sublease to reflect the new square footage of the Premises. In the event the other party disagrees with the results of such remeasurement, the other party may, within thirty (30) days of its receipt of the electing party's remeasurement calculation, cause the Premises to be measured once again by a licensed architect or engineer at such other party's expense. If the results of the second remeasurement are in agreement with the results of the first remeasurement, this Sublease shall be amended as set forth above. If the two remeasuring professionals are unable to agree as to the proper square footage of the Premises, they shall, within thirty (30) days of the completion of the second remeasurement, jointly appoint a third licensed architect or engineer to remeasure the Premises. The reasonable cost of such remeasurement shall be paid one-half by the Landlord and one-half by the Tenant. The results of such remeasurement shall be definitive and binding upon the parties and promptly following receipt of such third remeasurement, the parties shall enter into an amendment of this Sublease in accordance with the foregoing provisions.

ARTICLE 4
TERM

Section 4.1. Term.

The term of this Sublease (the "Term") shall commence on that date (the "Commencement Date") which shall be the date that Landlord shall deliver possession of the Premises to the Tenant, and shall terminate on the Termination Date. Except as otherwise provided in this Sublease, Annual Basic Rental, Annual Percentage Rental and Additional Rental shall commence on that date (the "Rent Commencement Date") which shall be the earlier to occur of (a) **the later to occur of: (i) _____ or (ii)** the thirtieth (30th) **[fixturing period may change depending on deal]** day immediately following the Commencement Date; or (b) the opening by Tenant of its business in the Premises**; subject, however, to the provisions of Section 8.2 hereof**. Landlord and Tenant agree, upon demand of the other, to execute a declaration setting forth the Commencement Date and Rent Commencement Date as soon as said dates have been determined. The failure of the parties to execute said declaration shall not affect the validity of this Sublease, nor shall it affect the Commencement Date or Rent

Commencement Date. **[Bold language only applicable to D/E Connector tenants prior to Grand Opening of said Connector.]**

[Delete this paragraph for D/E Connector tenants.] Notwithstanding anything to the contrary set forth in this Section 4.1, if the Rent Commencement Date shall fall on a Saturday, Sunday or Monday **[and for food tenants with water – add Friday]**, then Tenant's Rent Commencement Date shall be deemed to be the immediately following Tuesday.

Section 4.2. Termination.

This Sublease shall terminate on the Termination Date, unless sooner terminated pursuant to the terms hereof, without the necessity of any notice from either Landlord or Tenant to terminate the same, and Tenant hereby waives notice to vacate or quit the Premises and agrees that Landlord shall be entitled to the benefit of all provisions of law respecting the summary recovery of possession of the Premises from a tenant holding over to the same extent as if statutory notice had been given. Tenant hereby agrees that if it fails to surrender the Premises at the end of the Term, or any renewal thereof, Tenant will be liable to Landlord for any and all damages which Landlord shall suffer by reason thereof, and Tenant will indemnify Landlord against all claims and demands made by any succeeding tenants against Landlord, and any and all claims by or against the Prime Landlord, founded upon delay by Landlord in delivering possession of the Premises to such succeeding tenant or to the Prime Landlord or anyone claiming through or under the Prime Landlord. For the period of twelve (12) months prior to the expiration of the Term, Landlord may show the Premises and all parts thereof to prospective tenants during normal business hours.

Section 4.3. Holding Over.

If Tenant shall be in possession of the Premises after the expiration of the Term, in the absence of any written agreement executed by Landlord and Tenant extending the Term, the tenancy under this Sublease shall become a tenancy at sufferance and shall be subject to all of the terms and conditions of this Sublease except that (i) the Annual Basic Rental payable hereunder for each month during said holdover period shall be equal to twice the monthly installment of Annual Basic Rental payable during the last full month of the Term, (ii) the installments of Annual Percentage Rental payable hereunder for each such month shall be equal to one-sixth (1/6th) of the average Annual Percentage Rental payable hereunder for the last three (3) Rental Years of the Term, or if the Term is less than three (3) Rental Years, then such installments shall be equal to one-sixth (1/6th) of the Annual Percentage Rental payable hereunder for the last complete Rental Year preceding expiration of the Term, and (iii) all Additional Rental payable hereunder shall be payable at twice the rates in effect for the last month of the Term. All payments of Annual Basic Rental, Annual Percentage Rental, and Additional Rental shall be prorated on a daily basis for the period of any such holdover.

ARTICLE 5
USE

Section 5.1. Prompt Occupancy and Use.

(a) Tenant shall occupy the Premises upon commencement of the Term and thereafter will continuously use the Premises for the Permitted Use and for no other purpose whatsoever. Notwithstanding anything herein to the contrary, the Tenant may not sell, display or perform any of the following products or services: display advertising, public and non-public pay phones, automatic teller machines, airline clubs, in-flight catering services, car rentals, travel agencies and other modes of ground transportation or services connected therewith (but not including any courtesy telephone counters or boards), hotel lodging or services connected therewith, and wholesale sales (excluding non-recurring, incidental wholesale sales not made on-site to Airport passengers) (hereinafter, the "Excluded Products and Services"). In addition to Landlord's remedies as provided herein and at law as a result of a breach of its covenant in this Section 5.1, Tenant agrees that the Landlord shall be entitled to enforce this covenant using any and all equitable remedies, including the remedy of specific performance.

(b) Except in the case of a casualty or condemnation, in the event that Tenant fails to operate the Premises for the Permitted Use for any period of three (3) consecutive days or more or for more than three (3) days in any one Rental Year or for more than four (4) days during the Term hereof, Landlord shall have the right at any time thereafter to terminate this Sublease by giving the Tenant notice of the Landlord's election to so terminate this Sublease. This Sublease shall automatically terminate and the Tenant shall surrender possession of the Premises to the Landlord in the condition required by the provisions hereof on the fifth (5th) day following the day of such notice, unless within such five-day period the Tenant opens and operates its business in the Premises and fully utilizes the Premises as required hereunder. Time is of the essence with regard to the provisions of this Section. This Section shall not affect any rights that the Landlord may have under law or equity or hereunder in the event of a default by the Tenant under this Section.

Section 5.2. Storage and Other Services.

Tenant shall devote the maximum possible floor area of the Premises (and in any event not less than eighty percent (80%) of such floor area) to selling space, and shall not use any portion of the Premises for storage or other services, except for its operations in the Premises.

Section 5.3. Tenant Trade Name.

Unless otherwise approved in writing by Landlord, Tenant shall conduct business in the Premises only in the Tenant Trade Name.

Section 5.4. Store Hours.

Tenant shall cause its business to be conducted and operated in good faith and in such manner as shall assure the transaction of a maximum volume of business in and at the Premises. Tenant covenants and agrees that the Premises shall remain open for business at least during the

Store Hours. If Tenant shall fail to cause its business to be operated during the Store Hours in addition to any other remedy available to Landlord under this Sublease, Tenant shall pay to Landlord, as liquidated damages for such breach, a sum equal to the greater of (i) Two Hundred Fifty Dollars ($250.00) for each hour or portion thereof during which Tenant shall fail to so operate or (ii) Five Hundred Dollars ($500.00).

If Tenant shall request Landlord's approval of the opening of the Premises for business for periods exceeding those designated above and Landlord shall approve such request, Tenant shall pay for any additional costs incurred by Landlord in connection with Tenant's opening the Premises for business during such additional hours, including but not limited to, a proportionate share of any additional amounts of Landlord's Operating Costs.

ARTICLE 6
RENTAL

Section 6.1. Rentals Payable.

Tenant covenants and agrees to pay to Landlord, at the Landlord's address of P.O. Box 12860, Philadelphia, Pennsylvania 19176-0860 or at such address as the Landlord shall from time to time designate in writing as rental ("Rental") for the Premises, the following:

(a) the Annual Basic Rental specified in clause E of Section 1.1; plus

(b) the Annual Percentage Rental specified in clause F of Section 1.1; plus

(c) all additional sums, charges or amounts of whatever nature to be paid by Tenant to Landlord in accordance with the provisions of this Sublease, whether or not such sums, charges or amounts are referred to as additional rental (collectively referred to as "Additional Rental");

provided, however, that the Annual Basic Rental and the minimum amount of Gross Concession Sales utilized in the computation of Annual Percentage Rental shall be adjusted proportionately for any Rental Year of more or less than twelve (12) calendar months.

Section 6.2. Annual Basic Rental.

Annual Basic Rental shall be payable in equal monthly installments in advance on the first day of each full calendar month during the Term beginning upon the Rent Commencement Date, without notice, set-off, counterclaim, deduction or demand, the first such payment to include any prorated Annual Basic Rental for the period from the Rent Commencement Date to the first day of the first full calendar month immediately following the Rent Commencement Date.

Section 6.3. Annual Percentage Rental.

Annual Percentage Rental shall be determined and payable monthly on or before the tenth (10th) day following the close of each full calendar month during the Term beginning upon

the Rent Commencement Date, based on Gross Concession Sales for the preceding calendar month. Monthly payments of Annual Percentage Rental shall be calculated by (a) dividing the Breakpoint specified in clause F of Section 1.1 by twelve (12); (b) subtracting the quotient thus obtained from the amount of Gross Concession Sales for the month in question, and (c) multiplying the difference thus obtained (if greater than zero) by the percentage specified in clause F of Section 1.1. The first monthly payment of Annual Percentage Rental due hereunder shall include prorated Annual Percentage Rental based on Gross Concession Sales from the Rent Commencement Date through the last day of the month immediately prior to the first full calendar month immediately following the Rent Commencement Date calculated on a prorated basis consistently with the method set forth above. As soon as practicable after the end of each Rental Year, the Annual Percentage Rental paid or payable for such Rental Year shall be adjusted between Landlord and Tenant, and each party hereby agrees to pay to the other, on demand, the amount of any excess or deficiency in Annual Percentage Rental paid by Tenant to Landlord during the preceding Rental Year as may be necessary to effect adjustment to the agreed Annual Percentage Rental.

Section 6.4. "Rental Year" Defined.

The first "Rental Year" shall commence on the Rent Commencement Date and shall end on the June 30 immediately following the Rent Commencement Date; thereafter each Rental Year shall consist of successive periods of twelve calendar months commencing on July 1 and ending on June 30. Any portion of the Term remaining at the end of the last full Rental Year shall constitute the final Rental Year and all Rental shall be apportioned therefor.

Section 6.5. "Gross Concession Sales" Defined.

"Gross Concession Sales" means the actual sales prices or rentals of all goods, wares and merchandise sold, leased, licensed or delivered and the actual charges for all services performed by Tenant or by any subtenant, licensee or concessionaire in, at, from, or arising out of the use of the Premises, whether for wholesale, retail, cash, credit, trade-in or otherwise, without reserve or deduction for inability or failure to collect, and without any deduction for credit card discounts, cashier arrearages or shortages or loss revenues. Gross Concession Sales shall include, without limitation, sales and services (a) where the orders therefor originate in, at, from, or arising out of the use of the Premises, whether delivery or performance is made from the Premises or from some other place, (b) made or performed by mail, telephone, telegraph, electronic, video, internet, computer or other technology based systems whether existing now or developed in the future, or other similar orders taken, made, received or filled at or from the Premises, (c) made or performed by means of mechanical or other vending devices in the Premises, or (d) which Tenant or any subtenant, licensee, concessionaire or other person in the normal and customary course of its business would credit or attribute to its operations in any part of the Premises. Any deposit not refunded shall be included in Gross Concession Sales. Each installment or credit sale shall be treated as a sale for the full price in the month during which such sale is made, regardless of whether or when Tenant receives payment therefor. No franchise, occupancy or capital stock tax and no income or similar tax based on income or profits shall be deducted from Gross Concession Sales.

The following shall not be included in Gross Concession Sales: (i) any exchange of merchandise between stores of Tenant where such exchange is made solely for the convenient operation of Tenant's business and not for the purpose of consummating a sale made in, at or from the Premises, or for the purpose of depriving Landlord of the benefit of a sale which would otherwise be made in or at the Premises, (ii) returns to shippers or manufacturers, (iii) cash or credit refunds to customers on transactions (not to exceed the actual selling price of the item returned) otherwise included in Gross Concession Sales, (iv) sales of trade fixtures, machinery and equipment after use thereof in the conduct of Tenant's business, and (v) amounts collected and paid by Tenant to any government for any sales or excise tax.

Section 6.6. Statements of Gross Concession Sales.

From and after the Rent Commencement Date, Tenant shall deliver to Landlord: (a) within ten (10) days after the close of each calendar month of the Term, a written report (the "Monthly Report") certified by an authorized officer or agent of Tenant as being accurate and complete based on such officer's or agent's examinations of the books and records of Tenant, showing the Gross Concession Sales made in the preceding calendar month, (b) within fifteen (15) days after the close of each calendar quarter of the Term, a written report (the "Quarterly Report") certified by an authorized officer or agent of Tenant as being accurate and complete based on such officer's or agent's examination of the books and records of Tenant, showing the Gross Concession Sales made in the preceding calendar quarter, which report shall contain a report demonstrating compliance by the Tenant with the Street Pricing Plan more particularly described in Section 9.13 hereof, and (c) within thirty (30) days after the close of each Rental Year, a statement (the "Annual Report") of Gross Concession Sales for the preceding Rental Year which shall conform to and be in accordance with generally accepted accounting principles ("GAAP") and shall be certified by an officer or agent of Tenant as being accurate and complete based on such officer's or agent's examinations of the books and records of Tenant. The annual statement shall be accompanied by the signed certificate of an independent Certified Public Accountant ("CPA") stating specifically that (i) he has examined the report of Gross Concession Sales for the preceding Rental Year, (ii) his examination included such tests of Tenant's books and records as he considered necessary or appropriate under the circumstances, (iii) such report presents fairly the Gross Concession Sales of the preceding Rental Year, (iv) the said Gross Concession Sales conform with and are computed in compliance with the definition of Gross Concession Sales contained in Section 6.5 hereof and (v) the standards observed by the CPA in its audit are such that it planned and performed the audit to obtain reasonable assurances that Tenant's report of Gross Concession Sales are free from material misstatement. In no event shall the CPA be the one that is then working for the Landlord. Notwithstanding the foregoing, if and to the extent that the Prime Lease may be amended in the future to permit statements of Gross Concessions Sales to be certified by someone other than an independent CPA, then such statements may be certified by the chief financial officer of Tenant in lieu of by an independent CPA. If the Tenant provides products or services in more than one (1) Revenue Category, the sales attributable to each such Revenue Category must be individually tracked, and each of the foregoing reports shall set forth the amount of Gross Concession Sales allocable in such reporting period to each Revenue Category. For the purposes of this Sublease, the term "Revenue Category" shall mean the following categories of retail sales: (i) food and nonalcoholic beverages, (ii) alcoholic beverages, (iii) news and gift items, (iv) retail items and

merchandise (other than news and gift items), (v) duty-free goods and merchandise, and (vi) services. In addition, Tenant's Monthly Report and Annual Report shall also include a certification by Tenant of the sales taxes paid by Tenant to the Commonwealth of Pennsylvania for the applicable period set forth in such Reports.

If Tenant shall fail to deliver such annual statement and certificate to Landlord within said thirty (30) day period, Landlord shall have the right thereafter to employ an independent CPA to examine such books and records, including without limitation all records required by Section 6.7, as may be necessary to certify the amount of Tenant's Gross Concession Sales for such Rental Year, and Tenant shall pay to Landlord the cost thereof as Additional Rental. The amount of Gross Concession Sales shown by such certification shall be conclusive and binding on Tenant for all purposes hereunder. If such audit shall disclose that Tenant's records, in the opinion of such independent CPA, are inadequate to disclose such Gross Concession Sales, Tenant shall pay to Landlord, as Additional Rental, an equitable sum determined by such independent Certified Public Accountant but not exceeding fifty percent (50%) of the Annual Basic Rental payable by Tenant during the period in question.

It shall be an immediate Event of Default hereunder if Tenant fails to deliver to Landlord any of the aforementioned reports in the times and in the manner set forth in this Section 6.6.

Notwithstanding anything to the contrary contained herein, in the event that the Premises consist of multiple locations, Tenant shall provide separate statements of Gross Concession Sales for each location and all other reporting required hereunder shall address each location separately.

Section 6.7. Tenant's Records.

For the purpose of permitting verification by Landlord of any amounts due as Percentage Rental, Tenant will (a) prepare and maintain, in accordance with GAAP, wherever the same shall apply, applicable to operations similar to those being conducted in the Premises, such adequate books, records and accounts as are relevant to the determination of Percentage Rental due hereunder and which shall show all Gross Concession Sales. Such records shall include, (i) copies of all sales, retail or excise tax returns filed with any governmental authority; (ii) bank deposit records; and (iii) such other records, if any, that would normally be examined by an independent accountant pursuant to GAAP standards in performing an audit of Gross Concession Sales from the Premises; (b) keep safe at a location in the greater metropolitan Philadelphia area not more than ten (10) miles distant from the Airport, for at least five (5) years following the termination of the Term of this Sublease, all of such records for each Rental Year; and (c) use such cash registers and cash control devices acceptable to the Landlord and Prime Landlord that will accurately prepare a record of Gross Concession Sales at the Premises. Notwithstanding the foregoing, if and to the extent that the Prime Lease may be amended in the future to permit same, such records may be kept at Tenant's home office or primary record keeping location (provided the same is located in the continental United States) for a period of not less than three (3) years following the delivery of the annual statement for the Rental Year to which such records relate.

Tenant shall permit Landlord and Prime Landlord and the duly authorized representatives of either of them, during the Term of this Sublease and for a period of five (5) years following the termination of this Sublease, to:

(i) examine, at their sole expense, during normal business hours any and all of the records described above in this Section 6.7 and make copies of and take extracts from such records and from all other documents of Tenant relative to the Premises; and

(ii) cause to be made, at any time after forty-eight (48) hours prior written notice to Tenant of their intention to do so, a complete audit of the records described above in this Section 6.7 for any Rental Year for which an Annual Audited Report therefor is required. Any audit as described in this Section 6.7 shall be at the expense of Landlord or Prime Landlord, as the case may be, except that if such audit discloses that actual Percentage Rental for any Rental Year exceeded by more than two percent (2%) the amount reported in the Annual Audited Report therefor, the cost of such audit shall be paid by Tenant. The acceptance of Rent by or on behalf of Landlord computed on the basis of statements furnished by Tenant in accordance with this Sublease shall be without prejudice to the rights of the Landlord and Prime Landlord to inspect or audit the records authorized under this Section 6.7, and upon the discovery following any such examination or audit of any discrepancy in the reporting of Gross Concession Sales or Percentage Rental whereby Percentage Rental has previously been underpaid, such deficiency together with interest thereon at the Default Rate from the date such payment was due hereunder shall be immediately due and payable.

If such audit shall disclose that Tenant's records, in Landlord's opinion, are inadequate to accurately reflect Tenant's Gross Concession Sales, Landlord shall have the right to retain a consultant to prepare and establish a proper recording system for the determination of Tenant's Gross Concession Sales, and Tenant agrees that it shall use the system, books and records prescribed by such consultant for such purpose. Tenant shall pay to Landlord, as Additional Rental, the fees and expenses of such consultant.

Upon Landlord's request, Tenant shall promptly provide Landlord with any other information relative to Tenant's Gross Concession Sales reasonably required by Landlord including, without limitation, date and time of day of purchase.

Section 6.8. Payment of Rental.

Tenant shall pay all Rental when due and payable, without any notice, setoff, deduction, counterclaim or prior demand therefor whatsoever. Except as provided herein, Tenant shall not pay any Rental earlier than one (1) month in advance of the date on which it is due. If Tenant shall fail to pay any Rental within five (5) days after the same is due, Tenant shall pay to Landlord a late payment charge equal to the greater of One Hundred Dollars ($100.00) or ten percent (10%) of any Rental payment not paid when due to reimburse Landlord for its additional administrative costs. In addition, any Rental which is not paid within five (5) days after the same

is due shall bear interest at the Default Rate from the first day due until paid. Any Additional Rental which shall become due shall be payable, unless otherwise provided herein, with the next installment of Annual Basic Rental. Rental and statements required of Tenant shall be paid and delivered to Landlord at Landlord's address set forth in Section 6.1 hereof, or at such other place as Landlord may from time to time designate in a notice to Tenant. Any payment by Tenant or acceptance by Landlord of a lesser amount than shall be due from Tenant to Landlord shall be treated as a payment on account. The acceptance by Landlord of a check for a lesser amount with an endorsement or statement thereon, or upon any letter accompanying such check, that such lesser amount is payment in full, shall be given no effect, and Landlord may accept such check without prejudice to any other rights or remedies which Landlord may have against Tenant.

Section 6.9. Advance Rental.

Upon execution of this Sublease by Tenant, Tenant shall pay to Landlord the Advance Rental, the same to be held as security for the performance by Tenant of all obligations imposed under this Sublease which Tenant is required to perform prior to the commencement of the Term. If Tenant shall faithfully perform all such obligations, then the Advance Rental shall be applied, pro tanto, by Landlord against the Rental first becoming due hereunder. Otherwise, Landlord shall be entitled to apply the Advance Rental, pro tanto, against any damages which it may sustain by reason of Tenant's failure to perform its obligations under this Sublease, but such application shall not preclude Landlord from recovering greater damages if the same can be established.

Section 6.10. No Set-Offs or Deductions.

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

ARTICLE 7
TAXES

Section 7.1. Tenant to Pay Proportionate Share of Taxes.

Beginning upon the Rent Commencement Date, Tenant shall pay in each Tax Year during the Term, as Additional Rental, a proportionate share of all amounts payable by Landlord with respect to real estate taxes, ad valorem taxes and assessments, general and special, taxes on real estate rental receipts, taxes on Landlord's gross receipts, or any other tax imposed upon or levied against real estate, or upon owners of real estate as such rather than persons generally, extraordinary as well as ordinary, foreseeable and unforeseeable, including, without limitation, taxes imposed on leasehold improvements which are assessed against Landlord, and taxes payable by Landlord under the Prime Lease, payable with respect to or allocable to the Prime

Leased Premises, including all land and all other buildings and improvements situated thereon, together with the reasonable cost (including fees of attorneys, consultants and appraisers) of any negotiation, contest or appeal pursued by Landlord in an effort to reduce any such tax, assessment or charge, and all of Landlord's reasonable administrative costs in relation to the foregoing, all of the above being collectively referred to herein as "Taxes." Tenant's proportionate share of Taxes shall be computed by multiplying the amount of such Taxes by a fraction, the numerator of which shall be Tenant's Floor Area and the denominator of which shall be Landlord's Floor Area. For the Tax Year in which the Term commences or terminates, the provisions of this Section shall apply, but Tenant's liability for its proportionate share of any Taxes for such year shall be subject to a pro rata adjustment based upon the number of days of such Tax Year falling within the Term.

Section 7.2. Payment of Proportionate Share of Taxes.

Tenant's proportionate share of Taxes shall be paid by Tenant in monthly installments in such amounts as are estimated and billed for each Tax Year during the Term by Landlord, each such installment being due on the first day of each calendar month. At any time during a Tax Year, Landlord may reestimate Tenant's proportionate share of Taxes and thereafter adjust Tenant's monthly installments payable during the Tax Year to reflect more accurately Tenant's proportionate share of Taxes. Within one hundred twenty (120) days after Landlord's receipt of tax bills for each Tax Year, or such reasonable (in Landlord's determination) time thereafter, Landlord will notify Tenant of the amount of Taxes for the Tax Year in question and the amount of Tenant's proportionate share thereof. Any overpayment or deficiency in Tenant's payment of its proportionate share of Taxes for each Tax Year shall be adjusted between Landlord and Tenant, and Landlord and Tenant hereby agree that Tenant shall pay Landlord or Landlord shall credit to Tenant's account (or, if such adjustment is at the end of the Term, Landlord shall pay Tenant), as the case may be, within fifteen (15) days of the aforesaid notice to Tenant, such amounts as may be necessary to effect such adjustment. Failure of Landlord to provide such notice within the time prescribed shall not relieve Tenant of its obligations hereunder. Notwithstanding the foregoing, if Landlord is required under law to pay Taxes in advance, Tenant agrees to pay Landlord, upon commencement of the Term of this Sublease and thereafter upon the commencement of any Tax Year occurring during the Term of this Sublease, an amount equal to Tenant's share of Taxes for the entire applicable Tax Year and in such event, at the termination of this Sublease, Tenant shall be entitled to a refund of Taxes paid which are attributable to a period after this Sublease expires.

Section 7.3. "Tax Year" Defined.

The term "Tax Year" means each twelve (12) month period (deemed, for the purpose of this Section, to have 365 days) established as the real estate tax year by the taxing authorities having lawful jurisdiction over the Airport.

Section 7.4. Taxes on Rental; Use and Occupancy Taxes.

In addition to Tenant's proportionate share of Taxes, Tenant shall pay to the appropriate agency or to Landlord at Landlord's request, any sales, excise and other taxes, including, without

limitation, use and occupancy taxes, (not including, however, Landlord's income taxes) levied, imposed or assessed by the Commonwealth of Pennsylvania or the City of Philadelphia or any political subdivision thereof or other taxing authority upon any Rental payable hereunder. Tenant shall also pay, prior to the time the same shall become delinquent or payable with penalty, all taxes imposed on its inventory, furniture, trade fixtures, apparatus, equipment, leasehold improvements installed by Tenant or by Landlord on behalf of Tenant (except to the extent such leasehold improvements shall be covered by Taxes referred to in Section 7.1), and any other property of Tenant. Landlord may require that Tenant's leasehold improvements be separately assessed by the taxing authority.

ARTICLE 8
IMPROVEMENTS

Section 8.1. Landlord's Work.

Landlord shall, at its cost and expense, perform all items of work described as Landlord's work in Exhibit C attached hereto and made a part hereof ("Landlord's Work"). Landlord shall have the exclusive right to determine the architectural design and the structural, mechanical and other standard details and specifications of Landlord's Work, including, without limitation, type of materials and the manufacturer and supplier thereof. The Tenant acknowledges and agrees that the Landlord may make such changes, additions, deletions and modifications to Landlord's Work as are necessary to obtain the approval of the Prime Landlord of Landlord's Work, provided that the same does not materially adversely affect Tenant's operation of business in the Premises.

Section 8.2. Tenant's Work.

Tenant agrees, at its sole cost and expense, promptly to commence and complete promptly all items of Tenant's Work as set forth in Exhibit C ("Tenant's Work") (Landlord's Work and Tenant's Work are sometimes hereinafter collectively referred to as the "Tenant Improvements") in accordance with plans and specifications approved in writing by Landlord, using new and high-quality materials and equipment. Tenant shall open for business as soon thereafter as possible but in no event **earlier than the "Grand Opening" of the so-called "D/E Connector" and in no event [Delete bold language if tenant not located in D/E Connector (also not necessary once the Grand Opening occurs/Connector open).]** later than the Rent Commencement Date. Except as herein specifically set forth, in the event the Tenant shall have failed to complete the Tenant's Work and to have opened the Premises for business on or before the Rent Commencement Date, then all of the Tenant's charges shall nevertheless commence on the Rent Commencement Date at the rates specified in this Sublease, except that Annual Basic Rental shall then commence and be payable at the rate of one-fifteenth (1/15th) of the monthly amount of the Tenant's initial Annual Basic Rental per day until the Tenant shall so open for business. In any event, the Tenant agrees to open for business not later than the date determined in accordance with Section 4.1(a) above, **[except that, on prior request(s) of the Landlord, the Tenant shall open for business on the date of the so-called Grand Opening of the D/E Connector which is currently estimated to be November 21, 2008 provided such date is at least thirty (30) days after the delivery of possession of the Premises to the Tenant. If the Landlord shall make such request(s) and the Tenant shall so advance or delay its opening,**

then, notwithstanding anything contained in this Sublease, Rental and other charges to be paid by the Tenant shall not accrue, nor shall the Term hereof commence, until the date to which the Landlord has requested the Tenant to advance or postpone its opening; and such date shall be the Rent Commencement Date for all purposes hereunder. - delete if no Grand Opening.]

Plans and specifications for Tenant's Work, including the type of materials to be used by Tenant in the Premises, must be set forth in detail and submitted to Landlord for the written approval of Landlord immediately upon execution of this Sublease in accordance with the provisions set forth in Exhibit C. Tenant shall reimburse Landlord for plan review at the nominal rate of Two Thousand Five Hundred and 00/100 Dollars ($2,500.00). Tenant shall, at its sole cost and expense, immediately commence to obtain, diligently pursue and comply with all necessary permits, licenses or approvals from all federal, state and local government agencies, offices and authorities governing the construction of the Tenant's Work.

Section 8.3. Tenant's Contractors.

Tenant may only use Contractors (collectively, "Contractors" and individually, a "Contractor") approved by Landlord for any design or construction work in the Premises. Following the receipt by Tenant of bids from approved contractors for contracts relating to construction of Tenant's work, Tenant must submit the contract to Landlord, which the Landlord shall submit to Prime Landlord for approval prior to awarding any such contract. Without limiting the generality of the foregoing, Tenant acknowledges that the Landlord or Prime Landlord may reasonably disapprove any contract with any Contractor (i) that does not comply with the ACDBE Program, if Tenant (including any permitted subtenant or operator) becomes ACDBE Compliant under Section 9.8 hereof; (ii) is currently indebted to the Prime Landlord or Landlord; (iii) is in litigation with the Prime Landlord or Landlord; (iv) that is barred from doing business with the Prime Landlord; (v) that is or has been indicted or convicted of a crime; or (vi) or for other legitimate reasons, causes or considerations. In addition, if Tenant (including any permitted subtenant or operator) becomes ACDBE Compliant under Section 9.8 hereof, Landlord may disapprove of any of Tenant's Contractors if any such Contractors are not consistent with and will not permit compliance by Tenant or Landlord with the ACDBE Program. In no event shall Landlord's approval of Tenant's Contractors and/or contracts relating to construction of Tenant's work limit or supercede Tenant's construction obligations under this Sublease (including, without limitation, the provisions of Exhibit C).

Section 8.4. Tenant Improvements.

The Tenant Improvements shall, in all respects, (i) conform with all architectural, fire, safety, zoning, plumbing and electrical codes and all federal, state and local laws, regulations and ordinances pertaining thereto, including the ADA and all Airport and governing authorities standards, procedures and regulations; (ii) be completed in accordance with all industry standards; and (iii) be free and clear of any mechanics' or materialmens' liens or similar liens or encumbrances. Tenant agrees to retain its architect for contract administration of the construction contract for the construction of the Tenant's Work throughout the performance of

such work, and to cause such architect to be reasonably available to Landlord to respond to Landlord's requests for information regarding the status of such work.

Section 8.5. Investment Categories.

Landlord and Tenant agree that the Development Plan requires a minimum investment by Landlord and its subtenants, licensees and concessionaires. Landlord and Tenant agree that the minimum investment in Tenant Improvements shall be $_____ (the "Premises Minimum Investment"). Landlord and Tenant further agree that the Premises shall be improved in a manner consistent with the first-class standard of quality represented by the Premises Minimum Investment. In order to confirm that the Premises Minimum Investment has been made, promptly upon completion of the Tenant Improvements and prior to Tenant's opening for business in the Premises, Tenant shall deliver to Landlord a completed certificate (the "Investment Certificate") in the form attached hereto and made a part hereof as Exhibit D, which such Certificate shall be accompanied by the back-up information required by Landlord pursuant to the terms and provisions of Landlord's Construction Rules and Regulations. In the event that the actual cost of the Tenant Improvements approved by Landlord in its sole discretion is less than the Premises Minimum Investment, then Tenant shall promptly pay to Landlord an amount equal to two hundred percent (200%) of the difference between the Premises Minimum Investment and the actual cost of the Tenant Improvements. Upon completion of the Tenant Improvements, Landlord shall notify Prime Landlord in writing of the costs of the Tenant Improvements and shall provide Prime Landlord with the complete set of as-built drawings thereof, the cost of which shall be paid by Tenant. In addition, within twenty (20) days after substantial completion of the Tenant Improvements, and prior to occupancy thereof by Tenant, Tenant shall deliver to Landlord (i) copies of any and all certificates of occupancy and other approvals necessary to occupy the Premises, (ii) a certificate of its architect to the effect that the design and construction of the Tenant Improvements have been completed in accordance with the plans and specifications approved by Landlord and Prime Landlord as set forth herein, (iii) a certificate stating that all costs and expenses for labor, services, materials and supplies used in designing, constructing and equipping the Premises for which payment is due have been paid in full, and (iv) a complete set of as-built drawings showing all of the Tenant Improvements as actually constructed. For the purposes of this Sublease, the term "substantial completion" of the Tenant Improvements shall mean that the Tenant Improvements are complete in accordance with Exhibit C hereof so that only minor punch-list items remain.

Section 8.6. Mechanic's Liens.

No work performed by Tenant pursuant to this Sublease, whether in the nature of erection, construction, alteration or repair, shall be deemed to be for the immediate use and benefit of Landlord so that no mechanic's or other lien shall be allowed against the estate of Landlord by reason of any consent given by Landlord to Tenant to improve the Premises. Tenant shall place such contractual provisions as Landlord may request in all contracts and subcontracts for Tenant's improvements assuring Landlord that no mechanic's liens will be asserted against Landlord's interest in the Premises or the property of which the Premises are a part. Said contracts and subcontracts shall provide, among other things, the following: That notwithstanding anything in said contracts or subcontracts to the contrary, Tenant's contractors,

subcontractors, suppliers and materialmen (hereinafter collectively referred to as "Contractors") will perform the work and/or furnish the required materials on the sole credit of Tenant; that no lien for labor or materials will be filed or claimed by any of the Contractors against Landlord's interest in the Premises or the property of which the Premises are a part; that the Contractors will immediately discharge any such lien filed by any of the Contractor's suppliers, laborers, materialmen or subcontractors; and that the Contractors will indemnify and save Landlord and Prime Landlord harmless from any and all costs and expenses, including reasonable attorneys' fees, suffered or incurred as a result of any such lien against Landlord's interest that may be filed or claimed in connection with or arising out of work undertaken by the Contractors. Prior to the commencement of Tenant's Work hereunder, Tenant shall cause each Contractor with whom it contracts to execute and file in the office of the Prothonotary of the Courts of Common Pleas for Philadelphia and Delaware County, as the case may be, a waiver of the right to file any mechanics' liens, in form and substance acceptable to the Landlord, which waiver shall provide that no mechanics lien may be filed or can arise in connection with any claims by such Contractor and all subcontractors. Without limiting the generality of the foregoing, (i) in addition, Tenant shall cause all such Contractors to execute and deliver to Landlord agreements, in form and substance reasonably acceptable to Landlord and Prime Landlord, pursuant to which the Contractors waive their rights to file any mechanic's or materialmen's liens against the Premises or the Property of which the Premises are a part and (ii) Tenant shall pay promptly all persons furnishing labor or materials with respect to any work performed by Tenant or its Contractors on or about the Premises. If any mechanic's or other liens shall at any time be filed against the Premises or the property of which the Premises are a part by reason of work, labor, services or materials performed or furnished, or alleged to have been performed or furnished, to Tenant or to anyone holding the Premises through or under Tenant, and regardless of whether any such lien is asserted against the interest of Landlord or Tenant, Tenant shall forthwith cause the same to be discharged of record or bonded to the satisfaction of Landlord. If Tenant shall fail to cause such lien forthwith to be so discharged or bonded after being notified of the filing thereof, then in addition to any other right or remedy of Landlord, Landlord may bond or discharge the same by paying the amount claimed to be due, and the amount so paid by Landlord, including reasonable attorneys' fees incurred by Landlord either in defending against such lien or in procuring the bonding or discharge of such lien, together with interest thereon at the Default Rate, shall be due and payable by Tenant to Landlord as Additional Rental.

Section 8.7. Tenant's Leasehold Improvements and Trade Fixtures.

All leasehold improvements and other fixtures, equipment and property installed in the Premises at any time, whether by or on behalf of Tenant or by or on behalf of Landlord, shall not be removed from the Premises at any time and at the expiration of this Sublease (either on the Termination Date or upon such earlier termination as provided in this Sublease), all such leasehold improvements shall be deemed to be part of the Premises, shall not be removed by Tenant when it vacates the Premises, and title thereto shall vest solely in Prime Landlord without payment of any nature to Tenant, unless Landlord or Prime Landlord requests their removal, in which event, Tenant shall remove all such leasehold improvements installed by or on behalf of Tenant that Landlord or Prime Landlord requests to be removed and shall repair any damage caused by such removal and restore the Premises to substantially the same condition as existed prior to the installation of such leasehold improvements.

All personal property, equipment and trade fixtures that can be removed without material damage to the Premises and that are owned or leased by Tenant and installed in the Premises shall remain the property of Tenant and shall be removable upon the expiration of the Term; provided Tenant shall not at such time be in default of any terms or covenants of this Sublease, and provided further, that Tenant shall repair any damage to the Premises caused by the removal of any such property and shall restore the Premises to substantially the same condition as existed prior to the installation of such property.

To protect Landlord in the event Tenant defaults hereunder, Tenant hereby grants to Landlord a security interest under the Pennsylvania Uniform Commercial Code in all goods, inventory, equipment, trade fixtures, and all personal property belonging to Tenant which are or may be put into the Premises during the Term and all proceeds of the foregoing. Said security interest shall secure all amounts to be paid by Tenant to Landlord hereunder, including all costs of collection and other costs specified in Sections 17.2 and 17.3 hereof, and any other indebtedness of Tenant to Landlord. Tenant agrees to sign any financing statement or security agreement requested by Landlord in order to perfect such security interest. The lien granted hereunder shall be in addition to any Landlord's lien that may now or at any time hereafter be provided by law.

Section 8.8. Construction Performance and Payment Bonds.

Prior to the commencement of the construction of any Tenant Improvements, and at any time Tenant undertakes any construction at the Premises, Tenant shall cause its Contractors to obtain and deliver to Prime Landlord, at Tenant's sole cost and expense, performance and payment bonds, on forms approved by Prime Landlord and provided by a bonding company on the Prime Landlord's approved list and otherwise acceptable to Prime Landlord, as follows:

(a) A contract surety bond in a sum equal to one hundred percent (100%) of the actual amount of the construction contract for all leasehold improvements made pursuant to this Sublease and one hundred percent (100%) of the total construction contract for additional improvements, as the case may be. Such bond shall guaranty the faithful performance of necessary construction and completion of improvements in accordance with the approved plans and specifications and shall indemnify and hold harmless Landlord and Prime Landlord against any losses, liability, damages, expenses, claims, and judgments caused by or resulting from any failure of Tenant or its contractor to perform completely the work described therein.

(b) A payment bond with Tenant's contractor or contractors as principal, in a sum equal to one hundred percent (100%) of the actual amount of the construction contract for all leasehold improvements made pursuant to this Sublease, and one hundred percent (100%) of the total construction contract for additional improvement, as the case may be. Said Bond shall guaranty payment of all wages for labor and services engaged and of all bills for materials, supplies and equipment used in the performance of any such construction contract.

Section 8.9. Prevailing Wages.

Tenant shall comply with all applicable law, including but not limited to Section 17-107 and Chapter 17-1300 of The Philadelphia Code, regarding the payment of prevailing wages. Tenant shall insert appropriate provisions in all contracts covering construction or design work under this Sublease or in connection with the Premises to require compliance of all such Contractors with the foregoing wage decisions and regulations, and Tenant shall enforce such obligations.

ARTICLE 9
OPERATIONS

Section 9.1. Operations by Tenant.

(a) In regard to the use and occupancy of the Premises, Tenant will at its expense: (a) keep the inside and outside of all glass in the doors and windows of the Premises clean; (b) keep all exterior store surfaces of the Premises clean; (c) replace promptly any cracked or broken glass of the Premises with glass of like color, grade and quality; (d) maintain or cause to be maintained, and keep or cause to be kept, the Premises in a clean, good, safe, orderly and sanitary condition and repair consistent with the operation of a first-class retail center in a mall and a first-class specialty retail project, sufficient to maintain the first-class standard of quality contemplated by the Development Plan, free of insects, rodents, vermin and other pests (and to this end such maintenance shall also include the removal of all trash from all receptacles serving the Premises and from the Premises at least once daily and the complete pest and bug extermination of the Premises as needed but no less frequently than monthly and the cleaning of any grease traps and/or receptacles and hood units and vent systems inclusive of roof exhaust); (e) keep any garbage, trash, rubbish or other refuse in rat-proof containers within the interior of the Premises until removed and dispose of the same as required by applicable law; (f) deposit such garbage, trash, rubbish and refuse, on a daily basis, in designated receptacles provided by Landlord; (g) keep all mechanical apparatus free of vibration and noise which may be transmitted beyond the Premises; (h) comply with all reasonable recommendations of Landlord's casualty insurer(s) and other applicable insurance rating organization now or hereafter in effect; (i) light the show windows of the Premises and exterior signs and turn the same off to the extent required by Landlord; (j) keep in the Premises and maintain in good working order one (1) or more type 2AlOBC dry chemical fire extinguisher(s); (k) maintain sufficient and seasonal inventory and have sufficient number of personnel to maximize sales volume in the Premises; and (1) conduct its business in all respects in a dignified manner in accordance with high standards of store operation consistent with the quality of operation of the Concession Area as determined by Landlord, and provide an appropriate mercantile quality comparable with the entire Concession Area. Notwithstanding the foregoing, if Landlord designates a contractor for the cleaning of any grease traps, receptacles, hood units and/or vent systems (inclusive of roof exhaust), then Tenant agrees to use said contractor for such cleaning and to pay Landlord or said contractor all charges at the rates and by the due dates established therefor from time to time; provided, however, that Landlord shall have no liability whatsoever with respect to such cleaning and equipment, Tenant being solely responsible therefor. With the exception of specifically designated management personnel, all employees of Tenant shall wear appropriate uniforms and

identification tags (except where otherwise approved by Landlord and Prime Landlord), and shall be courteous and helpful to the public. Tenant shall participate and shall cause all of its employees to participate in any customer service program established by Landlord and in connection therewith Tenant shall pay to Landlord its pro rata share of the cost of establishing and maintaining said customer service program. The Tenant shall accept at least three (3) nationally recognized credit cards for payment of purchases made in the Premises. Salaries of all employees of Tenant shall be paid unconditionally and not less often than once a month without deduction or rebate on any account, except only for such payroll deductions as are mandated by law or permitted by the applicable regulations issued by the United States Secretary of Labor pursuant to the "Anti-Kickback Act" of June 13, 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Title 18 U.S.C., Section 874; and Title 40 U.S.C. Section 276c).

Tenant shall use receptacles approved by Landlord and Prime Landlord for all garbage, trash, and other refuse on the Premises. Tenant shall not pile boxes, cartons, barrels, pallets, debris or similar items in an unattractive or unsafe manner on or about the Premises, but shall utilize the trash collection area designated from time to time by Landlord. Tenant shall participate in any general Airport trash collection/disposal/recycling program adopted by Landlord or Prime Landlord. Further, Tenant shall observe and comply with all rules and regulations from time to time established by Landlord, including, without limitation, Landlord's requirements with respect to "street pricing" (as set forth in Section 9.13 hereof) of products and services sold by tenants at the Airport. Tenant shall, at its sole cost and expense, obtain and maintain all licenses, permits and approvals required by any federal, state or local governmental agencies, boards, authorities, offices or directives necessary to carry on the Permitted Use in the Premises during the Term.

In regard to the use and occupancy of the Premises and the Common Areas, Tenant will not: (m) place or maintain any merchandise, signage, trash, refuse or other articles in any vestibule or entry of the Premises, on the footwalks or corridors adjacent thereto or elsewhere on the exterior of the Premises, nor obstruct any driveway, corridor, footwalk, parking area, mall or any other Common Areas or any of the Airport Retained Space; (n) use or permit the use of any objectionable advertising medium such as, without limitation, loudspeakers, phonographs, public address systems, sound amplifiers, reception of radio or television broadcasts within the Premises, which is in any manner audible or visible outside of the Premises; (o) permit undue accumulations of or burn garbage, trash, rubbish or other refuse within or without the Premises; (p) cause or permit objectionable odors (in Landlord's opinion) to emanate or to be dispelled from the Premises; (q) solicit business in any Common Areas; (r) distribute handbills or other advertising matter in any Common Areas; (s) permit the parking of vehicles so as to interfere with the use of any driveway, corridor, footwalk, parking area, mall or other Common Areas or any of the Airport Retained Space; (t) receive, deliver or ship articles of any kind other than in the manner, at such times, and in such areas, as may be designated by Landlord; (u) use the corridors or any other Common Areas adjacent to the Premises or any of the Airport Retained Space for the sale or display of any merchandise or for any other business, occupation or undertaking; (v) conduct or permit to be conducted any auction, fictitious fire sale, going out of business sale, bankruptcy sale (unless directed by court order), or other similar type sale in or connected with the Premises (but this provision shall not restrict the freedom of Tenant in determining its own selling prices subject to the provisions of Section 9.13, nor shall it preclude

the conduct of periodic seasonal, promotional or clearance sales); (w) place a load upon any floor which exceeds the floor load which the floor was designed to carry; (x) operate its heating or air-conditioning in such a manner as to drain heat or air-conditioning from the Common Areas or from the premises of any other tenant or other occupant of the Concession Area; or (y) use the Premises for any unlawful or illegal business, use or purpose, or for any business, use or purpose which is immoral or disreputable (including without limitation "adult entertainment establishments" and "adult bookstores"), or which is hazardous as determined by Landlord in its sole discretion, or in such manner as to constitute a nuisance of any kind (public or private) as determined by Landlord in its sole discretion, or for any purpose or in any way in violation of the certificates of occupancy (or other similar approvals of applicable governmental authorities).

Tenant acknowledges that it is Landlord's intent that the Concession Area be operated in a manner which is consistent with the highest standards of decency and morals prevailing in the Airport. Toward that end, Tenant agrees that it will not sell, distribute, display or offer for sale any item which, in Landlord's good faith judgment, is inconsistent with the quality of operation of the Concession Area or the Airport or may tend to injure or detract from the moral character or image of the Concession Area or the Airport within such community. Without limiting the generality of the foregoing, Tenant will not sell, distribute, display or offer for sale (i) any roach clip, water pipe, bong, coke spoon, cigarette papers, hypodermic syringe or other paraphernalia commonly used in the use or ingestion of illicit drugs, (ii) any pornographic, lewd, suggestive, or "adult" book, magazine or other printed material, film, picture, recording or video or audio representation of any kind, or (iii) any handgun.

(b) Tenant shall comply in its design, construction, use, occupancy and operation of the Premises, at the Tenant's sole cost and expense, with (i) all regulations and directives now or hereafter promulgated by the Federal Aviation Authority ("FAA"), including those pertaining to airport security, as the same may be amended or modified from time to time during the Term, (ii) all zoning and other land use rules and regulations applicable to the Airport and the municipality in which the Airport is located, as the same may be amended or modified from time to time, (iii) the ACDBE Program if Tenant (including any permitted subtenant or operator) becomes ACDBE Compliant under Section 9.8 hereof, (iv) all federal, Commonwealth and local laws, rules, regulations and ordinances, including the Americans with Disabilities Act ("ADA"), Chapter 17-1300 of The Philadelphia Code entitled "Philadelphia 21st Century Minimum Wage Standard", all building and health codes and all Environmental Laws, and (v) all rules and regulations promulgated from time to time by the Prime Landlord, including, without limitation, those relating to the administration of the Airport and the McBride Principles concerning investments in Northern Ireland. Tenant shall inform Landlord and the Chief Executive Officer of the Division of Aviation for the Airport, in writing, of any notices of violations of any such applicable law within twenty-four (24) hours of receipt thereof, and shall correct any violations within the time prescribed by law or immediately in the case of any emergency. For the purposes of this Sublease, the term "Environmental Laws" shall mean collectively, all federal and state and local environmental safety or health laws and ordinances and rules or common law, including but not limited to, the Occupational Safety and Health Act of 1970, as amended (29 U.S.C. Section 651 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1081 et seq.), the Resource Conservation and Recovery

Act (42 U.S.C. Section 6091 et seq.), the Toxic Substances Control Act of 1976, as amended (15 U.S.C. Section 2601 et seq.), the Clean Air Act (42 U.S.C. Section 7401 et seq.), the Safe Drinking Water Act (42 U.S.C. Sections 1251-1387), as any of the foregoing may hereafter be amended; any rule or regulation promulgated pursuant thereto, and any other present or future law, ordinance, rule, regulation, permit, condition, order or directive addressing environmental, health or safety issues, of or by the federal government, or any state or other political subdivision thereof, or any agency, court or body of the federal government or any state or other political subdivision thereof, exercising executive, legislative, judicial, regulatory or administrative functions. Without limiting the general application of the foregoing provisions, if at any time during the Term hereof any such laws, rules, regulations and ordinances require the installation in the Premises of sprinklers or additional sprinklers or fire suppression equipment, Tenant shall perform any such required installation at its sole expense.

Further, Tenant shall obtain and pay for all licenses, permits, fees or other authorizations required under federal, state or local laws and regulations insofar as they are necessary to comply with the requirements of this Sublease and the privileges extended hereunder. Upon termination of this Sublease, Tenant shall cooperate with Landlord and any successor operator in the transfer of all licenses and permits necessary to operate the Premises to the extent transferable, and in connection therewith, Tenant shall execute all documents required by any licensing authority to facilitate the issuance of permits to such successor operator.

In addition, Tenant shall not conduct operations in or on the Premises or the Prime Leased Premises in a manner that, in the judgment of the Landlord or the Prime Landlord:

(a) interferes or might interfere with the reasonable use by others of common facilities at the Airport, including the smooth and orderly flow of passengers and baggage to the Airport;

(b) hinders or might hinder police, fire fighting or emergency personnel in the discharge of their duties;

(c) would or would possibly constitute a hazardous condition at the Airport;

(d) would or would be likely to increase the premiums for insurance policies maintained by Prime Landlord;

(e) would involve any illegal purpose;

(f) is not in accordance with the 49 CFR Parts 23 and 26 or the ACDBE Program and Prime Lease Requirements (as defined in Section 9.8 hereof) or the Development Plan; or

(g) is not in accordance with the commitment of Tenant and Landlord to provide first-class food, beverage and retail facilities in the Terminal Building.

Section 9.2. Signs and Advertising.

Tenant will not place or suffer to be placed or maintained on the exterior of the Premises, or any part of the interior visible from the exterior thereof, any sign, banner, advertising matter or any other thing of any kind (including, without limitation, any hand-lettered advertising), and will not place or maintain any decoration, letter or advertising matter on the glass of any window or door of the Premises without first obtaining Landlord's written approval. Tenant will, at its sole cost and expense, maintain such sign, banner, decoration, lettering, advertising matter or other thing as may be permitted hereunder in good condition and repair at all times.

Section 9.3. Painting and Displays by Tenant.

Tenant will not paint or decorate any part of the exterior of the Premises, or any part of the interior of the Premises visible from the exterior thereof, without first obtaining Landlord's written approval. Tenant will install and maintain at all times, subject to the other provisions of this Section, displays of merchandise in the show windows (if any) of the Premises. All articles, and the arrangement, style, color and general appearance thereof, in the interior of the Premises including, without limitation, window displays, advertising matter, signs, merchandise and store fixtures, shall be in keeping with the character and standards of the improvements within the Concession Area, as determined by Landlord. Landlord reserves the right to require Tenant to correct any non-conformity.

Section 9.4. Trash Removal Service and Delivery Service.

(a) Landlord shall furnish a service for the removal of trash from receptacles provided by Tenant and approved by Landlord for the daily deposit by Tenant of its garbage, trash, rubbish or other refuse to dumpsters located at the Airport, the cost of which service shall be included in Landlord's Operating Costs (defined below).

In addition, Landlord shall provide for trash removal from such dumpsters by a contractor selected by Landlord. The cost of such trash removal, together with the costs of cleaning, maintaining, and repairing such dumpsters and the cost of any utility service used in the operation and maintenance of such dumpsters are referred to, collectively, as the "Dumpster Costs". Tenant agrees to pay, as Additional Rental, Tenant's allocable share (as reasonably determined from time to time by Landlord), of the Dumpster Costs. Such payments shall be payable monthly (along with Tenant's payment of Annual Basic Rental) in such amounts as may be reasonably estimated by Landlord from time to time and, after the close of each Rental Year during the Term Landlord shall reconcile such estimated payments against actual costs and Tenant shall promptly thereafter make an adjusting payment or Landlord shall promptly thereafter make an adjusting credit, as the case may be.

(b) If Landlord should elect to furnish a service for the delivery and distribution of merchandise and other items, then Tenant shall use such delivery service and reimburse Landlord monthly, as Additional Rental, for Tenant's allocable share (as reasonably determined from time to time by Landlord) of all costs incurred by

Landlord in furnishing such delivery and distribution service. Tenant's allocable share of such costs, as the same may be adjusted as provided below, is hereinafter referred to as the "Delivery Service Charge". The Delivery Service Charge shall be payable monthly (along with Tenant's payment of Annual Basic Rental) in such amounts as may be reasonably estimated by Landlord from time to time and, after the close of each Rental Year during the Term, Landlord shall reconcile such estimated payments against actual costs and Tenant shall promptly thereafter make an adjusting payment or Landlord shall promptly thereafter make an adjusting credit, as the case may be.

Section 9.5. Permitted Use Disclaimer.

Except as expressly otherwise provided herein, nothing contained in this Sublease shall be construed to indicate any intent or attempt on the part of Landlord to restrict the price or prices at which Tenant may sell any goods or services permitted to be sold at or from the Premises pursuant to this Sublease.

Section 9.6. Hazardous Substances.

Tenant shall not use or allow the Premises to be used for the Release, storage, use, treatment, disposal or other handling of any Hazardous Substance, without the prior consent of Landlord. The term "Release" shall have the same meaning as is ascribed to it in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., as amended, ("CERCLA"). The term "Hazardous Substance" means (i) any substance defined as a "hazardous substance" under CERCLA, (ii) petroleum, petroleum products, natural gas, natural gas liquids, liquefied natural gas and synthetic gas, and (iii) any other substance or material deemed to be hazardous, dangerous, toxic, or a pollutant under any of the Environmental Laws.

Tenant shall: (a) give prior notice to Landlord of any activity or operation to be conducted by Tenant at the Premises which involves the Release, use, handling, generation, treatment, storage, or disposal of any Hazardous Substance ("Tenant's Hazardous Substance Activity"), (b) comply with all federal, state, and local laws, codes, ordinances, regulations, permits and licensing conditions governing the Release, discharge, emission, or disposal of any Hazardous Substance and prescribing methods for or other limitations on storing, handling, or otherwise managing Hazardous Substances, (c) at its own expense, promptly contain and remediate any Release of Hazardous Substances arising from or related to Tenant's Hazardous Substance Activity in the Premises, the Terminal Building, the Airport, or the environment and remediate and pay for any resultant damage to property, persons, and/or the environment, (d) give prompt notice to Landlord, and all appropriate regulatory authorities, of any Release of any Hazardous Substance in the Premises, Terminal Building, the Airport or the environment arising from or related to Tenant's Hazardous Substance Activity, which Release is not made pursuant to and in conformance with the terms of any permit or license duly issued by appropriate governmental authorities, any such notice to include a description of measures taken or proposed to be taken by Tenant to contain and remediate the Release and any resultant damage to property, persons, or the environment, (e) at Landlord's request, which shall not be more frequent than

once per calendar year, retain an independent engineer or other qualified consultant or expert acceptable to Landlord, to conduct, at Tenant's expense, an environmental audit of the Premises and immediate surrounding areas, and the scope of work to be performed by such engineer, consultant, or expert shall be approved in advance by Landlord, and all of the engineer's, consultant's, or expert's work product shall be made available to Landlord, (f) at Landlord's request from time to time, execute affidavits, representations and the like concerning Tenant's best knowledge and belief regarding the presence of Hazardous Substances in the Premises, (g) reimburse to Landlord, upon demand, the reasonable cost of any testing for the purpose of ascertaining if there has been any Release of Hazardous Substances in the Premises, if such testing is required by any governmental agency or Landlord's Mortgagee, (h) upon expiration or termination of this Sublease, surrender the Premises to Landlord free from the presence and contamination of any Hazardous Substance.

Section 9.7. Non-Discrimination.

(a) (i) This Sublease is entered into under the Philadelphia Home Rule Charter and in the exercise of the privileges herein granted, Tenant shall not discriminate or permit discrimination against any person because of race, color, religion, national origin, sex, sexual orientation or ancestry. Accordingly, without limiting any other provision of this Sublease, Tenant agrees to comply with Act 57 of 1998, 62 Pa.C.S. § 3701, and the Fair Practices Ordinance of the City of Philadelphia (Section 9-1100 of the Philadelphia Code) and the Mayor's Executive Order No. 4-86, as each may be amended from time to time.

(ii) Tenant covenants and agrees that in accordance with Chapter 17-400 of the Philadelphia Code, payment or reimbursement of membership fees or other expenses associated with participation by its employees and in an exclusionary private organization, insofar as its participation confers an employment advantage or constitutes or results in discrimination with regard to hiring, tenure of employment, promotions, terms, privileges or conditions of employment, on the basis of race, color, religion, national origin, ancestry, sexual orientation, or physical handicap constitutes an immediate Event of Default under this Sublease entitling Landlord to all rights and remedies provided in this Sublease or otherwise available in law or equity. Tenant further agrees to cooperate with the Commission on Human Relations of the City of Philadelphia in any manner in which the said Commission deems reasonable or necessary for the Commission to carry out its responsibilities under Chapter 17-400 of the Philadelphia Code. Failure to so cooperate shall constitute an immediate Event of Default under this Sublease entitling the Landlord to all rights and remedies provided herein or otherwise available in law or equity.

(b) (i) Tenant covenants and agrees that in order to confirm the assurance required by the Landlord and Prime Landlord by Title VI of the Civil Rights Act of 1964 and by 49 CFR Part 21 of the regulations governing the U.S. Department of Transportation ("DOT"), as amended, Tenant will not, in its operation and use of the Premises, discriminate nor permit discrimination against any person or group of persons on the ground of race, color or national origin in any manner prohibited by 49 CFR Part 21. Non-compliance with this section will constitute an immediate Event of Default under this Sublease; therefore in the event of such non-compliance, Tenant hereby authorizes Landlord or Prime Landlord to take such action as the

federal government permits to enforce compliance, including the right to seek judicial enforcement.

(ii) Tenant covenants and agrees that it will undertake an affirmative action program if required by 14 CFR Part 152, Subpart (E) as amended from time to time. Tenant assures Landlord that it will require its covered suborganizations (including Contractors) provide assurances to Landlord and Prime Landlord that they similarly will undertake affirmative action programs and they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart (E), to the same effect.

(c) Tenant shall insert appropriate provisions in all contracts relating to the Premises to insure compliance by such Contractors with the provisions of this Section.

Section 9.8. Disadvantaged Business Enterprise Requirements.

A. Insofar as concession operations, although this Sublease is not subject to the requirements of the U.S. Department of Transportation Regulations 49 CFR Parts 23 and 26, Landlord and Prime Landlord encourage Tenant to make every effort during the Term of this Sublease to become compliant with 49 CFR Parts 23 and 26 (hereafter referred to as "ACDBE Compliant"), and Tenant agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement related to this Sublease. Tenant shall include the foregoing statements in any subsequent concession agreement or contract related to the Premises described in Exhibit A that it enters and cause those businesses to similarly include the statements in further agreements.

B. In the event Tenant (including any permitted subtenant or operator) becomes ACDBE Compliant during the Term of this Sublease, Tenant covenants on behalf of itself or any permitted subtenant or operator to cooperate with Landlord in order to facilitate Landlord's compliance with 49 CFR Parts 23 and 26 and the Prime Lease, and Tenant covenants that it will fully carry out and comply with, and cause any permitted subtenant or operator to fully carry out and comply with, its obligations under 49 CFR Parts 23 and 26, the Prime Landlord's current ACDBE Program and the Prime Lease requirements for ACDBE participation (hereafter collectively referred to as the "ACDBE Program and Prime Lease Requirements"). Non-compliance with the ACDBE Program and Prime Lease Requirements by Tenant or any permitted subtenant or operator shall constitute an Event of Default hereunder. Without limitation, Tenant shall employ, and shall cause any permitted subtenant or operator to employ, disadvantaged persons (including minorities and females) as defined in 49 CFR Part 23, and utilize ACDBE firms in the provision of goods and services such as equipment, supplies, uniforms, security, and legal services in accordance with the goals in the Prime Landlord's current ACDBE Program, as required by 49 CFR Part 23. Nothing in this Sublease shall be interpreted to require Tenant or any permitted subtenant or operator to participate in any local diversity program which conflicts with 49 CFR Parts 23 and 26. Accordingly, Tenant's compliance duties under Exhibit E of the Prime Lease, and those of any permitted subtenant or operator, shall be subordinate to the requirements of the Prime Landlord's ACDBE Program and 49 CFR Parts 23 and 26.

C. In addition, if Tenant or any permitted subtenant or operator becomes ACDBE Compliant:

(i) Prime Landlord reserves the right to conduct post-award compliance reviews to insure that Landlord and Tenant or any permitted subtenant or operator are in compliance with the ACDBE Program and Prime Lease Requirements.

(ii) Tenant (including any permitted subtenant or operator) shall cooperate fully with the Prime Landlord, including but not limited to the Deputy Mayor of Transportation and Utilities (or his or her designee or successor), the Chief Executive Officer of the Division of Aviation (or his or her designee), and any other government agency with jurisdiction over compliance with the ACDBE Program and Prime Lease Requirements, in (a) providing any information, documentation, etc. required by the Prime Landlord or any other government agency involved in monitoring compliance with the ACDBE Program and Prime Lease Requirements within five (5) days of said request; (b) complying with Prime Landlord's requirements for approving ACDBE substitutions or other participation substitutions; and (c) complying with Prime Landlord's requirements for participation in the ACDBE Program or otherwise complying with any other matter within Prime Landlord's authority, obligations and/or responsibilities. Notwithstanding any other rights or remedies available under the governing laws, Landlord and Tenant (including any permitted subtenant or operator) shall use all commercially reasonable efforts and due diligence to resolve disputes relating to the ACDBE Program and Prime Lease Requirements in accordance with the City's current ACDBE Program and 49 CFR Parts 23 and 26.

(iii) In addition to the record requirements in this Sublease and the Prime Lease, to confirm Tenant's compliance, and the compliance of any permitted subtenant or operator, with the ACDBE Program and Prime Lease Requirements, Tenant or any permitted subtenant or operator shall: (a) retain all records related to its compliance with the above requirements for a period of at least five (5) years following the termination of this Sublease; and (b) include in the Monthly Report, the Quarterly Report and the Annual Report a summary of all ACDBE concession activities at or in connection with the Premises and a report of minority and female employment utilization, demonstrating compliance with the ACDBE Program and Prime Lease Requirements and such other information relative to Tenant's compliance, or the compliance of any permitted subtenant or operator, as Landlord may reasonably require; and (c) produce all of the above in accordance with this Section 9.8.

(iv) If at any time during the Term of this Sublease, the Tenant or any permitted subtenant or any permitted operator shall qualify as an ACDBE, Tenant shall notify Landlord and Prime Landlord immediately.

(v) Tenant or any permitted subtenant or any permitted operator shall also comply with the following additional requirements:

(a) Tenant or any permitted subtenant or any permitted operator shall remain at least fifty-one percent (51%) ACDBE owned at all times during the Term; and

(b) Each entity that holds the ACDBE ownership in the Tenant or any permitted subtenant or any permitted operator shall be certified as such by the Pennsylvania Unified Certification Program (PaUCP) at all times during the remainder of the Term; provided, however, that Landlord acknowledges and agrees that, if Tenant or any permitted subtenant or operator fails to maintain its status as a certified ACDBE by PaUCP during the Term of the this Sublease due to Tenant or any permitted subtenant or operator no longer meeting the statutory or regulatory requirements of ACDBE total gross sales or the statutory or regulatory personal net worth requirements, such failure shall not be considered a default by Tenant or any permitted subtenant or operator under this Section 9.8, so long as the Prime Landlord continues fully to count Tenant's ACDBE participation; and

(c) Tenant or any permitted subtenant or any permitted operator shall comply (unless such compliance is waived by Prime Landlord or otherwise to the extent required under applicable law) in full with the terms and conditions outlined in Exhibit F attached hereto and made a part hereof. Exhibit F shall be fully executed by each Tenant or permitted subtenant or permitted operator, as the case may be.

D. If Tenant or any permitted subtenant or operator becomes ACDBE Compliant, the failure thereafter of Tenant or any permitted subtenant or operator to comply with this Section 9.8 shall be a default hereunder subject to the terms and provisions of ARTICLE 17 hereof.

Section 9.9. Americans with Disabilities Act.

During the Term, Tenant shall comply with and cause all of its Contractors to comply with the provisions of the ADA which are applicable to (i) Tenant or such Contractors, (ii) the benefits, services, activities, facilities and programs provided in connection with this Sublease, (iii) the Landlord, (iv) the City of Philadelphia or the Commonwealth, and (v) the benefits, services, activities, facilities and programs of the City of Philadelphia or the Commonwealth, and, if any funds under this Sublease are provided by the federal government, which are applicable to the federal government and its benefits, services, activities, facilities and programs. Without limiting the generality of the preceding sentence, Tenant shall comply with and cause all of its Contractors to comply with the “General Prohibitions Against Discrimination” 28 CFR, Section 35.130 and all other regulations promulgated under Title II of the ADA, as it may be amended from time to time, which are applicable to the benefits, services, programs and activities provided by Prime Landlord through contracts with outside contractors.

Section 9.10. Airport Security Program.

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

2. The Prime Landlord has a security program that has been approved by the TSA for the Airport. Because of the location of the Premises within the Airport and the activities to take place thereon, Tenant is required, at all times during the Term and any extension thereof, to be familiar with and to comply with the Prime Landlord's security program for the Airport. Tenant must also ensure that all its subtenants, contractors, subcontractors and invitees shall, at all times, be in compliance with the Prime Landlord's security program for the Airport. A primary component of such compliance includes, but is not limited to, Airport badging of workers on Airport premises and compliance by those workers with the security procedures for the Airport. Tenant shall be responsible for any failure to comply with the Prime Landlord's security program for the Airport by Tenant, its agents, employees, contractors, subcontractors, or invitees. Such failure to comply with the Prime Landlord's security program for the Airport shall be a material breach of this Sublease and, in addition to all other rights and remedies of the Prime Landlord and Landlord hereunder, at law or in equity, Landlord shall be entitled to terminate this Sublease without liability to Landlord or Prime Landlord and, upon such termination, Tenant shall be liable to the Prime Landlord and Landlord for all outstanding fees and charges and all costs, including attorneys' fees and costs, expenses and damages arising out of such termination. Accordingly, Tenant's defense of Prime Landlord under Paragraph 3 of this Section 9.10 shall be conducted by attorneys approved, in advance, in writing by Prime Landlord.

3. In connection with the implementation of Landlord's security program, Tenant may receive, gain access to or otherwise obtain certain knowledge and information related to the Prime Landlord's overall Airport security program. Tenant acknowledges that all such knowledge and information is of a highly confidential nature. Tenant covenants and agrees that no person, whether an officer or employee of Tenant or a third party, shall be permitted to gain access to such knowledge and information, unless such person has been approved by Prime Landlord in advance in writing. Tenant further agrees to indemnify, hold harmless and defend Landlord and Prime Landlord and other users of the Airport from and against any and all claims, costs, expenses, damages and liabilities, including but not limited to attorney's fees and costs, resulting directly or indirectly from the breach of Tenant's responsibilities, covenants and agreements as set forth in this Section 9.10.

Section 9.11. Staffing.

All employees of Tenant shall wear identification tags and appropriate uniforms or other dress commensurate with normal store policy (except where otherwise approved by Prime Landlord), and shall be courteous and helpful to the public and Tenant shall enforce this requirement.

Section 9.12. Development Plan; Merchandising.

Tenant shall operate its store in a manner consistent with the Development Plan and the merchandising plan contained in the Development Plan.

Section 9.13. Street Pricing.

Tenant shall not charge prices for any products or services that exceed "Street Prices" as such prices are determined under the Prime Lease. The Prime Lease provides that the Street Prices for any product or services sold by any tenant or licensee shall be determined as follows:

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

(b) If any food, beverage, merchandise and/or services is sold by a company which does not operate under the same trade name in the Greater Philadelphia Area then the Street Price shall be within the range of the prices charged for such goods and services by up to five mutually agreed upon locations of comparable businesses in the Greater Philadelphia Area where comparable products or services are sold (e.g., Wawa convenience stores, Acme supermarkets, Nature Company, Rite Aid Drug Company drug stores, McDonald's restaurants, etc.). This subsection (b) is intended to govern the Street Price of all goods and services which do not apply to Subsections (a), (c) or (d) of this Section 9.13.

(c) If the product or service offered is neither sold by businesses with the same trade name in non-airport locations nor readily available from comparable businesses in Greater Philadelphia Area, and does not fall within any other category described in this Section 9.13, the Street Price shall be based on reasonable comparisons mutually agreed to by Landlord and the Prime Landlord.

(d) With respect to duty free shops, the Street Prices will be based upon independent comparisons of duty free shops operating at New York Kennedy International Airport, Atlanta Hartsfield International Airport, Miami International Airport and Charlotte/Douglas International Airport.

(e) For the purposes of establishing the Street Price of an item, any difference in the size or quality of a product or service shall constitute a price differential.

(f) In selecting comparable locations for purposes of this Section 9.13 (a), (b) and (c) above, locations that are partially or fully protected from competition, such as hotel lobby shops

or sports arenas, casinos and other gaming complexes, and locations that operate using an off-price or discount pricing structure shall not be included as comparable locations.

Tenant shall submit to Landlord, in no event later than the sixtieth (60th) day immediately prior to the Rent Commencement Date and thereafter on a quarterly basis, a report certifying that the current prices for all products and services sold or offered in the Premises comply with the provisions of this Section 9.13. In addition, if Tenant (or any business under common or overlapping ownership with Tenant) does business under the same trade name in any other location in the greater Philadelphia area, Tenant's quarterly report will also set out the current prices for all products and services sold or offered at such location(s). The quarterly reports will be submitted not later than January 15, April 15, July 15 and October 15 of each calendar year. Tenant will also provide interim reports as reasonably requested by Landlord.

Further, Tenant shall post signs which advertise the existence of a twenty-four (24) hours-a-day toll/free "hot line" maintained by the Landlord in prominent locations at the Premises and Tenant shall be fully responsive to any purchaser with questions or comments concerning the Street Pricing policy. Tenant shall deliver to Landlord copies of any written customer complaints immediately following receipt of same. Further, Tenant shall offer to the public a "money back guarantee" to any purchaser who can demonstrate that he/she purchased an item at the Premises which was not priced at the Street Price. In addition, if Tenant shall fail to comply in any respect with the provisions of this Section 9.13, Tenant shall pay to Landlord a charge of One Hundred Fifty Dollars ($150.00) in each instance.

Section 9.14. Salaries.

Salaries of all employees of Tenant and its Contractors shall be paid unconditionally and not less often than once a month without deduction or rebate on any account, except only for such payroll deductions as are mandated by law or permitted by the applicable regulations issued by the United States Secretary of Labor pursuant to the "Anti-Kickback Act" of June 13, 1934. Tenant shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all contracts covering work in connection with the Premises and shall be responsible for the submission of affidavits required thereunder, except as the United States Secretary of Labor may specifically provide for variations or exemptions from the requirements thereof.

Section 9.15. Marketing Fund.

The Tenant shall fully cooperate with the other tenants and occupants of the Concession Areas in promoting the use of such trade names and slogans as may, from time to time, be adopted for the Concession Areas and in all marketing and advertising campaigns. Tenant agrees that it shall pay to Landlord, as the Tenant's contribution to the Landlord's marketing fund (the "Marketing Fund"), as additional rent, a sum initially equal to the Initial Marketing Charge specified in Section 1.1AA hereof, payable on the first day of each and every month, in advance, included within the Term, the first such payment to be made on the Rent Commencement Date. For any fraction of a month at the commencement or expiration of the Term, the monthly payment of the Tenant's Marketing Charge shall be prorated. The Landlord

agrees that the Marketing Fund will be used for advertising, promotion, public relations and administrative expenses (including, without limitation, the salaries of any marketing personnel) relating to the promotion of the Concession Areas; and the Landlord shall not be responsible to account therefor to the Tenant. Without limiting the generality of the foregoing, Landlord shall have the right to utilize the Marketing Fund for the costs of circulars and other publications, as well as electronic or other advertising media, and Tenant agrees, upon request from the Landlord, to furnish suitable advertising material for such purposes. Any advertisements, circulars or other promotions need not make specific reference to any one or more occupants of the Concession Areas, but may advertise the Concession Areas generally or specific portions therein or occupants of such portions. It is understood and agreed that the Tenant's Marketing Charge shall be subject to a cost of living increase for each Rental Year after the first Rental Year included within the Term of this Sublease. In that regard, on the first July 1 included within the Term (such date and each ensuing anniversary thereof being referred to hereinafter as a "Marketing Adjustment Date"), and on each Marketing Adjustment Date thereafter during the Term, the Tenant's Marketing Charge shall be increased above the Initial Marketing Charge specified in Section 1.1AA hereinabove in the same proportion as the Price Index (hereinafter defined) has increased, if at all, as of the Marketing Adjustment Date in question above the Price Index as of the Rent Commencement Date, and each such increased figure shall then become the Tenant's Marketing Charge and shall remain in effect until the next Marketing Adjustment Date. In no event shall anything contained herein permit the Tenant's Marketing Charge to be reduced below the amount of the Tenant's Initial Marketing Charge specified in Section 1.1AA hereinabove. The term "Price Index", as used in this Sublease, means the Consumer Price Index, All Urban Consumers, (Phila., Trenton, Wilmington, 1982-84 = 100) as reported by the United States Department of Labor. If such Index shall cease to be published in its present form and calculated on the present basis, a comparable index or an index reflecting changes in the cost of living determined in a similar manner or by substitution, combination or weighting of available indices, expenditure groups, items, components or population, published by the United States Department of Labor for such region or by a responsible financial periodical or recognized authority shall be designated by the Landlord to be the Price Index thereafter. The Price Index for any date relevant to the application of any ARTICLE hereof shall be that Price Index published for the month containing such date, if computed for such month, or otherwise for the most recent month immediately preceding the month for which the application is to be made. Since a Price Index relevant to the application of any ARTICLE may not be available as of the date on which a determination using the Price Index is to be made, necessary adjustments between the Landlord and the Tenant shall be made retroactively, within a reasonable time after required computations can be readily completed.

Section 9.16. Pre-Opening Marketing Charge.

Tenant agrees to pay Landlord, not later than thirty (30) days after the date of this Sublease, the sum specified in Section 1.1BB hereof as Tenant's Pre-Opening Marketing Charge, to be expended for marketing and advertising the Concession Areas. Said fund shall be used for such purposes, together with funds from other tenants and occupants of the Concession Areas, in such manner as Landlord in Landlord's sole discretion shall determine; and the Landlord shall not be responsible to account therefor to the Tenant.

ARTICLE 10
REPAIRS AND ALTERATIONS

Section 10.1. Repairs To Roof, Structural and Exterior Walls.

Tenant agrees and acknowledges that Prime Landlord has covenanted to Landlord in the Prime Lease that it will make or cause to be made all structural repairs to exterior walls, interior or exterior columns, roof penetrations and structural floors which collectively enclose the Premises. Landlord agrees, at its expense, to use reasonable efforts to cause the Prime Landlord to make or cause to be made such repairs; provided (i) Tenant shall give Landlord notice of the necessity for such repairs, (ii) the Landlord shall not be liable for the failure of the Prime Landlord to make such repairs, nor shall such failure constitute an eviction of Tenant, constructive or otherwise, (iii) Landlord shall not be required to institute legal action, and (iv) Landlord makes no covenants, representations or warranties, express or implied, regarding repair of such components required to be maintained by Prime Landlord, or that Prime Landlord will cause such repairs to be made. Tenant shall cooperate with Prime Landlord in all ways to facilitate performance by Prime Landlord of its repair and maintenance covenants set forth above.

Section 10.2. Repairs To Be Made By Tenant.

All repairs to the Premises or any installations, equipment or facilities therein, other than those repairs required to be made by Landlord pursuant to Section 14.1, and other than those required to be made by Prime Landlord, shall be made by Tenant at its expense. Without limiting the generality of the foregoing, Tenant will keep the interior of the Premises, together with all electrical, plumbing and other mechanical installations therein and the heating, ventilating and air-conditioning system in the Premises, in good order and repair and will make all replacements from time to time required thereto at its expense. During the (__) and ____ (__) years of the Term, Tenant shall, at the Tenant's expense, repaint, refurbish, and remodel the Premises and any part and portion thereof to assure that the same are kept in a first-class, tenantable, and attractive condition throughout the Term. Such work shall be performed in accordance with the requirements of ARTICLE 8 and Section 10.4 hereof. Tenant will surrender the Premises at the expiration or earlier termination of the Term in as good condition as when received, excepting ordinary wear and tear, damage by casualty, or unavoidable accident only. Tenant will not overload the electrical wiring serving the Premises or within the Premises, and will install at its expense any additional electrical wiring which may be required in connection with Tenant's apparatus. Any damage or injury sustained by any person because of mechanical, electrical, plumbing or any other equipment or installations, whose maintenance and repair shall be the responsibility of Tenant, shall be paid for by Tenant, and Tenant hereby agrees to indemnify and hold Landlord harmless from and against all claims, actions, damages and liability in connection therewith, including, but not limited to attorneys and other professional fees, and any other cost which Landlord might reasonably incur. Tenant agrees to cooperate with Prime Landlord and Landlord in all ways to facilitate the performance by Prime Landlord of any repair or maintenance work that Prime Landlord may perform pursuant to the Prime Lease. Tenant agrees that neither Landlord nor Prime Landlord shall be liable in damages, by abatement of Rent or otherwise, for failure to furnish or delay in furnishing any service or for any diminution in the quality or quantity thereof. Such failures or delays or diminution shall never

be deemed to constitute an eviction or disturbance of Tenant's use and possession of the Premises or relieve Tenant from paying Rent or performing any of its obligations under this Sublease. Tenant and Landlord both acknowledge, however, that due to ongoing construction projects at the Airport throughout the Term of this Sublease, there will be numerous, substantial and significant disruptions to operations, and Landlord and Tenant both agree to work together in good faith to minimize the disruptions caused thereby and the effect of the disruptions.

Section 10.3. Damage to Premises.

Tenant will repair promptly at its expense any damage to the Premises and, upon demand, shall reimburse Landlord (as Additional Rental) for the cost of the repair of any damage elsewhere in the Terminal Building caused by or arising from the installation or removal of property in or from the Premises, regardless of fault or by whom such damage shall be caused.

Section 10.4. Alterations by Tenant.

Tenant will not make any alterations, additions, renovations, improvements or other installations in, on or to any part of the Premises (including, without limitation, any alterations of the storefront, signs, fixtures, structural alterations, or any cutting or drilling into any part of the Premises or any securing of any fixture, apparatus, or equipment of any kind to any part of the Premises) without the prior written approval of Landlord and Prime Landlord. Tenant shall comply with all of the provisions of ARTICLE 8 hereof if any such alterations, additions or improvements are so approved.

Section 10.5. Changes and Additions to Prime Leased Premises.

Landlord reserves the right at any time and from time to time to (a) make or permit changes or revisions in the plan for the Prime Leased Premises or the Concession Area including additions to, subtractions from, rearrangements of, alterations of, modifications of, or supplements to, the building areas, walkways, or other Common Areas, (b) construct improvements in Prime Leased Premises and the Concession Area and to make alterations thereof or additions thereto in any such building(s) and to build adjoining same, including (without limitation) kiosks, pushcarts and other displays in the Common Areas, and (c) make or permit changes or revisions in the Prime Leased Premises or the Concession Area, including additions thereto, and to convey portions of the Prime Leased Premises to others for the purpose of constructing therein other improvements, including additions thereto and alterations thereof.

ARTICLE 11
COMMON AREAS

Section 11.1. Use of Common Areas.

Landlord grants to Tenant and its agents, employees, contractors and customers a non-exclusive license to use the Common Areas in common with others during the Term, subject to the exclusive control and management thereof at all times by Landlord or others and subject, further, to the rights of Landlord set forth in Sections 9.10, 10.5, 11.2 and 21.22. In addition, subject to the terms and conditions of the Prime Lease, and subject at all times to all statutes,

ordinances, rules and regulations from time to time enacted or established by the Prime Landlord, the FAA or any other governmental agency or authority, Tenant, and its customers, agents, employees and contractors shall have the non-exclusive right to use the Airport Retained Space in common with others during the Term for access and ingress to, and egress from, the Premises. Notwithstanding the foregoing, Landlord makes no representation or warranty as to the right of Tenant, now or in the future, to use or have the right of access or ingress to or egress from, the Airport Retained Space.

Section 11.2. Management and Operation of Common Areas.

Prime Landlord has undertaken in the Prime Lease to operate and maintain a portion of the Common Areas, and Landlord shall operate and maintain, or cause to be operated and maintained, that part of the Common Areas not maintained and operated by Prime Landlord, in a manner deemed by Landlord and Prime Landlord to be reasonable and appropriate and in the best interests of the Concession Area. Landlord makes no representations or warranties, express or implied, regarding the performance by Prime Landlord of the maintenance and operation of those portions of the Common Areas that it has undertaken to operate and maintain, and Landlord shall not be liable, in damages or otherwise, for Prime Landlord's failure so to maintain or operate the Common Areas. Landlord and Prime Landlord will have the right (i) to establish, modify and enforce reasonable rules and regulations with respect to the Common Areas; (ii) to enter into, modify and terminate easements and other agreements pertaining to the use and maintenance of the Common Areas; (iii) to close all or any portion of the Common Areas to such extent as may, in the opinion of Landlord, be necessary to prevent a dedication thereof or the accrual of any rights to any person or to the public therein; (iv) to close temporarily any or all portions of the Common Areas; and (v) to do and perform such other acts in and to said areas and improvements as, in the exercise of good business judgment, Landlord shall determine to be advisable.

Section 11.3. Parking.

To the extent provided by Prime Landlord, Tenant and its employees shall have the non-exclusive, non-reserved right to use the employee parking lot servicing the Terminal Building, if any, subject to all parking rules and regulations (including the assessment by Prime Landlord of parking fees) applicable thereto as may be created or modified from time to time by Prime Landlord or its agents. Notwithstanding the foregoing, Landlord makes no representation or warranty, express or implied, regarding the availability of or access to any parking areas servicing the Terminal Building, the Premises or the Prime Leased Premises.

Section 11.4. Tenant to Share Expense of Common Areas.

Tenant will pay Landlord, as Additional Rental, a proportionate share of Landlord's Operating Costs, which shall be computed by multiplying Landlord's Operating Costs by a fraction, the numerator of which is Tenant's Floor Area and the denominator of which is Landlord's Leased Floor Area. Such proportionate share shall be paid by Tenant in monthly installments in such amounts as are estimated and billed by Landlord at the beginning of each twelve (12) month period commencing and ending on dates designated by Landlord, each

installment being due on the first day of each calendar month. At any time during any such twelve (12) month period, Landlord may reestimate Tenant's proportionate share of Landlord's Operating Costs and thereafter adjust Tenant's monthly installments payable during such twelve (12) month period to reflect more accurately Tenant's proportionate share of Landlord's Operating Costs. Within one hundred twenty (120) days (or such additional time thereafter as is reasonable under the circumstances) after the end of each such twelve (12) month period, Landlord shall deliver to Tenant a statement of Landlord's Operating Costs for such twelve (12) month period and the monthly installments paid or payable shall be adjusted between Landlord and Tenant, and Tenant shall pay Landlord or Landlord shall credit Tenant's account (or, if such adjustment is at the end of the Term, Landlord shall pay Tenant), as the case may be, within fifteen (15) days after delivery of such statement to Tenant, such amounts as may be necessary to effect such adjustment. Failure of Landlord to provide the statement called for hereunder within the time prescribed shall not relieve Tenant from its obligations hereunder.

Section 11.5. "Landlord's Operating Costs" Defined.

The term "Landlord's Operating Costs" means all costs and expenses incurred by or on behalf of Landlord in operating, managing, insuring, securing, repairing, replacing and maintaining the Common Areas pursuant to Section 11.2, including, without limitation, all amounts paid by Landlord to Prime Landlord for managing, repairing, replacing, securing and insuring the Common Areas. "Landlord's Operating Costs" includes, but is not limited to, all costs and expenses of operating, maintaining, repairing, lighting, signing, cleaning, painting, policing and securing the Common Areas (including the cost of uniforms, and equipment); sprinkler, alarm and life safety systems; premiums for and other costs of maintaining liability insurance for personal injury, death and property damage, all-risk casualty insurance (including coverage against fire, flood, theft and other casualties), workers' compensation insurance or similar insurance covering personnel, fidelity bonds for personnel, insurance against liability for assault and battery, defamation and claims of false arrest occurring on and about the Common Areas, plate glass insurance for glass exclusively serving the Common Areas and other insurance (including, all insurance, hazard, rent and otherwise, from time to time carried by Landlord on the Prime Leased Premises); wages, unemployment taxes, social security taxes, and personal property taxes and assessments; the costs and expenses of maintenance of all exterior glass; costs and expenses in connection with maintaining federal, state or local governmental ambient air and environmental standards; fees for required licenses and permits; the cost of all materials, supplies and services purchased or hired therefor; operation of public toilets; installing and renting of signs; fire protection; maintenance, repair and replacement of utility systems serving the Common Areas, including, but not limited to, water, sanitary sewer and storm water lines and other utility lines, pipes and conduits; costs and expenses of maintaining and operating sewage treatment facilities, if any; costs and expenses of inspecting and depreciation of machinery and equipment used in the operation and maintenance of the Common Areas and personal property taxes and other charges (including, but not limited to, financing, leasing or rental costs) incurred in connection with such equipment; costs and expenses of the coordination and use of truck docks and loading facilities; costs and expenses of repair or replacement of walkways, landscaping, drainage, pipes, ducts, conduits and similar items, plate glass, lighting facilities, floor coverings, and the roof; costs and expenses of planting, replanting, replacing and displaying flowers, shrubbery and planters; costs and expenses incurred in the purchase or rental of music

program services and loudspeaker systems, including furnishing electricity therefor; costs of providing light and power to the Common Areas; costs of providing energy to heat, ventilate and air condition the Common Areas and the operation, maintenance, repair and replacement of equipment required therefor (including without limitation, the costs of energy management systems serving the Prime Leased Premises); cost of water services, if any, furnished by Landlord for the non-exclusive use of all tenants; parcel pick-up and delivery services; capital expenses incurred in connection with maintaining, repairing, replacing and operating the Common Areas, which costs may be amortized over the useful life of the applicable item determined in accordance with generally accepted accounting principles, but no event to exceed five (5) years; and administrative costs attributable to the Common Areas for on-site personnel.

Section 11.6. Service Areas and Service Elevators.

Tenant shall use for any deliveries only the service areas and service elevators designated, from time to time, by Landlord. Tenant shall only use such service areas and service elevators during normal business hours or such other times as Landlord or Prime Landlord may provide. Landlord makes no representations or warranties, express or implied, that such service areas and service elevators will now or in the future be available for use by Tenant, and Landlord shall not be liable for Prime Landlord's failure to provide such areas or elevators, or for any discontinuance in Tenant's ability to use such service areas or service elevators.

ARTICLE 12
UTILITIES

Section 12.1. Availability of Utilities.

Tenant agrees and acknowledges that utilities are being furnished to the Premises using utility trunk lines that currently service the Airport, and that Landlord agrees to use reasonable efforts to provide and maintain adequate connections with such existing trunk lines to provide the necessary utilities, including electricity, gas, water and sewage, and telephone, for Tenant's use of the Premises. Landlord, in its sole discretion, shall have the right, from time to time, to alter the method and source of supply to the Premises of any utility, and Tenant agrees to cooperate with Landlord to effect such alteration. Tenant shall not at any time overburden or exceed the capacity of the mains, feeders, ducts, conduits or other facilities by which its utilities are supplied to, distributed in or serve the Premises.

In the event that Landlord shall elect to supply any utilities, then, insofar as and to the extent that such is permitted pursuant to applicable law and the regulations of the applicable utility company, Tenant agrees to purchase the same from Landlord, provided the rate does not exceed the rate which Tenant would be required to pay to the utility company furnishing the same to the Airport. Payments for all utilities provided by Landlord shall be made upon demand but not more often than once a month, commencing with the month that said utilities are first furnished to Tenant (or such later month as Landlord may elect) and continuing during the Term of this Sublease whether or not the Premises are being occupied by Tenant. At Landlord's option, the amount of each monthly payment, which shall be payable on the first day of each month in advance, may be one-twelfth of the amount from time to time estimated by Landlord for the Rental Year in question, with a final adjustment to be made after the end of each Rental

Year. To the extent practicable, all utility service to the Premises shall be measured by a separate submeter and Tenant's utility payments shall be calculated based on periodic readings of such submeter(s). Further, Tenant shall pay for all utilities consumed on the Premises from the date of delivery of possession thereof by Landlord to Tenant to the Rent Commencement Date.

Section 12.2. Availability of HVAC.

Landlord shall provide heating, ventilating and air-conditioning service to the extent the same can be provided through the systems and equipment to be installed in the Premises by Landlord pursuant to Exhibit C hereto (which service is hereinafter referred to as the "HVAC Service"). Landlord agrees that no separate charge shall be assessed against Tenant under this Sublease for the HVAC Service, but this shall not affect Tenant's obligation set forth elsewhere in this Sublease to reimburse Landlord for the performance of Landlord's work pursuant to said Exhibit C. Notwithstanding the foregoing, the costs to maintain, repair, and replace, and the cost of electric service to operate, the systems and equipment providing HVAC Service shall be included in Landlord's Operating Costs for which Tenant is required to pay a proportionate share thereof pursuant to the provisions of Section 11.4 hereof. If the HVAC Service is not sufficient to keep the Premises at a reasonably comfortable temperature, then Tenant shall be solely responsible for the installation of any equipment or facilities required to provide any additional heating, ventilating, and air-conditioning to the Premises in accordance with Exhibit C, such as, but not limited to air handling and distribution equipment. All such additional equipment and facilities shall be operated at Tenant's sole expense. Such installation shall be subject to the approval of Landlord. If Landlord approves such installation, then, except as otherwise provided in such approval, Tenant shall install such facilities, at its sole cost and expense, in accordance with the provisions of this Sublease and the terms and conditions of such approval.

Section 12.3. Discontinuances and Interruptions of Utility Services.

Landlord makes no covenants, representations or warranties, express or implied, that any or all utilities or HVAC Service shall be available at the Premises, and Landlord shall not be liable in any way to Tenant for the discontinuation or interruption of any utility service or HVAC Service to the Premises.

ARTICLE 13
INDEMNITY AND INSURANCE

Section 13.1. Indemnities.

To the extent permitted by law, Tenant shall and does hereby indemnify Landlord and Prime Landlord and agrees to save them harmless and, at Landlord's option, defend them from and against any and all losses, costs, claims, actions, damages, liabilities and expenses (including attorneys' and other professional fees) judgments, settlement payments, and fines paid, incurred or suffered by Landlord or Prime Landlord in connection with loss of life, personal injury and/or damage to property or the environment suffered by third parties arising from or out of the occupancy or use by Tenant of the Premises or any part thereof or any other part of the Prime Leased Premises, the Terminal Building or the Airport, occasioned wholly or in part by any act

or omission of Tenant, its officers, agents, contractors, employees or invitees, or arising, directly or indirectly, wholly or in part, from any conduct, activity, act, omission, or operation involving the use, handling, generation, treatment, storage, disposal, other management or Release of any Hazardous Substance in, from or to the Premises, whether or not Tenant may have acted negligently with respect to such Hazardous Substance.

Tenant agrees to defend, indemnify and hold harmless Landlord and Prime Landlord, their respective elected officials, representatives, officers, agents and employees from and against any and all claims or liability (including attorneys' fees and other professional fees) for compensation, including, without limitation, claims under any workers' compensation statute, arising out of injuries sustained by any employee of Tenant.

Tenant agrees to defend, indemnify and hold harmless Landlord and Prime Landlord, their respective elected officials, agents, officers, and employees from, and to assume all liability for, all taxes and assessments imposed on Tenant, including such use and occupancy taxes and assessments as may be from time to time imposed by any taxing jurisdiction or governmental entity, which are levied or assessed on the Tenant, or which arise out of the operation of Tenant or by reason of the occupancy of the Premises or the Terminal Building by Tenant.

Tenant's obligations pursuant to this Section shall survive any termination of this Sublease with respect to any act, omission or occurrence which took place prior to such termination. Tenant shall also reimburse Landlord for the cost of any and all attorneys' fees and investigation expenses which may be incurred by Landlord in the defense and handling of said suits and claims and in enforcing this Sublease.

Section 13.2. Landlord Not Responsible for Acts of Others.

Landlord shall not be responsible or liable to Tenant, or to those claiming by, through or under Tenant, for any loss or damage which may be occasioned by or through the acts or omissions of Prime Landlord or persons occupying space adjoining the Premises or any part of the premises adjacent to or connecting with the Premises or any other part of the Prime Leased Premises, or otherwise, or for any loss or damage resulting to Tenant, or those claiming by, through or under Tenant, or its or their property, from the breaking, bursting, stoppage or leaking of electrical cable and wires, or water, gas, sewer or steam pipes. To the maximum extent permitted by law, Tenant agrees to use and occupy the Premises, and to use such other portions of the Airport as Tenant is herein given the right to use, at Tenant's own risk and agrees that Landlord shall have no responsibility or liability for any loss of or damage to Tenant's leasehold improvements or to fixtures or other personal property of Tenant or those claiming by, through or under Tenant.

Section 13.3. Tenant's Insurance.

At all times after the execution of this Sublease, Tenant will carry and maintain, at its expense, a nondeductible:

(a) commercial general liability insurance policy, including (but not limited to) insurance against assumed or contractual liability under this Sublease, with respect to liability arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto, to afford protection with respect to personal injury, death or property damage of not less than Two Million Dollars ($2,000,000) per occurrence combined single limit/Four Million Dollars ($4,000,000) general aggregate (but not less than Two Million Dollars ($2,000,000) per location aggregate) or such higher limits as Landlord may from time to time determine in its reasonable judgment; and

(b) "causes of loss special" or all-risk property and casualty insurance policy, including theft coverage, written at replacement cost value and with replacement cost endorsement, covering all of Tenant's personal property in the Premises (including, without limitation, inventory, trade fixtures, floor coverings, furniture and other property removable by Tenant under the provisions of this Sublease) and all leasehold improvements installed in the Premises by or on behalf of Tenant; and

(c) comprehensive boiler and machinery equipment policy, including electrical apparatus, if applicable;

(d) workers' compensation insurance policy, or similar insurance in form and amounts required by law; and employer's liability insurance in amounts and with coverages as may from time to time be reasonably required by Landlord and specified in a notice to Tenant;

(e) comprehensive automobile liability insurance against bodily injury and property damage claims, covering all owned, hired and non-owned motor vehicles operating off the Airport which are used and operated in connection with the Tenant's obligations under this Sublease, subject to a limit of liability of not less than $5,000,000 per occurrence.

(f) if the Permitted Use of the Premises, as set forth in clause R of Section 1.1 hereof permits the sale of alcoholic beverages in the Premises, liquor law legal liability insurance for bodily injury and property damage in the amount of $10,000,000 per occurrence and in the aggregate insuring against loss, damage, liability, suits, claims, costs and expenses by reason of the manufacture, storage, sale, distribution, use or giving away of alcoholic liquors in, from and about the Premises, whether such liability arises under any present or future law, statute or ordinance with the Commonwealth, or any governmental authority, relating to the sale or other disposition of fermented alcoholic or other intoxicating liquors in, from, on or about the Premises, all such insurance in such amounts as the Landlord or the Prime Landlord may require;

(g) builder's risk insurance in an amount to be determined by Prime Landlord and Landlord prior to the commencement of the Tenant Improvements. Such

coverage shall remain in full force and effect during the construction of the Premises; and

(h) any other insurance in amounts and that contain provisions as Landlord or the Prime Landlord may require.

Section 13.4. Tenant's Contractor's Insurance.

Tenant shall require any Contractor of Tenant performing work on the Premises to carry and maintain, at no expense to Landlord, a nondeductible:

(a) commercial general liability insurance policy, including (but not limited to) contractor's liability coverage, contractual liability coverage, products and completed operations coverage, broad form property damage and owners and contractors protective liability coverage, to afford protection with respect to bodily injury, death, personal injury, and property damage with a combined single limit of at least $5,000,000 per occurrence and an aggregate of not less than $5,000,000 per occurrence or such higher limits as Landlord may from time to time determine in its reasonable judgment. Such insurance shall remain in place for at least three years after the completion of the Tenant's Work to which it relates;

(b) business automobile liability, including owned, non-owned, and hired vehicles, with a combined single limit of at least $5,000,000 per occurrence or such other minimum levels as may be required by the City of Philadelphia or other empowered entities with respect to commercial vehicles on or near the airport premises; and

(c) workers' compensation insurance at statutory limits and in accordance with the applicable laws of The Commonwealth of Pennsylvania and with Employer's Liability insurance with limits of at least $1,000,000.

Section 13.5. Policy Requirements.

The company or companies writing any insurance that Tenant is required to carry and maintain or cause to be carried or maintained pursuant to Sections 13.3 and 13.4, as well as the form of such insurance, shall at all times be licensed to do business in the Commonwealth of Pennsylvania, and shall be previously approved in writing by Landlord and Prime Landlord, and shall have a financial rating of A+ and X(10) or better as determined by A.M. Best, Inc. Commercial general liability and all-risk property and casualty insurance policies evidencing such insurance shall, with respect to commercial general liability policies, name Prime Landlord, Landlord and their respective designees including, without limitation, MarketPlace Philadelphia Management, LLC, as additional insureds on a primary basis and, with respect to casualty insurance policies, name Landlord and its designees including, without limitation, MarketPlace Philadelphia Management, LLC, as loss payee, shall be primary and non-contributory, and shall also contain a provision by which the insurer agrees that such policy shall not be canceled,

materially changed or not renewed without at least thirty (30) days' advance notice to Landlord, by certified mail, return receipt requested, or to such other party or address as may be designated by Landlord or its designee. Each policy of insurance required hereunder shall be written on an "occurrence" not a "claims made" basis. Each such policy, or a certificate thereof, shall be deposited with Landlord by Tenant promptly upon commencement of Tenant's obligation to procure the same. If Tenant shall fail to perform any of its obligations under Sections 13.3, 13.4 or 13.5, Landlord may perform the same and the cost of same shall be deemed Additional Rental and shall be payable upon Landlord's demand. Tenant acknowledges that Prime Landlord shall have the right to review and approve, and require additional coverage to, the insurance required to be maintained by Tenant hereunder.

Section 13.6. Increase in Insurance Premiums.

Tenant will not do or suffer to be done, or keep or suffer to be kept, anything in, upon or about the Premises which will violate Landlord's or Prime Landlord's policies of hazard or liability insurance or which will prevent Landlord or Prime Landlord from procuring such policies in companies acceptable to Landlord or Prime Landlord. If anything done or omitted to be done by Tenant or if anything suffered by Tenant to be kept in, upon or about the Premises shall cause the rate of fire or other insurance on the Premises or on other property of Landlord or Prime Landlord or of others within the Airport to be increased beyond the minimum rate from time to time applicable to the Premises or to any such property for the use or uses made thereof, Tenant will pay, as Additional Rental, the amount of any such increase upon Landlord's demand.

Section 13.7. Waiver of Right of Recovery.

Neither Landlord nor Tenant shall be liable to the other or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage to any building, structure or other tangible property, or any resulting loss of income, or losses under worker's compensation laws and benefits, even though such loss or damage might have been occasioned by the negligence of such party, its agents or employees. The provisions of this Section 13.7 shall not limit the indemnification for liability to third parties pursuant to Section 13.1.

ARTICLE 14
DAMAGE AND DESTRUCTION

Section 14.1. Landlord's Obligation to Restore Partial Damage.

In case during the Term hereof the Premises shall be partially damaged (as distinguished from "substantially damaged", as that term is hereinafter defined) by fire, except as provided below, Landlord shall forthwith proceed to repair such damage and restore the Premises, or so much thereof as was originally constructed by Landlord or its predecessors in title, to substantially their condition at the time of such damage, but Landlord shall not be responsible for any delay which may result from any cause beyond Landlord's reasonable control.

Section 14.2. Landlord's Obligation to Restore Substantial Damage.

In case during the Term hereof the Premises shall be substantially damaged or destroyed by fire or other casualty, the risk of which is covered by Landlord's insurance, this Sublease shall, except as hereinafter provided, remain in full force and effect, and Landlord shall promptly after such damage and the determination of the net amount of insurance proceeds available to Landlord, expend so much as may be necessary of such net amount to restore, to the extent originally constructed by Landlord or its predecessors in title (consistent, however, with zoning laws and building codes then in existence to the extent applicable to such reconstruction), so much of the Premises as was originally constructed by Landlord or its predecessors in title to substantially the condition in which such portion of the Premises was in at the time of such damage, except as hereinafter provided, but Landlord shall not be responsible for delay which may result from any cause beyond the reasonable control of Landlord. Should the net amount of insurance proceeds available to Landlord be insufficient to cover the cost of restoring the Premises, in the reasonable estimate of Landlord, Landlord may, but shall have no obligation to, supply the amount of such insufficiency and restore the Premises with all reasonable diligence or Landlord may terminate this Sublease by giving notice to Tenant not later than a reasonable time after Landlord has determined the estimated net amount of insurance proceeds available to Landlord and the estimated cost of such restoration. In case of substantial damage or destruction, as a result of a risk which is not covered by Landlord's insurance, Landlord shall likewise be obligated to rebuild the Premises, all as aforesaid, unless Landlord, within a reasonable time after the occurrence of such event, gives written notice to Tenant of Landlord's election to terminate this Sublease. If Landlord shall elect to terminate this Sublease, as aforesaid, this Sublease and the Term hereof shall cease and come to an end as of the date of said damage or destruction.

Section 14.3. Tenant Restoration Obligations.

Unless this Sublease is terminated as provided in Section 14.2, Section 14.3 or Section 14.5 of this ARTICLE 14, if the Premises shall be damaged or destroyed by fire or other casualty, then Tenant shall: (i) repair and restore all portions of the Premises not required to be restored by Landlord pursuant to this ARTICLE 14 to substantially the condition which such portions of the Premises were in at the time of such casualty; (ii) equip the Premises with trade fixtures and all personal property necessary or proper for the operation of Tenant's business; and (iii) open for business in the Premises as soon thereafter as possible.

Section 14.4. Rent Abatement.

In the event that the provisions of Section 14.1 or Section 14.2 of this ARTICLE 14 shall become applicable, the Annual Basic Rental shall be abated or reduced proportionately during any period in which, by reason of such damage or destruction, there is substantial interference with the operation of the business of Tenant in the Premises, having regard to the extent to which Tenant may be required to discontinue its business in the Premises, and such abatement or reduction shall continue for the period commencing with such destruction or damage and ending upon the earlier to occur of: (i) the completion by Landlord of such work of repair and reconstruction as Landlord is obligated under this ARTICLE 14 to perform, or (ii) the date that Tenant first reopens for business in all or a portion of the Premises. Nothing in this Section shall be construed to abate or reduce Annual Percentage Rental or any Additional Rental.

Section 14.5. Damage to the Prime Leased Premises.

If the Prime Leased Premises shall be substantially damaged or destroyed by fire or casualty, irrespective of whether or not the Premises are damaged or destroyed, Landlord shall promptly restore, to the extent originally constructed by Landlord or its predecessors in title (consistent, however, with zoning laws and building codes then in existence to the extent applicable to such reconstruction), so much of such Prime Leased Premises as was originally constructed by Landlord or its predecessors in title to substantially the condition thereof at the time of such damage, unless Landlord, within a reasonable time after such loss, gives notice to Tenant of Landlord's election to terminate this Sublease. If Landlord shall give such notice, then anything in this ARTICLE 14 to the contrary notwithstanding this Sublease shall terminate as of the date of such notice with the same force and effect as if such date were the date originally established as the expiration date hereof.

Section 14.6. Definitions.

The terms "substantially damaged" and "substantial damage", as used in this ARTICLE 14, shall have reference to damage of such a character as cannot reasonably be expected to be repaired or the Premises restored within sixty (60) days from the time that such repair or restoration work would be commenced.

ARTICLE 15
CONDEMNATION

Section 15.1. Effect of Taking.

If the whole or any part of the Premises shall be taken under the power of eminent domain, this Sublease shall terminate as to the part so taken on the date Tenant is required to yield possession thereof to the condemning authority. To the extent proceeds are available or made available by Landlord's Mortgagee, Landlord shall make, or cause to be made, such repairs and alterations as may be necessary in order to restore the part not taken to useful condition, and all Rental (other than any Additional Rental due Landlord by reason of Tenant's failure to perform any of its obligations hereunder) shall be reduced in the same proportion as the portion of the floor area of the Premises so taken bears to Tenant's Floor Area. If the aforementioned taking renders the remainder of the Premises unsuitable for the Permitted Use, either party may terminate this Sublease as of the date when Tenant is required to yield possession by giving notice to that effect within thirty (30) days after such date. If such portion of the Prime Leased Premises shall be so taken so as to render the remainder, in Landlord's sole judgment, unsuitable for retail and concession purposes as then currently configured, then Landlord may elect to terminate this Sublease as of the date on which possession thereof is required to be yielded to the condemning authority, by giving notice of such election within ninety (90) days after such date. If any notice of termination is given pursuant to this Section, this Sublease and the rights and obligations of the parties hereunder shall cease as of the date of such notice and Rental (other than any Additional Rental due Landlord by reason of Tenant's failure to perform any of its obligations hereunder) shall be adjusted as of the date of such termination.

Section 15.2. Condemnation Awards.

All compensation awarded for any taking of the Premises or the Prime Leased Premises or any interest in any of the same, shall belong to and be the property of Landlord, Tenant hereby assigning to Landlord all rights with respect thereto; provided, however, nothing contained herein shall prevent Tenant from applying for reimbursement from the condemning authority (if permitted by law) for moving expenses, or the expense of removal of Tenant's trade fixtures, or loss of Tenant's business good will, but only if such action shall not reduce the amount of the award or other compensation otherwise recoverable from the condemning authority by Landlord.

ARTICLE 16
ASSIGNMENT AND SUBLETTING

Section 16.1. Transfers Prohibited.

Except as provided in Section 17.4 with respect to assignment of this Sublease following Tenant's bankruptcy, Tenant will not assign this Sublease, in whole or in part, nor sublet all or any part of the Premises, nor grant licenses or concessions therein, nor lease departments therein, nor allow (either orally or in writing) the use or occupancy of the Premises by any party other than Tenant and Tenant's employees, nor pledge or encumber by mortgage or other instruments its interest in this Sublease (each individually and collectively referred to in this Section as a "Transfer"). This prohibition includes, without limitation, any subletting or assignment which would otherwise occur by operation of law, merger, consolidation, reorganization, transfer or other change of Tenant's corporate, partnership or proprietary structure. For the purposes of this Sublease, the entering into of any management agreement or any agreement in the nature thereof transferring control or any substantial percentage of the profits and losses from the business operations of the Tenant in the Premises to a person or entity other than the Tenant, or otherwise having substantially the same effect, shall be treated for all purposes as an assignment of this Sublease and shall be governed by the provisions of this Section 16.1. Any transfer to or by a receiver or trustee in any federal or state bankruptcy, insolvency, or similar proceeding shall be subject to, and in accordance with, the provisions of Section 17.4.

Section 16.2. Transfer of Corporate Shares.

If Tenant is a corporation (other than a corporation the outstanding voting stock of which is listed on a "national securities exchange," as defined in the Securities Exchange Act of 1934), any transfer by sale, assignment, bequest, inheritance, operation of law, exchange, issuance, redemption or other disposition of all or any part of corporate shares by Tenant (including, but not limited to, such a transfer to or by a receiver or trustee in federal or state bankruptcy, insolvency, or other proceedings) so as to result in a change in the voting control of the voting stock of Tenant, the voting stock of any corporate guarantor of the Tenant (whether specified in Section 1.1 hereof), or the voting stock of any immediate or remote controlling corporation of Tenant (whether such transfer occurs at one time or at intervals so that, in the aggregate, over the Term of this Sublease, such transfer shall have occurred), or any other transaction(s) overall having the effect of a change in voting control shall be deemed to be a Transfer for the purposes of this Sublease.

Section 16.3. Transfer of Partnership Interests.

If Tenant is a general or limited partnership, any transfer of any part or all of the interests in the capital or profits of such partnership or any voting or other interests therein by sale, assignment, bequest, inheritance, operation of law or other disposition (including, but not limited to, such a transfer to or by a receiver or trustee in federal or state bankruptcy, insolvency or other proceedings, and also including, but not limited to, any adjustment in such partnership interests) so as to result in a change in the present control of said partnership by the person or persons now having control of same, shall be deemed a Transfer for the purpose of this Sublease.

Section 16.4. Violation.

In the event of any assignment or other transfer prohibited by this Section, in addition to and without limiting any of Landlord's rights and remedies on account of the resulting default hereunder by Tenant, Landlord shall have the right to terminate this Sublease by giving Tenant notice of Landlord's desire so to do, in which event this Sublease shall terminate on the date specified by Landlord in such notice all as if such date were the date specified in clause Q of Section 1.1 hereof as the Termination Date. In the event of any assignment or other transfer prohibited by this Section, the Annual Basic Rental shall be adjusted for the balance of the Term of this Sublease such that the Annual Basic Rental payable hereunder shall thereafter be equal to the sum of (i) the greater of (a) the Annual Basic Rental specified in clause E of Section 1.1 of this Sublease and (b) the Annual Basic Rental payable pursuant to such assignment or other transfer, plus (ii) the highest of the amounts of the Annual Percentage Rental payable hereunder for and with respect to any of the then last three (3) full Rental Years preceding the assignment or other transfer; and, in addition, any lump sum or installment payments for the leasehold payable by such assignee or other transferee shall be payable directly to Landlord and not to Tenant.

ARTICLE 17
DEFAULT

Section 17.1. "Event of Default" Defined.

Any one or more of the following events shall constitute an "Event of Default":

(a) The sale of Tenant's interest in the Premises under attachment, execution or similar legal process, or if Tenant is adjudicated as bankrupt or insolvent under any state bankruptcy or insolvency law or an order for relief is entered against Tenant under the Federal Bankruptcy Code and such adjudication or order is not vacated within ten (10) days.

(b) The commencement of a case under any chapter of the Federal Bankruptcy Code by or against Tenant or any guarantor of Tenant's obligations hereunder, or the filing of a voluntary or involuntary petition proposing the adjudication of Tenant or any such guarantor as bankrupt or insolvent, or the reorganization of Tenant or any such guarantor, or an arrangement by Tenant or any such guarantor with its creditors, unless the petition is filed or case commenced by a party other than

Tenant or any such guarantor and is withdrawn or dismissed within sixty (60) days after the date of its filing.

(c) The admission in writing by Tenant or any such guarantor of its inability to pay its debts when due;

(d) The appointment of a receiver or trustee for the business or property of Tenant or any such guarantor, unless such appointment shall be vacated within ten (10) days of its entry.

(e) The making by Tenant or any such guarantor of an assignment for the benefit of its creditors, or if in any other manner Tenant's interest in this Sublease shall pass to another by operation of law.

(f) The failure of Tenant to pay any Rental or other sum of money due under this Sublease on the date when due.

(g) Default by Tenant in the performance or observance of any covenant or agreement of this Sublease (other than a default involving the payment of money), which default is not cured within twenty (20) days after the giving of notice thereof by Landlord, unless such default is of such nature that it cannot be cured within such twenty-day period, in which case no Event of Default shall occur so long as Tenant shall commence the curing of the default within such twenty-day period and shall thereafter diligently prosecute the curing of same. However, if: (i) Landlord shall have sent to Tenant a notice of such default, even though the same shall have been cured and this Sublease not terminated; and (ii) during the same calendar year in which said notice of default has been sent by Landlord to Tenant, Tenant thereafter shall default in any non-monetary matter - the same shall be deemed to be an Event of Default upon Landlord giving Tenant written notice thereof, and Tenant shall have no grace period within which to cure the same.

(h) The failure of Tenant, after the Term commences, to be open for business to the public for more than three (3) consecutive days, or for more than three (3) days in any one Rental Year, or for more than four (4) days during the Term hereof, or any other vacation or abandonment of the Premises by Tenant at any time following delivery of possession of the Premises to Tenant. Without limitation, the failure of Tenant to have completed its initial alterations and equipping of the Premises and to have opened for business on the Rent Commencement Date shall be considered for the purposes hereof to be an abandonment of the Premises by Tenant.

(i) The occurrence of any other event described as constituting an "Event of Default" elsewhere in this Sublease.

(j) A default by the Tenant (or any affiliated or related entity of the Tenant) with respect to any sublease, other than this Sublease, with the Landlord (or any affiliated or related entity of the Landlord).

Section 17.2. Remedies.

Upon the occurrence of an Event of Default, Landlord, without notice to Tenant in any instance (except where expressly provided for below or by applicable law) may do any one or more of the following:

(a) With or without judicial process, enter the Premises and take possession of any and all goods, inventory, equipment, fixtures and all other personal property of Tenant, which is or may be put into the Premises during the Term, whether exempt or not from sale under execution or attachment (it being agreed that said property shall at all times be bound with a lien in favor of Landlord and shall be chargeable for all Rental and for the fulfillment of the other covenants and agreements herein contained), and Landlord may sell all or any part thereof at public or private sale. Tenant agrees that five (5) days prior notice of any public or private sale shall constitute reasonable notice. The proceeds of any such sale shall be applied, first, to the payment of all costs and expenses of conducting the sale or caring for or storing said property (including reasonable attorneys' fees); second, toward the payment of any indebtedness, including, without limitation, indebtedness for Rental, which may be or may become due from Tenant to Landlord; and third, to pay Tenant, on demand, any surplus remaining after all indebtedness of Tenant to Landlord has been fully paid;

(b) Reenter the Premises and remove all persons and all or any property therefrom, either by summary dispossess proceedings or by any suitable action or proceeding. Upon recovering possession of the Premises by reason of or based upon or arising out of an Event of Default, Landlord may, at Landlord's option, either terminate this Sublease or make such alterations, repairs, redecoration and rent concessions as may be necessary in order to relet the Premises or any part or parts thereof, either in the Landlord's name or otherwise, for a term or terms which would otherwise have constituted the balance of the Term of this Sublease at such rent or rents and upon such other terms and conditions as in the Landlord's sole discretion may seem advisable and to such person or persons as in the Landlord's discretion seems best; and upon such reletting, all rent received by Landlord from such reletting shall be applied as follows: first, to the payment of any costs and expenses of such reletting, including brokerage fees and attorneys fees and all costs of alterations and repairs made in connection with such reletting; second, to the payment of any indebtedness other than Rental due hereunder from Tenant to Landlord; third, to payment of Rental due and unpaid hereunder; and the residue, if any, shall be held by Landlord and applied in payment of future Rental as it may become due and payable hereunder. If any such rentals received from such reletting during any month shall be less than that to be paid during that month by Tenant hereunder, Tenant shall pay any such

deficiency to Landlord. No re-entry or taking possession of the Premises or the making of alterations or improvements thereto or the reletting thereof shall be construed as an election on the part of Landlord to terminate this Sublease unless written notice of such intention be given to Tenant. Landlord shall in no event be liable in any way whatsoever for failure to relet the Premises or, in the event that the Premises or any parts thereof are relet, for failure to collect rent therefor, under such reletting. Tenant, for Tenant and Tenant's successors and assigns, hereby irrevocably constitutes and appoints the Landlord as their agent to collect rents due and to become due under all subleases of the Premises or any parts thereof without in any way affecting Tenant's obligation to pay any unpaid balance of rent due or to become due hereunder;

(c) Elect to terminate this Sublease and the tenancy created hereby by giving notice of such election to Tenant, and reenter the Premises, without the necessity of legal proceedings, and remove Tenant and all other persons and property from the Premises, and Landlord may store such property in a public warehouse or elsewhere at the cost of and for the account of Tenant without resort to legal process and without Landlord being deemed guilty of trespass or becoming liable for any loss or damage occasioned thereby;

(d) Exercise any remedy available to Landlord under the Pennsylvania Uniform Commercial Code;

(e) Accelerate the whole or part of the Rental for the entire unexpired balance of the Term of this Sublease, as well as the other charges, payments, costs and expenses herein agreed to be paid by Tenant, and any Rental or other charges, payments, costs and expenses if so accelerated shall, in addition to any and all installments of Rental already due and payable in arrears, and any other charge or payment herein reserved, included or agreed to be treated or collected as rent and any other charge, expense or cost herein agreed to be paid by Tenant which may be due and payable and in arrears, be deemed due and payable as if, by the terms and provisions of this Sublease, such accelerated rent and other charges, payments, costs and expenses were on that date payable in advance; or

(f) Exercise any other legal or equitable right or remedy which it may have.

Any costs and expenses incurred by Landlord (including, without limitation, reasonable attorneys' fees) in enforcing any of its rights or remedies under this Sublease shall be deemed to be Additional Rental and shall be paid to Landlord by Tenant upon demand.

Section 17.3. Damages.

If this Sublease is terminated by Landlord pursuant to Section 17.2., Tenant nevertheless shall remain liable for (a) any Rental and damages which may be due or sustained prior to such termination, all reasonable costs, fees and expenses (including, but not limited to, reasonable attorneys' fees, costs and expenses) incurred by Landlord in pursuit of its remedies hereunder, or

in reletting the Premises or portions thereof to others from time to time (all such Rental, damages, costs, fees and expenses being referred to herein as "Termination Damages"), and (b) additional damages (the "Liquidated Damages"), which, at the election of Landlord, shall be either:

(i) an amount equal to the Rental which, but for termination of this Sublease, would have become due during the remainder of the Term, less the amount of Rental, if any, which Landlord shall receive during such period from others to whom the Premises may be rented (other than any Additional Rental received by Landlord as a result of any failure of such other person to perform any of its obligations to Landlord), in which case such Liquidated Damages shall be computed and payable in monthly installments, in advance, on the first day of each calendar month following termination of the Sublease and continuing until the date on which the Term would have expired but for such termination, and any suit or action brought to collect any such Liquidated Damages for any month shall not in any manner prejudice the right of Landlord to collect any Liquidated Damages for any subsequent month by a similar proceeding; or

(ii) an amount equal to the present worth (as of the date of such termination) of Rental which, but for termination of this Sublease, would have become due during the remainder of the Term, less the fair rental value of the Premises, as determined by an independent real estate appraiser named by Landlord, in which case such Liquidated Damages shall be payable to Landlord in one lump sum on demand and shall bear interest at the Default Rate until paid. For purposes of this clause (ii), "present worth" shall be computed by discounting such amount to present worth at a discount rate equal to one percentage point above the discount rate then in effect at the Federal Reserve Bank nearest to the location of the Airport.

If such termination shall take place after the expiration of two or more Rental Years, then, for purposes of computing the Liquidated Damages, the Annual Percentage Rental payable with respect to each Rental Year following such termination (including the Rental Year in which such termination shall take place) shall be conclusively presumed to be equal to the average Annual Percentage Rental payable with respect to each complete Rental Year preceding termination.

If such termination shall take place before the expiration of two Rental Years, then, for purposes of computing the Liquidated Damages, the Annual Percentage Rental payable with respect to each Rental Year following such termination (including the Rental Year in which such termination shall take place) shall be conclusively presumed to be equal to twelve (12) times the average monthly payment of Annual Percentage Rental due prior to such termination, or if no Annual Percentage Rental shall have been payable during such period, then the Annual Percentage Rental for each year of the unexpired Term shall be conclusively presumed to be a sum equal to twenty-five percent (25%) of the Annual Basic Rental due and payable during such unexpired Term. Termination Damages shall be due and payable immediately upon demand by

Landlord following any termination of this Sublease pursuant to Section 17.2. Liquidated Damages shall be due and payable at the times set forth herein.

Nothing contained in this Sublease shall limit or prejudice the right of Landlord to prove for and obtain, in proceedings for the termination of this Sublease by reason of bankruptcy or insolvency, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which, the damages are to be proved, whether or not the amount be greater, equal to, or less than the amount of the loss or damages referred to above. The failure or refusal of Landlord to relet the Premises or any part or parts thereof shall not release or affect Tenant's liability for damages.

Section 17.4. Remedies in Event of Bankruptcy or Other Proceeding.

(a) Anything contained herein to the contrary notwithstanding, if termination of this Sublease shall be stayed by order of any court having jurisdiction over any proceeding described in paragraph (b) of Section 17.1, or by federal or state statute, then, following the expiration of any such stay, or if Tenant or Tenant as debtor-in-possession or the trustee appointed in any such proceeding (being collectively referred to as "Tenant" only for the purposes of this Section 17.4.) shall fail to assume Tenant's obligations under this Sublease within the period prescribed therefor by law or within fifteen (15) days after entry of the order for relief or as may be allowed by the court, or if Tenant shall fail to provide adequate protection of Landlord's right, title and interest in and to the Premises or adequate assurance of the complete and continuous future performance of Tenant's obligations under this Sublease, Landlord, to the extent permitted by law or by leave of the court having jurisdiction over such proceeding, shall have the right, at its election, to terminate this Sublease on fifteen (15) days' notice to Tenant and upon the expiration of said fifteen (15) day period this Sublease shall cease and expire as aforesaid and Tenant shall immediately quit and surrender the Premises as aforesaid. Upon the termination of this Sublease as provided above, Landlord, without notice, may re-enter and repossess the Premises using such force for that purpose as may be necessary without being liable to indictment, prosecution or damages therefor and may dispossess Tenant by summary proceedings or otherwise.

(b) For the purposes of the preceding paragraph (a), adequate protection of Landlord's right, title and interest in and to the Premises, and adequate assurance of the complete and continuous future performance of Tenant's obligations under this Sublease, shall include, without limitation, the following requirements:

(i) that Tenant comply with all of its obligations under this Sublease; that Tenant pay to Landlord, on the first day of each month occurring subsequent to the entry of such order, or the effective date of such stay, a sum equal to the amount by which the Premises diminished in value during the immediately preceding monthly period, but, in no event, an amount which is less than the aggregate Rental payable for such monthly period;

(ii) that Tenant continue to use the Premises in the manner originally required by this Sublease;

(iii) that Landlord be permitted to supervise the performance of Tenant's obligations under this Sublease;

(iv) that Tenant pay to Landlord within fifteen (15) days after entry of such order or the effective date of such stay, as partial adequate protection against future diminution in value of the Premises and adequate assurance of the complete and continuous future performance of Tenant's obligations under this Sublease, an additional security deposit in an amount acceptable to Landlord;

(v) that Tenant has and will continue to have unencumbered assets after the payment of all secured obligations and administrative expenses to assure Landlord that sufficient funds will be available to fulfill the obligations of Tenant under this Sublease;

(vi) that if Tenant assumes this Sublease and proposes to assign the same (pursuant to Title 11 U.S.C. §365, as the same may be amended) to any person who shall have made a bona fide offer to accept an assignment of this Sublease on terms acceptable to such court having competent jurisdiction over Tenant's estate, then notice of such proposed assignment, setting forth (x) the name and address of such person, (y) all of the terms and conditions of such offer, and (z) the adequate assurance to be provided Landlord to assure such person's future performance under this Sublease, including, without limitation, the assurances referred to in Title 11 U.S.C. §365(b)(3), as it may be amended, shall be given to Landlord by Tenant no later than fifteen (15) days after receipt by Tenant of such offer, but in any event no later than thirty (30) days prior to the date that Tenant shall make application to such court for authority and approval to enter into such assignment and assumption, and Landlord shall thereupon have the prior right and option, to be exercised by notice to Tenant given at any time prior to the effective date of such proposed assignment, to accept, or to cause Landlord's designee to accept, an assignment of this Sublease upon the same terms and conditions and for the same consideration, if any, as the bona fide offer made by such person less any brokerage commissions which may be payable out of the consideration to be paid by such person for the assignment of this Sublease; and

(vii) that if Tenant assumes this Sublease and proposes to assign the same, and Landlord does not exercise its option pursuant to paragraph (vi) of this Section 17.4, Tenant hereby agrees that:

(A) such assignee shall have a net worth not less than the net worth of Tenant as of the Commencement Date, or such Tenant's obligations under this Sublease shall be unconditionally guaranteed

by a person having a net worth equal to Tenant's net worth as of the Commencement Date;

(B) such assignee shall not use the Premises except subject to all the restrictions contained in this Sublease;

(C) such assignee shall assume in writing all of the terms, covenants and conditions of this Sublease including, without limitation, all of such terms, covenants and conditions respecting the Permitted Use and payment of Rental, and such assignee shall provide Landlord with assurances satisfactory to Landlord that it has the experience in operating stores having the same or substantially similar uses as the Permitted Use, in airport concession areas, sufficient to enable it so to comply with the terms, covenants and conditions of this Sublease and successfully operate the Premises for the Permitted Use;

(D) such assignee shall indemnify Landlord against and pay to Landlord the amount of any payments which Landlord may be obligated to make to any Mortgagee by virtue of such assignment;

(E) such assignee shall pay to Landlord an amount equal to the unamortized portion of any construction allowance made to Tenant; and

(F) if such assignee makes any payment to Tenant, or for Tenant's account, for the right to assume this Sublease (including, without limitation, any lump sum payment, installment payment or payment in the nature of rent over and above the Rental payable under this Sublease), Tenant shall pay over to Landlord one-half of any such payment, less any amount paid to Landlord pursuant to clause (E) above on account of any construction allowance.

Section 17.5. CONFESSION OF JUDGMENT - MONEY.

UPON AN EVENT OF DEFAULT FOR FAILURE TO PAY THE RENTAL HEREIN RESERVED OR IN THE PAYMENT OF ANY OTHER SUMS DUE HEREUNDER BY THE TENANT, TENANT HEREBY AUTHORIZES AND EMPOWERS ANY PROTHONOTARY OR ATTORNEY OF ANY COURT OF RECORD TO APPEAR FOR TENANT IN ANY AND ALL ACTIONS WHICH MAY BE BROUGHT FOR SAID RENTAL AND/OR SAID OTHER SUMS AND TO CONFESS JUDGMENT AGAINST TENANT AND IN FAVOR OF LANDLORD FOR THE RECOVERY OF SAID RENTAL AND/OR OTHER SUMS AND FOR INTEREST AND COSTS, TOGETHER WITH A REASONABLE ATTORNEY'S COMMISSION FOR COLLECTION IN AN AMOUNT EQUAL TO THE LESSER OF $25,000 OR FIVE PERCENT (5%) OF THE AMOUNT DUE. SUCH AUTHORITY SHALL NOT BE EXHAUSTED BY ONE EXERCISE THEREOF, BUT JUDGMENT MAY BE

CONFESSED AS AFORESAID FROM TIME TO TIME AS OFTEN AS ANY OF SAID RENTAL AND/OR OTHER SUMS SHALL FALL DUE OR BE IN ARREARS, AND SUCH POWERS MAY BE EXERCISED AS WELL AFTER THE EXPIRATION OF THE TERM, AND TENANT WAIVES AND RELEASES ALL ERRORS AND IMPERFECTIONS IN ANY SUCH ACTION OR ACTIONS.

Section 17.6. CONFESSION OF JUDGMENT - POSSESSION.

WHEN THIS SUBLEASE AND THE TERM OF ANY EXTENSION OR RENEWAL THEREOF SHALL HAVE BEEN TERMINATED ON ACCOUNT OF AN EVENT OF DEFAULT AND ALSO WHEN THE TERM HEREBY CREATED OR ANY EXTENSION OR RENEWAL THEREOF SHALL HAVE EXPIRED, IT SHALL BE LAWFUL FOR ANY ATTORNEY OF ANY COURT OF RECORD TO APPEAR AS ATTORNEY FOR TENANT AS WELL AS FOR ALL PERSONS CLAIMING BY, THROUGH OR UNDER TENANT, AND TO CONFESS JUDGMENT IN EJECTMENT AGAINST TENANT AND ALL PERSONS CLAIMING BY, THROUGH OR UNDER TENANT AND THEREIN CONFESS JUDGMENT FOR THE RECOVERY BY LANDLORD OF POSSESSION OF THE PREMISES, FOR WHICH THIS SUBLEASE SHALL BE HIS SUFFICIENT WARRANT; THEREUPON, IF LANDLORD SO DESIRES, AN APPROPRIATE WRIT OF POSSESSION MAY ISSUE FORTHWITH, WITHOUT ANY PRIOR WRIT OR PROCEEDING WHATSOEVER, AND PROVIDED THAT IF FOR ANY REASON AFTER SUCH ACTION SHALL HAVE BEEN COMMENCED IT SHALL BE DETERMINED AND POSSESSION OF THE PREMISES REMAIN IN OR BE RESTORED TO TENANT, LANDLORD SHALL HAVE THE RIGHT FOR THE SAME EVENTS OF DEFAULT AND UPON ANY SUBSEQUENT EVENTS OF DEFAULT, OR UPON THE TERMINATION OF THIS SUBLEASE OR TENANT'S RIGHT OF POSSESSION AS HEREINBEFORE SET FORTH, TO BRING ONE OR MORE FURTHER ACTION OR ACTIONS TO CONFESS JUDGMENT TO RECOVER POSSESSION OF THE PREMISES AND CONFESS JUDGMENT FOR THE RECOVERY OF POSSESSION OF THE PREMISES AS HEREINBEFORE PROVIDED.

Section 17.7. AFFIDAVIT.

IN ANY CONFESSION OF JUDGMENT OF EJECTMENT AND/OR FOR RENTAL LANDLORD SHALL FIRST CAUSE TO BE FILED IN SUCH ACTION AN AFFIDAVIT MADE BY LANDLORD OR SOMEONE ACTING FOR LANDLORD, SETTING FORTH THE FACTS NECESSARY TO AUTHORIZE THE ENTRY OF JUDGMENT, OF WHICH FACTS SUCH AFFIDAVIT SHALL BE PRIMA FACIE EVIDENCE, AND IF A TRUE COPY OF THIS SUBLEASE (AND OF THE TRUTH OF THE COPY, SUCH AFFIDAVIT SHALL BE SUFFICIENT EVIDENCE) SHALL BE FILED IN SUCH SUIT, ACTION, OR ACTIONS, IT SHALL NOT BE NECESSARY TO FILE THE ORIGINAL AS A WARRANT OF ATTORNEY, ANY RULE OF COURT, CUSTOM OR PRACTICE TO THE CONTRARY NOTWITHSTANDING.

Section 17.8. Performance by Landlord or Prime Landlord.

Notwithstanding anything herein to the contrary, in the event Tenant fails to perform any of its obligations under this Sublease for any reason with reasonable dispatch after notice by Landlord or Prime Landlord of such failure, Landlord or Prime Landlord may, but shall not be obligated to, perform such obligation and in connection therewith Landlord shall have the right to enter the Premises. Notwithstanding the foregoing, if Tenant's failure to perform its obligations would, in the Prime Landlord's or Landlord's opinion, endanger the safety of the public or employees of Prime Landlord or Landlord, the Landlord or Prime Landlord shall so state in its notice, and the Landlord or Prime Landlord may, but shall not be obligated to, perform Tenant's obligations immediately or any time after the giving of such notice (which may be by telephone or by facsimile). Upon such performance by the Prime Landlord or Landlord, Tenant shall immediately reimburse the performing party for the full cost thereof, including reasonable attorneys' or professional fees, with interest at the Default Rate.

ARTICLE 18
SUBORDINATION AND ATTORNMENT

Section 18.1. Subordination.

Unless a Mortgagee (as hereinafter defined) shall otherwise elect as provided in Section 18.2, Tenant's rights under this Sublease are and shall remain subject and subordinate to the operation and effect of

(a) any lease of land only or of land and buildings in a sale-leaseback or lease-subleaseback transaction involving the Premises or Landlord's interest therein, or

(b) any mortgage, deed of trust or other security instrument constituting a lien upon the Premises or Landlord's interest therein,

whether the same shall be in existence at the date hereof or created hereafter, any such lease, mortgage, deed of trust or other security instrument being referred to herein as a "Mortgage", and the party or parties having the benefit of the same, whether as lessor, mortgagee, trustee or noteholders, being referred to herein as a "Mortgagee". Tenant's acknowledgment and agreement of subordination provided for in this Section are self-operative and no further instrument of subordination shall be required; however, Tenant shall execute such further assurances thereof as shall be requisite or as may be requested from time to time by Landlord or any Mortgagee and in the event Tenant fails so to do within ten (10) days after demand in writing, without limiting Landlord's other rights on account of such failure, Tenant does hereby make, constitute and irrevocably appoint Landlord as its attorney in fact and in its name, place and stead so to do.

Section 18.2. Mortgagee's Unilateral Subordination.

If a Mortgagee shall so elect by notice to Tenant or by the recording of a unilateral declaration of subordination, this Sublease and Tenant's rights hereunder shall be superior and prior in right to the Mortgage of which such Mortgagee has the benefit, with the same force and effect as if this Sublease had been executed, delivered and recorded prior to the execution,

delivery and recording of such Mortgage, subject, nevertheless, to such conditions as may be set forth in any such notice or declaration.

Section 18.3. Attornment.

Tenant agrees that, in the event of foreclosure of any Mortgage to which this Sublease is subordinate (or deed or assignment in lieu of foreclosure thereof), at the election of the holder, Tenant shall attorn to such holder (and its successors and assigns) as the successor holder of Landlord's interest hereunder in which case, subject to any applicable terms and provisions of any written agreement between Tenant and such holder, this Sublease shall continue in effect all as if it had been a lease entered into directly between Tenant and such holder (and its successors and assigns). The foregoing shall be self-operative; however, Tenant agrees, upon receipt of written request so to do, to execute such instruments, if any, as may be required in order to give effect to the foregoing and in the event Tenant fails so to do within ten (10) days after demand in writing, without limiting Landlord's other rights on account of such failure, Tenant does hereby make, constitute and irrevocably appoint Landlord as its attorney in fact and in its name, place and stead so to do.

Section 18.4. Agreement with Prime Landlord.

Prior to the Commencement Date, Tenant shall enter into a nondisturbance, subordination and attornment agreement with Prime Landlord in the form attached hereto as Exhibit E, which shall govern the rights and obligations of Prime Landlord and Tenant in the event of a termination of the Prime Lease.

ARTICLE 19
NOTICES

Section 19.1. Sending of Notices.

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

If to Landlord:

MarketPlace Philadelphia Limited Partnership
One Wells Avenue
Newton, Massachusetts 02459

with a copy to:

MarketPlace Philadelphia Management, LLC

Philadelphia International Airport
Philadelphia, Pennsylvania 19153

and a copy to:

New England Development
One Wells Avenue
Newton, Massachusetts 02459

and a copy to:

Goulston & Storrs, P.C.
400 Atlantic Avenue
Boston, Massachusetts 02110
Attention: NED - Philadelphia Airport/Retail

If to Tenant:

_____
_____
_____

with a copy to:

_____
_____
_____

If to Prime Landlord:

Chief Executive Officer, Division of Aviation
City of Philadelphia - Terminal E
Philadelphia International Airport
Philadelphia, Pennsylvania 19153

with a copy to:

City of Philadelphia
Law Department
One Parkway, 16th Floor
1515 Arch Street
Philadelphia, Pennsylvania 19102
Attn: Transportation Division

Either party may, at any time, change its address for the above purposes by sending a notice to the other party stating the change and setting forth the new address.

Section 19.2. Notice to Mortgagees.

If any Mortgagee shall notify Tenant that it is the holder of a Mortgage affecting the Premises, no notice, request or demand thereafter sent by Tenant to Landlord shall be effective unless and until a copy of the same shall also be sent to such Mortgagee in the manner prescribed in Section 19.1 and to such address as such Mortgagee shall designate.

ARTICLE 20
REPRESENTATIONS AND WARRANTIES OF TENANT

Section 20.1. Indebtedness to Prime Landlord.

Neither Tenant nor any Affiliate of Tenant has any unpaid debt due and owing to Prime Landlord and is not delinquent in the payment of any taxes due to Prime Landlord, except such debts or obligations for which Tenant or any Affiliate of Tenant and Prime Landlord, through its Department of Revenue, have executed an agreement to eliminate such delinquencies. For the purposes of this Sublease, the term "Affiliate of Tenant" means (a) any individual, corporation, partnership, trustee, administrator, executor or other legal entity that directly or indirectly owns or controls, or is owned or controlled by, or is under common ownership or control with Tenant, or (b) any legal entity in which Tenant, or any general partner of Tenant or any shareholder owning greater than 5% of the voting shares of Tenant, has an ownership interest greater than 20%.

Section 20.2. Business Privilege License.

Tenant shall obtain and maintain throughout the Term of this Sublease a valid current business privilege license to do business in Philadelphia. Tenant's retail operations shall be licensed and maintained in accordance with all applicable local, Commonwealth and federal laws, rules and regulations, as well as all Airport regulations and standards. Retail operations shall be subject to periodic inspections by Prime Landlord and any other government agency having jurisdiction over such operations, and Tenant shall promptly correct or cause to be corrected all deficiencies reported by any governmental agency having jurisdiction over the operation of the Premises. Copies of all inspection reports (including Health Department reports of inspections) shall be forwarded to Landlord and Prime Landlord immediately upon receipt by Tenant.

Section 20.3. Certificate of Non-Indebtedness.

Prior to the execution of this Sublease, Tenant shall execute and deliver to Landlord a Certificate of Non-Indebtedness in the form attached hereto as Exhibit G which provides as follows and to the best of Tenant's information and belief, the representations made therein are or will be upon execution, true and correct. Prior to the commencement of any work at the Premises by or on behalf of Tenant, Tenant shall cause its General Contractor to execute and deliver to Landlord a Certificate of Non-Indebtedness in the form attached hereto as Exhibit G-1.

For the purposes of this Sublease, the term Certificate of Non-Indebtedness shall mean a certificate which provides as follows:

> "Tenant [Contractor] hereby certifies and represents that Tenant [Contractor] and any entity or individual that owns or controls or is controlled or owned by, or is under common control or ownership with Tenant [Contractor], is not currently indebted to the Prime Landlord and will not at any time during the Term be indebted to the Prime Landlord, for or on account of any delinquent taxes (including, but not limited to, taxes collected by the Prime Landlord on behalf of the School District of Philadelphia), liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the Prime Landlord has been established. In addition to any other rights or remedies available to the Prime Landlord at law or in equity, Tenant [Contractor] acknowledges that any breach or failure to conform with this certification may, at the option and discretion of the Prime Landlord, result in the withholding of payments otherwise due to Tenant [Contractor] for services rendered in connection with this Sublease [Contract], and, if such breach or failure is not resolved to the Prime Landlord's satisfaction within a reasonable time frame specified by the Prime Landlord in writing, may result in the offset of any such indebtedness against such payments otherwise due to Tenant [Contractor] and/or the termination of Tenant [Contractor] for default (in which case Tenant [Contractor] will be liable for all excess cost and other damages resulting from such termination)."

ARTICLE 21
MISCELLANEOUS

Section 21.1. Estoppel Certificates and Other Statements.

At any time and from time to time, within ten (10) days after Landlord shall request the same, Tenant will execute, acknowledge and deliver to Landlord and to such Mortgagee or other party as may be designated by Landlord, a certificate in an acceptable form with respect to the matters requested by such party and such other matters relating to this Sublease or the status of performance of obligations of the parties hereunder as may be reasonably requested by Landlord. If Tenant fails to provide such certificate within ten (10) days after request by Landlord, in addition to any other remedies available to Landlord by reason of such failure, Tenant shall be deemed to have approved the contents of any such certificate submitted to Tenant by Landlord and Landlord is hereby authorized to so certify.

Within ten (10) days after Landlord's demand therefor which may be made no more often than once per year, the Tenant shall furnish to Landlord, at Tenant's sole cost and expense, then current financial statements of Tenant and of each guarantor, audited, if audited statements have been recently prepared on behalf of Tenant or such guarantor, or otherwise certified as being true and correct by the chief financial officer of Tenant or such guarantor, as the case may be, or by the Tenant or such guarantor if the same is an individual.

Section 21.2. Inspections and Access by Landlord.

Tenant will permit Prime Landlord and Landlord, and their respective agents, employees and contractors to enter all parts of the Premises after reasonable advance notice to Tenant and during Tenant's business hours to inspect the same and to enforce or carry out any provision of this Sublease, including, without limitation, any access necessary for the making of any repairs which are Landlord's or Prime Landlord's obligation hereunder; provided, however, that, in the event of an emergency, Landlord or Prime Landlord may enter the Premises for such purposes at any time, upon such notice to Tenant, if any, as shall be feasible under the circumstances. Landlord and Prime Landlord shall have reasonable access to the Premises to determine compliance by Tenant with the terms hereof.

Section 21.3. Memorandum of Sublease.

Neither this Sublease nor a short form or memorandum thereof shall be recorded in the public records.

Section 21.4. Remedies Cumulative.

No reference to any specific right or remedy shall preclude Landlord from exercising any other right or from having any other remedy or from maintaining any action to which it may otherwise be entitled at law or in equity. No failure by Landlord to insist upon the strict performance of any agreement, term, covenant or condition hereof, or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial rent during the continuance of any such breach, shall constitute a waiver of any such breach, agreement, term, covenant or condition. No waiver by Landlord of any breach by Tenant under this Sublease or of any breach by any other tenant under any other lease of any portion of the Concession Area shall affect or alter this Sublease in any way whatsoever.

Section 21.5. Successors and Assigns.

This Sublease and the covenants and conditions herein contained shall inure to the benefit of and be binding upon Landlord, its successors and assigns, and shall be binding upon Tenant, its successors and assigns and shall inure to benefit of Tenant and only such assigns and subtenants of Tenant to whom the assignment of this Sublease or the subletting of the Premises by Tenant has been consented to by Landlord as provided in the Sublease. Upon any sale or other transfer by Landlord of its interest in the Premises and in this Sublease, and the assumption by Landlord's transferee of the obligations of Landlord hereunder, Landlord shall be relieved of any obligations under this Sublease accruing thereafter.

Section 21.6. Captions and Headings.

The table of contents and the ARTICLE and Section captions and headings herein are for convenience of reference only and in no way shall be used to construe or modify the provisions set forth in this Sublease.

Section 21.7. Joint and Several Liability.

If two or more individuals, corporations, partnerships or other business associations (or any combination of two or more thereof) shall sign this Sublease as Tenant, the liability of each such individual, corporation, partnership or other business association to pay rent and perform all other obligations hereunder shall be deemed to be joint and several and all notices, payments and agreements given or made by, with or to any one of such individuals, corporations, partnerships or other business associations shall be deemed to have been given or made by, with or to all of them. In like manner, if Tenant shall be a partnership or other business association, the members of which are, by virtue of statute or federal law, subject to personal liability, the liability of each such member shall be joint and several.

Section 21.8. Broker's Commission.

Each of the parties represents and warrants that there are no claims for brokerage commissions or finders' fees in connection with the execution of this Sublease, and agrees to indemnify the other against, and hold it harmless from, all liability arising from any such claim including, without limitation, the cost of counsel fees in connection therewith.

Section 21.9. No Joint Venture.

Any intention to create a joint venture or partnership relation between the parties hereto is hereby expressly disclaimed. The provisions of this Sublease in regard to the payment by Tenant and the acceptance by Landlord of a percentage of Gross Concession Sales of Tenant and others is a reservation for rent for the use of the Premises.

Section 21.10. No Option.

The submission of this Sublease for examination does not constitute a reservation of or option for the Premises, and this Sublease shall become effective only upon execution and delivery thereof by both parties.

Section 21.11. No Modification.

This writing is intended by the parties as a final expression of their agreement and as a complete and exclusive statement of the terms thereof, all negotiations, considerations and representations between the parties having been incorporated herein. No course of prior dealings between the parties or their officers, employees, agents or affiliates shall be relevant or admissible to supplement, explain or vary any of the terms of this Sublease. Acceptance of, or acquiescence in, a course of performance rendered under this or any prior agreement between the parties or their affiliates shall not be relevant or admissible to determine the meaning of any of the terms of this Sublease. No representations, understandings or agreements have been made or relied upon in the making of this Sublease other than those specifically set forth herein. This Sublease can be modified only by a writing signed by the party against whom the modification is enforceable. Notwithstanding anything herein to the contrary, in the event the Prime Landlord or the FAA requires, as a condition precedent to the granting of funds for the improvement of the Airport, modifications, revisions, supplements or deletions of any of the terms, conditions or

requirements of this Sublease, then Tenant agrees that such changes as may be required to enable Prime Landlord or Landlord to obtain such funds shall be permitted.

Section 21.12. Severability.

If any portion of any term or provision of this Sublease, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Sublease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Sublease shall be valid and be enforced to the fullest extent permitted by law.

Section 21.13. Third Party Beneficiary.

As set forth above, the Prime Landlord shall be a third party beneficiary to this Sublease. Nothing contained in this Sublease shall be construed so as to confer upon any other party the rights of a third party beneficiary, except rights contained herein for the benefit of a Mortgagee.

Section 21.14. Corporate Tenants.

If Tenant is a corporation, the persons executing this Sublease on behalf of Tenant hereby covenant and warrant that: Tenant is a duly constituted corporation qualified to do business in the Commonwealth; all Tenant's franchises and corporate taxes have been paid to date; all future forms, reports, fees and other documents necessary for Tenant to comply with applicable laws will be filed by Tenant when due; and such persons are duly authorized by the board of directors of such corporation to execute and deliver this Sublease on behalf of the corporation.

In addition, if Tenant and/or Guarantor (if any) of Tenant's obligations hereunder is a corporation, Tenant and/or Guarantor (if any) shall deliver to Landlord, upon the execution of this Sublease, a Clerk's Certificate or Secretary's Certificate in form reasonably satisfactory to Landlord, confirming that the execution of this Sublease and/or Guarantee, as applicable, have been duly authorized.

Section 21.15. Applicable Law.

This Sublease and the rights and obligations of the parties hereunder shall be construed in accordance with the laws of the Commonwealth of Pennsylvania. All actions or proceedings arising directly, indirectly or otherwise in connection with this Sublease or the Premises shall be litigated in the courts having a situs within the City of Philadelphia, Commonwealth of Pennsylvania. Tenant hereby irrevocably consents and submits to the jurisdiction of any local, state federal court located within the City of Philadelphia, Commonwealth of Pennsylvania.

Section 21.16. Notice to Mortgagee.

After receiving written notice from any person, firm, or other entity, that it holds a mortgage (which term shall include a deed of trust) which includes as part of the mortgaged

premises the Premises, Tenant shall, so long as such mortgage is outstanding, be required to give to such holder the same notice as is required to be given to Landlord under the terms of this Sublease, but such notice may be given by Tenant to Landlord and such holder concurrently. It is further agreed that such holder shall have the same opportunity to cure any default, and the same time within which to effect such curing, as is available to Landlord; and if necessary to cure such a default, such holder shall have access to the Premises.

Section 21.17. Assignment of Rents.

With reference to any assignment by Landlord of Landlord's interest in this Sublease, or the rents payable hereunder, conditional in nature or other, which assignment is made to the holder of the first mortgage or deed of trust on the Premises, Tenant agrees:

(a) that the execution thereof by Landlord, and the acceptance thereof by such holder, shall never be deemed an assumption by such holder of any of the obligations of Landlord hereunder, unless such holder shall, by written notice sent to Tenant, specifically otherwise elect; and

(b) that, except as aforesaid, such holder shall be treated as having assumed Landlord's obligations hereunder only upon foreclosure of such holder's mortgage or deed of trust and the taking of possession of the Premises by such holder.

Tenant agrees that, in the event of foreclosure of any such mortgage or deed of trust to which this Sublease is subordinate (or deed or assignment in lieu of foreclosure thereof), at the election of the holder, Tenant shall attorn to such holder (and its successors and assigns) as the successor holder of Landlord's interest hereunder, in which case, subject to any applicable terms and provisions of any written agreement between Tenant and such holder, this Sublease shall continue in effect all as if it had been a sublease entered into directly between Tenant and such holder (and its successors and assigns). Tenant agrees, upon receipt of written request so to do, to execute such instruments, if any, as may be required in order to give effect to the foregoing.

Section 21.18. Performance of Landlord's Obligations by Mortgagee.

Tenant shall accept performance of any of Landlord's obligations hereunder by Prime Landlord or any Mortgagee of Landlord.

Section 21.19. Waiver of Certain Rights.

Landlord and Tenant hereby mutually waive any and all rights which either may have to request a jury trial in any action, proceeding or counterclaim (except for those involving personal injury or property damage) arising out of this Sublease or Tenant's occupancy of or right to occupy the Premises.

Tenant further agrees that in the event Landlord commences any summary proceeding for non-payment of rent or possession of the Premises, Tenant will not interpose and hereby waives

all right to interpose any non-compulsory counterclaim of whatever nature in any such proceeding. Tenant further waives any right to remove said summary proceeding to any other court or to consolidate said summary proceeding with any other action, whether brought prior or subsequent to the summary proceeding.

Section 21.20. Limitation on Right of Recovery Against Landlord.

Tenant acknowledges and agrees that the liability of Landlord under this Sublease shall be limited to its interest in the Prime Leased Premises and any judgments rendered against Landlord shall be satisfied solely out of the proceeds of sale of its interest in the Prime Leased Premises. No personal judgment shall lie against Landlord upon extinguishment of its rights in the Prime Leased Premises and any judgment so rendered shall not give rise to any right of execution or levy against Landlord's assets. The provisions hereof shall inure to Landlord's successors and assigns including any Mortgagee. The foregoing provisions are not intended to relieve Landlord from the performance of any of Landlord's obligations under this Sublease, but only to limit the personal liability of Landlord in case of recovery of a judgment against Landlord; nor shall the foregoing be deemed to limit Tenant's rights to obtain injunctive relief or specific performance or to avail itself of any other right or remedy which may be awarded Tenant by law or under this Sublease. In no event shall the Landlord or the Landlord's managing agent ever be liable to the Tenant for any indirect or consequential damages or loss of profits or the like.

If Tenant claims or asserts that Landlord has violated or failed to perform a covenant of Landlord not to unreasonably withhold or delay Landlord's consent or approval, Tenant's sole remedy shall be an action for specific performance, declaratory judgment or injunction and in no event shall Tenant be entitled to any money damages for a breach of such covenant and in no event shall Tenant claim or assert any claim for any money damages in any action or by way of set off, defense or counterclaim and Tenant hereby specifically waives the right to any money damages or other remedies.

Section 21.21. Survival.

All representations, warranties, covenants, conditions and agreements contained herein which either are expressed as surviving the expiration or termination of this Sublease or, by their nature, are to be performed or observed, in whole or in part, after the termination or expiration of this Sublease (such as, but not limited to, indemnity obligations with respect to occurrences prior to the expiration of the Term), shall survive the termination or expiration of this Sublease.

Section 21.22. Relocation of Premises.

In the event of an expansion, renovation or remerchandising of the Concession Area in the vicinity of the Premises the Landlord shall notify the Tenant thereof ("Landlord's Notice"). In such event, the Landlord and the Tenant shall attempt in good faith to agree upon a shift in location of the Premises to other available, mutually satisfactory premises in the Concession Area. If the Landlord and the Tenant so agree, promptly thereafter they shall execute a writing confirming such shift in location and such other agreements incident thereto as shall have been

reached. If the Landlord and the Tenant do not so agree within thirty (30) days after the Tenant receives Landlord's Notice or if such other premises are not available, then the Landlord shall have the right to terminate this Sublease, by giving the Tenant notice of the Landlord's desire so to do. If the Landlord shall give the Tenant such termination notice, then this Sublease shall terminate as of the termination date specified in such notice, which date shall not be sooner than ninety (90) days after the date of such notice, with the same force and effect as if the date so stipulated was the date originally established as the Termination Date hereof.

Section 21.23. Prime Landlord's Approval.

Notwithstanding anything herein to the contrary, the terms and conditions of this Sublease shall not be effective, and neither the Landlord nor Tenant shall have any obligations hereunder, unless and until Prime Landlord shall have consented to the form and substance of this Sublease. If, as a condition to Prime Landlord's approval hereof, Prime Landlord requires amendments, deletions or alteration to this Sublease which do not materially increase Tenant's obligations hereunder, Tenant shall consent to such modifications and shall execute and deliver, within five (5) days after delivery by Landlord to Tenant, appropriate amendments to this Sublease effectuating Prime Landlord's required modifications. If such modifications would materially increase Tenant's obligations hereunder, Tenant and Landlord shall enter into good faith negotiations to resolve any reasonable objections of Tenant, and if such objections cannot be resolved to the satisfaction of Landlord and Tenant within ten (10) business days after notice to Tenant of Prime Landlord's required modifications, then either Landlord or Tenant shall have the right to terminate this Sublease.

Section 21.24. Non-Interference with Operation of Airport.

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

Section 21.25. Subordination to United States Government.

This Sublease shall be subordinate to the provisions of any existing or future agreements between Prime Landlord and any agency or instrumentality of the United States government, relative to the operation and maintenance of the Airport, the terms and execution of which have been or may be required as a condition precedent to the expenditure or reimbursement to Prime Landlord for federal funds or development of the Airport.

Section 21.26. Security Deposit.

Tenant agrees to pay to Landlord, upon execution and delivery of this Sublease, the sum of _____ THOUSAND and __/100 DOLLARS ($_____) as a security deposit hereunder, and that Landlord shall hold the same throughout the Term of this Sublease as security for the performance by Tenant of all obligations on the part of Tenant to be kept and performed. Landlord shall have the right from time to time, without prejudice to any other

remedy Landlord may have on account thereof, to apply such deposit, or any part thereof, to Landlord's damages arising from any default on the part of Tenant. Should the entire security deposit, or any portion thereof, be applied by Landlord in accordance with the provisions hereof, Tenant shall forthwith upon demand pay to Landlord an amount sufficient to restore such security deposit to the original amount specified herein. Landlord shall have the same rights and remedies for the non-payment by Tenant of any amounts due on account of the security deposit as Landlord has hereunder for the failure of Tenant to pay the Annual Basic Rental. Tenant not then being in default, Landlord shall return the deposit, or so much thereof as shall not have theretofore been applied in accordance with the terms of this Sublease, to Tenant on the expiration or earlier termination of the Term of this Sublease and performance by Tenant of all the obligations of Tenant to be performed hereunder, including, without limitation, the surrender of possession of the Premises in compliance with the provisions hereof and the payment of all amounts to be paid by Tenant. However, if the determination of any amount to be paid by Tenant to Landlord, such as Annual Percentage Rent for the last Rental Year, is not made at the expiration or earlier termination of this Sublease, Landlord may retain such portion of the security deposit as Landlord believes in the exercise of Landlord's good faith judgment is an appropriate reserve against such future liability of Tenant and return only the balance of such deposit pending the final determination and payment of all such amounts by Tenant to Landlord. While Landlord holds such deposit, Landlord shall have no obligation to pay interest on the same, unless required so to do by applicable law, and shall have the right to commingle the same with Landlord's other funds. If Landlord conveys Landlord's interest under this Sublease, the deposit, or any part thereof not previously applied, may be turned over by Landlord to Landlord's grantee, and if so turned over, Tenant agrees to look solely to such grantee for proper application of the deposit and the return thereof in accordance herewith. The holder of a mortgage on property which includes the Premises shall never be responsible to Tenant for the return or application of any such deposit, whether or not such holder succeeds to the position of Landlord hereunder, unless such deposit shall have been received in hand by such holder.

Anything in this Section 21.26 to the contrary notwithstanding, Tenant shall have the right to provide in lieu of the foregoing cash security deposit an irrevocable letter of credit in favor of Landlord in the amount of $_____, expiring no earlier than thirty (30) days following the expiration of the Term of this Sublease (as the same may be extended), provided the form thereof and the bank issuing the letter of credit are satisfactory to Landlord. If the initial term of the letter of credit will expire prior to thirty (30) days prior to the expiration of the Term of this Sublease, Tenant shall from time to time, as necessary, renew or replace the original and any subsequent letter of credit not less than thirty (30) days prior to its stated expiration date so that it will remain in full force and effect until thirty (30) days after the expiration of the Term of this Sublease. Without limiting the generality of the foregoing, the letter of credit shall be unconditional except for the following condition: "Drafts will be accompanied by the written statement of _____, that it is entitled to draw hereunder pursuant to the provisions of Section ___ of that Sublease Agreement, dated _____, 2___, with _____ as Tenant, relating to premises at the Philadelphia International Airport in Philadelphia, Pennsylvania," and, by the terms of said letter of credit, Landlord shall be entitled to draw against said letter of credit on sight. Landlord shall be entitled so to draw the whole or any portion of the amount of said letter of credit as aforesaid (and thereafter treat the amount so drawn as a cash security deposit hereunder) if the Tenant is not entitled pursuant to the

provisions hereof to the return of said letter of credit by the date which is thirty (30) days prior to the expiration date thereof or if the Tenant otherwise defaults in any of its obligations hereunder.

Section 21.27. Bankruptcy or Insolvency.

If the Tenant shall become a debtor under the United States Bankruptcy Code, 11 U.S.C. §§101 et seq. (the "Bankruptcy Code") then, to the extent that the Bankruptcy Code may be applicable or affect the provisions of this Sublease, the following provisions shall also be applicable. If the trustee or debtor-in-possession shall fail to elect to assume this Sublease within sixty (60) days after the commencement of a case under the Bankruptcy Code, this Sublease shall be deemed to have been rejected; and the Landlord shall be thereafter immediately entitled to possession of the Premises and this Sublease shall be terminated subject to and in accordance with the provisions of this Sublease and of law (including such provisions for damages). No election to assume (and, if applicable to assign) this Sublease by the trustee or debtor-in-possession shall be permitted or effective unless: (i) all defaults shall have been cured and the Landlord shall have been provided with adequate assurances reasonably satisfactory to the Landlord, including (a) any reasonably required guaranties and/or security deposits, and (b) any other reasonably required assurances that there will continue to be sufficient funds and personnel available to professionally merchandise, stock, promote, staff and operate the Premises in strict compliance with all provisions of this Sublease; and (ii) neither such assumption nor the operation of the Premises subsequent thereto shall, in the Landlord's reasonable judgment, cause or result in any breach or other violation of any provision of this or any applicable lease, mortgage or other contract, or disrupt the tenant mix of the Concession Areas; and (iii) the assumption and, if applicable, the assignment of this Sublease satisfies in full the provisions of the Bankruptcy Code, including, without limitation, Sections 365(b)(1) and (3) and (f)(2); and (iv) the assumption has been ratified and approved by order of such court or courts as have final jurisdiction over the Bankruptcy Code and the case. No assignment of this Sublease by the trustee or debtor-in-possession shall be permitted or effective unless the proposed assignee likewise shall have satisfied (i), (ii), (iii) and (iv) of the preceding sentence regarding such assignment and any such assignment, shall, without limitation, be subject to the provisions of ARTICLE 16 hereof. When pursuant to the Bankruptcy Code the trustee or debtor-in-possession is obligated to pay reasonable use and occupancy charges, such charges shall not be less than the Annual Basic Rental and other charges specified herein to be payable by the Tenant. Neither the Tenant's interest or estate in the Premises herein or created hereby nor any lesser interest or estate of the Tenant shall pass to anyone under any law of any state or jurisdiction without the prior written consent of the Landlord. In no event shall this Sublease, if the term hereof has expired or has been terminated in accordance with the provisions of this Sublease, be revived, and no stay or other proceedings shall nullify, postpone or otherwise affect the expiration or earlier termination of the term of this Sublease pursuant to the provisions of this Section 21.27 or prevent the Landlord from regaining possession of the Premises thereupon.

Section 21.28. Airport Modifications.

It is understood and agreed by Landlord and Tenant that major Airport modifications may take place during the Term. To facilitate the planning, design or construction of any such modifications, Prime Landlord may, pursuant to the terms of the Prime Lease, direct Landlord to

vacate such portions of the Prime Leased Premises as is necessary. If Landlord shall give notice thereof to Tenant, Tenant shall promptly thereafter surrender possession of all or such portion of the Premises and for such period of time (including the remainder of the Term) as Landlord shall direct in its said notice. It is understood and agreed that there shall be no liability by the Prime Landlord or Landlord for any damages or loss of profits or cost by reason of such vacating of the Premises or removal or relocation of improvements or restoration of the Premises; provided, however, that, to the extent Prime Landlord reimburses Landlord for the unamortized cost of Tenant's work and provided that Tenant is not in default hereunder, then Landlord shall reimburse Tenant for such unamortized cost. Notwithstanding anything to the contrary contained in this Section 21.28, if Prime Landlord determines that it would be desirable to relocate Tenant to new premises available in the Airport, then Prime Landlord and Landlord shall endeavor to identify such premises and if Prime Landlord elects to negotiate with respect to such new premises, then Landlord shall negotiate in good faith the amount, if any, of the Prime Landlord reimbursement for Tenant's reasonable moving expenses and so-called "tenant fit out allowance"; and Tenant shall negotiate in good faith the aforesaid amount and any other respected terms with respect to such new premises. Prime Landlord, Landlord and Tenant shall have no obligation to commit to such space until all parties resolve any relocation issues to their satisfaction. If the parties resolve these issues, then promptly thereafter they shall execute a writing confirming such shift to the new premises and such other agreements incident thereto as shall have been reached. If the parties do not so agree within thirty (30) days after Tenant first receives notice from Landlord of the aforesaid requirement to vacate the Premises, then Tenant shall be required to vacate the Premises as aforesaid and the Term of this Sublease shall terminate as of the date Tenant shall so vacate the Premises.

Section 21.29. Certain Rights Reserved by Prime Landlord.

The Prime Landlord shall have the following rights, each of which the Prime Landlord may exercise without notice to Tenant and without liability to Tenant for damage or injury to property, person or business on account of the exercise thereof, and the exercise of any such rights shall not be deemed to constitute an eviction or disturbance of Tenant's use or possession of the Premises and shall not give rise to any claim for set-off or abatement of rent or any other claim (but Prime Landlord agrees to use reasonable efforts not to interfere materially with or disturb Tenant's use or possession of the Premises and the operation of Tenant's business therein):

(a) To change the name or street address of the Terminal Building or the Airport.

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

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

(d) To maintain a central key box at the Airport Communications center for housing door keys and keys for all entry doors for all of the Premises at all times, provided that such keys shall at all times be kept under adequate and appropriate security by the Prime Landlord. Tenant shall furnish the Landlord and Prime Landlord additional duplicate keys as required, and agrees not to change locks nor to affix locks on doors without the prior written consent of the Landlord and Prime Landlord. Notwithstanding the provisions for the Landlord's access to Premises, Tenant releases the Prime Landlord and Landlord of all responsibility arising out of theft, robbery, pilferage and personal assault. Upon the expiration or earlier termination of the Term or Tenant's right to possession, Tenant shall immediately return all keys to the Landlord and shall immediately disclose to the Landlord the combination of any safes, cabinets or vaults left in the Premises.

(e) To approve the weight, size and location of safes, vaults and other heavy equipment and articles in and about the Premises and the Terminal Building so as not to exceed the legal load per square foot designated by the structural engineers for the Airport, and to require all such items and furniture and similar items to be moved into or out of the Terminal Building and Premises only at such times and in such manner as the Landlord and Prime Landlord shall direct in writing. Tenant shall not install or operate machinery or any mechanical devices of a nature not directly related to Tenant's ordinary use of the Premises without the prior written consent of the Landlord and Prime Landlord. Movements of Tenant's property into or out of the Terminal Building or Premises and within the Terminal Building are entirely at the risk and responsibility of Tenant, and the Prime Landlord reserves the right to require permits before allowing any property to be moved into or out of the Terminal Building or Premises.

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

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

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

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

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

Section 21.30. REIT/UBTI.

The Landlord and the Tenant hereby agree that it is their intent that all Annual Basic Rental, Annual Percentage Rental, Additional Rental and any other rent and charges payable to

the Landlord under this Sublease (hereinafter individually and collectively referred to as "Rent") shall qualify as "rents from real property" within the meaning of Sections 512(b)(3) and 856(d) of the Internal Revenue Code of 1986, as amended, (the "Code") and the U.S. Department of the Treasury Regulations promulgated thereunder (the "Regulations"). In the event that (i) the Code or the Regulations, or interpretations thereof by the Internal Revenue Service contained in revenue rulings or other similar public pronouncements, shall be changed so that any Rent no longer so qualifies as "rent from real property" for purposes of either said Section 512(b)(3) or Section 856(d) or (ii) the Landlord, in its sole discretion, determines that there is any risk that all or part of any Rent shall not qualify as "rents from real property" for the purposes of either said Sections 512(b)(3) or 856(d), such Rent shall be adjusted in such manner as the Landlord may require so that it will so qualify; provided, however, that any adjustments required pursuant to this Section 21.30 shall be made so as to produce the equivalent (in economic terms) Rent as payable prior to such adjustment; and provided further, that, if the Rent cannot be adjusted as described above and such inability to adjust the Rent results in an adverse effect upon the Landlord or its mortgagee, then the Landlord shall have the option to terminate this Sublease upon ninety (90) days' prior written notice to the Tenant. If such notice shall be given, then this Sublease shall terminate on the ninetieth (90th) day after the date of such notice, all with the same force and effect as if such date were the Termination Date specified in this Sublease. The parties agree to execute such further commercially reasonable instrument as may reasonably be required by the Landlord in order to give effect to the foregoing provisions of this Section 21.30.

Section 21.31. Gender.

Whenever the context requires, words used in the singular shall be construed to mean or include the plural and vice versa, and pronouns of any gender shall be deemed to include and designate the masculine, feminine and neuter gender.

Section 21.32. Prime Landlord's Title.

Prime Landlord's title to the Premises and the Airport is and always shall be paramount to the interest of Tenant in the Premises. Nothing contained herein empowers Tenant to commit or engage in any act which can, shall or may encumber the title of Prime Landlord.

Section 21.33. Tenant as Franchisee.

Reference is made to the fact that the Tenant is conducting business in the Leased Premises as a franchisee (pursuant to a franchise agreement, license agreement, or agreement in the nature thereof, referred to hereinafter as the "Franchise Agreement") of _____ (the "Franchisor"). It is specifically understood and agreed that the termination or amendment of the Franchise Agreement and/or any other agreement between the Tenant and the Franchisor, by virtue of which termination or amendment, the Tenant no longer has any rights from the Franchisor to use the "_____" trade name or conduct a _____ operation in the Leased Premises in accordance with the provisions of this Sublease, shall constitute a material breach of the obligations of the Tenant under this Sublease, on account of which the Landlord shall have all of the rights and remedies which would be available to the Landlord for any breach by the Tenant of its obligations hereunder. The

Landlord shall be able conclusively to rely on notice from the Franchisor of the termination or such amendment of the Franchise Agreement or other such agreement terminating the Tenant's said rights. The Tenant agrees to send to the Landlord a true copy of any default notice or termination notice or notice or such amendment received by the Tenant from the Franchisor with respect to the Franchise Agreement within five (5) days of its receipt thereof.

Section 21.34. Food Common Area Provision.

Reference is made to the fact that the Leased Premises are located within a portion of Landlord's Floor Area containing common area seating for the food tenants located within such portion. The Landlord agrees that said common seating area shall be maintained in a clean condition at all times during the Term of this Sublease in order that such common seating area may be utilized by the patrons of the Landlord's Floor Area and the Leased Premises during the hours of operation thereof. The Tenant agrees that it shall pay to the Landlord, as the Tenant's contribution towards the maintenance of such common seating area, as additional rent, Tenant's allocable share of the actual cost to Landlord of such maintenance, payable on the first day of each and every month, in advance, included within the Term hereof, the first such payment to be made on the commencement of the Term of this Sublease. For any fraction of a month, said monthly payment shall be prorated. Tenant's allocable share of such expenses shall be a fraction, the numerator of which is the number of square feet contained in Tenant's Floor Area and the denominator of which is number of square feet contained in the total floor area of all of the premises (including the Leased Premises) located within the portion of Landlord's Floor Area containing such common area seating, as reasonably designated from time to time by Landlord.

Section 21.35. Restaurant Provision.

The Tenant covenants and agrees that during the entire term of this Sublease, the Tenant will conduct in the Premises a high-grade operation serving first-quality food for on-premises consumption, and that the Premises will be kept spotlessly clean at all times. The Tenant agrees to use all efforts which may be necessary to minimize odors and noises in the Premises and emitted therefrom. The Tenant further agrees that it will, promptly upon receipt of written notice from the Landlord, take whatever steps may be necessary in order to comply with improvements of food, service, appearance, and the like in the Premises, as reasonably requested by the Landlord from time to time; and failure so to do shall be deemed to be a material default hereunder, invoking all of the provisions with respect to default contained in this instrument.

Section 21.36. Tenant's Payment.

This Sublease is conditioned upon the payment by the Tenant to the Landlord of the sum of _____ and 00/100 DOLLARS ($_____) as follows:

(a) _____ and 00/100 Dollars ($_____) on or before the date that is six (6) months after the Commencement Date;

(b) _____ and 00/100 Dollars ($_____) on or before the date that is eighteen (18) months after the Commencement Date; and

(c) _____ and 00/100 Dollars ($_____) on or before the date that is thirty (30) months after the Commencement Date.

In any event, any remaining unpaid balance shall be due and payable immediately upon the expiration or earlier termination of this Sublease for any reason (and the Tenant's obligation so to make such payments, together with interest at the Default Rate, shall survive any termination of this Sublease). The failure of the Tenant to make such payments when due shall be a material default in the Tenant's obligations hereunder, on account of which the Landlord shall have all the same remedies that the Landlord has for non-payment of Annual Basic Rental under the provisions of this Sublease, at law and in equity.

Section 21.37. Special Provision.

The Landlord agrees that construction of the Premises to the extent required of the Landlord shall be substantially completed not later than twenty-four (24) months following the date hereof, unless the Landlord's failure so to complete is caused by governmental restrictions, strikes, lockouts, shortages of material or labor, acts of God, enemy action, civil commotion, fire or unavoidable casualty, or any other causes beyond the reasonable control of the Landlord, in which event the aforesaid 24-month period shall be extended for such period as the Landlord is so prevented from completing such construction. If such substantial completion has not been achieved within such period, as extended as aforesaid, the Tenant and the Landlord shall each have the right to terminate this Sublease by giving written notice of such termination to the other within thirty (30) days after the expiration of such period. Upon the giving of such notice of termination, the Term of this Sublease shall cease and come to an end, and thereupon there shall be no further liability or obligation upon either party hereto. Such right of termination shall be the sole and exclusive remedy, either at law or in equity, available to the Tenant in the event of the Landlord's failure so to complete construction. **[Section 21.37 not applicable and should be deleted unless Tenant is located in D/E Connector (also not necessary once the Grand Opening occurs/D/E Connector open) or on list of spaces provided by MarketPlace.]**

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement under seal in any number of counterpart copies, each of which shall be deemed an original for all purposes but all of which taken together shall constitute one and the same instrument, as of the day and year first above written.

LANDLORD:

MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP

By: MarketPlace Philadelphia, Inc.

By: _____

TENANT:

Attest: _____ By: _____

Name: _____ Name: _____

Title: _____ Title: _____

COMMONWEALTH OF MASSACHUSETTS)
) ss.
COUNTY OF MIDDLESEX)

_____, 20__

On this day, before me, personally appeared _____ who being by me duly sworn, did say that he is President of MarketPlace Philadelphia, Inc., which corporation is general partner of MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP, a Delaware limited partnership (the "Limited Partnership"); that he knows the seal of said corporation, and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors in its capacity as general partner of said Limited Partnership, and said _____ acknowledged said instrument to be his free act and deed and the free act and deed of said corporation in its capacity as general partner of said Limited Partnership.

_____
Notary Public
My Commission Expires:

STATE OF)
) ss.
COUNTY OF)

_____, 20__

On this day, before me, personally appeared _____, who being by me duly sworn, did say that he is President of _____, a _____ corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and said _____ acknowledged said instrument to be the free act and deed of said corporation.

_____
Notary Public
My Commission Expires:

EXHIBIT A

DRAWING OF TERMINAL BUILDING INCLUDING TENANT'S PREMISES

EXHIBIT B

DRAWING OF CONCESSION AREAS AND PRIME LEASED PREMISES

EXHIBIT C

LANDLORD'S AND TENANT'S WORK

PHILADELPHIA INTERNATIONAL AIRPORT
PHILADELPHIA, PENNSYLVANIA

CONTENTS:

I. DESCRIPTION OF THE LANDLORD'S WORK

II. DESCRIPTION OF THE TENANT'S WORK

III. WORK PERFORMED FOR THE TENANT

LANDLORD: MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP
c/o MarketPlace Development, Inc.
One Wells Avenue
Newton, Massachusetts 02459
(617) 243-7400
FAX: (617) 253-7459

LANDLORD'S ARCHITECT:

SHAPIRO PETRAUSKAS GELBER ARCHITECTS
1524 Delancey Street
Philadelphia, Pennsylvania 19102
(215) 735-1524
FAX: (215) 735-4949

EXHIBIT C

CONSTRUCTION

Reference is made to that certain print package entitled Tenant Design Manual, Parts I & II (hereinafter entitled "Tenant Design Manual"), a photocopy of which has been furnished to the Tenant and all of the terms and provisions thereof are hereby incorporated herein in full by this reference. Notice is hereby given to the Tenant that the terms and provisions of this Exhibit C are general and approximate due to the varying physical characteristics of the several premises comprising the Prime Leased Premises. The Tenant is advised to review the Tenant Design Manual carefully in order to determine the particular construction details applicable to the Premises. In view of the foregoing, it is understood and agreed that in the event of a conflict between the provisions of this Exhibit C and the Tenant Design Manual, the provisions of this Exhibit C shall govern. The Landlord shall have the right, from time to time, to revise the Tenant Design Manual and the Landlord hereby agrees to furnish the Tenant with a copy of such revisions.

I. DESCRIPTION OF THE LANDLORD'S WORK

[IF D/E CONNECTOR DEAL - KEEP THIS PARAGRAPH AND DELETE REST OF SECTION I. ALSO ADD PLACE HOLDER FOR EXHIBIT C-1 AFTER C AND ADD TO LIST OF EXHIBITS IN SECTION 1.3 OF THE SUBLEASE.] Landlord shall perform the items of work delineated as Landlord's on Exhibit C-1 annexed hereto and made a part hereof ("Landlord's work"). Landlord shall cause Landlord's work to be done in a good and workmanlike manner and in conformity with all applicable federal, state and local laws, ordinances and building codes.

[IF AS IS DEAL - KEEP THIS PARAGRAPH AND DELETE REST OF SECTION I.] The Premises are being provided to Tenant solely on an "as is" basis. Landlord makes no representations or warranties as to the adequacy of existing systems (including, without limitation, HVAC, sprinkler, mechanical, electrical, plumbing and fire protection) to meet Tenant's design requirements, any governing code or governing authority requirements. The Premises should be field checked by Tenant. All plans and signs shall be subject to approval by Landlord for compliance with the sublease.

The following work shall be (or has been) performed by the Landlord:

A. UTILITIES

1. Sanitary Sewer - For Food Court and food/beverage tenants only, a common sanitary sewer with a stub for the Premises shall be (or has been) provided at a location determined by the Landlord, at the Tenant's expense.

2. Water - For Food Court and food/beverage tenants only, service for water in the common area with a stub for the Premises shall be (or has been)

provided at a location determined by the Landlord, at the Tenant's expense.

3. Sprinkler – For terminals with sprinkler systems, a tee will be (or has been) provided to the Premises at a location determined by the Landlord, at the Tenant's expense, to which the Tenant will connect the sprinkler system to be installed by the Tenant. Tenants may be required to tie directly into existing sprinkler systems subject to their availability, as determined by the Landlord, at Tenant's expense.

4. Electrical Service - A fused disconnect switch, sized to meet code and program requirements of 12.5 watts psf for retail tenants, 75 watts psf for food and beverage preparation areas and 12.5 watts psf for seating areas, in a designated Landlord electrical distribution closet for the Premises shall be (or has been) provided by the Landlord, at the Tenant's expense. The Landlord will also provide an empty service conduit with pull string and an electrical junction box to the Premises, at the Tenant's expense. Primary service to the disconnect switch will be provided by the Landlord, at the Tenant's expense.

5. Fire Alarm - Landlord has provided (or will provide) a fire alarm contact module near or to the Premises at a location determined by the Landlord, at the Tenant's expense.

6. Telephone Service - The Landlord will provide an empty conduit with pull string to the Premises from the designated Landlord electrical distribution closet, at the Tenant's expense.

7. <u>HVAC</u>:

   a. Terminal One: The Landlord will provide a common air handling unit with duct stubs extended to the perimeter of the Tenant space above ceiling height at Tenant's expense. The Landlord system will provide a minimum of 1.5 cfm per square foot of chilled air for retail spaces and 2.5 cfm per square foot of chilled air for food and beverage spaces.

   b. Terminal F:

      (1) Retail: The Landlord will provide a common air handling unit with duct stubs extended to the perimeter of the Tenant space above ceiling height at Tenant's expense to provide supply air. The Landlord system will supply a minimum of 1.5 CFM per square foot of chilled air for retail.

(2) Food and Beverage: The Landlord will provide a common air handling unit with duct stubs extended to the perimeter of the Tenant space above ceiling height at Tenant's expense to provide outside air only.

c. Terminals A through E: The Landlord will provide a central HVAC system in an "as is" condition that distributes chilled water or chilled air to the perimeter of each Tenant space in the amounts specified in the Tenant Design Manual. The Tenant must field verify the condition of the central HVAC system and its available capacity prior to beginning Tenant's design. The Landlord will not provide chilled water to Tenant premises if the outdoor temperature is equal to or less than 50 ☐ Fahrenheit.

8. Gas Service for Food Tenants - Gas service is provided at locations designated by Landlord and is available for Tenant use, at the Tenant's expense.

With regard to all of the Landlord's work specified in items l through 8 above, the Tenant agrees to reimburse the Landlord for charges incurred by the Landlord in bringing all of said lines or services to the Premises; said charges to be as determined in or outlined in the Tenant Design Manual or in a separate Schedule of Charges to be prepared by Landlord.

B. COMMON FACILITIES

1. Corridors - To be located as the Landlord shall determine and in accordance with applicable building codes.

2. Truck Receiving Facilities - All deliveries to and from the Premises will be made, either directly or indirectly, by the Tenant from designated areas, as determined by the Landlord. Landlord may elect in the future to provide a delivery service. Should Landlord so elect, Tenant shall reimburse Landlord for such service subject to Section 9.4 of the Sublease.

3. Retail Common Areas - Air conditioned and lighted with architectural treatment and landscaping as determined by the Landlord.

4. Sprinklers - A sprinkler system will be provided by the Landlord (where required) in the common and public use areas in accordance with applicable building codes.

C. BUILDING SHELL

1. Structural Frame, Roof, Exterior of the Building - As Is condition - Responsibility of Division of Aviation.

2. Floor Slab – Delivered in As Is condition.

3. Demising Partitions - The Landlord will furnish and install new exposed metal studs and/or masonry partitions, at the Tenant's expense.

4. Neutral Piers between the Tenant Stores - Where desirable in the Landlord's opinion, a vertical neutral pier will be located at the storefront line between stores, such pier to be at the Landlord's cost and expense.

Landlord agrees to use commercially reasonable efforts in performing its work in order to minimize any interference with Tenant's work.

II. DESCRIPTION OF THE TENANT'S WORK

All other work required to complete and fully equip the Premises shall be done by the Tenant at the Tenant's sole cost and expense, and the same shall be done as follows:

A. GENERAL CONDITIONS

All work done by the Tenant in the Premises shall be governed in all respects by, and be subject to, the following:

1. The Division of Aviation and City of Philadelphia Building Requirements.

   a. The detailed store plans for the completion of the Premises must be prepared under the supervision of a Pennsylvania registered architect or registered engineer. All plans including architectural, mechanical, electrical and sign drawings shall have affixed thereto a Commonwealth of Pennsylvania registration stamp. Architectural drawings shall be signed and sealed by an architect and engineering drawings shall be signed and sealed by an engineer. In addition, Tenant shall be required to retain an architect registered in the Commonwealth of Pennsylvania until the Tenant's Premises has received final acceptance by the Landlord and the Prime Landlord.

   b. The Tenant's drawings must be submitted to the Landlord and governing authorities for review in accordance with the procedure outlined in the Tenant Design Manual. Landlord's approval shall not relieve the Tenant of the obligation to conform to the requirements of the applicable Building Department(s), State and all other applicable codes, the requirements of this Sublease (including, without limitation, this Exhibit C, the Tenant Design Manual and the Construction Rules and Regulations) and governing authorities.

c. Plans for the Tenant's work shall be delivered to the Landlord's Architect and reviewed as set forth in the Tenant Design Manual all as if set forth herein. The Tenant shall reimburse the Landlord for plan review as set forth in the Schedule of Charges to be provided by the Landlord.

2. The Tenant shall not commence the Tenant's work until the Tenant has secured the Landlord's written approval of all contractors to be used in performing the Tenant's work and of the plans and specifications required to be submitted by the Tenant to the Landlord, as defined in sublease section 8.2. The Tenant's work shall be coordinated with the work being done by the Landlord and/or other tenants of the Landlord in order that such work will not interfere with nor delay the completion of work by the Landlord and/or other tenants of the Landlord. The performance of the Tenant's work shall cause no interference whatsoever with the completion of the Landlord's work in the Premises, nor in the remainder of the Terminal.

3. The Tenant's work shall be performed in a first-class workmanlike manner and shall be in good and usable condition at the date of completion thereof.

4. The Landlord shall have the right (but shall not be obligated) to perform by its own contractor or subcontractor, on behalf of and for the account of the Tenant, any of the Tenant's work on the Terminal or the Prime Leased Premises which the Landlord determines, in case of emergency or negligence, or upon the request of the Division of Aviation, should be so performed; provided, however, that, except in the case of emergency, Landlord shall give Tenant reasonable advance notice and an opportunity to cure, before performing such work. The Landlord contemplates that the work which the Landlord shall in any event require to be done by the Landlord's contractor or subcontractor will include, without limitation, work which affects any structural components of, or the general utility systems for, the building in which the Premises are located. The Landlord shall notify the Tenant of work which will be required to be done by the Landlord's contractor or subcontractor before the Tenant commences performance of any substantial part of its work. The Tenant shall promptly, on demand, reimburse the Landlord for all costs of planning and performing such work when and as incurred by the Landlord and for any costs incurred by the Landlord in obtaining all permits in connection therewith.

5. Compliance with Laws: All of the Tenant's work shall conform to applicable statutes, ordinances, regulations, codes and to requirements of the Landlord's insurance underwriters. The Landlord's approval of plans and specifications shall not constitute an acknowledgment that work done

in accordance therewith will so conform, and the Tenant shall be solely responsible for corrections in the Tenant's work required by any governmental agency or insurance underwriters. The Tenant shall obtain and convey to the Landlord approvals from all agencies having jurisdiction over matters relative to electrical, gas (if available), water, heating and cooling, and telephone work, and shall secure its own building and occupancy permits. The Landlord reserves the right to require changes in the Tenant's work when necessary by reason of code requirements or directives of governmental authorities having jurisdiction over the Premises.

6. Approvals: No approval by the Landlord shall be valid unless the same be in writing and signed on behalf of the Landlord and the Division of Aviation (DOA).

7. Insurance: Prior to commencement of the Tenant's work and until the last to occur of (a) the completion of the Tenant's work, or (b) the Commencement Date, the Tenant shall maintain, or cause to be maintained, casualty insurance in builder's risk form, covering the Landlord, the Landlord's agents and beneficiaries, the Landlord's Architect, the Landlord's contractor or subcontractors, the Tenant and the Tenant's contractors as their interests may appear, against loss or damage by fire, vandalism and malicious mischief, and such other risks as are customarily covered by the so-called "extended coverage endorsement" upon all the Tenant's work in place, and all materials stored at the site of the Tenant's work and all materials, equipment, supplies and temporary structures of all kinds incidental to the Tenant's work and builder's machinery, tools and equipment, all while forming a part of, or contained in, such improvements or temporary structures while on the Premises or when adjacent thereto while on drives, sidewalks, streets, dolly concourse or concourse, all in the full insurable value thereof at all times by reputable insurance companies licensed to do business in The Commonwealth of Pennsylvania. In addition, the Tenant agrees to require all contractors and subcontractors engaged in the performance of the Tenant's work to effect and maintain and deliver to the Tenant and the Landlord certificates evidencing the existence of, prior to the commencement of the Tenant's work and until completion thereof, the following insurance coverages:

   a. workers' compensation insurance at statutory limits and in accordance with the applicable laws of The Commonwealth of Pennsylvania and with Employer's Liability insurance with limits of at least $1,000,000.

   b. Commercial general liability insurance policy, including (but not limited to) contractor's liability coverage, contractual liability

coverage, products and completed operations coverage, broad form property damage and owners and contractors protective liability coverage, to afford protection with respect to bodily injury, death, personal injury, and property damage with a combined single limit of at least $5,000,000 per occurrence and an aggregate of not less than $5,000,000 per occurrence. Notwithstanding anything to the contrary set forth herein, such insurance shall remain in place for at least three years after the completion of the Tenant's Work to which it relates.

c. business automobile liability, including owned, non-owned, and hired vehicles, with a combined single limit of at least $5,000,000 per occurrence or such other minimum levels as may be required by the City of Philadelphia or other empowered entities with respect to commercial vehicles on or near the airport premises.

Prior to the commencement of the Tenant's work, the Tenant shall deliver to the Landlord's Tenant Coordinator certificates of all required insurance. All insurance coverages required herein must be provided by insurance carriers authorized to do business in The Commonwealth of Pennsylvania and be otherwise reasonably acceptable to the Tenant and the Landlord. In addition, all such insurance shall provide, and certificates thereof shall state, that the same is non-cancelable and non-amendable without at least thirty (30) days' prior written notice to Landlord, and attach evidence of the payment of premiums thereon (and certificates of renewal, and evidence of premium payments with reference thereto, where appropriate). Furthermore, with respect to commercial general liability and business automobile liability, such insurance shall also include all entities reasonably designated by Landlord and the Division of Aviation (DOA) from time to time as additionally insured on a primary basis.

8. In any contract or undertaking which the Tenant may make with a contractor for work in the Premises, provision shall be made for the dismissal from the job of workmen whose work is, in the Landlord's (and, for this purpose, "the Landlord" shall include a reference to the Landlord's Architect) reasonable judgment, unskilled or otherwise objectionable provided Landlord gives Tenant prior notice of such determination, and any such workmen shall be discharged, and the Tenant shall exonerate, indemnify and hold the Landlord (and the Landlord's Architect) harmless from any loss, cost, damage or liability incurred by reason of compliance with any such demand.

The Tenant shall use, and the Tenant shall require its contractor and subcontractors to use, its best efforts to prevent work stoppages on the

Premises, or elsewhere in the Terminal, to the extent attributable to work being performed on the Premises, irrespective of the reason for any such stoppage, in recognition of the fact that it is of the utmost importance to the Landlord and all those occupying or to occupy space in the Terminal that there be no interruption in the progress of the work and to that end, in the event that the conduct or presence of any employee(s) of the Tenant or the Tenant's contractor(s) or subcontractor(s) causes a labor dispute or work stoppage, the Tenant expressly agrees to have such employee(s) immediately removed from the Terminal upon the Landlord's request, and the Tenant's failure to do so shall constitute a default under the Sublease. The Tenant shall exonerate, indemnify and hold the Landlord (and the Landlord's Architect) harmless from any loss, cost, damage or liability incurred by reason of compliance with any such demand.

The Landlord's contractor has included in his contract with all subcontractors the following Harmony Clause. The Tenant will be required to include this clause in all contracts with general and subcontractors so that there will be no interruption in the process of work.

Harmony Clause

There shall be no manifestations on the project of any dispute between any labor organization and any Tenant contractor or subcontractor, including but not limited to, any area standards picketing against said contractor or subcontractor.

Should there be any manifestation of a labor dispute between any Tenant contractor or subcontractor and any union, which results in a stoppage of work on the part of said contractor or subcontractor's employees or the employees of any other employer or supplier on the project or at the Terminal, which in the sole judgment of the Landlord will cause, or is likely to cause, unreasonable delay in the progress of construction or operation of any business at the Terminal, then upon written notice from Landlord, the Tenant shall have the obligation and the right to declare the contractor or subcontractor in default of its contract, and upon such notice, the Tenant shall have the right to take such steps as are necessary to finish the uncompleted portion of the work to be performed by the contractor or subcontractor.

9. Reference is made to that certain print package entitled "Construction Rules and Regulations" (hereinafter entitled "Construction Rules and Regulations"), a photocopy of which has been furnished to the Tenant and

all of the terms and provisions thereof are hereby incorporated herein in full by this reference. All work done by the Tenant, the Tenant's contractor or sub-contractor on the Tenant's behalf shall be subject to the Construction Rules and Regulations. The Tenant is responsible for enforcing the Tenant's contractor and sub-contractor's compliance with such Construction Rules and Regulations, which are incorporated herein by reference. The Landlord and the Division of Aviation (DOA) reserve the right to modify the Construction Rules and Regulations from time to time. The cost of any obligations imposed by the Construction Rules and Regulations will be the Tenant's responsibility.

B. GENERAL CONSTRUCTION

The Tenant shall perform all work necessary to prepare the Premises for opening for business and shall comply with the plan approval procedure outlined in the Tenant Design Manual which, by reference, is made part of this Exhibit C. The finish work which the Tenant is to perform shall include, but not be limited to, the following:

1. STOREFRONTS

a. The Tenant shall construct the storefront and closure, including all required structural supports.

b. The design of the storefront shall be in harmony with other stores of the Prime Leased Premises and shall conform to the standards of design and construction contained in the Tenant Design Manual. In any event, the storefront shall be subject to the prior approval of the Landlord.

2. FLOOR SLABS

a. Any work performed by the Tenant relating to the floor slabs for the Premises, including, without limitation, slab preparation, placement of concrete, and any demolition will be performed by the Tenant's contractor at the Tenant's expense, in accordance with plans and specifications which shall have been approved by the Landlord prior to commencing any such work.

b. All slab openings and framing (as required) must be designed by a structural engineer.

3. CEILINGS

a. The Tenant shall use the underwriter's approved non-combustible ceiling treatment as set forth in the Tenant Design Manual.

Minimum ceiling height shall be in accordance with the Tenant Design Manual.

b. No combustible materials will be permitted above the ceiling. The Tenant shall not hang any material or fixtures from the roof deck or bottom chord of structural members. Preferably, all hanging shall be done from the top chord of structural members by means of trapeze-type hangers. Any such "hangers" shall be subject to the prior approval of the Landlord.

c. The Tenant shall not hang anything from the ceiling grid system or mechanical systems in the Terminal.

4. INTERIOR WALLS & PARTITIONS

a. The Tenant shall install on the Tenant's side of demising stud wall (1) layer of 5/8" type X gypsum wallboard or equivalent to become a part of a one-hour rated demising partition.

b. The Tenant will not be permitted to hang fixtures from nor attach fixtures to the aforementioned partition. The Tenant will be required to install a fixture partition adjacent to the demising partitions for the attachment of fixtures in this location. In lieu of installing a fixture partition, the Tenant may submit a sketch of proposed additional framing or bracing to the Landlord for approval. The Tenant must indicate on such sketch the weights and methods of carrying same on the partitions.

c. All interior finish materials shall meet the flamespread requirements of all applicable codes, ordinances and regulations.

5. SERVICE DOOR

a. In the event Tenant's Premises abut a service corridor, the Tenant will install a service door complete with hardware between the Premises and the truck receiving facilities, project corridor or sidewalk, if and where indicated on plans. Such service door will be installed by Tenant according to Landlord's specifications as set forth in the Tenant Design Manual.

b. Notwithstanding the foregoing, due to the specific design of the DE Screening Building a service door is not permitted for tenants located in the D/E Connector. All deliveries are to be received through the Tenant storefront.

6. PAINTING

a. The Tenant shall perform all interior painting and decoration within the Premises and at its storefront and surrounding areas as may be required pursuant to or as a result of Tenant's construction.

7. FLOOR COVERING

a. The Tenant shall install all floor covering within the Premises.

b. The Tenant is required to install the base building transition tile to a minimum of the centerline of the storefront security grille or door system.

8. TRASH AND RUBBISH

a. If Tenants are permitted to provide their own dumpsters, then the dumpsters shall be placed in locations designated by the Landlord. Landlord reserves the right to provide common dumpsters for use by Tenant and Tenant's contractor; and to provide trash and rubbish removal from Tenant's Premises, at the Landlord's sole discretion, and at Tenant's expense, based upon an allocation by Landlord.

9. WATER AND SEWER

a. Tenant shall tie into water line available to Tenant's Premises, as directed by Landlord, and shall extend and distribute the water service as required by Tenant's approved plans, at Tenant's expense.

b. Tenants shall furnish and install a water meter approved by the Landlord, and shall be responsible for all related water charges. Tenant shall also be responsible for all sewer charges related to Tenant's operation.

c. Tie in locations:
- Capped sanitary stub is provided below the floor of the Premises.
- Capped cold water stub is provided above the floor in the Premises.

10. SPRINKLERS

a. If a sprinkler system is available to the Premises or is required by code and is not being installed by Landlord, then the Tenant shall install sprinkler head layout and piping to provide a fully sprinkled

Premises. The Tenant shall furnish and install new sprinkler heads in accordance with the Tenant Design Manual and approved by the Landlord's insurance carrier

b. Sprinkler system must also comply with all applicable codes and regulations, including but not limited to, requirements of the City of Philadelphia, the Division of Aviation and the Landlord's insurance carriers.

11. FIRE EXTINGUISHERS

a. The Tenant shall furnish and install fire extinguishers as required by applicable authorities, including the City of Philadelphia, the Division of Aviation, the Philadelphia Fire Departments, and the Landlord's insurance carriers.

12. HEATING, VENTILATING AND AIR CONDITIONING

a. The Tenant shall tie into the central HVAC system. The Tenant may provide a supplemental cooling system, capable of providing conditioned and/or heated air above and beyond that provided by Landlord per Article I, Subparagraph A7, of this Exhibit C only with special written approval of the Landlord and the Division of Aviation (DOA).

The Tenant shall provide and install a heating and air conditioning system necessary to service the Premises in accordance with the Tenant Design Manual and applicable code requirements. The equipment to be installed by the Tenant may include air distribution equipment, heating and cooling coils, diffusers, grilles, fire dampers, duct work, duct insulation, temperature controls and wiring.

b. Food and Beverage: The Tenant shall tie into the Landlord's central HVAC system provided by the Landlord for outside air requirements. Tenant must install a "split system" capable of providing chilled and/or heated air for Tenant's Premises. The Tenant shall provide and install a heating and air conditioning system necessary to service the Premises in accordance with the Tenant Design Manual and applicable code requirements. The equipment to be installed by the Tenant may include a condensing unit, air handling unit, refrigerant lines, air distribution equipment, heating and cooling coils, diffusers, grilles, fire dampers, duct work, duct insulation, temperature controls and wiring. The Tenant must maintain a 20% minimum negative air balance within the space via an exhaust system provided by Tenant.

c. Air conditioning equipment is permitted on the roof only in locations designated by the Landlord. Any additional steel supports and curbs for roof equipment, whether furnished and installed by the Landlord or the Tenant, will be at the Tenant's expense. The foregoing will vary according to the particular physical characteristics of the Premises and the Tenant should review the Tenant Design Manual for specific details.

d. All roof openings, blocking, flashing, steel supports and related work will be done by the Tenant using the Landlord's designated contractor, at the Tenant's expense. All work is subject to the approval of the Landlord.

e. In the event the Premises are to be served, in whole or in part, by the central HVAC system, the Tenant shall install such equipment as shall be required by the Tenant Design Manual in connection therewith. Without limitation, food tenants will be required to furnish any and all hoods, exhaust fans, makeup air units with heating provisions, grease exhaust/filtration system as required by the Tenant Design Manual and duct work in their premises

f. The complete HVAC system must be in operation, inspected and balanced prior to the opening of the Premises for business. The Tenant is responsible for balancing the HVAC distribution system by a balancing contractor approved by the Landlord, which approval shall not be unreasonably withheld.

g. Tie in location:
- Supply air trunk line provided above the floor in the Premises.
- Return air trunk line provided above the floor in the Premises.

13. <u>ELECTRICAL</u>

a. The Tenant shall furnish and install a complete electrical system for power and lighting as required by the Tenant Design Manual and applicable codes.

b. The Tenant shall furnish and make all arrangements for the furnishing and installation of Tenant's submeter and pay all costs and charges in connection therewith.

c. The Tenant shall furnish, install, support and connect all lighting fixtures, including lamps.

d. The Tenant shall furnish and install all lighting timers, contactors, controls, etc.

e. Tie in:
   - Junction box and conduit with pull string for use by the Tenant in running electric from the Premises to the electrical closet is located above the floor in the Premises.

14. TELEPHONE

a. The Tenant shall obtain telephone service with connection at the Landlord's designated location at Tenant's expense. All wiring, conduit, and installation shall be subject to Landlord and Division of Aviation (DOA) approval.

15. FIRE ALARM

a. Tenant shall design and install Tenant's fire alarm system within the Premises as required by code and other municipal or governmental requirements, as well as Landlord's requirements. Tenant shall hire Landlord's or Prime Landlord's fire alarm vendor (at Landlord's direction) to connect Tenant's fire alarm system into the central system, at Tenant's expense. In order to meet the Terminal opening schedule or to address life safety concerns, Landlord reserves the right to tie-in and troubleshoot the Tenant's fire alarm system at Tenant's expense, at Landlord's sole discretion. However, Landlord's exercise of such right shall not excuse Tenant from responsibility for the operation of such system.

b. Tie in location:
   - Fire alarm contact module for tie into the Airport system is located in the concourse in front of the Premises.

16. GAS

a. Tenant is responsible to extend gas piping from a location determined by Landlord to the Premises, at Tenant's expense.

b. Tie in location:
   - Tenant shall obtain gas service at the Landlord's connection point and provide all piping, metering and installation as required. Installation shall be subject to Landlord and Division of Aviation (DOA) approval.

17. OTHER INTERIOR WORK

The Tenant shall furnish and install all store fixtures; same to be new and at least equal in quality and design to fixtures used in other better grade, recently opened stores of the Tenant or the Tenant's parent company. All fixtures to be subject to the approval of the Landlord's Architect, said approval not to be unreasonably withheld or delayed provided same conform to the foregoing.

18. MATERIALS

No materials used in connection with the Tenant's work in or about the Terminal shall contain any asbestos or other hazardous or toxic materials (collectively, "hazardous materials"). If the transportation, storage, use or disposal of any hazardous materials anywhere on the Terminal associated in any way with the Tenant's work results in any (1) contamination of the soil or surface or groundwater or (2) loss or damage to person(s) or property, then Tenant agrees to respond in accordance with the following paragraph:

Tenant agrees (i) to notify Landlord immediately of any contamination, claim of contamination, loss or damage, (ii) after consultation and approval by Landlord, to clean up the contamination in full compliance with all applicable statutes, regulations and standards, and (iii) to indemnify, defend and hold Landlord harmless from and against any claims, suits, causes of action, costs and fees, including attorneys' fees, arising from or connected with any such contamination, claim of contamination, loss or damage. This provision shall survive the termination of the Sublease to which this Exhibit C is annexed. No consent or approval of Landlord shall in any way be construed as imposing upon Landlord any liability for the means, methods, or manner of removal, containment or other compliance with applicable law for and with respect to the foregoing.

Tenant shall immediately notify Landlord upon Tenant's receipt of any inquiry, notice, or threat to give notice by any governmental authority or any other third party with respect to any hazardous materials.

19. CONSTRUCTION STATUS AT OPENING

In the event that the Tenant will not have completed all of the Tenant's construction and other work in connection with the initial alteration of the Premises, including the equipping of the Premises with all trade fixtures and personal property necessary or proper for the operation of the Tenant's business, on or before the date of opening of the Terminal, then the Landlord may install temporary barricades (with temporary doors) between the Terminal area and the Premises, which barricades shall, at the

Landlord's option, remain in place until the Tenant has so completed all such work. If the Landlord elects to install such barricades, then such barricades (and doors) will be installed, maintained and removed at the Tenant's cost. Such cost shall be reasonable and without profit to the Landlord, and shall be charged back to the Tenant and paid by the Tenant to the Landlord promptly after the Landlord furnishes the Tenant with a bill therefor together with a statement in reasonable detail evidencing such costs. The Tenant shall furnish to the Landlord prior to the opening of the Terminal a sign or signet with the Tenant's logo and indicating that the Tenant is coming to the Terminal, reasonably satisfactory in all respects to the Landlord, so that the same may appear on such temporary barricades.

In addition, in the event that applicable codes require that certain fire safety systems and improvements, including, without limitation, sprinkler system and drywall installation, must be complete and in operation in the Premises even though the Premises are not then in operation, the Tenant agrees to reimburse the Landlord for the cost incurred by the Landlord in completing and operating such fire safety systems and improvements. Without limiting the generality of the foregoing, the provisions of this paragraph shall be effective if the fire marshall or other municipal authority advises the Landlord that it is required that certain fire safety systems and improvements in the Premises must be complete and in operation. Said reimbursement shall be made by the Tenant promptly upon the Landlord billing the Tenant therefor as aforesaid.

In addition, if any of Tenant's Work (including, without limitation, so-called "punch list" items) is not completed within thirty (30) days after Tenant's opening for business in the Premises, then Landlord shall have the right, but not the obligation, to complete the same and Tenant agrees to reimburse Landlord for the costs incurred by the Landlord for such completion. Said reimbursement shall be made by Tenant promptly upon the Landlord billing the Tenant therefor. In addition to all other rights and remedies of Landlord under this Sublease, if Tenant shall fail to complete its Work (including, without limitation, so-called "punch list" items) within thirty (30) days after Tenant's opening for business in the Premises, then Tenant shall pay to Landlord a sum equal to Three Hundred Dollars ($300.00) for each day thereafter that Tenant shall fail to complete such work. The provisions of this paragraph 18 shall not affect the commencement of the term of this Sublease nor any of the Tenant's other obligations or Landlord's obligations under this Sublease, including, without limitation, the obligations of the Tenant to complete such work, to open for business in the Premises and to pay all rent and charges in accordance with the provisions of this Sublease.

20. <u>OTHER MATTERS</u>

a. Surrounding tenants and the Landlord have the right to run duct work, piping, electrical conduit, etc., through the Premises and Landlord shall use reasonable efforts to minimize any interference with Tenant's operations. Same shall be above the ceiling line, and where possible, tight to underside of roof structure or below floor slab; and in all events, such work shall be done in locations and in a manner approved in advance by the Landlord's Architect. For coordination with surrounding tenants, the Tenant shall provide to the Landlord's Architect reproducible drawings of its complete mechanical and electrical systems for approval. The Tenant shall furnish reproducible shop drawings of the "as built" mechanical, electrical, and plumbing systems if they are changed from the original approved design.

b. The Tenant shall be responsible for the demolition of all existing improvements, utilities and fixtures within the Premises to the extent that they are not utilized by the Tenant in the final condition of the Premises.

c. The Tenant shall erect a construction barricade as set forth in the Tenant Design Manual, at Tenant's expense unless such barricade has previously been provided by others. The barricade shall not be removed without prior approval of Landlord.

d. The Tenant shall be responsible for the construction of storefront, signage, and blade signs in accordance with the Tenant Design Manual. Additional instructions regarding these items will be provided by the Landlord.

III. WORK PERFORMED FOR THE TENANT

Wherever provision is made in this Exhibit C **or Exhibit C-1 annexed hereto** for work to be done by the Landlord with the Tenant to reimburse the Landlord for the cost thereof, the Tenant shall reimburse the Landlord for said cost within ten (10) days after having received a statement from the Landlord with respect to said cost; and unless the same shall be paid by the Tenant within said 10-day period, the Tenant shall likewise pay to the Landlord interest on such unpaid amount computed at the Default Rate set forth in Section 1.1.J under the Sublease to which this Exhibit C is annexed from the date of the Landlord's statement to the date of payment, for the recovery of which amounts the Landlord shall have the same remedies as though said amounts were due and owing as rent under the Sublease to which this Exhibit is annexed. **[DELETE BOLD LANGUAGE IF TENANT NOT IN D/E CONNECTOR.]**

EXHIBIT D

INVESTMENT CERTIFICATE
(Provide all Tenant investments by amount and percentage below, as indicated below)

Tenant Name: _____ Date: _____

Location: _____ Space Number: _____

A. Gross Square Footage of Premises _____sf

B. Architectural / Engineering Costs $_____

C. Construction Hard Costs $_____

D. Furniture, Furnishings & Equipment $_____

E. Total of Construction Costs $_____
(B+C + D)

F. Premises Minimum Investment $_____
Per Sublease

_____ **(ADD TENANT NAME)**

By:_____
Name:
Its:
Hereunto duly authorized

STATE OF)
) ss.
COUNTY OF)

UPDATE AS REQUIRED

On this ____ day of _____, 20__, before me, the undersigned notary public, personally appeared _____, the _____ of _____, a _____ corporation, proved to me through satisfactory evidence of identification, which was _____, to be the person whose name is signed on this Certificate, and acknowledged to me that he signed it voluntarily for its stated purpose.

_____
Notary Public
My Commission Expires:

EXHIBIT E

NONDISTURBANCE, SUBORDINATION AND ATTORNMENT AGREEMENT

This NONDISTURBANCE, SUBORDINATION AND ATTORNMENT AGREEMENT is made as of the _____ day of _____, _____, between CITY OF PHILADELPHIA, a Pennsylvania municipal corporation (hereinafter referred to as "Prime Landlord") and _____, a _____ corporation, having an office at _____ (hereinafter referred to as "Subtenant").

WITNESSETH, WHEREAS:

Prime Landlord has entered into a certain lease (hereinafter referred to as the "Prime Lease") dated January 31, 2001, with MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a MarketPlace Redwood Limited Partnership), a Delaware limited partnership, as Tenant (hereinafter referred to as "Sublandlord"), with respect to certain premises located in the Philadelphia International Airport, located in the City of Philadelphia and Township of Tinicum, Pennsylvania; and

Sublandlord, as lessor, and Subtenant, as lessee, have entered into a sublease dated _____, ____, a copy of which is attached hereto as Exhibit A (hereinafter referred to as the "Sublease") of part of said premises (the "Sublet Premises"). [Insert if applicable: The Sublease is to be guaranteed by a guaranty of _____ attached hereto as part of Exhibit A (hereinafter referred to as the "Guaranty")]; and

The parties hereto desire to assure Subtenant's possession of the Sublet Premises upon the terms and conditions therein mentioned in the event of a termination of the Prime Lease;

NOW, THEREFORE, in consideration of the covenants hereinafter set forth and for Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby covenant and agree as follows:

1. Prime Landlord consents to the execution and delivery of the Sublease in the form annexed as Exhibit A.

2. (A) If the current term of the Prime Lease, or any renewal thereof, shall terminate before the expiration of the term of the Sublease, as the Sublease may be renewed in accordance with the terms thereof, for any reason other than condemnation, fire or other damage, the Sublease, if then in existence, without any default thereunder beyond the expiration of any grace period provided for therein, shall continue as a lease between Prime Landlord, as lessor, and Subtenant, as lessee, with the same force and effect as if Prime Landlord, as lessor, and Subtenant, as lessee, had entered into a lease as of the date of the termination of the Prime Lease, containing the same terms, covenants and conditions as those contained in the Sublease, including any rights of renewal thereof, for a term equal to the unexpired term of the Sublease. Upon Prime Landlord's written request, given within sixty (60) days after any such termination, Subtenant, within thirty (30) days after receipt of such request, shall execute and deliver to Prime

Landlord a new lease of the Sublet Premises for the unexpired term of the Sublease upon all of the terms, covenants and conditions of the Sublease (including any renewal options).

(B) The rights under this Paragraph 2 and elsewhere in this Agreement shall inure to the benefit of only the Subtenant herein named and shall not pass to any assignee of the Sublease or any other party, unless such assignee or other party is specifically approved in writing by Prime Landlord.

(C) Subtenant hereby agrees to give to Prime Landlord copies (at the address and in the manner specified below) of all notices of Sublandlord default(s) under the Sublease at the same time as, and whenever, Subtenant shall give any such notice of default to Sublandlord, and no such notice of default shall be deemed given to Sublandlord unless and until a copy of such notice shall have been so delivered to Prime Landlord. Prime Landlord shall have the right to remedy any Sublandlord default under the Sublease, or to cause any default of Sublandlord under the Sublease to be remedied, and for such purpose Subtenant hereby grants Prime Landlord such additional period of time as may be reasonable to enable Prime Landlord to remedy, or cause to be remedied, any such default in addition to the period given to Sublandlord for remedying, or causing to be remedied, any such default. Subtenant shall accept performance by Prime Landlord of any term, covenant, condition or agreement to be performed by Sublandlord under the Sublease with the same force and effect as though performed by Sublandlord. No Sublandlord default under the Sublease shall exist or shall be deemed to exist (i) as long as Prime Landlord, in good faith, shall have commenced to cure such default and shall be prosecuting the same to completion with reasonable diligence, subject to force majeure, or (ii) if possession of the Sublet Premises is required in order to cure such default, or if such default is not susceptible of being cured by Prime Landlord, as long as Prime Landlord, in good faith, shall have notified Subtenant that Prime Landlord intends to institute proceedings under the Prime Lease, and, thereafter, as long as such proceedings shall have been instituted and shall be prosecuted with reasonable diligence.

3. From and after such termination of the Prime Lease:

(A) Subtenant will attorn to Prime Landlord, and Prime Landlord will accept such attornment. Subtenant, as lessee, shall be bound to Prime Landlord, as lessor, under all of the terms, covenants and conditions of the Sublease, including any rights of renewal thereof, for a term equal to the unexpired term of the Sublease, with the same force and effect as if Prime Landlord, as lessor, and Subtenant, as lessee, had entered into a lease as of the date of the termination of the Prime Lease. Said attornment shall be effective and self operative without execution of any further instruments.

(B) From and after the time of such attornment, Subtenant shall have the same remedies against Prime Landlord for the breach of any agreement contained in the Sublease that Subtenant might have had against Sublandlord if the Prime Lease had not been terminated, except that Prime Landlord shall not be (i) liable for any act or omission of Sublandlord, (ii) subject to any offsets or defenses that Subtenant might have against Sublandlord, (iii) bound by any rent or additional rent that Subtenant might have paid for more than one (1) month in advance to Sublandlord, except to the extent actually received by Prime Landlord, (iv) bound by

any monies (other than rent payments) deposited with Sublandlord (including any security deposit), except to the extent actually received by Prime Landlord, or (v) bound by any obligation that Sublandlord might have had to perform any work, alterations or improvements to or in the Sublet Premises; provided, however, Prime Landlord shall remain obligated for such work, alterations or improvements Prime Landlord has undertaken to perform.

4. Neither Subtenant nor its successors or assigns shall enter into any agreement that shall modify, surrender or merge the Sublease without the prior written consent of Prime Landlord. Any agreement made in contravention to the provisions of this Paragraph 4 shall be of no force or effect as to Prime Landlord.

5. In case any lease or tenancy shall come into existence between Prime Landlord and Subtenant pursuant to the provisions of this Agreement, the provisions of Paragraph 6 hereof shall apply to any liability imposed upon Prime Landlord, by reason of such lease or tenancy.

6. The term "Prime Landlord" as used in this Agreement means only the present owner of Prime Landlord's interest in the Sublet Premises, so that in the event of any sale or other transfer of an interest therein, Prime Landlord shall be and thereby is entirely freed and relieved of all covenants and obligations of the Prime Landlord hereunder. The term "Subtenant" as used in this Agreement includes any successor and assign of the named Subtenant herein; provided, however, that such reference to Subtenant's successors and assigns shall not be construed as Prime Landlord's consent to any assignment or other transfer or occupancy arrangement by Subtenant, except as permitted hereunder and in each instance such successor or assign shall agree in writing to be bound by all of the Subtenant's obligations hereunder and under the Sublease and the predecessor or assignor shall not be released from liability hereunder or under the Sublease. The provisions of this Agreement, however, shall bind any subsequent owner of Prime Landlord's interest in the Sublet Premises.

7. Any notice, election, communication, request or other document or demand required or permitted under this Agreement shall be in writing and shall be sent by registered or certified mail, postage prepaid, or shall be delivered by private express carrier addressed to Prime Landlord or Subtenant, as the case may be, at the following addresses (or to such other address or addresses as may from time to time hereafter be designated by a party by like notice):

If to Prime Landlord: Chief Executive Officer, Division of Aviation
City of Philadelphia - Terminal E
Philadelphia International Airport
Philadelphia, Pennsylvania 19153

with a copy to: City of Philadelphia
Law Department
One Parkway, 16th Floor
1515 Arch Street
Philadelphia, Pennsylvania 19102
Attn: Transportation Division

If to Subtenant: _____
_____
_____

with a copy to:_____
_____
_____

All such notices shall be effective when deposited in the United States mail or delivered to a private express carrier within the continental United States, provided that the same are received in the ordinary course at the address to which the same were sent. Any such notice, demand, or communication from an attorney acting or purporting to act on behalf of a party shall be deemed to be notice from such party provided that such attorney is authorized on behalf of such party.

8. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, such provision shall be deemed modified to the extent necessary to be enforceable, or if such modification is not practicable, such provision shall be deemed deleted from this Agreement, and the other provisions of this Agreement shall remain in full force and effect.

9. Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified orally, but only by an instrument in writing executed by the party against which enforcement of the termination, amendment, supplement, waiver or modification is sought.

10. Upon an event of default for failure to pay the rental in the Sublease reserved or in the payment of any other sums due under the Sublease by the Subtenant, Subtenant hereby authorizes and empowers any prothonotary or attorney of any court of record to appear for Subtenant in any and all actions which may be brought for said rental and/or said other sums and to confess judgment against Subtenant and in favor of Sublandlord for the recovery of said rental and/or other sums and for interest and costs, together with a reasonable attorney's commission for collection in an amount equal to the lesser of $25,000 or five percent (5%) of the amount due. Such authority shall not be exhausted by one exercise thereof, but judgment may be confessed as aforesaid from time to time as often as any of said rental and/or other sums shall fall due or be in arrears, and such powers may be exercised as well after the expiration of the term, and Subtenant waives and releases all errors and imperfections in any such action or actions.

11. When the Sublease and the term of any extension or renewal thereof shall have been terminated on account of an event of default and also when the term thereby created or any extension or renewal thereof shall have expired, it shall be lawful for any attorney of any court of record to appear as attorney for Subtenant as well as for all persons claiming by, through or under Subtenant, and to confess judgment in ejectment against Subtenant and all persons claiming by, through or under Subtenant and therein confess judgment for the recovery by Sublandlord of possession of the premises, for which this Sublease shall be his sufficient warrant; thereupon, if Sublandlord so desires, an appropriate writ of possession may issue forthwith, without any prior writ or proceeding whatsoever, and provided that if for any reason after such action shall have been commenced it shall be determined and possession of the

premises remain in or be restored to Subtenant, Sublandlord shall have the right for the same events of default and upon any subsequent events or default, or upon the termination of the Sublease or Subtenant's right of possession as actions to confess judgment to recover possession of the premises and confess judgment for the recovery of possession of the premises as hereinbefore provided.

12. This Agreement shall be construed in accordance with the laws of The Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement under seal in any number of counterpart copies, each of which shall be deemed an original for all purposes, as of the day and year first above written.

APPROVED AS TO FORM:
CITY OF PHILADELPHIA
LAW DEPARTMENT
Shelley R. Smith, Esq.
City Solicitor

By:_____
Sara Beth Kalb
Senior Attorney

THE CITY OF PHILADELPHIA

By: _____
Its Deputy Mayor, Transportation & Utilities
Hereunto duly authorized

ATTEST:

_____
Secretary

_____

By: _____
Its President
Hereunto duly authorized

Pennsylvania Form of Acknowledgment

STATE OF)
) ss.
COUNTY)

_____, ____

On this day, before me, personally appeared _____, who being by me duly sworn, did say that he is President of _____, a _____ corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and said _____ acknowledged said instrument to be the free act and deed of said corporation.

_____
Notary Public
My Commission Expires:

SUBLANDLORD CONSENT TO NONDISTURBANCE, SUBORDINATION AND ATTORNMENT AGREEMENT

The undersigned hereby consents to the execution and delivery of the foregoing instrument and agrees that neither the execution of the same nor anything done pursuant to the provisions thereof shall be deemed or taken to modify the Prime Lease therein referred to.

Dated: _____, _____

MARKETPLACE PHILADELPHIA
LIMITED PARTNERSHIP

By: MarketPlace Philadelphia, Inc.

By:_____

GUARANTOR CONSENT TO NONDISTURBANCE, SUBORDINATION AND ATTORNMENT AGREEMENT

The undersigned hereby consents to the execution and delivery of the foregoing instrument and agrees that neither the execution of the same nor anything done pursuant to the provisions thereof shall be deemed or taken to modify the Guaranty therein referred to.

Dated: _____, _____

ATTEST: _____

_____ By _____

Secretary Its:

Hereunto duly authorized

The Philadelphia International Airport Concession Program
MarketPlace Philadelphia, L.P.

Disadvantaged Business Enterprise Statement and Letter of Intent

EXHIBIT F

[This Exhibit F shall be completed in the event Tenant or any permitted subtenant or operator becomes ACDBE Compliant]

Marketplace Philadelphia, L.P. has assured the City of Philadelphia that Marketplace Philadelphia, L.P. will procure only that participation by Airport Concession Disadvantage Business Enterprises (ACDBEs) which comply with 49 CFR Parts 23 and 26 in all aspects and phases of the concession activities at the Philadelphia International Airport. Concession activities include, but are not limited to, equity ownership in developer partnership, employment, management and control of the concession, leasing, franchising, in-line stores and retail merchandising units operation, professional services, and the purchases of equipment and supplies.

In accordance with the ACDBE Program and Prime Lease Requirements _____ will incorporate all related ACDBE goals and requirements into its contracts and license/lease agreements with its subtenants and subcontractors, consistent with the ACDBE Program and Prime Lease Requirements included in its contract with Marketplace Philadelphia, L.P. and the City of Philadelphia, which may be amended from time to time.

The Philadelphia International Airport Concession Program and Prime Lease Requirements are divided into two program elements: ACDBE utilization and employment.

PROGRAM ELEMENT 1

A goal of _____ (___ %) percent of the dollar value of the _____ concession contract, and _____ (____ %) percent of the locations shall be operated by an Airport Concession Disadvantaged Business Enterprise (ACDBE) certified by the Pennsylvania Unified Certification Program (PaUCP) prior to the execution of the license/lease agreement. All interested parties are encouraged to search the PaUCP database at www.paucp.com in identifying eligible and interested ACDBE firms.

Level of participation included with Sublease _____ %.

Licensee/Lessee proposes to contract with the following ACDBE firm(s) in the operation of the concession: (Please attach additional sheets, if required.)

The Philadelphia International Airport Concession Program
MarketPlace Philadelphia, L.P.

Disadvantaged Business Enterprise Statement and Letter of Intent

ARCHITECT	ADDRESS AND TELEPHONE NUMBER	CONTACT PERSON	TYPE OF WORK	$ VALUE OF WORK	UCP CERT.
CONTRACTOR(S)	ADDRESS AND TELEPHONE NUMBER	CONTACT PERSON	TYPE OF WORK	$ VALUE OF WORK	UCP CERT.
CONCESSION OPERATOR(S)	ADDRESS AND TELEPHONE NUMBER	CONTACT PERSON	TYPE OF WORK	$ VALUE OF WORK	UCP CERT.

All substitutions of the ACDBE(s) identified above must be approved by the Division of Aviation prior to the execution of said substitution. Please use "Attachment 1" for submission of all substitution requests to the Division of Aviation. Substitutions must be forwarded to the attention of **Director of Compliance, Philadelphia International Airport, Terminal D, Philadelphia, PA 19153.**

The Philadelphia International Airport Concession Program
MarketPlace Philadelphia, L.P.

Disadvantaged Business Enterprise Statement and Letter of Intent

PROGRAM ELEMENT 2

Information on the diversity of the undersigned and its workforce shall be provided in the form of employment hours for disadvantaged owners and employees, (including minorities and females) as defined in 49 CFR Part 23, which must be reported to Landlord and Prime Landlord. Such personnel shall include all management and non-management positions, as well as full and part-time employees. All interested parties are encouraged to contact the Job Bank established by the Philadelphia International Airport and MarketPlace Philadelphia, L.P. In addition, the City of Philadelphia's Office of Economic Opportunity will provide information on local agencies specializing in the placement of such personnel: contact the Director of the Office of Economic Opportunity at (215) 686-6372.

Level of participation included with Sublease _____%.

Licensee/Lessee has identified the following employees and positions:

NAME	ETHNICITY/GENDER	POSITION	FULL-TIME/PART-TIME	MANAGEMENT/ LABOR	HOURLY RATED SALARY

As part of this effort the licensee/lessee shall submit updated monthly employment rosters utilizing "Attachment 1", to the attention of the **Director of Compliance, Philadelphia International Airport, Terminal D, Philadelphia, PA 19153**.

The Philadelphia International Airport Concession Program
MarketPlace Philadelphia, L.P.

Disadvantaged Business Enterprise Statement and Letter of Intent

SIGNED: _____

PRINT NAME: _____

TITLE: _____

COMPANY NAME: _____

TELEPHONE NUMBER: _____

DATE SUBMITTED: _____

The Philadelphia International Airport Concession Program
MarketPlace Philadelphia, L.P.

Disadvantaged Business Enterprise Statement and Letter of Intent

The undersigned does hereby swear that the foregoing statements and information are true and correct and include all relevant information necessary to identify and explain its intentions of doing business with Airport Concession Disadvantaged Business Enterprises and employing disadvantaged persons (including minorities and females) in its workforce.

_____
(Name of Business)

Further, the undersigned does covenant and agree to provide the City of Philadelphia, through its established reporting mechanisms, complete and accurate information regarding actual participation by ACDBE firms in the operation of the concession, the information on the diversity of its workforce, and any proposed changes in any of the arrangements hereinabove stated and to permit the City to audit and examine the books, records, and files of _____ (Name of Business), as they pertain to the concession opportunity at the Philadelphia International Airport. It is recognized and acknowledged that the statement herein are being given under oath and any material misrepresentation will be grounds for not awarding or terminating any contract which may be awarded in reliance hereon. It is further understood that engaging in any deceptive conduct for the purpose of obtaining a license or lease agreement is punishable as a felony of the third degree under PA C.S.A. 4107.2.

_____
Signature of Firm's Authorized Representative

_____ _____
Date Title

State of _____.

County (City) of _____.

On this _____ day of _____ 20__, before me, appeared _____ the undersigned officer, personally in the foregoing affidavit and acknowledged that he (she) executed the same in the capacity therein stated and for the purposes therein contained.

IN WITNESS, I HERETO SET MY HAND AND OFFICIAL SEAL

_____
Notary Public
My Commission Expires _____ *(SEAL)*

Philadelphia International Airport Concession Program
MarketPlace Philadelphia, L.P.
"Substitution Request Form"

_____ _____ ,20 ____
(NAME OF CONCESSION OPERATOR) (DATE OF SUBSTITUTION REQUEST)

(a) SUBSTITUTION REQUEST FORM

NAME OF SUBSTITUTED FIRM:
NATURE OF SUBSTITUTION:
DATE OF ANTICIPATED SUBSTITUTION:
NAME OF PROPOSED REPLACEMENT:
ADDRESS:
TELEPHONE:
CONTACT PERSON:
DOLLAR VALUE OF CONTRACT:
TYPE OF WORK TO BE PERFORMED:
ACDBE CERT STATUS (PaUCP CERTIFIED):

_____ _____ _____
Signed Title Date

Philadelphia International Airport Concession Program
MarketPlace Philadelphia, L.P.
"Substitution Request Form"

_____ _____ Thru _____ , 20 ____
(NAME OF CONCESSION OPERATOR) (REPORT PERIOD)

NAME	ETHNICITY/GENDER	POSITION	FULL-TIME/PART-TIME	MANAGEMENT/ LABOR	HOURLY RATE/SALARY

_____ _____ _____
Signed Title Date

EXHIBIT G

CERTIFICATE OF NON-INDEBTEDNESS

The undersigned _____, a _____ corporation (the "Tenant") hereby certifies and represents that Tenant and any entity or individual that owns or controls, or is controlled or owned by, or is under common control or ownership with, Tenant is not currently indebted to the City of Philadelphia (the "City") and will not at any time during the term of that certain sublease between Tenant and MarketPlace Philadelphia Limited Partnership, dated _____, ____ (the "Sublease") be indebted to the City, for or on account of any delinquent taxes (including, but not limited to, taxes collected by the City on behalf of the School District of Philadelphia), liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established. In addition to any other rights or remedies available to the City at law or in equity, Tenant acknowledges that any breach or failure to conform to this certification may, at the option and direction of the City, result in the withholding of payments otherwise due to Tenant for services rendered in connection with the Sublease and, if such breach or failure is not resolved to the City's satisfaction within a reasonable time frame specified by the City in writing, may result in the offset of any such indebtedness against said payments otherwise due to Tenant and/or the termination of the Sublease for default of Tenant (in which case Tenant will be liable for all excess costs and other damages resulting from such termination).

_____

By: _____
Its:
Hereunto duly authorized

EXHIBIT G-1

Project Name and Space No.: _____
Location: _____

CERTIFICATE OF NON-INDEBTEDNESS

The undersigned _____, a _____corporation (the "General Contractor") of _____ (the "Tenant") hereby certifies and represents that General Contractor and any entity or individual that owns or controls, or is controlled or owned by, or is under common control or ownership with, General Contractor is not currently indebted to the City of Philadelphia (the "City") and will not at any time during the period of time that the General Contractor is performing work for the Tenant at the Philadelphia International Airport be indebted to the City, for or on account of any delinquent taxes (including, but not limited to, taxes collected by the City on behalf of the School District of Philadelphia), liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established. In addition to any other rights or remedies available to the City at law or in equity, General Contractor acknowledges that any breach or failure to conform to this certification may, at the option and direction of the City, result in the withholding of payments otherwise due to General Contractor for services rendered for Tenant and, if such breach or failure is not resolved to the City's satisfaction within a reasonable time frame specified by the City in writing, may result in the offset of any such indebtedness against said payments otherwise due to General Contractor.

_____

By: _____
Its:
Hereunto duly authorized

Date:_____

EXHIBIT H

MENU

PHILADELPHIA REVISED MASTER SUBLEASE

USE THIS SUBLEASE FORM FOR ACDBE TENANTS ONLY

SUBLEASE AGREEMENT

BETWEEN

MARKETPLACE PHILADELPHIA
LIMITED PARTNERSHIP

AND

[TENANT]

[d/b/a _____]

PHILADELPHIA INTERNATIONAL AIRPORT
PHILADELPHIA, PENNSYLVANIA

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SUBLEASE AGREEMENT

THIS SUBLEASE AGREEMENT ("Sublease") dated _____, _____, by and between MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a MarketPlace Redwood Limited Partnership), a Delaware limited partnership ("Landlord") and _____, a _____ corporation ("Tenant").

WITNESSETH:

WHEREAS, the City of Philadelphia (the "Prime Landlord") and the Landlord have entered into a certain Second Amended and Restated Master Lease, Development and Concession Agreement and Sub Sublease, Development and Concession Agreement dated January 31, 2001 (the "Prime Lease"), pursuant to which, among other things, the Prime Landlord leased or subleased to the Landlord the Prime Leased Premises (as hereinafter defined);

WHEREAS, Landlord and Tenant desire to enter into this Sublease as hereinafter set forth.

NOW, THEREFORE, for and in consideration of the mutual covenants, promises and agreements herein contained, and intending to be legally bound, the Landlord and the Tenant hereby agree as follows:

ARTICLE 1
DEFINITIONS AND ATTACHMENTS

Section 1.1. Certain Defined Terms.

As used herein, the term:

A. "Advance Rental" means the sum of $_____. See Section 6.9.

B. "Airport" means the Philadelphia International Airport and the adjacent parcel or parcels of land not owned, leased or controlled by the Prime Landlord but which are operated as an integral part of the Airport, located partially in the City and County of Philadelphia, and partially in Tinicum Township, Delaware County, Pennsylvania.

C. "Airport Concession Disadvantaged Business Enterprise" or "ACDBE" means an entity meeting the definition of airport concession disadvantaged business enterprise as defined in the U.S. Department of Transportation Regulation Title 49, Code of Federal Regulations, Part 23, Section 3, as may be amended from time to time.

D. "Airport Retained Space" means that space in the Terminal Building which is not a part of the Prime Leased Premises.

E. "Annual Basic Rental" means an amount equal to the product of the following figure multiplied by Tenant's Floor Area: _____ Dollars ($_____). [Insert applicable terms for step ups in Annual Basic Rental]

F. "Annual Percentage Rental" means a sum equal to _____ percent (___%) of the amount by which annual Gross Concession Sales exceed the product of $_____ multiplied by Tenant's Floor Area (such product being hereinafter referred to as the "Breakpoint"); provided, however, that if, during the first or last Rental Year in the Term, the Premises are not open for business with the general public for three hundred sixty-five (365) days, the Breakpoint shall be adjusted for any such Rental Year by multiplying the Breakpoint specified above by a fraction, the numerator of which shall be the actual number of days in such Rental Year during which the Premises were open for business with the general public, and the denominator of which shall be three hundred sixty-five (365).

G. "Common Areas" means those areas and facilities which may be furnished by Prime Landlord, Landlord or others in or near the Prime Leased Premises for the non-exclusive general common use of tenants, sub-tenants, licensees or concessionaires and other occupants of the Prime Leased Premises, their officers, agents, employees and customers, including (without limitation) access areas, delivery passageways, package pick-up stations, sidewalks, interior and exterior pedestrian walkways and pedestrian bridges, malls, promenades, mezzanines, roofs, plazas, courts, ramps, common seating areas, landscaped and planted areas, retaining walls, balconies, stairways, escalators, elevators, first-aid stations, lighting facilities, comfort stations or rest rooms, civic center, meeting rooms, and other similar areas, facilities or improvements.

H. "Commonwealth" shall mean the Commonwealth of Pennsylvania.

I. "Concession Areas" means the areas delineated in the Prime Leased Premises as locations or potential locations for present or future retail subtenants or concessionaires, as designated in Exhibit B, as the same may be increased from time to time pursuant to the Prime Lease.

J. "Default Rate" means an annual rate of interest equal to the lesser of (i) the maximum rate of interest for which Tenant may lawfully contract in the Commonwealth, or (ii) eighteen percent (18%).

K. "ACDBE Program" means the ACDBE Program submitted every three (3) years by the City of Philadelphia for Philadelphia International Airport to the Federal Aviation Administration, in accordance with 49 CFR Parts 23 and 26.

L. "Development Plan" means Landlord's master conceptual plan for the development of the Prime Leased Premises as set forth in the Prime Lease, as the same may be amended from time to time.

M. "Guarantor of Tenant's Obligations" means _____, having a mailing address of _____.

N. "Landlord's Floor Area" means the aggregate number of square feet of Landlord's leasable floor area in the Prime Leased Premises, excluding the Airport Retained Space, which, with respect to any such floor area which has been leased, subleased, licensed or concessioned to any rent-paying tenant, subtenant, licensee or concessionaire shall be determined in accordance with the provisions of any lease, license or concession agreement applicable thereto and which, with respect to any such floor area not so leased, subleased, licensed or concessioned shall consist of all such leasable floor area in the Prime Leased Premises designed and currently available for the exclusive use and occupancy of rent-paying tenants or sub-tenants, or licensees or concessionaires paying license or concession fees, as the same may be increased or reduced from time to time in accordance with the Prime Lease, which shall exclude Common Areas, storage areas leased separately from retail areas, mezzanine areas, areas leased for self service operations (such as a postage vending machine), areas used for Landlord's management and promotion offices and areas utilized by the Prime Landlord or anyone acting through or under the Prime Landlord for the operation or maintenance of the Airport. Tenant acknowledges that not all of the space that will ultimately be included in the Landlord's Floor Area shall be so included as of the Commencement Date. Such non-included space shall be included in the Landlord's Floor Area at such time as Landlord completes performance of the work therein necessary to make same available for exclusive use and occupancy by tenants as provided above.

O. "Landlord's Leased Floor Area" means the monthly average of the aggregate number of square feet contained in those portions of Landlord's Floor Area leased to tenants, subtenants, licensees or concessionaires (including the Premises) as of the first day of each calendar month during the billing period in question, but not less than eighty percent (80%) of Landlord's Floor Area.

P. "Commencement Date" means the date determined in accordance with the provisions of Section 4.1 hereof.

Q. "Termination Date" means _____.

R. "Permitted Use" means the sale at retail of _____.

S. "Premises" or "Leased Premises" means Tenant's portion of the Prime Leased Premises having the following Tenant's Floor Area and shown cross-hatched on Exhibit A: Approximately _____ square feet.

T. "Prime Leased Premises" means that certain area located within the Terminal Building leased or subleased by Prime Landlord to Landlord pursuant to the Prime Lease, as more particularly designated in Exhibit B attached hereto and made a part hereof, as said Prime Leased Premises may be expanded, reduced or otherwise altered pursuant to the provisions of the Prime Lease.

U. "Security Deposit" means: $_____.

V. "Store Hours" means such days and hours as may from time to time be designated by Landlord in order to, inter alia, maximize offerings to the traveling public and respond to changes in airline flight schedules.

W. "Tenant Notice Address" means

_____
_____
_____

X. "Tenant Trade Name" means _____ which Tenant represents it is entitled to use pursuant to all applicable laws.

Y. "Tenant's Floor Area" means the number of square feet contained in that portion of Landlord's Floor Area constituting the Premises which shall be measured from the exterior face of any exterior or corridor wall, and with respect to demising walls, from the center of the demising partition; and in no case shall there be any deduction for columns or other structural elements within any tenant's premises.

Z. "Terminal Building" means the seven interconnected facilities at the Airport, which are known individually as Terminal A, Terminal B, Terminal C, Terminal D, Terminal E, Terminal F and Terminal A-West, together with any improvements or renovations now or hereinafter constructed thereto, and all pedestrian bridges, baggage claim areas and train platforms appurtenant thereto, including, however, any future expansion thereof or additions thereto, and excluding any future new terminals.

AA. "Initial Marketing Charge" means the sum of $_____ per calendar month and proportionately at such rate for any partial month.

BB. "Pre-Opening Marketing Charge" means the sum of $_____.

Section 1.2. Additional Defined Terms.

The following additional terms are defined in the Sections of this Sublease noted below:

Term	Section

"ADA"	9.1(b)
"Additional Rental"	6.1
"Affiliate of Tenant"	20.1
"Annual Report"	6.6
"Commencement Date"	4.1
"Contractors"	8.3
"CPA"	6.6
"Delivery Service Charge"	9.4(b)
"DOT"	9.7(b)
"Environmental Laws"	9.1(b)
"Event of Default"	17.1
"Excluded Products and Services"	5.1(a)
"FAA"	9.1(b)
"Gross Concession Sales"	6.5
"Hazardous Substance"	9.6
"HVAC Service"	12.2
"Investment Certificate"	8.5
"Landlord's Operating Costs"	11.5
"Landlord's Work	8.1
"Liquidated Damages"	17.3
"Monthly Report"	6.6
"Mortgage"	18.1
"Mortgagee"	18.1
"Premises Minimum Investment"	8.5
"Price Index"	9.15
"Prime Landlord"	Witnesseth Clause
"Prime Lease"	Witnesseth Clause
"Quarterly Report"	6.6
"Release"	9.6
"Rent Commencement Date"	4.1
"Rental"	6.1
"Rental Year"	6.4
"Revenue Category"	6.6
"Street Pricing Plan"	9.13
"Taxes"	7.1
"Tax Year"	7.3
"Tenant Improvements"	8.2
"Tenant's Work"	8.2
"Term"	4.1
"Termination Damages"	17.3
"Transfer"	16.1

Section 1.3. Attachments.

The following documents are attached hereto, and such documents, as well as all drawings and documents prepared pursuant thereto, shall be deemed to be a part hereof:

Guarantee **[Delete if no guarantee]**

Exhibit A	-	Drawing of Terminal Building Including Tenant's Premises
Exhibit B	-	Drawing of Concession Areas and Prime Leased Premises
Exhibit C	-	Landlord's and Tenant's Work
Exhibit D	-	Investment Certificate
Exhibit E	-	Form of Nondisturbance, Subordination and Attornment Agreement
Exhibit F	-	Disadvantaged Business Enterprise Statement and Letter of Intent
Exhibit G	-	Certificate of Non-Indebtedness
Exhibit G-1	-	Certificate of Non-Indebtedness
Exhibit H	-	Menu **[Delete if not a food tenant]**

ARTICLE 2
PRIME LEASE

Section 2.1. Prime Lease.

This Sublease is subject and subordinate to the Prime Lease. Tenant acknowledges that Landlord's rights to the Premises arise solely under the Prime Lease. Notwithstanding any provisions of this Sublease to the contrary, Landlord and Tenant hereby agree as follows:

(a) Tenant agrees to be bound by and perform all of the terms and conditions to be performed by Landlord under the Prime Lease to the extent applicable to the Premises and/or Tenant's tenancy under this Sublease (except those that require the payment of money to the Prime Landlord);

(b) Tenant will comply with all covenants and conditions of the Prime Lease respecting Landlord's use and occupancy of the Premises (except those that require the payment of money to the Prime Landlord);

(c) Tenant will not do or permit anything to be done in or on the Premises which will cause the occurrence of a default by Landlord under the Prime Lease;

(d) Tenant shall indemnify, defend and hold Landlord harmless from and against any cost, claim, liability, loss or damage occurring by reason of Tenant's breach or default of this Sublease, including, without limitation, the cost of cure, loss of the Prime Lease, and any attorneys' fees and disbursements incurred in connection with the foregoing; and

(e) Except as set forth in clause (k) below, if the Prime Lease expires or is terminated for any reason, including without limitation, any default by the Prime Landlord or Landlord thereunder, or Landlord's election to exercise any right of termination, then this Sublease shall thereupon terminate, without any liability to Landlord, as if such date were the scheduled expiration date of the Term. Landlord shall take all reasonable actions to keep the Prime Lease in full force and effect during the Term of this Sublease. Notwithstanding the preceding sentence, Landlord shall not be required to initiate any legal action.

In addition to the foregoing and notwithstanding any provisions of this Sublease to the contrary, the Tenant agrees as follows:

(f) Operations conducted and work performed by the Tenant shall be in accordance with the terms of the Prime Lease;

(g) Nothing contained in this Sublease shall be construed to impair the rights of Prime Landlord under the Prime Lease;

(h) Nothing contained in this Sublease or the Prime Lease shall create or purport to create any obligations of the Prime Landlord to the Tenant;

(i) The Prime Landlord's approval of this Sublease shall not create or purport to create any obligation of the Prime Landlord to the Tenant;

(j) The Prime Landlord shall be a third party beneficiary of this Sublease;

(k) At the request of the Prime Landlord (at the Prime Landlord's option) and upon receipt of written notice from the Prime Landlord stating that the Prime Lease has been terminated, the Tenant agrees that it will continue to perform its obligations under this Sublease for the benefit of Prime Landlord; and

(l) The Tenant shall be bound by the same requirements as Landlord under the Prime Lease, including, without limitation, confidentiality requirements, maintenance and preservation of records, and audit by government representatives.

This Sublease shall be subordinate to the provisions of any existing or future agreements between Prime Landlord and any agency or instrumentality of the United States government relative to the operation and maintenance of the Airport.

Section 2.2. Prime Landlord.

Landlord shall have no liability to Tenant for Prime Landlord's defaults under the Prime Lease. Tenant agrees that Landlord shall not be obligated to perform any of the Prime Landlord's obligations under the Prime Lease. Tenant further agrees that neither this Sublease nor any obligation hereunder, including the payment of Rental, shall be affected by Prime Landlord's default under the Prime Lease, except to the extent the Prime Lease is terminated. Landlord reserves exclusively all rights to enforce the Prime Lease, but agrees to make reasonable efforts to enforce the Prime Landlord's obligations thereunder, to the extent that Tenant is a material beneficiary thereof. Landlord shall not be required to initiate any legal action against Prime Landlord, but agrees to reasonably cooperate with Tenant to enforce the Prime Landlord's obligations under the Prime Lease.

Section 2.3. Prime Lease Governs.

In the event of any conflict in the rights of Tenant under this Sublease and the rights of Landlord under the Prime Lease, the terms, conditions and covenants of the Prime Lease shall control.

ARTICLE 3
PREMISES

Section 3.1. Demise.

Landlord hereby leases to Tenant, and Tenant hereby rents from Landlord, the Premises having the Tenant's Floor Area as set forth in clause Y of Section 1.1 hereof, which Landlord and Tenant hereby conclusively agree represents Tenant's Floor Area for all purposes of this Sublease. Nothing contained in Exhibits A or B shall be treated as a representation that the Premises, the Terminal Building, the Prime Leased Premises or any of the other areas shown on Exhibits A and B shall be precisely of the area, dimensions, or shapes as shown thereon, it being the intention of the parties only to show diagrammatically, rather than precisely, on Exhibits A and B the layout of such areas.

Excepting and reserving to Landlord the right to place in the Premises (but in a manner that will not unreasonably interfere with Tenant's use of the Premises) utility lines, pipes and the like to serve the Premises or premises other than the Premises and to replace, maintain and repair such utility lines, pipes and the like in, over and upon the Premises.

Landlord warrants that it and no other person or corporation has the right to lease the Premises hereby demised, and that so long as Tenant is not in default hereunder, Tenant shall have peaceful and quiet use and possession of the Premises, subject to the Prime Lease, as hereinafter provided, and any Mortgage, and all matters of record or other agreements to which this Sublease is or may hereafter be subordinated.

Notwithstanding anything to the contrary contained herein, the Premises have been inspected by Tenant who shall be deemed to have accepted the same as existing as of the date Landlord delivers the Premises to Tenant for completion of all work required of it, and neither Landlord nor Prime Landlord makes any representation or warranty, express or implied, as to the condition of the Premises or the suitability of the Premises for Tenant's purposes or needs,

except as otherwise provided herein. Neither Landlord nor Prime Landlord shall be responsible for any latent defect and the Tenant shall not, under any circumstances, withhold any Rental or other amounts payable to the Landlord hereunder on account of any defect in the Premises. Except as otherwise provided herein, the Tenant accepts the Premises in its "as-is and where-is" condition as being free and clear from all defects and in good, safe, clean and orderly condition and repair.

In addition and notwithstanding anything to the contrary contained herein, either party may at any time prior to the date that is one hundred twenty (120) days following the date possession of the Premises is delivered to the Tenant cause the floor area of the Premises to be remeasured by a licensed architect or engineer, at the cost of the electing party. The floor area of the Premises shall be measured from the exterior face of the service corridor walls, the exterior lease line for wall footage and the center line of party walls. If the floor area resulting from such remeasurement is other than that set forth in clause S of Section 1.1 hereof, then the electing party shall forward the results of such remeasurement to the other party in writing promptly upon completion of such remeasurement. In the event the other party agrees with the results of such remeasurement, the parties shall promptly enter into a written agreement amending this Sublease to reflect the new square footage of the Premises. In the event the other party disagrees with the results of such remeasurement, the other party may, within thirty (30) days of its receipt of the electing party's remeasurement calculation, cause the Premises to be measured once again by a licensed architect or engineer at such other party's expense. If the results of the second remeasurement are in agreement with the results of the first remeasurement, this Sublease shall be amended as set forth above. If the two remeasuring professionals are unable to agree as to the proper square footage of the Premises, they shall, within thirty (30) days of the completion of the second remeasurement, jointly appoint a third licensed architect or engineer to remeasure the Premises. The reasonable cost of such remeasurement shall be paid one-half by the Landlord and one-half by the Tenant. The results of such remeasurement shall be definitive and binding upon the parties and promptly following receipt of such third remeasurement, the parties shall enter into an amendment of this Sublease in accordance with the foregoing provisions.

ARTICLE 4
TERM

Section 4.1. Term.

The term of this Sublease (the "Term") shall commence on that date (the "Commencement Date") which shall be the date that Landlord shall deliver possession of the Premises to the Tenant, and shall terminate on the Termination Date. Except as otherwise provided in this Sublease, Annual Basic Rental, Annual Percentage Rental and Additional Rental shall commence on that date (the "Rent Commencement Date") which shall be the earlier to occur of (a) **the later to occur of: (i) _____ or (ii)** the thirtieth (30th) **[fixturing period may change depending on deal]** day immediately following the Commencement Date; or (b) the opening by Tenant of its business in the Premises**; subject, however, to the provisions of Section 8.2 hereof**. Landlord and Tenant agree, upon demand of the other, to execute a declaration setting forth the Commencement Date and Rent Commencement Date as soon as said dates have been determined. The failure of the parties to execute said declaration shall not affect the validity of this Sublease, nor shall it affect the

Commencement Date or Rent Commencement Date. **[Bold language only applicable to D/E Connector tenants prior to Grand Opening of said Connector.]**

[Delete this paragraph for D/E Connector tenants.] Notwithstanding anything to the contrary set forth in this Section 4.1, if the Rent Commencement Date shall fall on a Saturday, Sunday or Monday **[and for food tenants with water – add Friday]**, then Tenant's Rent Commencement Date shall be deemed to be the immediately following Tuesday.

Section 4.2. Termination.

This Sublease shall terminate on the Termination Date, unless sooner terminated pursuant to the terms hereof, without the necessity of any notice from either Landlord or Tenant to terminate the same, and Tenant hereby waives notice to vacate or quit the Premises and agrees that Landlord shall be entitled to the benefit of all provisions of law respecting the summary recovery of possession of the Premises from a tenant holding over to the same extent as if statutory notice had been given. Tenant hereby agrees that if it fails to surrender the Premises at the end of the Term, or any renewal thereof, Tenant will be liable to Landlord for any and all damages which Landlord shall suffer by reason thereof, and Tenant will indemnify Landlord against all claims and demands made by any succeeding tenants against Landlord, and any and all claims by or against the Prime Landlord, founded upon delay by Landlord in delivering possession of the Premises to such succeeding tenant or to the Prime Landlord or anyone claiming through or under the Prime Landlord. For the period of twelve (12) months prior to the expiration of the Term, Landlord may show the Premises and all parts thereof to prospective tenants during normal business hours.

Section 4.3. Holding Over.

If Tenant shall be in possession of the Premises after the expiration of the Term, in the absence of any written agreement executed by Landlord and Tenant extending the Term, the tenancy under this Sublease shall become a tenancy at sufferance and shall be subject to all of the terms and conditions of this Sublease except that (i) the Annual Basic Rental payable hereunder for each month during said holdover period shall be equal to twice the monthly installment of Annual Basic Rental payable during the last full month of the Term, (ii) the installments of Annual Percentage Rental payable hereunder for each such month shall be equal to one-sixth (1/6th) of the average Annual Percentage Rental payable hereunder for the last three (3) Rental Years of the Term, or if the Term is less than three (3) Rental Years, then such installments shall be equal to one-sixth (1/6th) of the Annual Percentage Rental payable hereunder for the last complete Rental Year preceding expiration of the Term, and (iii) all Additional Rental payable hereunder shall be payable at twice the rates in effect for the last month of the Term. All payments of Annual Basic Rental, Annual Percentage Rental, and Additional Rental shall be prorated on a daily basis for the period of any such holdover.

ARTICLE 5
USE

Section 5.1. Prompt Occupancy and Use.

(a) Tenant shall occupy the Premises upon commencement of the Term and thereafter will continuously use the Premises for the Permitted Use and for no other purpose whatsoever. Notwithstanding anything herein to the contrary, the Tenant may not sell, display or perform any of the following products or services: display advertising, public and non-public pay phones, automatic teller machines, airline clubs, in-flight catering services, car rentals, travel agencies and other modes of ground transportation or services connected therewith (but not including any courtesy telephone counters or boards), hotel lodging or services connected therewith, and wholesale sales (excluding non-recurring, incidental wholesale sales not made on-site to Airport passengers) (hereinafter, the "Excluded Products and Services"). In addition to Landlord's remedies as provided herein and at law as a result of a breach of its covenant in this Section 5.1, Tenant agrees that the Landlord shall be entitled to enforce this covenant using any and all equitable remedies, including the remedy of specific performance.

(b) Except in the case of a casualty or condemnation, in the event that Tenant fails to operate the Premises for the Permitted Use for any period of three (3) consecutive days or more or for more than three (3) days in any one Rental Year or for more than four (4) days during the Term hereof, Landlord shall have the right at any time thereafter to terminate this Sublease by giving the Tenant notice of the Landlord's election to so terminate this Sublease. This Sublease shall automatically terminate and the Tenant shall surrender possession of the Premises to the Landlord in the condition required by the provisions hereof on the fifth (5th) day following the day of such notice, unless within such five-day period the Tenant opens and operates its business in the Premises and fully utilizes the Premises as required hereunder. Time is of the essence with regard to the provisions of this Section. This Section shall not affect any rights that the Landlord may have under law or equity or hereunder in the event of a default by the Tenant under this Section.

Section 5.2. Storage and Other Services.

Tenant shall devote the maximum possible floor area of the Premises (and in any event not less than eighty percent (80%) of such floor area) to selling space, and shall not use any portion of the Premises for storage or other services, except for its operations in the Premises.

Section 5.3. Tenant Trade Name.

Unless otherwise approved in writing by Landlord, Tenant shall conduct business in the Premises only in the Tenant Trade Name.

Section 5.4. Store Hours.

Tenant shall cause its business to be conducted and operated in good faith and in such manner as shall assure the transaction of a maximum volume of business in and at the Premises. Tenant covenants and agrees that the Premises shall remain open for business at least during the

Store Hours. If Tenant shall fail to cause its business to be operated during the Store Hours in addition to any other remedy available to Landlord under this Sublease, Tenant shall pay to Landlord, as liquidated damages for such breach, a sum equal to the greater of (i) Two Hundred Fifty Dollars ($250.00) for each hour or portion thereof during which Tenant shall fail to so operate or (ii) Five Hundred Dollars ($500.00).

If Tenant shall request Landlord's approval of the opening of the Premises for business for periods exceeding those designated above and Landlord shall approve such request, Tenant shall pay for any additional costs incurred by Landlord in connection with Tenant's opening the Premises for business during such additional hours, including but not limited to, a proportionate share of any additional amounts of Landlord's Operating Costs.

ARTICLE 6
RENTAL

Section 6.1. Rentals Payable.

Tenant covenants and agrees to pay to Landlord, at the Landlord's address of P.O. Box 12860, Philadelphia, Pennsylvania 19176-0860 or at such address as the Landlord shall from time to time designate in writing as rental ("Rental") for the Premises, the following:

(a) the Annual Basic Rental specified in clause E of Section 1.1; plus

(b) the Annual Percentage Rental specified in clause F of Section 1.1; plus

(c) all additional sums, charges or amounts of whatever nature to be paid by Tenant to Landlord in accordance with the provisions of this Sublease, whether or not such sums, charges or amounts are referred to as additional rental (collectively referred to as "Additional Rental");

provided, however, that the Annual Basic Rental and the minimum amount of Gross Concession Sales utilized in the computation of Annual Percentage Rental shall be adjusted proportionately for any Rental Year of more or less than twelve (12) calendar months.

Section 6.2. Annual Basic Rental.

Annual Basic Rental shall be payable in equal monthly installments in advance on the first day of each full calendar month during the Term beginning upon the Rent Commencement Date, without notice, set-off, counterclaim, deduction or demand, the first such payment to include any prorated Annual Basic Rental for the period from the Rent Commencement Date to the first day of the first full calendar month immediately following the Rent Commencement Date.

Section 6.3. Annual Percentage Rental.

Annual Percentage Rental shall be determined and payable monthly on or before the tenth (10th) day following the close of each full calendar month during the Term beginning upon

the Rent Commencement Date, based on Gross Concession Sales for the preceding calendar month. Monthly payments of Annual Percentage Rental shall be calculated by (a) dividing the Breakpoint specified in clause F of Section 1.1 by twelve (12); (b) subtracting the quotient thus obtained from the amount of Gross Concession Sales for the month in question, and (c) multiplying the difference thus obtained (if greater than zero) by the percentage specified in clause F of Section 1.1. The first monthly payment of Annual Percentage Rental due hereunder shall include prorated Annual Percentage Rental based on Gross Concession Sales from the Rent Commencement Date through the last day of the month immediately prior to the first full calendar month immediately following the Rent Commencement Date calculated on a prorated basis consistently with the method set forth above. As soon as practicable after the end of each Rental Year, the Annual Percentage Rental paid or payable for such Rental Year shall be adjusted between Landlord and Tenant, and each party hereby agrees to pay to the other, on demand, the amount of any excess or deficiency in Annual Percentage Rental paid by Tenant to Landlord during the preceding Rental Year as may be necessary to effect adjustment to the agreed Annual Percentage Rental.

Section 6.4. "Rental Year" Defined.

The first "Rental Year" shall commence on the Rent Commencement Date and shall end on the June 30 immediately following the Rent Commencement Date; thereafter each Rental Year shall consist of successive periods of twelve calendar months commencing on July 1 and ending on June 30. Any portion of the Term remaining at the end of the last full Rental Year shall constitute the final Rental Year and all Rental shall be apportioned therefor.

Section 6.5. "Gross Concession Sales" Defined.

"Gross Concession Sales" means the actual sales prices or rentals of all goods, wares and merchandise sold, leased, licensed or delivered and the actual charges for all services performed by Tenant or by any subtenant, licensee or concessionaire in, at, from, or arising out of the use of the Premises, whether for wholesale, retail, cash, credit, trade-in or otherwise, without reserve or deduction for inability or failure to collect, and without any deduction for credit card discounts, cashier arrearages or shortages or loss revenues. Gross Concession Sales shall include, without limitation, sales and services (a) where the orders therefor originate in, at, from, or arising out of the use of the Premises, whether delivery or performance is made from the Premises or from some other place, (b) made or performed by mail, telephone, telegraph, electronic, video, internet, computer or other technology based systems whether existing now or developed in the future, or other similar orders taken, made, received or filled at or from the Premises, (c) made or performed by means of mechanical or other vending devices in the Premises, or (d) which Tenant or any subtenant, licensee, concessionaire or other person in the normal and customary course of its business would credit or attribute to its operations in any part of the Premises. Any deposit not refunded shall be included in Gross Concession Sales. Each installment or credit sale shall be treated as a sale for the full price in the month during which such sale is made, regardless of whether or when Tenant receives payment therefor. No franchise, occupancy or capital stock tax and no income or similar tax based on income or profits shall be deducted from Gross Concession Sales.

The following shall not be included in Gross Concession Sales: (i) any exchange of merchandise between stores of Tenant where such exchange is made solely for the convenient operation of Tenant's business and not for the purpose of consummating a sale made in, at or from the Premises, or for the purpose of depriving Landlord of the benefit of a sale which would otherwise be made in or at the Premises, (ii) returns to shippers or manufacturers, (iii) cash or credit refunds to customers on transactions (not to exceed the actual selling price of the item returned) otherwise included in Gross Concession Sales, (iv) sales of trade fixtures, machinery and equipment after use thereof in the conduct of Tenant's business, and (v) amounts collected and paid by Tenant to any government for any sales or excise tax.

Section 6.6. Statements of Gross Concession Sales.

From and after the Rent Commencement Date, Tenant shall deliver to Landlord: (a) within ten (10) days after the close of each calendar month of the Term, a written report (the "Monthly Report") certified by an authorized officer or agent of Tenant as being accurate and complete based on such officer's or agent's examinations of the books and records of Tenant, showing the Gross Concession Sales made in the preceding calendar month, (b) within fifteen (15) days after the close of each calendar quarter of the Term, a written report (the "Quarterly Report") certified by an authorized officer or agent of Tenant as being accurate and complete based on such officer's or agent's examination of the books and records of Tenant, showing the Gross Concession Sales made in the preceding calendar quarter, which report shall contain a report demonstrating compliance by the Tenant with the Street Pricing Plan more particularly described in Section 9.13 hereof, and (c) within thirty (30) days after the close of each Rental Year, a statement (the "Annual Report") of Gross Concession Sales for the preceding Rental Year which shall conform to and be in accordance with generally accepted accounting principles ("GAAP") and shall be certified by an officer or agent of Tenant as being accurate and complete based on such officer's or agent's examinations of the books and records of Tenant. The annual statement shall be accompanied by the signed certificate of an independent Certified Public Accountant ("CPA") stating specifically that (i) he has examined the report of Gross Concession Sales for the preceding Rental Year, (ii) his examination included such tests of Tenant's books and records as he considered necessary or appropriate under the circumstances, (iii) such report presents fairly the Gross Concession Sales of the preceding Rental Year, (iv) the said Gross Concession Sales conform with and are computed in compliance with the definition of Gross Concession Sales contained in Section 6.5 hereof and (v) the standards observed by the CPA in its audit are such that it planned and performed the audit to obtain reasonable assurances that Tenant's report of Gross Concession Sales are free from material misstatement. In no event shall the CPA be the one that is then working for the Landlord. Notwithstanding the foregoing, if and to the extent that the Prime Lease may be amended in the future to permit statements of Gross Concessions Sales to be certified by someone other than an independent CPA, then such statements may be certified by the chief financial officer of Tenant in lieu of by an independent CPA. If the Tenant provides products or services in more than one (1) Revenue Category, the sales attributable to each such Revenue Category must be individually tracked, and each of the foregoing reports shall set forth the amount of Gross Concession Sales allocable in such reporting period to each Revenue Category. For the purposes of this Sublease, the term "Revenue Category" shall mean the following categories of retail sales: (i) food and nonalcoholic beverages, (ii) alcoholic beverages, (iii) news and gift items, (iv) retail items and

merchandise (other than news and gift items), (v) duty-free goods and merchandise, and (vi) services. In addition, Tenant's Monthly Report and Annual Report shall also include a certification by Tenant of the sales taxes paid by Tenant to the Commonwealth of Pennsylvania for the applicable period set forth in such Reports.

If Tenant shall fail to deliver such annual statement and certificate to Landlord within said thirty (30) day period, Landlord shall have the right thereafter to employ an independent CPA to examine such books and records, including without limitation all records required by Section 6.7, as may be necessary to certify the amount of Tenant's Gross Concession Sales for such Rental Year, and Tenant shall pay to Landlord the cost thereof as Additional Rental. The amount of Gross Concession Sales shown by such certification shall be conclusive and binding on Tenant for all purposes hereunder. If such audit shall disclose that Tenant's records, in the opinion of such independent CPA, are inadequate to disclose such Gross Concession Sales, Tenant shall pay to Landlord, as Additional Rental, an equitable sum determined by such independent Certified Public Accountant but not exceeding fifty percent (50%) of the Annual Basic Rental payable by Tenant during the period in question.

It shall be an immediate Event of Default hereunder if Tenant fails to deliver to Landlord any of the aforementioned reports in the times and in the manner set forth in this Section 6.6.

Notwithstanding anything to the contrary contained herein, in the event that the Premises consist of multiple locations, Tenant shall provide separate statements of Gross Concession Sales for each location and all other reporting required hereunder shall address each location separately.

Section 6.7. Tenant's Records.

For the purpose of permitting verification by Landlord of any amounts due as Percentage Rental, Tenant will (a) prepare and maintain, in accordance with GAAP, wherever the same shall apply, applicable to operations similar to those being conducted in the Premises, such adequate books, records and accounts as are relevant to the determination of Percentage Rental due hereunder and which shall show all Gross Concession Sales. Such records shall include, (i) copies of all sales, retail or excise tax returns filed with any governmental authority; (ii) bank deposit records; and (iii) such other records, if any, that would normally be examined by an independent accountant pursuant to GAAP standards in performing an audit of Gross Concession Sales from the Premises; (b) keep safe at a location in the greater metropolitan Philadelphia area not more than ten (10) miles distant from the Airport, for at least five (5) years following the termination of the Term of this Sublease, all of such records for each Rental Year; and (c) use such cash registers and cash control devices acceptable to the Landlord and Prime Landlord that will accurately prepare a record of Gross Concession Sales at the Premises. Notwithstanding the foregoing, if and to the extent that the Prime Lease may be amended in the future to permit same, such records may be kept at Tenant's home office or primary record keeping location (provided the same is located in the continental United States) for a period of not less than three (3) years following the delivery of the annual statement for the Rental Year to which such records relate.

Tenant shall permit Landlord and Prime Landlord and the duly authorized representatives of either of them, during the Term of this Sublease and for a period of five (5) years following the termination of this Sublease, to:

(i) examine, at their sole expense, during normal business hours any and all of the records described above in this Section 6.7 and make copies of and take extracts from such records and from all other documents of Tenant relative to the Premises; and

(ii) cause to be made, at any time after forty-eight (48) hours prior written notice to Tenant of their intention to do so, a complete audit of the records described above in this Section 6.7 for any Rental Year for which an Annual Audited Report therefor is required. Any audit as described in this Section 6.7 shall be at the expense of Landlord or Prime Landlord, as the case may be, except that if such audit discloses that actual Percentage Rental for any Rental Year exceeded by more than two percent (2%) the amount reported in the Annual Audited Report therefor, the cost of such audit shall be paid by Tenant. The acceptance of Rent by or on behalf of Landlord computed on the basis of statements furnished by Tenant in accordance with this Sublease shall be without prejudice to the rights of the Landlord and Prime Landlord to inspect or audit the records authorized under this Section 6.7, and upon the discovery following any such examination or audit of any discrepancy in the reporting of Gross Concession Sales or Percentage Rental whereby Percentage Rental has previously been underpaid, such deficiency together with interest thereon at the Default Rate from the date such payment was due hereunder shall be immediately due and payable.

If such audit shall disclose that Tenant's records, in Landlord's opinion, are inadequate to accurately reflect Tenant's Gross Concession Sales, Landlord shall have the right to retain a consultant to prepare and establish a proper recording system for the determination of Tenant's Gross Concession Sales, and Tenant agrees that it shall use the system, books and records prescribed by such consultant for such purpose. Tenant shall pay to Landlord, as Additional Rental, the fees and expenses of such consultant.

Upon Landlord's request, Tenant shall promptly provide Landlord with any other information relative to Tenant's Gross Concession Sales reasonably required by Landlord including, without limitation, date and time of day of purchase.

Section 6.8. Payment of Rental.

Tenant shall pay all Rental when due and payable, without any notice, setoff, deduction, counterclaim or prior demand therefor whatsoever. Except as provided herein, Tenant shall not pay any Rental earlier than one (1) month in advance of the date on which it is due. If Tenant shall fail to pay any Rental within five (5) days after the same is due, Tenant shall pay to Landlord a late payment charge equal to the greater of One Hundred Dollars ($100.00) or ten percent (10%) of any Rental payment not paid when due to reimburse Landlord for its additional administrative costs. In addition, any Rental which is not paid within five (5) days after the same

is due shall bear interest at the Default Rate from the first day due until paid. Any Additional Rental which shall become due shall be payable, unless otherwise provided herein, with the next installment of Annual Basic Rental. Rental and statements required of Tenant shall be paid and delivered to Landlord at Landlord's address set forth in Section 6.1 hereof, or at such other place as Landlord may from time to time designate in a notice to Tenant. Any payment by Tenant or acceptance by Landlord of a lesser amount than shall be due from Tenant to Landlord shall be treated as a payment on account. The acceptance by Landlord of a check for a lesser amount with an endorsement or statement thereon, or upon any letter accompanying such check, that such lesser amount is payment in full, shall be given no effect, and Landlord may accept such check without prejudice to any other rights or remedies which Landlord may have against Tenant.

Section 6.9. Advance Rental.

Upon execution of this Sublease by Tenant, Tenant shall pay to Landlord the Advance Rental, the same to be held as security for the performance by Tenant of all obligations imposed under this Sublease which Tenant is required to perform prior to the commencement of the Term. If Tenant shall faithfully perform all such obligations, then the Advance Rental shall be applied, pro tanto, by Landlord against the Rental first becoming due hereunder. Otherwise, Landlord shall be entitled to apply the Advance Rental, pro tanto, against any damages which it may sustain by reason of Tenant's failure to perform its obligations under this Sublease, but such application shall not preclude Landlord from recovering greater damages if the same can be established.

Section 6.10. No Set-Offs or Deductions.

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

ARTICLE 7
TAXES

Section 7.1. Tenant to Pay Proportionate Share of Taxes.

Beginning upon the Rent Commencement Date, Tenant shall pay in each Tax Year during the Term, as Additional Rental, a proportionate share of all amounts payable by Landlord with respect to real estate taxes, ad valorem taxes and assessments, general and special, taxes on real estate rental receipts, taxes on Landlord's gross receipts, or any other tax imposed upon or levied against real estate, or upon owners of real estate as such rather than persons generally, extraordinary as well as ordinary, foreseeable and unforeseeable, including, without limitation, taxes imposed on leasehold improvements which are assessed against Landlord, and taxes payable by Landlord under the Prime Lease, payable with respect to or allocable to the Prime

Leased Premises, including all land and all other buildings and improvements situated thereon, together with the reasonable cost (including fees of attorneys, consultants and appraisers) of any negotiation, contest or appeal pursued by Landlord in an effort to reduce any such tax, assessment or charge, and all of Landlord's reasonable administrative costs in relation to the foregoing, all of the above being collectively referred to herein as "Taxes." Tenant's proportionate share of Taxes shall be computed by multiplying the amount of such Taxes by a fraction, the numerator of which shall be Tenant's Floor Area and the denominator of which shall be Landlord's Floor Area. For the Tax Year in which the Term commences or terminates, the provisions of this Section shall apply, but Tenant's liability for its proportionate share of any Taxes for such year shall be subject to a pro rata adjustment based upon the number of days of such Tax Year falling within the Term.

Section 7.2. Payment of Proportionate Share of Taxes.

Tenant's proportionate share of Taxes shall be paid by Tenant in monthly installments in such amounts as are estimated and billed for each Tax Year during the Term by Landlord, each such installment being due on the first day of each calendar month. At any time during a Tax Year, Landlord may reestimate Tenant's proportionate share of Taxes and thereafter adjust Tenant's monthly installments payable during the Tax Year to reflect more accurately Tenant's proportionate share of Taxes. Within one hundred twenty (120) days after Landlord's receipt of tax bills for each Tax Year, or such reasonable (in Landlord's determination) time thereafter, Landlord will notify Tenant of the amount of Taxes for the Tax Year in question and the amount of Tenant's proportionate share thereof. Any overpayment or deficiency in Tenant's payment of its proportionate share of Taxes for each Tax Year shall be adjusted between Landlord and Tenant, and Landlord and Tenant hereby agree that Tenant shall pay Landlord or Landlord shall credit to Tenant's account (or, if such adjustment is at the end of the Term, Landlord shall pay Tenant), as the case may be, within fifteen (15) days of the aforesaid notice to Tenant, such amounts as may be necessary to effect such adjustment. Failure of Landlord to provide such notice within the time prescribed shall not relieve Tenant of its obligations hereunder. Notwithstanding the foregoing, if Landlord is required under law to pay Taxes in advance, Tenant agrees to pay Landlord, upon commencement of the Term of this Sublease and thereafter upon the commencement of any Tax Year occurring during the Term of this Sublease, an amount equal to Tenant's share of Taxes for the entire applicable Tax Year and in such event, at the termination of this Sublease, Tenant shall be entitled to a refund of Taxes paid which are attributable to a period after this Sublease expires.

Section 7.3. "Tax Year" Defined.

The term "Tax Year" means each twelve (12) month period (deemed, for the purpose of this Section, to have 365 days) established as the real estate tax year by the taxing authorities having lawful jurisdiction over the Airport.

Section 7.4. Taxes on Rental; Use and Occupancy Taxes.

In addition to Tenant's proportionate share of Taxes, Tenant shall pay to the appropriate agency or to Landlord at Landlord's request, any sales, excise and other taxes, including, without

limitation, use and occupancy taxes, (not including, however, Landlord's income taxes) levied, imposed or assessed by the Commonwealth of Pennsylvania or the City of Philadelphia or any political subdivision thereof or other taxing authority upon any Rental payable hereunder. Tenant shall also pay, prior to the time the same shall become delinquent or payable with penalty, all taxes imposed on its inventory, furniture, trade fixtures, apparatus, equipment, leasehold improvements installed by Tenant or by Landlord on behalf of Tenant (except to the extent such leasehold improvements shall be covered by Taxes referred to in Section 7.1), and any other property of Tenant. Landlord may require that Tenant's leasehold improvements be separately assessed by the taxing authority.

ARTICLE 8
IMPROVEMENTS

Section 8.1. Landlord's Work.

Landlord shall, at its cost and expense, perform all items of work described as Landlord's work in Exhibit C attached hereto and made a part hereof ("Landlord's Work"). Landlord shall have the exclusive right to determine the architectural design and the structural, mechanical and other standard details and specifications of Landlord's Work, including, without limitation, type of materials and the manufacturer and supplier thereof. The Tenant acknowledges and agrees that the Landlord may make such changes, additions, deletions and modifications to Landlord's Work as are necessary to obtain the approval of the Prime Landlord of Landlord's Work, provided that the same does not materially adversely affect Tenant's operation of business in the Premises.

Section 8.2. Tenant's Work.

Tenant agrees, at its sole cost and expense, promptly to commence and complete promptly all items of Tenant's Work as set forth in Exhibit C ("Tenant's Work") (Landlord's Work and Tenant's Work are sometimes hereinafter collectively referred to as the "Tenant Improvements") in accordance with plans and specifications approved in writing by Landlord, using new and high-quality materials and equipment. Tenant shall open for business as soon thereafter as possible but in no event **earlier than the "Grand Opening" of the so-called "D/E Connector" and in no event [Delete bold language if tenant not located in D/E Connector (also not necessary once the Grand Opening occurs/Connector open).]** later than the Rent Commencement Date. Except as herein specifically set forth, in the event the Tenant shall have failed to complete the Tenant's Work and to have opened the Premises for business on or before the Rent Commencement Date, then all of the Tenant's charges shall nevertheless commence on the Rent Commencement Date at the rates specified in this Sublease, except that Annual Basic Rental shall then commence and be payable at the rate of one-fifteenth (1/15th) of the monthly amount of the Tenant's initial Annual Basic Rental per day until the Tenant shall so open for business. In any event, the Tenant agrees to open for business not later than the date determined in accordance with Section 4.1(a) above, **[except that, on prior request(s) of the Landlord, the Tenant shall open for business on the date of the so-called Grand Opening of the D/E Connector which is currently estimated to be November 21, 2008 provided such date is at least thirty (30) days after the delivery of possession of the Premises to the Tenant. If the Landlord shall make such request(s) and the Tenant shall so advance or delay its opening,**

then, notwithstanding anything contained in this Sublease, Rental and other charges to be paid by the Tenant shall not accrue, nor shall the Term hereof commence, until the date to which the Landlord has requested the Tenant to advance or postpone its opening; and such date shall be the Rent Commencement Date for all purposes hereunder. - delete if no Grand Opening.]

Plans and specifications for Tenant's Work, including the type of materials to be used by Tenant in the Premises, must be set forth in detail and submitted to Landlord for the written approval of Landlord immediately upon execution of this Sublease in accordance with the provisions set forth in Exhibit C. Tenant shall reimburse Landlord for plan review at the nominal rate of Two Thousand Five Hundred and 00/100 Dollars ($2,500.00). Tenant shall, at its sole cost and expense, immediately commence to obtain, diligently pursue and comply with all necessary permits, licenses or approvals from all federal, state and local government agencies, offices and authorities governing the construction of the Tenant's Work.

Section 8.3. Tenant's Contractors.

Tenant may only use Contractors (collectively, "Contractors" and individually, a "Contractor") approved by Landlord for any design or construction work in the Premises. Following the receipt by Tenant of bids from approved contractors for contracts relating to construction of Tenant's work, Tenant must submit the contract to Landlord, which the Landlord shall submit to Prime Landlord for approval prior to awarding any such contract. Without limiting the generality of the foregoing, Tenant acknowledges that the Landlord or Prime Landlord may reasonably disapprove any contract with any Contractor (i) that does not comply with the ACDBE Program; (ii) is currently indebted to the Prime Landlord or Landlord; (iii) is in litigation with the Prime Landlord or Landlord; (iv) that is barred from doing business with the Prime Landlord; (v) that is or has been indicted or convicted of a crime; or (vi) or for other legitimate reasons, causes or considerations. In addition, Landlord may disapprove of any of Tenant's Contractors if any such Contractors are not consistent with and will not permit compliance by Tenant or Landlord with the ACDBE Program. In no event shall Landlord's approval of Tenant's Contractors and/or contracts relating to construction of Tenant's work limit or supercede Tenant's construction obligations under this Sublease (including, without limitation, the provisions of Exhibit C).

Section 8.4. Tenant Improvements.

The Tenant Improvements shall, in all respects, (i) conform with all architectural, fire, safety, zoning, plumbing and electrical codes and all federal, state and local laws, regulations and ordinances pertaining thereto, including the ADA and all Airport and governing authorities standards, procedures and regulations; (ii) be completed in accordance with all industry standards; and (iii) be free and clear of any mechanics' or materialmens' liens or similar liens or encumbrances. Tenant agrees to retain its architect for contract administration of the construction contract for the construction of the Tenant's Work throughout the performance of such work, and to cause such architect to be reasonably available to Landlord to respond to Landlord's requests for information regarding the status of such work.

Section 8.5. Investment Categories.

Landlord and Tenant agree that the Development Plan requires a minimum investment by Landlord and its subtenants, licensees and concessionaires. Landlord and Tenant agree that the minimum investment in Tenant Improvements shall be $_____ (the "Premises Minimum Investment"). Landlord and Tenant further agree that the Premises shall be improved in a manner consistent with the first-class standard of quality represented by the Premises Minimum Investment. In order to confirm that the Premises Minimum Investment has been made, promptly upon completion of the Tenant Improvements and prior to Tenant's opening for business in the Premises, Tenant shall deliver to Landlord a completed certificate (the "Investment Certificate") in the form attached hereto and made a part hereof as Exhibit D, which such Certificate shall be accompanied by the back-up information required by Landlord pursuant to the terms and provisions of Landlord's Construction Rules and Regulations. In the event that the actual cost of the Tenant Improvements approved by Landlord in its sole discretion is less than the Premises Minimum Investment, then Tenant shall promptly pay to Landlord an amount equal to two hundred percent (200%) of the difference between the Premises Minimum Investment and the actual cost of the Tenant Improvements. Upon completion of the Tenant Improvements, Landlord shall notify Prime Landlord in writing of the costs of the Tenant Improvements and shall provide Prime Landlord with the complete set of as-built drawings thereof, the cost of which shall be paid by Tenant. In addition, within twenty (20) days after substantial completion of the Tenant Improvements, and prior to occupancy thereof by Tenant, Tenant shall deliver to Landlord (i) copies of any and all certificates of occupancy and other approvals necessary to occupy the Premises, (ii) a certificate of its architect to the effect that the design and construction of the Tenant Improvements have been completed in accordance with the plans and specifications approved by Landlord and Prime Landlord as set forth herein, (iii) a certificate stating that all costs and expenses for labor, services, materials and supplies used in designing, constructing and equipping the Premises for which payment is due have been paid in full, and (iv) a complete set of as-built drawings showing all of the Tenant Improvements as actually constructed. For the purposes of this Sublease, the term "substantial completion" of the Tenant Improvements shall mean that the Tenant Improvements are complete in accordance with Exhibit C hereof so that only minor punch-list items remain.

Section 8.6. Mechanic's Liens.

No work performed by Tenant pursuant to this Sublease, whether in the nature of erection, construction, alteration or repair, shall be deemed to be for the immediate use and benefit of Landlord so that no mechanic's or other lien shall be allowed against the estate of Landlord by reason of any consent given by Landlord to Tenant to improve the Premises. Tenant shall place such contractual provisions as Landlord may request in all contracts and subcontracts for Tenant's improvements assuring Landlord that no mechanic's liens will be asserted against Landlord's interest in the Premises or the property of which the Premises are a part. Said contracts and subcontracts shall provide, among other things, the following: That notwithstanding anything in said contracts or subcontracts to the contrary, Tenant's contractors, subcontractors, suppliers and materialmen (hereinafter collectively referred to as "Contractors") will perform the work and/or furnish the required materials on the sole credit of Tenant; that no lien for labor or materials will be filed or claimed by any of the Contractors against Landlord's

interest in the Premises or the property of which the Premises are a part; that the Contractors will immediately discharge any such lien filed by any of the Contractor's suppliers, laborers, materialmen or subcontractors; and that the Contractors will indemnify and save Landlord and Prime Landlord harmless from any and all costs and expenses, including reasonable attorneys' fees, suffered or incurred as a result of any such lien against Landlord's interest that may be filed or claimed in connection with or arising out of work undertaken by the Contractors. Prior to the commencement of Tenant's Work hereunder, Tenant shall cause each Contractor with whom it contracts to execute and file in the office of the Prothonotary of the Courts of Common Pleas for Philadelphia and Delaware County, as the case may be, a waiver of the right to file any mechanics' liens, in form and substance acceptable to the Landlord, which waiver shall provide that no mechanics lien may be filed or can arise in connection with any claims by such Contractor and all subcontractors. Without limiting the generality of the foregoing, (i) in addition, Tenant shall cause all such Contractors to execute and deliver to Landlord agreements, in form and substance reasonably acceptable to Landlord and Prime Landlord, pursuant to which the Contractors waive their rights to file any mechanic's or materialmen's liens against the Premises or the Property of which the Premises are a part and (ii) Tenant shall pay promptly all persons furnishing labor or materials with respect to any work performed by Tenant or its Contractors on or about the Premises. If any mechanic's or other liens shall at any time be filed against the Premises or the property of which the Premises are a part by reason of work, labor, services or materials performed or furnished, or alleged to have been performed or furnished, to Tenant or to anyone holding the Premises through or under Tenant, and regardless of whether any such lien is asserted against the interest of Landlord or Tenant, Tenant shall forthwith cause the same to be discharged of record or bonded to the satisfaction of Landlord. If Tenant shall fail to cause such lien forthwith to be so discharged or bonded after being notified of the filing thereof, then in addition to any other right or remedy of Landlord, Landlord may bond or discharge the same by paying the amount claimed to be due, and the amount so paid by Landlord, including reasonable attorneys' fees incurred by Landlord either in defending against such lien or in procuring the bonding or discharge of such lien, together with interest thereon at the Default Rate, shall be due and payable by Tenant to Landlord as Additional Rental.

Section 8.7. Tenant's Leasehold Improvements and Trade Fixtures.

All leasehold improvements and other fixtures, equipment and property installed in the Premises at any time, whether by or on behalf of Tenant or by or on behalf of Landlord, shall not be removed from the Premises at any time and at the expiration of this Sublease (either on the Termination Date or upon such earlier termination as provided in this Sublease), all such leasehold improvements shall be deemed to be part of the Premises, shall not be removed by Tenant when it vacates the Premises, and title thereto shall vest solely in Prime Landlord without payment of any nature to Tenant, unless Landlord or Prime Landlord requests their removal, in which event, Tenant shall remove all such leasehold improvements installed by or on behalf of Tenant that Landlord or Prime Landlord requests to be removed and shall repair any damage caused by such removal and restore the Premises to substantially the same condition as existed prior to the installation of such leasehold improvements.

All personal property, equipment and trade fixtures that can be removed without material damage to the Premises and that are owned or leased by Tenant and installed in the Premises

shall remain the property of Tenant and shall be removable upon the expiration of the Term; provided Tenant shall not at such time be in default of any terms or covenants of this Sublease, and provided further, that Tenant shall repair any damage to the Premises caused by the removal of any such property and shall restore the Premises to substantially the same condition as existed prior to the installation of such property.

To protect Landlord in the event Tenant defaults hereunder, Tenant hereby grants to Landlord a security interest under the Pennsylvania Uniform Commercial Code in all goods, inventory, equipment, trade fixtures, and all personal property belonging to Tenant which are or may be put into the Premises during the Term and all proceeds of the foregoing. Said security interest shall secure all amounts to be paid by Tenant to Landlord hereunder, including all costs of collection and other costs specified in Sections 17.2 and 17.3 hereof, and any other indebtedness of Tenant to Landlord. Tenant agrees to sign any financing statement or security agreement requested by Landlord in order to perfect such security interest. The lien granted hereunder shall be in addition to any Landlord's lien that may now or at any time hereafter be provided by law.

Section 8.8. Construction Performance and Payment Bonds.

Prior to the commencement of the construction of any Tenant Improvements, and at any time Tenant undertakes any construction at the Premises, Tenant shall cause its Contractors to obtain and deliver to Prime Landlord, at Tenant's sole cost and expense, performance and payment bonds, on forms approved by Prime Landlord and provided by a bonding company on the Prime Landlord's approved list and otherwise acceptable to Prime Landlord, as follows:

(a) A contract surety bond in a sum equal to one hundred percent (100%) of the actual amount of the construction contract for all leasehold improvements made pursuant to this Sublease and one hundred percent (100%) of the total construction contract for additional improvements, as the case may be. Such bond shall guaranty the faithful performance of necessary construction and completion of improvements in accordance with the approved plans and specifications and shall indemnify and hold harmless Landlord and Prime Landlord against any losses, liability, damages, expenses, claims, and judgments caused by or resulting from any failure of Tenant or its contractor to perform completely the work described therein.

(b) A payment bond with Tenant's contractor or contractors as principal, in a sum equal to one hundred percent (100%) of the actual amount of the construction contract for all leasehold improvements made pursuant to this Sublease, and one hundred percent (100%) of the total construction contract for additional improvement, as the case may be. Said Bond shall guaranty payment of all wages for labor and services engaged and of all bills for materials, supplies and equipment used in the performance of any such construction contract.

Section 8.9. Prevailing Wages.

Tenant shall comply with all applicable law, including but not limited to Section 17-107 and Chapter 17-1300 of The Philadelphia Code, regarding the payment of prevailing wages. Tenant shall insert appropriate provisions in all contracts covering construction or design work under this Sublease or in connection with the Premises to require compliance of all such Contractors with the foregoing wage decisions and regulations, and Tenant shall enforce such obligations.

ARTICLE 9
OPERATIONS

Section 9.1. Operations by Tenant.

(a) In regard to the use and occupancy of the Premises, Tenant will at its expense: (a) keep the inside and outside of all glass in the doors and windows of the Premises clean; (b) keep all exterior store surfaces of the Premises clean; (c) replace promptly any cracked or broken glass of the Premises with glass of like color, grade and quality; (d) maintain or cause to be maintained, and keep or cause to be kept, the Premises in a clean, good, safe, orderly and sanitary condition and repair consistent with the operation of a first-class retail center in a mall and a first-class specialty retail project, sufficient to maintain the first-class standard of quality contemplated by the Development Plan, free of insects, rodents, vermin and other pests (and to this end such maintenance shall also include the removal of all trash from all receptacles serving the Premises and from the Premises at least once daily and the complete pest and bug extermination of the Premises as needed but no less frequently than monthly and the cleaning of any grease traps and/or receptacles and hood units and vent systems inclusive of roof exhaust); (e) keep any garbage, trash, rubbish or other refuse in rat-proof containers within the interior of the Premises until removed and dispose of the same as required by applicable law; (f) deposit such garbage, trash, rubbish and refuse, on a daily basis, in designated receptacles provided by Landlord; (g) keep all mechanical apparatus free of vibration and noise which may be transmitted beyond the Premises; (h) comply with all reasonable recommendations of Landlord's casualty insurer(s) and other applicable insurance rating organization now or hereafter in effect; (i) light the show windows of the Premises and exterior signs and turn the same off to the extent required by Landlord; (j) keep in the Premises and maintain in good working order one (1) or more type 2AlOBC dry chemical fire extinguisher(s); (k) maintain sufficient and seasonal inventory and have sufficient number of personnel to maximize sales volume in the Premises; and (1) conduct its business in all respects in a dignified manner in accordance with high standards of store operation consistent with the quality of operation of the Concession Area as determined by Landlord, and provide an appropriate mercantile quality comparable with the entire Concession Area. Notwithstanding the foregoing, if Landlord designates a contractor for the cleaning of any grease traps, receptacles, hood units and/or vent systems (inclusive of roof exhaust), then Tenant agrees to use said contractor for such cleaning and to pay Landlord or said contractor all charges at the rates and by the due dates established therefor from time to time; provided, however, that Landlord shall have no liability whatsoever with respect to such cleaning and equipment, Tenant being solely responsible therefor. With the exception of specifically designated management personnel, all employees of Tenant shall wear appropriate uniforms and identification tags (except where otherwise approved by Landlord and Prime Landlord), and shall be courteous and helpful to the public. Tenant shall participate and shall cause all of its employees to participate in any customer service program established by Landlord and in

connection therewith Tenant shall pay to Landlord its pro rata share of the cost of establishing and maintaining said customer service program. The Tenant shall accept at least three (3) nationally recognized credit cards for payment of purchases made in the Premises. Salaries of all employees of Tenant shall be paid unconditionally and not less often than once a month without deduction or rebate on any account, except only for such payroll deductions as are mandated by law or permitted by the applicable regulations issued by the United States Secretary of Labor pursuant to the "Anti-Kickback Act" of June 13, 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Title 18 U.S.C., Section 874; and Title 40 U.S.C. Section 276c).

Tenant shall use receptacles approved by Landlord and Prime Landlord for all garbage, trash, and other refuse on the Premises. Tenant shall not pile boxes, cartons, barrels, pallets, debris or similar items in an unattractive or unsafe manner on or about the Premises, but shall utilize the trash collection area designated from time to time by Landlord. Tenant shall participate in any general Airport trash collection/disposal/recycling program adopted by Landlord or Prime Landlord. Further, Tenant shall observe and comply with all rules and regulations from time to time established by Landlord, including, without limitation, Landlord's requirements with respect to "street pricing" (as set forth in Section 9.13 hereof) of products and services sold by tenants at the Airport. Tenant shall, at its sole cost and expense, obtain and maintain all licenses, permits and approvals required by any federal, state or local governmental agencies, boards, authorities, offices or directives necessary to carry on the Permitted Use in the Premises during the Term.

In regard to the use and occupancy of the Premises and the Common Areas, Tenant will not: (m) place or maintain any merchandise, signage, trash, refuse or other articles in any vestibule or entry of the Premises, on the footwalks or corridors adjacent thereto or elsewhere on the exterior of the Premises, nor obstruct any driveway, corridor, footwalk, parking area, mall or any other Common Areas or any of the Airport Retained Space; (n) use or permit the use of any objectionable advertising medium such as, without limitation, loudspeakers, phonographs, public address systems, sound amplifiers, reception of radio or television broadcasts within the Premises, which is in any manner audible or visible outside of the Premises; (o) permit undue accumulations of or burn garbage, trash, rubbish or other refuse within or without the Premises; (p) cause or permit objectionable odors (in Landlord's opinion) to emanate or to be dispelled from the Premises; (q) solicit business in any Common Areas; (r) distribute handbills or other advertising matter in any Common Areas; (s) permit the parking of vehicles so as to interfere with the use of any driveway, corridor, footwalk, parking area, mall or other Common Areas or any of the Airport Retained Space; (t) receive, deliver or ship articles of any kind other than in the manner, at such times, and in such areas, as may be designated by Landlord; (u) use the corridors or any other Common Areas adjacent to the Premises or any of the Airport Retained Space for the sale or display of any merchandise or for any other business, occupation or undertaking; (v) conduct or permit to be conducted any auction, fictitious fire sale, going out of business sale, bankruptcy sale (unless directed by court order), or other similar type sale in or connected with the Premises (but this provision shall not restrict the freedom of Tenant in determining its own selling prices subject to the provisions of Section 9.13, nor shall it preclude the conduct of periodic seasonal, promotional or clearance sales); (w) place a load upon any floor which exceeds the floor load which the floor was designed to carry; (x) operate its heating or air-conditioning in such a manner as to drain heat or air-conditioning from the Common Areas or

from the premises of any other tenant or other occupant of the Concession Area; or (y) use the Premises for any unlawful or illegal business, use or purpose, or for any business, use or purpose which is immoral or disreputable (including without limitation "adult entertainment establishments" and "adult bookstores"), or which is hazardous as determined by Landlord in its sole discretion, or in such manner as to constitute a nuisance of any kind (public or private) as determined by Landlord in its sole discretion, or for any purpose or in any way in violation of the certificates of occupancy (or other similar approvals of applicable governmental authorities).

Tenant acknowledges that it is Landlord's intent that the Concession Area be operated in a manner which is consistent with the highest standards of decency and morals prevailing in the Airport. Toward that end, Tenant agrees that it will not sell, distribute, display or offer for sale any item which, in Landlord's good faith judgment, is inconsistent with the quality of operation of the Concession Area or the Airport or may tend to injure or detract from the moral character or image of the Concession Area or the Airport within such community. Without limiting the generality of the foregoing, Tenant will not sell, distribute, display or offer for sale (i) any roach clip, water pipe, bong, coke spoon, cigarette papers, hypodermic syringe or other paraphernalia commonly used in the use or ingestion of illicit drugs, (ii) any pornographic, lewd, suggestive, or "adult" book, magazine or other printed material, film, picture, recording or video or audio representation of any kind, or (iii) any handgun.

(b) Tenant shall comply in its design, construction, use, occupancy and operation of the Premises, at the Tenant's sole cost and expense, with (i) all regulations and directives now or hereafter promulgated by the Federal Aviation Authority ("FAA"), including those pertaining to airport security, as the same may be amended or modified from time to time during the Term, (ii) all zoning and other land use rules and regulations applicable to the Airport and the municipality in which the Airport is located, as the same may be amended or modified from time to time, (iii) the ACDBE Program, (iv) all federal, Commonwealth and local laws, rules, regulations and ordinances, including the Americans with Disabilities Act ("ADA"), Chapter 17-1300 of The Philadelphia Code entitled "Philadelphia 21st Century Minimum Wage Standard", all building and health codes and all Environmental Laws, and (v) all rules and regulations promulgated from time to time by the Prime Landlord, including, without limitation, those relating to the administration of the Airport and the McBride Principles concerning investments in Northern Ireland. Tenant shall inform Landlord and the Chief Executive Officer of the Division of Aviation for the Airport, in writing, of any notices of violations of any such applicable law within twenty-four (24) hours of receipt thereof, and shall correct any violations within the time prescribed by law or immediately in the case of any emergency. For the purposes of this Sublease, the term "Environmental Laws" shall mean collectively, all federal and state and local environmental safety or health laws and ordinances and rules or common law, including but not limited to, the Occupational Safety and Health Act of 1970, as amended (29 U.S.C. Section 651 et seq.), the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Section 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1081 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. Section 6091 et seq.), the Toxic Substances Control Act of 1976, as amended (15 U.S.C. Section 2601 et seq.), the Clean Air Act (42 U.S.C. Section 7401 et seq.), the Safe Drinking Water Act (42 U.S.C. Sections 1251-1387), as any of the foregoing may hereafter be amended; any rule or regulation promulgated pursuant thereto, and any other present or future law, ordinance, rule,

regulation, permit, condition, order or directive addressing environmental, health or safety issues, of or by the federal government, or any state or other political subdivision thereof, or any agency, court or body of the federal government or any state or other political subdivision thereof, exercising executive, legislative, judicial, regulatory or administrative functions. Without limiting the general application of the foregoing provisions, if at any time during the Term hereof any such laws, rules, regulations and ordinances require the installation in the Premises of sprinklers or additional sprinklers or fire suppression equipment, Tenant shall perform any such required installation at its sole expense.

Further, Tenant shall obtain and pay for all licenses, permits, fees or other authorizations required under federal, state or local laws and regulations insofar as they are necessary to comply with the requirements of this Sublease and the privileges extended hereunder. Upon termination of this Sublease, Tenant shall cooperate with Landlord and any successor operator in the transfer of all licenses and permits necessary to operate the Premises to the extent transferable, and in connection therewith, Tenant shall execute all documents required by any licensing authority to facilitate the issuance of permits to such successor operator.

In addition, Tenant shall not conduct operations in or on the Premises or the Prime Leased Premises in a manner that, in the judgment of the Landlord or the Prime Landlord:

(a) interferes or might interfere with the reasonable use by others of common facilities at the Airport, including the smooth and orderly flow of passengers and baggage to the Airport;

(b) hinders or might hinder police, fire fighting or emergency personnel in the discharge of their duties;

(c) would or would possibly constitute a hazardous condition at the Airport;

(d) would or would be likely to increase the premiums for insurance policies maintained by Prime Landlord;

(e) would involve any illegal purpose;

(f) is not in accordance with the 49 CFR Parts 23 and 26 or the ACDBE Program and Prime Lease Requirements (as defined in Section 9.8 hereof) or the Development Plan; or

(g) is not in accordance with the commitment of Tenant and Landlord to provide first-class food, beverage and retail facilities in the Terminal Building.

Section 9.2. Signs and Advertising.

Tenant will not place or suffer to be placed or maintained on the exterior of the Premises, or any part of the interior visible from the exterior thereof, any sign, banner, advertising matter or any other thing of any kind (including, without limitation, any hand-lettered advertising), and will not place or maintain any decoration, letter or advertising matter on the glass of any window

or door of the Premises without first obtaining Landlord's written approval. Tenant will, at its sole cost and expense, maintain such sign, banner, decoration, lettering, advertising matter or other thing as may be permitted hereunder in good condition and repair at all times.

Section 9.3. Painting and Displays by Tenant.

Tenant will not paint or decorate any part of the exterior of the Premises, or any part of the interior of the Premises visible from the exterior thereof, without first obtaining Landlord's written approval. Tenant will install and maintain at all times, subject to the other provisions of this Section, displays of merchandise in the show windows (if any) of the Premises. All articles, and the arrangement, style, color and general appearance thereof, in the interior of the Premises including, without limitation, window displays, advertising matter, signs, merchandise and store fixtures, shall be in keeping with the character and standards of the improvements within the Concession Area, as determined by Landlord. Landlord reserves the right to require Tenant to correct any non-conformity.

Section 9.4. Trash Removal Service and Delivery Service.

(a) Landlord shall furnish a service for the removal of trash from receptacles provided by Tenant and approved by Landlord for the daily deposit by Tenant of its garbage, trash, rubbish or other refuse to dumpsters located at the Airport, the cost of which service shall be included in Landlord's Operating Costs (defined below).

In addition, Landlord shall provide for trash removal from such dumpsters by a contractor selected by Landlord. The cost of such trash removal, together with the costs of cleaning, maintaining, and repairing such dumpsters and the cost of any utility service used in the operation and maintenance of such dumpsters are referred to, collectively, as the "Dumpster Costs". Tenant agrees to pay, as Additional Rental, Tenant's allocable share (as reasonably determined from time to time by Landlord), of the Dumpster Costs. Such payments shall be payable monthly (along with Tenant's payment of Annual Basic Rental) in such amounts as may be reasonably estimated by Landlord from time to time and, after the close of each Rental Year during the Term Landlord shall reconcile such estimated payments against actual costs and Tenant shall promptly thereafter make an adjusting payment or Landlord shall promptly thereafter make an adjusting credit, as the case may be.

(b) If Landlord should elect to furnish a service for the delivery and distribution of merchandise and other items, then Tenant shall use such delivery service and reimburse Landlord monthly, as Additional Rental, for Tenant's allocable share (as reasonably determined from time to time by Landlord) of all costs incurred by Landlord in furnishing such delivery and distribution service. Tenant's allocable share of such costs, as the same may be adjusted as provided below, is hereinafter referred to as the "Delivery Service Charge". The Delivery Service Charge shall be payable monthly (along with Tenant's payment of Annual Basic Rental) in

such amounts as may be reasonably estimated by Landlord from time to time and, after the close of each Rental Year during the Term, Landlord shall reconcile such estimated payments against actual costs and Tenant shall promptly thereafter make an adjusting payment or Landlord shall promptly thereafter make an adjusting credit, as the case may be.

Section 9.5. Permitted Use Disclaimer.

Except as expressly otherwise provided herein, nothing contained in this Sublease shall be construed to indicate any intent or attempt on the part of Landlord to restrict the price or prices at which Tenant may sell any goods or services permitted to be sold at or from the Premises pursuant to this Sublease.

Section 9.6. Hazardous Substances.

Tenant shall not use or allow the Premises to be used for the Release, storage, use, treatment, disposal or other handling of any Hazardous Substance, without the prior consent of Landlord. The term "Release" shall have the same meaning as is ascribed to it in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., as amended, ("CERCLA"). The term "Hazardous Substance" means (i) any substance defined as a "hazardous substance" under CERCLA, (ii) petroleum, petroleum products, natural gas, natural gas liquids, liquefied natural gas and synthetic gas, and (iii) any other substance or material deemed to be hazardous, dangerous, toxic, or a pollutant under any of the Environmental Laws.

Tenant shall: (a) give prior notice to Landlord of any activity or operation to be conducted by Tenant at the Premises which involves the Release, use, handling, generation, treatment, storage, or disposal of any Hazardous Substance ("Tenant's Hazardous Substance Activity"), (b) comply with all federal, state, and local laws, codes, ordinances, regulations, permits and licensing conditions governing the Release, discharge, emission, or disposal of any Hazardous Substance and prescribing methods for or other limitations on storing, handling, or otherwise managing Hazardous Substances, (c) at its own expense, promptly contain and remediate any Release of Hazardous Substances arising from or related to Tenant's Hazardous Substance Activity in the Premises, the Terminal Building, the Airport, or the environment and remediate and pay for any resultant damage to property, persons, and/or the environment, (d) give prompt notice to Landlord, and all appropriate regulatory authorities, of any Release of any Hazardous Substance in the Premises, Terminal Building, the Airport or the environment arising from or related to Tenant's Hazardous Substance Activity, which Release is not made pursuant to and in conformance with the terms of any permit or license duly issued by appropriate governmental authorities, any such notice to include a description of measures taken or proposed to be taken by Tenant to contain and remediate the Release and any resultant damage to property, persons, or the environment, (e) at Landlord's request, which shall not be more frequent than once per calendar year, retain an independent engineer or other qualified consultant or expert acceptable to Landlord, to conduct, at Tenant's expense, an environmental audit of the Premises and immediate surrounding areas, and the scope of work to be performed by such engineer, consultant, or expert shall be approved in advance by Landlord, and all of the engineer's,

consultant's, or expert's work product shall be made available to Landlord, (f) at Landlord's request from time to time, execute affidavits, representations and the like concerning Tenant's best knowledge and belief regarding the presence of Hazardous Substances in the Premises, (g) reimburse to Landlord, upon demand, the reasonable cost of any testing for the purpose of ascertaining if there has been any Release of Hazardous Substances in the Premises, if such testing is required by any governmental agency or Landlord's Mortgagee, (h) upon expiration or termination of this Sublease, surrender the Premises to Landlord free from the presence and contamination of any Hazardous Substance.

Section 9.7. Non-Discrimination.

(a) (i) This Sublease is entered into under the Philadelphia Home Rule Charter and in the exercise of the privileges herein granted, Tenant shall not discriminate or permit discrimination against any person because of race, color, religion, national origin, sex, sexual orientation or ancestry. Accordingly, without limiting any other provision of this Sublease, Tenant agrees to comply with Act 57 of 1998, 62 Pa.C.S. § 3701, and the Fair Practices Ordinance of the City of Philadelphia (Section 9-1100 of the Philadelphia Code) and the Mayor's Executive Order No. 4-86, as each may be amended from time to time.

(ii) Tenant covenants and agrees that in accordance with Chapter 17-400 of the Philadelphia Code, payment or reimbursement of membership fees or other expenses associated with participation by its employees and in an exclusionary private organization, insofar as its participation confers an employment advantage or constitutes or results in discrimination with regard to hiring, tenure of employment, promotions, terms, privileges or conditions of employment, on the basis of race, color, religion, national origin, ancestry, sexual orientation, or physical handicap constitutes an immediate Event of Default under this Sublease entitling Landlord to all rights and remedies provided in this Sublease or otherwise available in law or equity. Tenant further agrees to cooperate with the Commission on Human Relations of the City of Philadelphia in any manner in which the said Commission deems reasonable or necessary for the Commission to carry out its responsibilities under Chapter 17-400 of the Philadelphia Code. Failure to so cooperate shall constitute an immediate Event of Default under this Sublease entitling the Landlord to all rights and remedies provided herein or otherwise available in law or equity.

(b) (i) Tenant covenants and agrees that in order to confirm the assurance required by the Landlord and Prime Landlord by Title VI of the Civil Rights Act of 1964 and by 49 CFR Part 21 of the regulations governing the U.S. Department of Transportation ("DOT"), as amended, Tenant will not, in its operation and use of the Premises, discriminate nor permit discrimination against any person or group of persons on the ground of race, color or national origin in any manner prohibited by 49 CFR Part 21. Non-compliance with this section will constitute an immediate Event of Default under this Sublease; therefore in the event of such non-compliance, Tenant hereby authorizes Landlord or Prime Landlord to take such action as the federal government permits to enforce compliance, including the right to seek judicial enforcement.

(ii) Tenant covenants and agrees that it will undertake an affirmative action program if required by 14 CFR Part 152, Subpart (E) as amended from time to time. Tenant assures Landlord that it will require its covered suborganizations (including Contractors) provide assurances to Landlord and Prime Landlord that they similarly will undertake affirmative action programs and they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart (E), to the same effect.

(c) Tenant shall insert appropriate provisions in all contracts relating to the Premises to insure compliance by such Contractors with the provisions of this Section.

Section 9.8. Disadvantaged Business Enterprise Requirements.

A. Insofar as concession operations, this Sublease is subject to the requirements of the U.S. Department of Transportation Regulations 49 CFR Parts 23 and 26, and Tenant agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23. Tenant shall include the foregoing statements in any subsequent concession agreement or contract covered by 49 CFR Part 23 that it enters and cause those businesses to similarly include the statements in further agreements.

B. Tenant covenants to cooperate with Landlord in order to facilitate Landlord's compliance with 49 CFR Parts 23 and 26 and the Prime Lease and Tenant covenants that it will fully carry out and comply with its obligations under this Sublease, 49 CFR Parts 23 and 26, the Prime Landlord's current ACDBE Program, and the Prime Lease requirements for ACDBE participation (hereafter collectively referred to as the "ACDBE Program and Prime Lease Requirements"). Tenant's non-compliance with the ACDBE Program and Prime Lease Requirements shall constitute an Event of Default hereunder. Without limitation, Tenant shall employ disadvantaged persons (including minorities and females) as defined in 49 CFR Part 23, and utilize ACDBE firms in the provision of goods and services such as equipment, supplies, uniforms, management, security and legal services in accordance with the goals in the City's current ACDBE Program, as required by 49 CFR Part 23. Accordingly, Tenant's compliance duties under Exhibit E of the Prime Lease, and those of any permitted subtenant or operator, shall be subordinate to the requirements of the Prime Landlord's ACDBE Program and 49 CFR Parts 23 and 26.

C. Prime Landlord reserves the right to conduct post-award compliance reviews during the Term to insure that Landlord and Tenant are in compliance with this Sublease and the ACDBE Program and Prime Lease Requirements. Tenant shall cooperate fully with the Prime Landlord, including but not limited to the Deputy Mayor of Transportation and Utilities (or his or her designee or successor), the Chief Executive Officer of the Division of Aviation (or his or her designee), and any other government agency with jurisdiction over Tenant's compliance with the ACDBE Program and Prime Lease Requirements, in: (i) providing any information, documentation, etc. required by the Prime Landlord or any other government agency involved in monitoring compliance with the ACDBE Program and Prime Lease Requirements within five (5) days of said request; (ii) complying with Prime Landlord's requirements for approving ACDBE

substitutions or other participation substitutions; and (iii) complying with Prime Landlord's requirements for participation in the ACDBE Program or otherwise complying with any other matter within Prime Landlord's authority, obligations and/or responsibilities. Notwithstanding any other rights or remedies available under the governing laws, Landlord and Tenant shall use their best efforts to resolve disputes relating to the ACDBE Program and Prime Lease Requirements in accordance with the Prime Landlord's current ACDBE Program, and 49 CFR Parts 23 and 26.

D. In addition to the record requirements in this Sublease and the Prime Lease and to confirm Tenant's compliance with the ACDBE Program and Prime Lease Requirements, Tenant shall: (i) retain all records related to its compliance with the above requirements for a period of at least five (5) years following the termination of this Sublease; and (ii) conduct annual independent audits of Tenant's finances and provide copies of Tenant's annual audited financial statements to the Landlord and Prime Landlord; and (iii) include in the Monthly Report, the Quarterly Report and the Annual Report a summary of all ACDBE concession activities at or in connection with the Premises and a report of the employment utilization of disadvantaged persons, as defined by 49 CFR Part 23, demonstrating compliance with the ACDBE Program and Prime Lease Requirements and such other information relative to Tenant's compliance as Landlord may reasonably require; and (iv) produce all of the above in accordance with Section 9.8C above.

E. Tenant shall comply with the following additional requirements:

(i) Tenant or any permitted subtenant shall remain at least one hundred percent (100%) ACDBE owned at all times during the Term; and

(ii) Tenant or any permitted subtenant shall be certified as an ACDBE by the Pennsylvania Unified Certification Program (PaUCP) at all times during the Term; provided, however, that Landlord acknowledges and agrees that, if Tenant or any permitted subtenant or operator fails to maintain its status as a certified ACDBE by PaUCP during the Term of the this Sublease due to Tenant or any permitted subtenant or operator no longer meeting the statutory or regulatory requirements of ACDBE total gross sales or the statutory or regulatory personal net worth requirements, such failure shall not be considered a default by Tenant or any permitted subtenant or operator under the terms and provisions of clauses (i) and (ii) of this Section 9.8E, so long as the Prime Landlord continues fully to count Tenant's ACDBE participation; and

(iii) Tenant or any permitted subtenant shall comply (unless such compliance is waived by Prime Landlord or otherwise to the extent required under applicable law) in full with the terms and conditions outlined in Exhibit F attached hereto and made a part hereof. Exhibit F shall be fully executed by each Tenant or permitted subtenant, as the case may be.

F. Tenant's failure to comply with its obligations under this Section 9.8 shall be a default hereunder subject to the terms and provisions of ARTICLE 17 hereof.

Section 9.9. Americans with Disabilities Act.

During the Term, Tenant shall comply with and cause all of its Contractors to comply with the provisions of the ADA which are applicable to (i) Tenant or such Contractors, (ii) the benefits, services, activities, facilities and programs provided in connection with this Sublease, (iii) the Landlord, (iv) the City of Philadelphia or the Commonwealth, and (v) the benefits, services, activities, facilities and programs of the City of Philadelphia or the Commonwealth, and, if any funds under this Sublease are provided by the federal government, which are applicable to the federal government and its benefits, services, activities, facilities and programs. Without limiting the generality of the preceding sentence, Tenant shall comply with and cause all of its Contractors to comply with the "General Prohibitions Against Discrimination" 28 CFR, Section 35.130 and all other regulations promulgated under Title II of the ADA, as it may be amended from time to time, which are applicable to the benefits, services, programs and activities provided by Prime Landlord through contracts with outside contractors.

Section 9.10. Airport Security Program.

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

2. The Prime Landlord has a security program that has been approved by the TSA for the Airport. Because of the location of the Premises within the Airport and the activities to take place thereon, Tenant is required, at all times during the Term and any extension thereof, to be familiar with and to comply with the Prime Landlord's security program for the Airport. Tenant must also ensure that all its subtenants, contractors, subcontractors and invitees shall, at all times, be in compliance with the Prime Landlord's security program for the Airport. A primary component of such compliance includes, but is not limited to, Airport badging of workers on Airport premises and compliance by those workers with the security procedures for the Airport. Tenant shall be responsible for any failure to comply with the Prime Landlord's security program for the Airport by Tenant, its agents, employees, contractors, subcontractors, or invitees. Such failure to comply with the Prime Landlord's security program for the Airport shall be a material breach of this Sublease and, in addition to all other rights and remedies of the Prime Landlord and Landlord hereunder, at law or in equity, Landlord shall be entitled to terminate this Sublease without liability to Landlord or Prime Landlord and, upon such termination, Tenant shall be liable to the Prime Landlord and Landlord for all outstanding fees and charges and all costs, including attorneys' fees and costs, expenses and damages arising out of such termination. Accordingly, Tenant's defense of Prime Landlord under Paragraph 3 of this Section 9.10 shall be conducted by attorneys approved, in advance, in writing by Prime Landlord.

3. In connection with the implementation of Landlord's security program, Tenant may receive, gain access to or otherwise obtain certain knowledge and information related to the Prime Landlord's overall Airport security program. Tenant acknowledges that all such knowledge and information is of a highly confidential nature. Tenant covenants and agrees that no person, whether an officer or employee of Tenant or a third party, shall be permitted to gain access to such knowledge and information, unless such person has been approved by Prime Landlord in advance in writing. Tenant further agrees to indemnify, hold harmless and defend Landlord and Prime Landlord and other users of the Airport from and against any and all claims, costs, expenses, damages and liabilities, including but not limited to attorney's fees and costs, resulting directly or indirectly from the breach of Tenant's responsibilities, covenants and agreements as set forth in this Section 9.10.

Section 9.11. Staffing.

All employees of Tenant shall wear identification tags and appropriate uniforms or other dress commensurate with normal store policy (except where otherwise approved by Prime Landlord), and shall be courteous and helpful to the public and Tenant shall enforce this requirement.

Section 9.12. Development Plan; Merchandising.

Tenant shall operate its store in a manner consistent with the Development Plan and the merchandising plan contained in the Development Plan.

Section 9.13. Street Pricing.

Tenant shall not charge prices for any products or services that exceed "Street Prices" as such prices are determined under the Prime Lease. The Prime Lease provides that the Street Prices for any product or services sold by any tenant or licensee shall be determined as follows:

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

(b) If any food, beverage, merchandise and/or services is sold by a company which does not operate under the same trade name in the Greater Philadelphia Area then the Street Price shall be within the range of the prices charged for such goods and services by up to five mutually agreed upon locations of comparable businesses in the Greater Philadelphia Area where comparable products or services are sold (e.g., Wawa convenience stores, Acme supermarkets, Nature Company, Rite Aid Drug Company drug stores, McDonald's restaurants, etc.). This

subsection (b) is intended to govern the Street Price of all goods and services which do not apply to Subsections (a), (c) or (d) of this Section 9.13.

(c) If the product or service offered is neither sold by businesses with the same trade name in non-airport locations nor readily available from comparable businesses in Greater Philadelphia Area, and does not fall within any other category described in this Section 9.13, the Street Price shall be based on reasonable comparisons mutually agreed to by Landlord and the Prime Landlord.

(d) With respect to duty free shops, the Street Prices will be based upon independent comparisons of duty free shops operating at New York Kennedy International Airport, Atlanta Hartsfield International Airport, Miami International Airport and Charlotte/Douglas International Airport.

(e) For the purposes of establishing the Street Price of an item, any difference in the size or quality of a product or service shall constitute a price differential.

(f) In selecting comparable locations for purposes of this Section 9.13 (a), (b) and (c) above, locations that are partially or fully protected from competition, such as hotel lobby shops or sports arenas, casinos and other gaming complexes, and locations that operate using an off-price or discount pricing structure shall not be included as comparable locations.

Tenant shall submit to Landlord, in no event later than the sixtieth (60th) day immediately prior to the Rent Commencement Date and thereafter on a quarterly basis, a report certifying that the current prices for all products and services sold or offered in the Premises comply with the provisions of this Section 9.13. In addition, if Tenant (or any business under common or overlapping ownership with Tenant) does business under the same trade name in any other location in the greater Philadelphia area, Tenant's quarterly report will also set out the current prices for all products and services sold or offered at such location(s). The quarterly reports will be submitted not later than January 15, April 15, July 15 and October 15 of each calendar year. Tenant will also provide interim reports as reasonably requested by Landlord.

Further, Tenant shall post signs which advertise the existence of a twenty-four (24) hours-a-day toll/free "hot line" maintained by the Landlord in prominent locations at the Premises and Tenant shall be fully responsive to any purchaser with questions or comments concerning the Street Pricing policy. Tenant shall deliver to Landlord copies of any written customer complaints immediately following receipt of same. Further, Tenant shall offer to the public a "money back guarantee" to any purchaser who can demonstrate that he/she purchased an item at the Premises which was not priced at the Street Price. In addition, if Tenant shall fail to comply in any respect with the provisions of this Section 9.13, Tenant shall pay to Landlord a charge of One Hundred Fifty Dollars ($150.00) in each instance.

Section 9.14. Salaries.

Salaries of all employees of Tenant and its Contractors shall be paid unconditionally and not less often than once a month without deduction or rebate on any account, except only for

such payroll deductions as are mandated by law or permitted by the applicable regulations issued by the United States Secretary of Labor pursuant to the "Anti-Kickback Act" of June 13, 1934. Tenant shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all contracts covering work in connection with the Premises and shall be responsible for the submission of affidavits required thereunder, except as the United States Secretary of Labor may specifically provide for variations or exemptions from the requirements thereof.

Section 9.15. Marketing Fund.

The Tenant shall fully cooperate with the other tenants and occupants of the Concession Areas in promoting the use of such trade names and slogans as may, from time to time, be adopted for the Concession Areas and in all marketing and advertising campaigns. Tenant agrees that it shall pay to Landlord, as the Tenant's contribution to the Landlord's marketing fund (the "Marketing Fund"), as additional rent, a sum initially equal to the Initial Marketing Charge specified in Section 1.1AA hereof, payable on the first day of each and every month, in advance, included within the Term, the first such payment to be made on the Rent Commencement Date. For any fraction of a month at the commencement or expiration of the Term, the monthly payment of the Tenant's Marketing Charge shall be prorated. The Landlord agrees that the Marketing Fund will be used for advertising, promotion, public relations and administrative expenses (including, without limitation, the salaries of any marketing personnel) relating to the promotion of the Concession Areas; and the Landlord shall not be responsible to account therefor to the Tenant. Without limiting the generality of the foregoing, Landlord shall have the right to utilize the Marketing Fund for the costs of circulars and other publications, as well as electronic or other advertising media, and Tenant agrees, upon request from the Landlord, to furnish suitable advertising material for such purposes. Any advertisements, circulars or other promotions need not make specific reference to any one or more occupants of the Concession Areas, but may advertise the Concession Areas generally or specific portions therein or occupants of such portions. It is understood and agreed that the Tenant's Marketing Charge shall be subject to a cost of living increase for each Rental Year after the first Rental Year included within the Term of this Sublease. In that regard, on the first July 1 included within the Term (such date and each ensuing anniversary thereof being referred to hereinafter as a "Marketing Adjustment Date"), and on each Marketing Adjustment Date thereafter during the Term, the Tenant's Marketing Charge shall be increased above the Initial Marketing Charge specified in Section 1.1AA hereinabove in the same proportion as the Price Index (hereinafter defined) has increased, if at all, as of the Marketing Adjustment Date in question above the Price Index as of the Rent Commencement Date, and each such increased figure shall then become the Tenant's Marketing Charge and shall remain in effect until the next Marketing Adjustment Date. In no event shall anything contained herein permit the Tenant's Marketing Charge to be reduced below the amount of the Tenant's Initial Marketing Charge specified in Section 1.1AA hereinabove. The term "Price Index", as used in this Sublease, means the Consumer Price Index, All Urban Consumers, (Phila., Trenton, Wilmington, 1982-84 = 100) as reported by the United States Department of Labor. If such Index shall cease to be published in its present form and calculated on the present basis, a comparable index or an index reflecting changes in the cost of living determined in a similar manner or by substitution, combination or weighting of available indices, expenditure groups, items, components or population, published by the United States

Department of Labor for such region or by a responsible financial periodical or recognized authority shall be designated by the Landlord to be the Price Index thereafter. The Price Index for any date relevant to the application of any ARTICLE hereof shall be that Price Index published for the month containing such date, if computed for such month, or otherwise for the most recent month immediately preceding the month for which the application is to be made. Since a Price Index relevant to the application of any ARTICLE may not be available as of the date on which a determination using the Price Index is to be made, necessary adjustments between the Landlord and the Tenant shall be made retroactively, within a reasonable time after required computations can be readily completed.

Section 9.16. Pre-Opening Marketing Charge.

Tenant agrees to pay Landlord, not later than thirty (30) days after the date of this Sublease, the sum specified in Section 1.1BB hereof as Tenant's Pre-Opening Marketing Charge, to be expended for marketing and advertising the Concession Areas. Said fund shall be used for such purposes, together with funds from other tenants and occupants of the Concession Areas, in such manner as Landlord in Landlord's sole discretion shall determine; and the Landlord shall not be responsible to account therefor to the Tenant.

ARTICLE 10
REPAIRS AND ALTERATIONS

Section 10.1. Repairs To Roof, Structural and Exterior Walls.

Tenant agrees and acknowledges that Prime Landlord has covenanted to Landlord in the Prime Lease that it will make or cause to be made all structural repairs to exterior walls, interior or exterior columns, roof penetrations and structural floors which collectively enclose the Premises. Landlord agrees, at its expense, to use reasonable efforts to cause the Prime Landlord to make or cause to be made such repairs; provided (i) Tenant shall give Landlord notice of the necessity for such repairs, (ii) the Landlord shall not be liable for the failure of the Prime Landlord to make such repairs, nor shall such failure constitute an eviction of Tenant, constructive or otherwise, (iii) Landlord shall not be required to institute legal action, and (iv) Landlord makes no covenants, representations or warranties, express or implied, regarding repair of such components required to be maintained by Prime Landlord, or that Prime Landlord will cause such repairs to be made. Tenant shall cooperate with Prime Landlord in all ways to facilitate performance by Prime Landlord of its repair and maintenance covenants set forth above.

Section 10.2. Repairs To Be Made By Tenant.

All repairs to the Premises or any installations, equipment or facilities therein, other than those repairs required to be made by Landlord pursuant to Section 14.1, and other than those required to be made by Prime Landlord, shall be made by Tenant at its expense. Without limiting the generality of the foregoing, Tenant will keep the interior of the Premises, together with all electrical, plumbing and other mechanical installations therein and the heating, ventilating and air-conditioning system in the Premises, in good order and repair and will make all replacements from time to time required thereto at its expense. During the (__) and ____ (__)

years of the Term, Tenant shall, at the Tenant's expense, repaint, refurbish, and remodel the Premises and any part and portion thereof to assure that the same are kept in a first-class, tenantable, and attractive condition throughout the Term. Such work shall be performed in accordance with the requirements of ARTICLE 8 and Section 10.4 hereof. Tenant will surrender the Premises at the expiration or earlier termination of the Term in as good condition as when received, excepting ordinary wear and tear, damage by casualty, or unavoidable accident only. Tenant will not overload the electrical wiring serving the Premises or within the Premises, and will install at its expense any additional electrical wiring which may be required in connection with Tenant's apparatus. Any damage or injury sustained by any person because of mechanical, electrical, plumbing or any other equipment or installations, whose maintenance and repair shall be the responsibility of Tenant, shall be paid for by Tenant, and Tenant hereby agrees to indemnify and hold Landlord harmless from and against all claims, actions, damages and liability in connection therewith, including, but not limited to attorneys and other professional fees, and any other cost which Landlord might reasonably incur. Tenant agrees to cooperate with Prime Landlord and Landlord in all ways to facilitate the performance by Prime Landlord of any repair or maintenance work that Prime Landlord may perform pursuant to the Prime Lease. Tenant agrees that neither Landlord nor Prime Landlord shall be liable in damages, by abatement of Rent or otherwise, for failure to furnish or delay in furnishing any service or for any diminution in the quality or quantity thereof. Such failures or delays or diminution shall never be deemed to constitute an eviction or disturbance of Tenant's use and possession of the Premises or relieve Tenant from paying Rent or performing any of its obligations under this Sublease. Tenant and Landlord both acknowledge, however, that due to ongoing construction projects at the Airport throughout the Term of this Sublease, there will be numerous, substantial and significant disruptions to operations, and Landlord and Tenant both agree to work together in good faith to minimize the disruptions caused thereby and the effect of the disruptions.

Section 10.3. Damage to Premises.

Tenant will repair promptly at its expense any damage to the Premises and, upon demand, shall reimburse Landlord (as Additional Rental) for the cost of the repair of any damage elsewhere in the Terminal Building caused by or arising from the installation or removal of property in or from the Premises, regardless of fault or by whom such damage shall be caused.

Section 10.4. Alterations by Tenant.

Tenant will not make any alterations, additions, renovations, improvements or other installations in, on or to any part of the Premises (including, without limitation, any alterations of the storefront, signs, fixtures, structural alterations, or any cutting or drilling into any part of the Premises or any securing of any fixture, apparatus, or equipment of any kind to any part of the Premises) without the prior written approval of Landlord and Prime Landlord. Tenant shall comply with all of the provisions of ARTICLE 8 hereof if any such alterations, additions or improvements are so approved.

Section 10.5. Changes and Additions to Prime Leased Premises.

Landlord reserves the right at any time and from time to time to (a) make or permit changes or revisions in the plan for the Prime Leased Premises or the Concession Area including additions to, subtractions from, rearrangements of, alterations of, modifications of, or supplements to, the building areas, walkways, or other Common Areas, (b) construct improvements in Prime Leased Premises and the Concession Area and to make alterations thereof or additions thereto in any such building(s) and to build adjoining same, including (without limitation) kiosks, pushcarts and other displays in the Common Areas, and (c) make or permit changes or revisions in the Prime Leased Premises or the Concession Area, including additions thereto, and to convey portions of the Prime Leased Premises to others for the purpose of constructing therein other improvements, including additions thereto and alterations thereof.

ARTICLE 11
COMMON AREAS

Section 11.1. Use of Common Areas.

Landlord grants to Tenant and its agents, employees, contractors and customers a non-exclusive license to use the Common Areas in common with others during the Term, subject to the exclusive control and management thereof at all times by Landlord or others and subject, further, to the rights of Landlord set forth in Sections 9.10, 10.5, 11.2 and 21.22. In addition, subject to the terms and conditions of the Prime Lease, and subject at all times to all statutes, ordinances, rules and regulations from time to time enacted or established by the Prime Landlord, the FAA or any other governmental agency or authority, Tenant, and its customers, agents, employees and contractors shall have the non-exclusive right to use the Airport Retained Space in common with others during the Term for access and ingress to, and egress from, the Premises. Notwithstanding the foregoing, Landlord makes no representation or warranty as to the right of Tenant, now or in the future, to use or have the right of access or ingress to or egress from, the Airport Retained Space.

Section 11.2. Management and Operation of Common Areas.

Prime Landlord has undertaken in the Prime Lease to operate and maintain a portion of the Common Areas, and Landlord shall operate and maintain, or cause to be operated and maintained, that part of the Common Areas not maintained and operated by Prime Landlord, in a manner deemed by Landlord and Prime Landlord to be reasonable and appropriate and in the best interests of the Concession Area. Landlord makes no representations or warranties, express or implied, regarding the performance by Prime Landlord of the maintenance and operation of those portions of the Common Areas that it has undertaken to operate and maintain, and Landlord shall not be liable, in damages or otherwise, for Prime Landlord's failure so to maintain or operate the Common Areas. Landlord and Prime Landlord will have the right (i) to establish, modify and enforce reasonable rules and regulations with respect to the Common Areas; (ii) to enter into, modify and terminate easements and other agreements pertaining to the use and maintenance of the Common Areas; (iii) to close all or any portion of the Common Areas to such extent as may, in the opinion of Landlord, be necessary to prevent a dedication thereof or the accrual of any rights to any person or to the public therein; (iv) to close temporarily any or all portions of the Common Areas; and (v) to do and perform such other acts in and to said areas

and improvements as, in the exercise of good business judgment, Landlord shall determine to be advisable.

Section 11.3. Parking.

To the extent provided by Prime Landlord, Tenant and its employees shall have the non-exclusive, non-reserved right to use the employee parking lot servicing the Terminal Building, if any, subject to all parking rules and regulations (including the assessment by Prime Landlord of parking fees) applicable thereto as may be created or modified from time to time by Prime Landlord or its agents. Notwithstanding the foregoing, Landlord makes no representation or warranty, express or implied, regarding the availability of or access to any parking areas servicing the Terminal Building, the Premises or the Prime Leased Premises.

Section 11.4. Tenant to Share Expense of Common Areas.

Tenant will pay Landlord, as Additional Rental, a proportionate share of Landlord's Operating Costs, which shall be computed by multiplying Landlord's Operating Costs by a fraction, the numerator of which is Tenant's Floor Area and the denominator of which is Landlord's Leased Floor Area. Such proportionate share shall be paid by Tenant in monthly installments in such amounts as are estimated and billed by Landlord at the beginning of each twelve (12) month period commencing and ending on dates designated by Landlord, each installment being due on the first day of each calendar month. At any time during any such twelve (12) month period, Landlord may reestimate Tenant's proportionate share of Landlord's Operating Costs and thereafter adjust Tenant's monthly installments payable during such twelve (12) month period to reflect more accurately Tenant's proportionate share of Landlord's Operating Costs. Within one hundred twenty (120) days (or such additional time thereafter as is reasonable under the circumstances) after the end of each such twelve (12) month period, Landlord shall deliver to Tenant a statement of Landlord's Operating Costs for such twelve (12) month period and the monthly installments paid or payable shall be adjusted between Landlord and Tenant, and Tenant shall pay Landlord or Landlord shall credit Tenant's account (or, if such adjustment is at the end of the Term, Landlord shall pay Tenant), as the case may be, within fifteen (15) days after delivery of such statement to Tenant, such amounts as may be necessary to effect such adjustment. Failure of Landlord to provide the statement called for hereunder within the time prescribed shall not relieve Tenant from its obligations hereunder.

Section 11.5. "Landlord's Operating Costs" Defined.

The term "Landlord's Operating Costs" means all costs and expenses incurred by or on behalf of Landlord in operating, managing, insuring, securing, repairing, replacing and maintaining the Common Areas pursuant to Section 11.2, including, without limitation, all amounts paid by Landlord to Prime Landlord for managing, repairing, replacing, securing and insuring the Common Areas. "Landlord's Operating Costs" includes, but is not limited to, all costs and expenses of operating, maintaining, repairing, lighting, signing, cleaning, painting, policing and securing the Common Areas (including the cost of uniforms, and equipment); sprinkler, alarm and life safety systems; premiums for and other costs of maintaining liability insurance for personal injury, death and property damage, all-risk casualty insurance (including

coverage against fire, flood, theft and other casualties), workers' compensation insurance or similar insurance covering personnel, fidelity bonds for personnel, insurance against liability for assault and battery, defamation and claims of false arrest occurring on and about the Common Areas, plate glass insurance for glass exclusively serving the Common Areas and other insurance (including, all insurance, hazard, rent and otherwise, from time to time carried by Landlord on the Prime Leased Premises); wages, unemployment taxes, social security taxes, and personal property taxes and assessments; the costs and expenses of maintenance of all exterior glass; costs and expenses in connection with maintaining federal, state or local governmental ambient air and environmental standards; fees for required licenses and permits; the cost of all materials, supplies and services purchased or hired therefor; operation of public toilets; installing and renting of signs; fire protection; maintenance, repair and replacement of utility systems serving the Common Areas, including, but not limited to, water, sanitary sewer and storm water lines and other utility lines, pipes and conduits; costs and expenses of maintaining and operating sewage treatment facilities, if any; costs and expenses of inspecting and depreciation of machinery and equipment used in the operation and maintenance of the Common Areas and personal property taxes and other charges (including, but not limited to, financing, leasing or rental costs) incurred in connection with such equipment; costs and expenses of the coordination and use of truck docks and loading facilities; costs and expenses of repair or replacement of walkways, landscaping, drainage, pipes, ducts, conduits and similar items, plate glass, lighting facilities, floor coverings, and the roof; costs and expenses of planting, replanting, replacing and displaying flowers, shrubbery and planters; costs and expenses incurred in the purchase or rental of music program services and loudspeaker systems, including furnishing electricity therefor; costs of providing light and power to the Common Areas; costs of providing energy to heat, ventilate and air condition the Common Areas and the operation, maintenance, repair and replacement of equipment required therefor (including without limitation, the costs of energy management systems serving the Prime Leased Premises); cost of water services, if any, furnished by Landlord for the non-exclusive use of all tenants; parcel pick-up and delivery services; capital expenses incurred in connection with maintaining, repairing, replacing and operating the Common Areas, which costs may be amortized over the useful life of the applicable item determined in accordance with generally accepted accounting principles, but no event to exceed five (5) years; and administrative costs attributable to the Common Areas for on-site personnel.

Section 11.6. Service Areas and Service Elevators.

Tenant shall use for any deliveries only the service areas and service elevators designated, from time to time, by Landlord. Tenant shall only use such service areas and service elevators during normal business hours or such other times as Landlord or Prime Landlord may provide. Landlord makes no representations or warranties, express or implied, that such service areas and service elevators will now or in the future be available for use by Tenant, and Landlord shall not be liable for Prime Landlord's failure to provide such areas or elevators, or for any discontinuance in Tenant's ability to use such service areas or service elevators.

ARTICLE 12
UTILITIES

Section 12.1. Availability of Utilities.

Tenant agrees and acknowledges that utilities are being furnished to the Premises using utility trunk lines that currently service the Airport, and that Landlord agrees to use reasonable efforts to provide and maintain adequate connections with such existing trunk lines to provide the necessary utilities, including electricity, gas, water and sewage, and telephone, for Tenant's use of the Premises. Landlord, in its sole discretion, shall have the right, from time to time, to alter the method and source of supply to the Premises of any utility, and Tenant agrees to cooperate with Landlord to effect such alteration. Tenant shall not at any time overburden or exceed the capacity of the mains, feeders, ducts, conduits or other facilities by which its utilities are supplied to, distributed in or serve the Premises.

In the event that Landlord shall elect to supply any utilities, then, insofar as and to the extent that such is permitted pursuant to applicable law and the regulations of the applicable utility company, Tenant agrees to purchase the same from Landlord, provided the rate does not exceed the rate which Tenant would be required to pay to the utility company furnishing the same to the Airport. Payments for all utilities provided by Landlord shall be made upon demand but not more often than once a month, commencing with the month that said utilities are first furnished to Tenant (or such later month as Landlord may elect) and continuing during the Term of this Sublease whether or not the Premises are being occupied by Tenant. At Landlord's option, the amount of each monthly payment, which shall be payable on the first day of each month in advance, may be one-twelfth of the amount from time to time estimated by Landlord for the Rental Year in question, with a final adjustment to be made after the end of each Rental Year. To the extent practicable, all utility service to the Premises shall be measured by a separate submeter and Tenant's utility payments shall be calculated based on periodic readings of such submeter(s). Further, Tenant shall pay for all utilities consumed on the Premises from the date of delivery of possession thereof by Landlord to Tenant to the Rent Commencement Date.

Section 12.2. Availability of HVAC.

Landlord shall provide heating, ventilating and air-conditioning service to the extent the same can be provided through the systems and equipment to be installed in the Premises by Landlord pursuant to Exhibit C hereto (which service is hereinafter referred to as the "HVAC Service"). Landlord agrees that no separate charge shall be assessed against Tenant under this Sublease for the HVAC Service, but this shall not affect Tenant's obligation set forth elsewhere in this Sublease to reimburse Landlord for the performance of Landlord's work pursuant to said Exhibit C. Notwithstanding the foregoing, the costs to maintain, repair, and replace, and the cost of electric service to operate, the systems and equipment providing HVAC Service shall be included in Landlord's Operating Costs for which Tenant is required to pay a proportionate share thereof pursuant to the provisions of Section 11.4 hereof. If the HVAC Service is not sufficient to keep the Premises at a reasonably comfortable temperature, then Tenant shall be solely responsible for the installation of any equipment or facilities required to provide any additional heating, ventilating, and air-conditioning to the Premises in accordance with Exhibit C, such as, but not limited to air handling and distribution equipment. All such additional equipment and facilities shall be operated at Tenant's sole expense. Such installation shall be subject to the approval of Landlord. If Landlord approves such installation, then, except as otherwise provided

in such approval, Tenant shall install such facilities, at its sole cost and expense, in accordance with the provisions of this Sublease and the terms and conditions of such approval.

Section 12.3. Discontinuances and Interruptions of Utility Services.

Landlord makes no covenants, representations or warranties, express or implied, that any or all utilities or HVAC Service shall be available at the Premises, and Landlord shall not be liable in any way to Tenant for the discontinuation or interruption of any utility service or HVAC Service to the Premises.

ARTICLE 13
INDEMNITY AND INSURANCE

Section 13.1. Indemnities.

To the extent permitted by law, Tenant shall and does hereby indemnify Landlord and Prime Landlord and agrees to save them harmless and, at Landlord's option, defend them from and against any and all losses, costs, claims, actions, damages, liabilities and expenses (including attorneys' and other professional fees) judgments, settlement payments, and fines paid, incurred or suffered by Landlord or Prime Landlord in connection with loss of life, personal injury and/or damage to property or the environment suffered by third parties arising from or out of the occupancy or use by Tenant of the Premises or any part thereof or any other part of the Prime Leased Premises, the Terminal Building or the Airport, occasioned wholly or in part by any act or omission of Tenant, its officers, agents, contractors, employees or invitees, or arising, directly or indirectly, wholly or in part, from any conduct, activity, act, omission, or operation involving the use, handling, generation, treatment, storage, disposal, other management or Release of any Hazardous Substance in, from or to the Premises, whether or not Tenant may have acted negligently with respect to such Hazardous Substance.

Tenant agrees to defend, indemnify and hold harmless Landlord and Prime Landlord, their respective elected officials, representatives, officers, agents and employees from and against any and all claims or liability (including attorneys' fees and other professional fees) for compensation, including, without limitation, claims under any workers' compensation statute, arising out of injuries sustained by any employee of Tenant.

Tenant agrees to defend, indemnify and hold harmless Landlord and Prime Landlord, their respective elected officials, agents, officers, and employees from, and to assume all liability for, all taxes and assessments imposed on Tenant, including such use and occupancy taxes and assessments as may be from time to time imposed by any taxing jurisdiction or governmental entity, which are levied or assessed on the Tenant, or which arise out of the operation of Tenant or by reason of the occupancy of the Premises or the Terminal Building by Tenant.

Tenant's obligations pursuant to this Section shall survive any termination of this Sublease with respect to any act, omission or occurrence which took place prior to such termination. Tenant shall also reimburse Landlord for the cost of any and all attorneys' fees and investigation expenses which may be incurred by Landlord in the defense and handling of said suits and claims and in enforcing this Sublease.

Section 13.2. Landlord Not Responsible for Acts of Others.

Landlord shall not be responsible or liable to Tenant, or to those claiming by, through or under Tenant, for any loss or damage which may be occasioned by or through the acts or omissions of Prime Landlord or persons occupying space adjoining the Premises or any part of the premises adjacent to or connecting with the Premises or any other part of the Prime Leased Premises, or otherwise, or for any loss or damage resulting to Tenant, or those claiming by, through or under Tenant, or its or their property, from the breaking, bursting, stoppage or leaking of electrical cable and wires, or water, gas, sewer or steam pipes. To the maximum extent permitted by law, Tenant agrees to use and occupy the Premises, and to use such other portions of the Airport as Tenant is herein given the right to use, at Tenant's own risk and agrees that Landlord shall have no responsibility or liability for any loss of or damage to Tenant's leasehold improvements or to fixtures or other personal property of Tenant or those claiming by, through or under Tenant.

Section 13.3. Tenant's Insurance.

At all times after the execution of this Sublease, Tenant will carry and maintain, at its expense, a nondeductible:

(a) commercial general liability insurance policy, including (but not limited to) insurance against assumed or contractual liability under this Sublease, with respect to liability arising out of the ownership, use, occupancy or maintenance of the Premises and all areas appurtenant thereto, to afford protection with respect to personal injury, death or property damage of not less than Two Million Dollars ($2,000,000) per occurrence combined single limit/Four Million Dollars ($4,000,000) general aggregate (but not less than Two Million Dollars ($2,000,000) per location aggregate) or such higher limits as Landlord may from time to time determine in its reasonable judgment; and

(b) "causes of loss special" or all-risk property and casualty insurance policy, including theft coverage, written at replacement cost value and with replacement cost endorsement, covering all of Tenant's personal property in the Premises (including, without limitation, inventory, trade fixtures, floor coverings, furniture and other property removable by Tenant under the provisions of this Sublease) and all leasehold improvements installed in the Premises by or on behalf of Tenant; and

(c) comprehensive boiler and machinery equipment policy, including electrical apparatus, if applicable;

(d) workers' compensation insurance policy, or similar insurance in form and amounts required by law; and employer's liability insurance in amounts and with coverages as may from time to time be reasonably required by Landlord and specified in a notice to Tenant;

(e) comprehensive automobile liability insurance against bodily injury and property damage claims, covering all owned, hired and non-owned motor vehicles operating off the Airport which are used and operated in connection with the Tenant's obligations under this Sublease, subject to a limit of liability of not less than $5,000,000 per occurrence.

(f) if the Permitted Use of the Premises, as set forth in clause R of Section 1.1 hereof permits the sale of alcoholic beverages in the Premises, liquor law legal liability insurance for bodily injury and property damage in the amount of $10,000,000 per occurrence and in the aggregate insuring against loss, damage, liability, suits, claims, costs and expenses by reason of the manufacture, storage, sale, distribution, use or giving away of alcoholic liquors in, from and about the Premises, whether such liability arises under any present or future law, statute or ordinance with the Commonwealth, or any governmental authority, relating to the sale or other disposition of fermented alcoholic or other intoxicating liquors in, from, on or about the Premises, all such insurance in such amounts as the Landlord or the Prime Landlord may require;

(g) builder's risk insurance in an amount to be determined by Prime Landlord and Landlord prior to the commencement of the Tenant Improvements. Such coverage shall remain in full force and effect during the construction of the Premises; and

(h) any other insurance in amounts and that contain provisions as Landlord or the Prime Landlord may require.

Section 13.4. Tenant's Contractor's Insurance.

Tenant shall require any Contractor of Tenant performing work on the Premises to carry and maintain, at no expense to Landlord, a nondeductible:

(a) commercial general liability insurance policy, including (but not limited to) contractor's liability coverage, contractual liability coverage, products and completed operations coverage, broad form property damage and owners and contractors protective liability coverage, to afford protection with respect to bodily injury, death, personal injury, and property damage with a combined single limit of at least $5,000,000 per occurrence and an aggregate of not less than $5,000,000 per occurrence or such higher limits as Landlord may from time to time determine in its reasonable judgment. Such insurance shall remain in place for at least three years after the completion of the Tenant's Work to which it relates;

(b) business automobile liability, including owned, non-owned, and hired vehicles, with a combined single limit of at least $5,000,000 per occurrence or such other minimum levels as may be required by the City of Philadelphia or other

empowered entities with respect to commercial vehicles on or near the airport premises; and

(c) workers' compensation insurance at statutory limits and in accordance with the applicable laws of The Commonwealth of Pennsylvania and with Employer's Liability insurance with limits of at least $1,000,000.

Section 13.5. Policy Requirements.

The company or companies writing any insurance that Tenant is required to carry and maintain or cause to be carried or maintained pursuant to Sections 13.3 and 13.4, as well as the form of such insurance, shall at all times be licensed to do business in the Commonwealth of Pennsylvania, and shall be previously approved in writing by Landlord and Prime Landlord, and shall have a financial rating of A+ and X(10) or better as determined by A.M. Best, Inc. Commercial general liability and all-risk property and casualty insurance policies evidencing such insurance shall, with respect to commercial general liability policies, name Prime Landlord, Landlord and their respective designees including, without limitation, MarketPlace Philadelphia Management, LLC, as additional insureds on a primary basis and, with respect to casualty insurance policies, name Landlord and its designees including, without limitation, MarketPlace Philadelphia Management, LLC, as loss payee, shall be primary and non-contributory, and shall also contain a provision by which the insurer agrees that such policy shall not be canceled, materially changed or not renewed without at least thirty (30) days' advance notice to Landlord, by certified mail, return receipt requested, or to such other party or address as may be designated by Landlord or its designee. Each policy of insurance required hereunder shall be written on an "occurrence" not a "claims made" basis. Each such policy, or a certificate thereof, shall be deposited with Landlord by Tenant promptly upon commencement of Tenant's obligation to procure the same. If Tenant shall fail to perform any of its obligations under Sections 13.3, 13.4 or 13.5, Landlord may perform the same and the cost of same shall be deemed Additional Rental and shall be payable upon Landlord's demand. Tenant acknowledges that Prime Landlord shall have the right to review and approve, and require additional coverage to, the insurance required to be maintained by Tenant hereunder.

Section 13.6. Increase in Insurance Premiums.

Tenant will not do or suffer to be done, or keep or suffer to be kept, anything in, upon or about the Premises which will violate Landlord's or Prime Landlord's policies of hazard or liability insurance or which will prevent Landlord or Prime Landlord from procuring such policies in companies acceptable to Landlord or Prime Landlord. If anything done or omitted to be done by Tenant or if anything suffered by Tenant to be kept in, upon or about the Premises shall cause the rate of fire or other insurance on the Premises or on other property of Landlord or Prime Landlord or of others within the Airport to be increased beyond the minimum rate from time to time applicable to the Premises or to any such property for the use or uses made thereof, Tenant will pay, as Additional Rental, the amount of any such increase upon Landlord's demand.

Section 13.7. Waiver of Right of Recovery.

Neither Landlord nor Tenant shall be liable to the other or to any insurance company (by way of subrogation or otherwise) insuring the other party for any loss or damage to any building, structure or other tangible property, or any resulting loss of income, or losses under worker's compensation laws and benefits, even though such loss or damage might have been occasioned by the negligence of such party, its agents or employees. The provisions of this Section 13.7 shall not limit the indemnification for liability to third parties pursuant to Section 13.1.

ARTICLE 14
DAMAGE AND DESTRUCTION

Section 14.1. Landlord's Obligation to Restore Partial Damage.

In case during the Term hereof the Premises shall be partially damaged (as distinguished from "substantially damaged", as that term is hereinafter defined) by fire, except as provided below, Landlord shall forthwith proceed to repair such damage and restore the Premises, or so much thereof as was originally constructed by Landlord or its predecessors in title, to substantially their condition at the time of such damage, but Landlord shall not be responsible for any delay which may result from any cause beyond Landlord's reasonable control.

Section 14.2. Landlord's Obligation to Restore Substantial Damage.

In case during the Term hereof the Premises shall be substantially damaged or destroyed by fire or other casualty, the risk of which is covered by Landlord's insurance, this Sublease shall, except as hereinafter provided, remain in full force and effect, and Landlord shall promptly after such damage and the determination of the net amount of insurance proceeds available to Landlord, expend so much as may be necessary of such net amount to restore, to the extent originally constructed by Landlord or its predecessors in title (consistent, however, with zoning laws and building codes then in existence to the extent applicable to such reconstruction), so much of the Premises as was originally constructed by Landlord or its predecessors in title to substantially the condition in which such portion of the Premises was in at the time of such damage, except as hereinafter provided, but Landlord shall not be responsible for delay which may result from any cause beyond the reasonable control of Landlord. Should the net amount of insurance proceeds available to Landlord be insufficient to cover the cost of restoring the Premises, in the reasonable estimate of Landlord, Landlord may, but shall have no obligation to, supply the amount of such insufficiency and restore the Premises with all reasonable diligence or Landlord may terminate this Sublease by giving notice to Tenant not later than a reasonable time after Landlord has determined the estimated net amount of insurance proceeds available to Landlord and the estimated cost of such restoration. In case of substantial damage or destruction, as a result of a risk which is not covered by Landlord's insurance, Landlord shall likewise be obligated to rebuild the Premises, all as aforesaid, unless Landlord, within a reasonable time after the occurrence of such event, gives written notice to Tenant of Landlord's election to terminate this Sublease. If Landlord shall elect to terminate this Sublease, as aforesaid, this Sublease and the Term hereof shall cease and come to an end as of the date of said damage or destruction.

Section 14.3. Tenant Restoration Obligations.

Unless this Sublease is terminated as provided in Section 14.2, Section 14.3 or Section 14.5 of this ARTICLE 14, if the Premises shall be damaged or destroyed by fire or other casualty, then Tenant shall: (i) repair and restore all portions of the Premises not required to be restored by Landlord pursuant to this ARTICLE 14 to substantially the condition which such portions of the Premises were in at the time of such casualty; (ii) equip the Premises with trade fixtures and all personal property necessary or proper for the operation of Tenant's business; and (iii) open for business in the Premises as soon thereafter as possible.

Section 14.4. Rent Abatement.

In the event that the provisions of Section 14.1 or Section 14.2 of this ARTICLE 14 shall become applicable, the Annual Basic Rental shall be abated or reduced proportionately during any period in which, by reason of such damage or destruction, there is substantial interference with the operation of the business of Tenant in the Premises, having regard to the extent to which Tenant may be required to discontinue its business in the Premises, and such abatement or reduction shall continue for the period commencing with such destruction or damage and ending upon the earlier to occur of: (i) the completion by Landlord of such work of repair and reconstruction as Landlord is obligated under this ARTICLE 14 to perform, or (ii) the date that Tenant first reopens for business in all or a portion of the Premises. Nothing in this Section shall be construed to abate or reduce Annual Percentage Rental or any Additional Rental.

Section 14.5. Damage to the Prime Leased Premises.

If the Prime Leased Premises shall be substantially damaged or destroyed by fire or casualty, irrespective of whether or not the Premises are damaged or destroyed, Landlord shall promptly restore, to the extent originally constructed by Landlord or its predecessors in title (consistent, however, with zoning laws and building codes then in existence to the extent applicable to such reconstruction), so much of such Prime Leased Premises as was originally constructed by Landlord or its predecessors in title to substantially the condition thereof at the time of such damage, unless Landlord, within a reasonable time after such loss, gives notice to Tenant of Landlord's election to terminate this Sublease. If Landlord shall give such notice, then anything in this ARTICLE 14 to the contrary notwithstanding this Sublease shall terminate as of the date of such notice with the same force and effect as if such date were the date originally established as the expiration date hereof.

Section 14.6. Definitions.

The terms "substantially damaged" and "substantial damage", as used in this ARTICLE 14, shall have reference to damage of such a character as cannot reasonably be expected to be repaired or the Premises restored within sixty (60) days from the time that such repair or restoration work would be commenced.

ARTICLE 15
CONDEMNATION

Section 15.1. Effect of Taking.

If the whole or any part of the Premises shall be taken under the power of eminent domain, this Sublease shall terminate as to the part so taken on the date Tenant is required to yield possession thereof to the condemning authority. To the extent proceeds are available or made available by Landlord's Mortgagee, Landlord shall make, or cause to be made, such repairs and alterations as may be necessary in order to restore the part not taken to useful condition, and all Rental (other than any Additional Rental due Landlord by reason of Tenant's failure to perform any of its obligations hereunder) shall be reduced in the same proportion as the portion of the floor area of the Premises so taken bears to Tenant's Floor Area. If the aforementioned taking renders the remainder of the Premises unsuitable for the Permitted Use, either party may terminate this Sublease as of the date when Tenant is required to yield possession by giving notice to that effect within thirty (30) days after such date. If such portion of the Prime Leased Premises shall be so taken so as to render the remainder, in Landlord's sole judgment, unsuitable for retail and concession purposes as then currently configured, then Landlord may elect to terminate this Sublease as of the date on which possession thereof is required to be yielded to the condemning authority, by giving notice of such election within ninety (90) days after such date. If any notice of termination is given pursuant to this Section, this Sublease and the rights and obligations of the parties hereunder shall cease as of the date of such notice and Rental (other than any Additional Rental due Landlord by reason of Tenant's failure to perform any of its obligations hereunder) shall be adjusted as of the date of such termination.

Section 15.2. Condemnation Awards.

All compensation awarded for any taking of the Premises or the Prime Leased Premises or any interest in any of the same, shall belong to and be the property of Landlord, Tenant hereby assigning to Landlord all rights with respect thereto; provided, however, nothing contained herein shall prevent Tenant from applying for reimbursement from the condemning authority (if permitted by law) for moving expenses, or the expense of removal of Tenant's trade fixtures, or loss of Tenant's business good will, but only if such action shall not reduce the amount of the award or other compensation otherwise recoverable from the condemning authority by Landlord.

ARTICLE 16
ASSIGNMENT AND SUBLETTING

Section 16.1. Transfers Prohibited.

Except as provided in Section 17.4 with respect to assignment of this Sublease following Tenant's bankruptcy, Tenant will not assign this Sublease, in whole or in part, nor sublet all or any part of the Premises, nor grant licenses or concessions therein, nor lease departments therein, nor allow (either orally or in writing) the use or occupancy of the Premises by any party other than Tenant and Tenant's employees, nor pledge or encumber by mortgage or other instruments its interest in this Sublease (each individually and collectively referred to in this Section as a "Transfer"). This prohibition includes, without limitation, any subletting or assignment which would otherwise occur by operation of law, merger, consolidation, reorganization, transfer or other change of Tenant's corporate, partnership or proprietary structure. For the purposes of this Sublease, the entering into of any management agreement or any agreement in the nature thereof transferring control or any substantial percentage of the profits and losses from the business operations of the Tenant in the Premises to a person or entity other than the Tenant, or otherwise

having substantially the same effect, shall be treated for all purposes as an assignment of this Sublease and shall be governed by the provisions of this Section 16.1. Any transfer to or by a receiver or trustee in any federal or state bankruptcy, insolvency, or similar proceeding shall be subject to, and in accordance with, the provisions of Section 17.4.

Section 16.2. Transfer of Corporate Shares.

If Tenant is a corporation (other than a corporation the outstanding voting stock of which is listed on a "national securities exchange," as defined in the Securities Exchange Act of 1934), any transfer by sale, assignment, bequest, inheritance, operation of law, exchange, issuance, redemption or other disposition of all or any part of corporate shares by Tenant (including, but not limited to, such a transfer to or by a receiver or trustee in federal or state bankruptcy, insolvency, or other proceedings) so as to result in a change in the voting control of the voting stock of Tenant, the voting stock of any corporate guarantor of the Tenant (whether specified in Section 1.1 hereof), or the voting stock of any immediate or remote controlling corporation of Tenant (whether such transfer occurs at one time or at intervals so that, in the aggregate, over the Term of this Sublease, such transfer shall have occurred), or any other transaction(s) overall having the effect of a change in voting control shall be deemed to be a Transfer for the purposes of this Sublease.

Section 16.3. Transfer of Partnership Interests.

If Tenant is a general or limited partnership, any transfer of any part or all of the interests in the capital or profits of such partnership or any voting or other interests therein by sale, assignment, bequest, inheritance, operation of law or other disposition (including, but not limited to, such a transfer to or by a receiver or trustee in federal or state bankruptcy, insolvency or other proceedings, and also including, but not limited to, any adjustment in such partnership interests) so as to result in a change in the present control of said partnership by the person or persons now having control of same, shall be deemed a Transfer for the purpose of this Sublease.

Section 16.4. Violation.

In the event of any assignment or other transfer prohibited by this Section, in addition to and without limiting any of Landlord's rights and remedies on account of the resulting default hereunder by Tenant, Landlord shall have the right to terminate this Sublease by giving Tenant notice of Landlord's desire so to do, in which event this Sublease shall terminate on the date specified by Landlord in such notice all as if such date were the date specified in clause Q of Section 1.1 hereof as the Termination Date. In the event of any assignment or other transfer prohibited by this Section, the Annual Basic Rental shall be adjusted for the balance of the Term of this Sublease such that the Annual Basic Rental payable hereunder shall thereafter be equal to the sum of (i) the greater of (a) the Annual Basic Rental specified in clause E of Section 1.1 of this Sublease and (b) the Annual Basic Rental payable pursuant to such assignment or other transfer, plus (ii) the highest of the amounts of the Annual Percentage Rental payable hereunder for and with respect to any of the then last three (3) full Rental Years preceding the assignment or other transfer; and, in addition, any lump sum or installment payments for the leasehold

payable by such assignee or other transferee shall be payable directly to Landlord and not to Tenant.

ARTICLE 17
DEFAULT

Section 17.1. "Event of Default" Defined.

Any one or more of the following events shall constitute an "Event of Default":

(a) The sale of Tenant's interest in the Premises under attachment, execution or similar legal process, or if Tenant is adjudicated as bankrupt or insolvent under any state bankruptcy or insolvency law or an order for relief is entered against Tenant under the Federal Bankruptcy Code and such adjudication or order is not vacated within ten (10) days.

(b) The commencement of a case under any chapter of the Federal Bankruptcy Code by or against Tenant or any guarantor of Tenant's obligations hereunder, or the filing of a voluntary or involuntary petition proposing the adjudication of Tenant or any such guarantor as bankrupt or insolvent, or the reorganization of Tenant or any such guarantor, or an arrangement by Tenant or any such guarantor with its creditors, unless the petition is filed or case commenced by a party other than Tenant or any such guarantor and is withdrawn or dismissed within sixty (60) days after the date of its filing.

(c) The admission in writing by Tenant or any such guarantor of its inability to pay its debts when due;

(d) The appointment of a receiver or trustee for the business or property of Tenant or any such guarantor, unless such appointment shall be vacated within ten (10) days of its entry.

(e) The making by Tenant or any such guarantor of an assignment for the benefit of its creditors, or if in any other manner Tenant's interest in this Sublease shall pass to another by operation of law.

(f) The failure of Tenant to pay any Rental or other sum of money due under this Sublease on the date when due.

(g) Default by Tenant in the performance or observance of any covenant or agreement of this Sublease (other than a default involving the payment of money), which default is not cured within twenty (20) days after the giving of notice thereof by Landlord, unless such default is of such nature that it cannot be cured within such twenty-day period, in which case no Event of Default shall occur so long as Tenant shall commence the curing of the default within such twenty-day period and shall thereafter diligently prosecute the curing of same. However, if: (i) Landlord shall have sent to Tenant a notice of such default, even though the

same shall have been cured and this Sublease not terminated; and (ii) during the same calendar year in which said notice of default has been sent by Landlord to Tenant, Tenant thereafter shall default in any non-monetary matter - the same shall be deemed to be an Event of Default upon Landlord giving Tenant written notice thereof, and Tenant shall have no grace period within which to cure the same.

(h) The failure of Tenant, after the Term commences, to be open for business to the public for more than three (3) consecutive days, or for more than three (3) days in any one Rental Year, or for more than four (4) days during the Term hereof, or any other vacation or abandonment of the Premises by Tenant at any time following delivery of possession of the Premises to Tenant. Without limitation, the failure of Tenant to have completed its initial alterations and equipping of the Premises and to have opened for business on the Rent Commencement Date shall be considered for the purposes hereof to be an abandonment of the Premises by Tenant.

(i) The occurrence of any other event described as constituting an "Event of Default" elsewhere in this Sublease.

(j) A default by the Tenant (or any affiliated or related entity of the Tenant) with respect to any sublease, other than this Sublease, with the Landlord (or any affiliated or related entity of the Landlord).

Section 17.2. Remedies.

Upon the occurrence of an Event of Default, Landlord, without notice to Tenant in any instance (except where expressly provided for below or by applicable law) may do any one or more of the following:

(a) With or without judicial process, enter the Premises and take possession of any and all goods, inventory, equipment, fixtures and all other personal property of Tenant, which is or may be put into the Premises during the Term, whether exempt or not from sale under execution or attachment (it being agreed that said property shall at all times be bound with a lien in favor of Landlord and shall be chargeable for all Rental and for the fulfillment of the other covenants and agreements herein contained), and Landlord may sell all or any part thereof at public or private sale. Tenant agrees that five (5) days prior notice of any public or private sale shall constitute reasonable notice. The proceeds of any such sale shall be applied, first, to the payment of all costs and expenses of conducting the sale or caring for or storing said property (including reasonable attorneys' fees); second, toward the payment of any indebtedness, including, without limitation, indebtedness for Rental, which may be or may become due from Tenant to Landlord; and third, to pay Tenant, on demand, any surplus remaining after all indebtedness of Tenant to Landlord has been fully paid;

(b) Reenter the Premises and remove all persons and all or any property therefrom, either by summary dispossess proceedings or by any suitable action or proceeding. Upon recovering possession of the Premises by reason of or based upon or arising out of an Event of Default, Landlord may, at Landlord's option, either terminate this Sublease or make such alterations, repairs, redecoration and rent concessions as may be necessary in order to relet the Premises or any part or parts thereof, either in the Landlord's name or otherwise, for a term or terms which would otherwise have constituted the balance of the Term of this Sublease at such rent or rents and upon such other terms and conditions as in the Landlord's sole discretion may seem advisable and to such person or persons as in the Landlord's discretion seems best; and upon such reletting, all rent received by Landlord from such reletting shall be applied as follows: first, to the payment of any costs and expenses of such reletting, including brokerage fees and attorneys fees and all costs of alterations and repairs made in connection with such reletting; second, to the payment of any indebtedness other than Rental due hereunder from Tenant to Landlord; third, to payment of Rental due and unpaid hereunder; and the residue, if any, shall be held by Landlord and applied in payment of future Rental as it may become due and payable hereunder. If any such rentals received from such reletting during any month shall be less than that to be paid during that month by Tenant hereunder, Tenant shall pay any such deficiency to Landlord. No re-entry or taking possession of the Premises or the making of alterations or improvements thereto or the reletting thereof shall be construed as an election on the part of Landlord to terminate this Sublease unless written notice of such intention be given to Tenant. Landlord shall in no event be liable in any way whatsoever for failure to relet the Premises or, in the event that the Premises or any parts thereof are relet, for failure to collect rent therefor, under such reletting. Tenant, for Tenant and Tenant's successors and assigns, hereby irrevocably constitutes and appoints the Landlord as their agent to collect rents due and to become due under all subleases of the Premises or any parts thereof without in any way affecting Tenant's obligation to pay any unpaid balance of rent due or to become due hereunder;

(c) Elect to terminate this Sublease and the tenancy created hereby by giving notice of such election to Tenant, and reenter the Premises, without the necessity of legal proceedings, and remove Tenant and all other persons and property from the Premises, and Landlord may store such property in a public warehouse or elsewhere at the cost of and for the account of Tenant without resort to legal process and without Landlord being deemed guilty of trespass or becoming liable for any loss or damage occasioned thereby;

(d) Exercise any remedy available to Landlord under the Pennsylvania Uniform Commercial Code;

(e) Accelerate the whole or part of the Rental for the entire unexpired balance of the Term of this Sublease, as well as the other charges, payments, costs and expenses herein agreed to be paid by Tenant, and any Rental or other charges, payments,

costs and expenses if so accelerated shall, in addition to any and all installments of Rental already due and payable in arrears, and any other charge or payment herein reserved, included or agreed to be treated or collected as rent and any other charge, expense or cost herein agreed to be paid by Tenant which may be due and payable and in arrears, be deemed due and payable as if, by the terms and provisions of this Sublease, such accelerated rent and other charges, payments, costs and expenses were on that date payable in advance; or

(f) Exercise any other legal or equitable right or remedy which it may have.

Any costs and expenses incurred by Landlord (including, without limitation, reasonable attorneys' fees) in enforcing any of its rights or remedies under this Sublease shall be deemed to be Additional Rental and shall be paid to Landlord by Tenant upon demand.

Section 17.3. Damages.

If this Sublease is terminated by Landlord pursuant to Section 17.2., Tenant nevertheless shall remain liable for (a) any Rental and damages which may be due or sustained prior to such termination, all reasonable costs, fees and expenses (including, but not limited to, reasonable attorneys' fees, costs and expenses) incurred by Landlord in pursuit of its remedies hereunder, or in reletting the Premises or portions thereof to others from time to time (all such Rental, damages, costs, fees and expenses being referred to herein as "Termination Damages"), and (b) additional damages (the "Liquidated Damages"), which, at the election of Landlord, shall be either:

(i) an amount equal to the Rental which, but for termination of this Sublease, would have become due during the remainder of the Term, less the amount of Rental, if any, which Landlord shall receive during such period from others to whom the Premises may be rented (other than any Additional Rental received by Landlord as a result of any failure of such other person to perform any of its obligations to Landlord), in which case such Liquidated Damages shall be computed and payable in monthly installments, in advance, on the first day of each calendar month following termination of the Sublease and continuing until the date on which the Term would have expired but for such termination, and any suit or action brought to collect any such Liquidated Damages for any month shall not in any manner prejudice the right of Landlord to collect any Liquidated Damages for any subsequent month by a similar proceeding; or

(ii) an amount equal to the present worth (as of the date of such termination) of Rental which, but for termination of this Sublease, would have become due during the remainder of the Term, less the fair rental value of the Premises, as determined by an independent real estate appraiser named by Landlord, in which case such Liquidated Damages shall be payable to Landlord in one lump sum on demand and shall bear interest at the Default Rate until paid. For purposes of this clause (ii), "present worth" shall be

computed by discounting such amount to present worth at a discount rate equal to one percentage point above the discount rate then in effect at the Federal Reserve Bank nearest to the location of the Airport.

If such termination shall take place after the expiration of two or more Rental Years, then, for purposes of computing the Liquidated Damages, the Annual Percentage Rental payable with respect to each Rental Year following such termination (including the Rental Year in which such termination shall take place) shall be conclusively presumed to be equal to the average Annual Percentage Rental payable with respect to each complete Rental Year preceding termination.

If such termination shall take place before the expiration of two Rental Years, then, for purposes of computing the Liquidated Damages, the Annual Percentage Rental payable with respect to each Rental Year following such termination (including the Rental Year in which such termination shall take place) shall be conclusively presumed to be equal to twelve (12) times the average monthly payment of Annual Percentage Rental due prior to such termination, or if no Annual Percentage Rental shall have been payable during such period, then the Annual Percentage Rental for each year of the unexpired Term shall be conclusively presumed to be a sum equal to twenty-five percent (25%) of the Annual Basic Rental due and payable during such unexpired Term. Termination Damages shall be due and payable immediately upon demand by Landlord following any termination of this Sublease pursuant to Section 17.2. Liquidated Damages shall be due and payable at the times set forth herein.

Nothing contained in this Sublease shall limit or prejudice the right of Landlord to prove for and obtain, in proceedings for the termination of this Sublease by reason of bankruptcy or insolvency, an amount equal to the maximum allowed by any statute or rule of law in effect at the time when, and governing the proceedings in which, the damages are to be proved, whether or not the amount be greater, equal to, or less than the amount of the loss or damages referred to above. The failure or refusal of Landlord to relet the Premises or any part or parts thereof shall not release or affect Tenant's liability for damages.

Section 17.4. Remedies in Event of Bankruptcy or Other Proceeding.

(a) Anything contained herein to the contrary notwithstanding, if termination of this Sublease shall be stayed by order of any court having jurisdiction over any proceeding described in paragraph (b) of Section 17.1, or by federal or state statute, then, following the expiration of any such stay, or if Tenant or Tenant as debtor-in-possession or the trustee appointed in any such proceeding (being collectively referred to as "Tenant" only for the purposes of this Section 17.4.) shall fail to assume Tenant's obligations under this Sublease within the period prescribed therefor by law or within fifteen (15) days after entry of the order for relief or as may be allowed by the court, or if Tenant shall fail to provide adequate protection of Landlord's right, title and interest in and to the Premises or adequate assurance of the complete and continuous future performance of Tenant's obligations under this Sublease, Landlord, to the extent permitted by law or by leave of the court having jurisdiction over such proceeding, shall have the right, at its election, to terminate this Sublease on fifteen (15) days' notice to Tenant and upon the expiration of said fifteen (15) day period this Sublease shall cease and expire as aforesaid and Tenant shall

immediately quit and surrender the Premises as aforesaid. Upon the termination of this Sublease as provided above, Landlord, without notice, may re-enter and repossess the Premises using such force for that purpose as may be necessary without being liable to indictment, prosecution or damages therefor and may dispossess Tenant by summary proceedings or otherwise.

(b) For the purposes of the preceding paragraph (a), adequate protection of Landlord's right, title and interest in and to the Premises, and adequate assurance of the complete and continuous future performance of Tenant's obligations under this Sublease, shall include, without limitation, the following requirements:

(i) that Tenant comply with all of its obligations under this Sublease; that Tenant pay to Landlord, on the first day of each month occurring subsequent to the entry of such order, or the effective date of such stay, a sum equal to the amount by which the Premises diminished in value during the immediately preceding monthly period, but, in no event, an amount which is less than the aggregate Rental payable for such monthly period;

(ii) that Tenant continue to use the Premises in the manner originally required by this Sublease;

(iii) that Landlord be permitted to supervise the performance of Tenant's obligations under this Sublease;

(iv) that Tenant pay to Landlord within fifteen (15) days after entry of such order or the effective date of such stay, as partial adequate protection against future diminution in value of the Premises and adequate assurance of the complete and continuous future performance of Tenant's obligations under this Sublease, an additional security deposit in an amount acceptable to Landlord;

(v) that Tenant has and will continue to have unencumbered assets after the payment of all secured obligations and administrative expenses to assure Landlord that sufficient funds will be available to fulfill the obligations of Tenant under this Sublease;

(vi) that if Tenant assumes this Sublease and proposes to assign the same (pursuant to Title 11 U.S.C. §365, as the same may be amended) to any person who shall have made a bona fide offer to accept an assignment of this Sublease on terms acceptable to such court having competent jurisdiction over Tenant's estate, then notice of such proposed assignment, setting forth (x) the name and address of such person, (y) all of the terms and conditions of such offer, and (z) the adequate assurance to be provided Landlord to assure such person's future performance under this Sublease, including, without limitation, the assurances referred to in Title 11 U.S.C.

§365(b)(3), as it may be amended, shall be given to Landlord by Tenant no later than fifteen (15) days after receipt by Tenant of such offer, but in any event no later than thirty (30) days prior to the date that Tenant shall make application to such court for authority and approval to enter into such assignment and assumption, and Landlord shall thereupon have the prior right and option, to be exercised by notice to Tenant given at any time prior to the effective date of such proposed assignment, to accept, or to cause Landlord's designee to accept, an assignment of this Sublease upon the same terms and conditions and for the same consideration, if any, as the bona fide offer made by such person less any brokerage commissions which may be payable out of the consideration to be paid by such person for the assignment of this Sublease; and

(vii) that if Tenant assumes this Sublease and proposes to assign the same, and Landlord does not exercise its option pursuant to paragraph (vi) of this Section 17.4, Tenant hereby agrees that:

(A) such assignee shall have a net worth not less than the net worth of Tenant as of the Commencement Date, or such Tenant's obligations under this Sublease shall be unconditionally guaranteed by a person having a net worth equal to Tenant's net worth as of the Commencement Date;

(B) such assignee shall not use the Premises except subject to all the restrictions contained in this Sublease;

(C) such assignee shall assume in writing all of the terms, covenants and conditions of this Sublease including, without limitation, all of such terms, covenants and conditions respecting the Permitted Use and payment of Rental, and such assignee shall provide Landlord with assurances satisfactory to Landlord that it has the experience in operating stores having the same or substantially similar uses as the Permitted Use, in airport concession areas, sufficient to enable it so to comply with the terms, covenants and conditions of this Sublease and successfully operate the Premises for the Permitted Use;

(D) such assignee shall indemnify Landlord against and pay to Landlord the amount of any payments which Landlord may be obligated to make to any Mortgagee by virtue of such assignment;

(E) such assignee shall pay to Landlord an amount equal to the unamortized portion of any construction allowance made to Tenant; and

(F) if such assignee makes any payment to Tenant, or for Tenant's account, for the right to assume this Sublease (including, without limitation, any lump sum payment, installment payment or payment in the nature of rent over and above the Rental payable under this Sublease), Tenant shall pay over to Landlord one-half of any such payment, less any amount paid to Landlord pursuant to clause (E) above on account of any construction allowance.

Section 17.5. CONFESSION OF JUDGMENT - MONEY.

UPON AN EVENT OF DEFAULT FOR FAILURE TO PAY THE RENTAL HEREIN RESERVED OR IN THE PAYMENT OF ANY OTHER SUMS DUE HEREUNDER BY THE TENANT, TENANT HEREBY AUTHORIZES AND EMPOWERS ANY PROTHONOTARY OR ATTORNEY OF ANY COURT OF RECORD TO APPEAR FOR TENANT IN ANY AND ALL ACTIONS WHICH MAY BE BROUGHT FOR SAID RENTAL AND/OR SAID OTHER SUMS AND TO CONFESS JUDGMENT AGAINST TENANT AND IN FAVOR OF LANDLORD FOR THE RECOVERY OF SAID RENTAL AND/OR OTHER SUMS AND FOR INTEREST AND COSTS, TOGETHER WITH A REASONABLE ATTORNEY'S COMMISSION FOR COLLECTION IN AN AMOUNT EQUAL TO THE LESSER OF $25,000 OR FIVE PERCENT (5%) OF THE AMOUNT DUE. SUCH AUTHORITY SHALL NOT BE EXHAUSTED BY ONE EXERCISE THEREOF, BUT JUDGMENT MAY BE CONFESSED AS AFORESAID FROM TIME TO TIME AS OFTEN AS ANY OF SAID RENTAL AND/OR OTHER SUMS SHALL FALL DUE OR BE IN ARREARS, AND SUCH POWERS MAY BE EXERCISED AS WELL AFTER THE EXPIRATION OF THE TERM, AND TENANT WAIVES AND RELEASES ALL ERRORS AND IMPERFECTIONS IN ANY SUCH ACTION OR ACTIONS.

Section 17.6. CONFESSION OF JUDGMENT - POSSESSION.

WHEN THIS SUBLEASE AND THE TERM OF ANY EXTENSION OR RENEWAL THEREOF SHALL HAVE BEEN TERMINATED ON ACCOUNT OF AN EVENT OF DEFAULT AND ALSO WHEN THE TERM HEREBY CREATED OR ANY EXTENSION OR RENEWAL THEREOF SHALL HAVE EXPIRED, IT SHALL BE LAWFUL FOR ANY ATTORNEY OF ANY COURT OF RECORD TO APPEAR AS ATTORNEY FOR TENANT AS WELL AS FOR ALL PERSONS CLAIMING BY, THROUGH OR UNDER TENANT, AND TO CONFESS JUDGMENT IN EJECTMENT AGAINST TENANT AND ALL PERSONS CLAIMING BY, THROUGH OR UNDER TENANT AND THEREIN CONFESS JUDGMENT FOR THE RECOVERY BY LANDLORD OF POSSESSION OF THE PREMISES, FOR WHICH THIS SUBLEASE SHALL BE HIS SUFFICIENT WARRANT; THEREUPON, IF LANDLORD SO DESIRES, AN APPROPRIATE WRIT OF POSSESSION MAY ISSUE FORTHWITH, WITHOUT ANY PRIOR WRIT OR PROCEEDING WHATSOEVER, AND PROVIDED THAT IF FOR ANY REASON AFTER SUCH ACTION SHALL HAVE BEEN COMMENCED IT SHALL BE DETERMINED AND POSSESSION OF THE PREMISES REMAIN IN OR BE RESTORED TO TENANT, LANDLORD SHALL HAVE THE RIGHT FOR THE SAME EVENTS OF DEFAULT AND UPON ANY SUBSEQUENT EVENTS OF DEFAULT, OR UPON THE TERMINATION OF THIS

SUBLEASE OR TENANT'S RIGHT OF POSSESSION AS HEREINBEFORE SET FORTH, TO BRING ONE OR MORE FURTHER ACTION OR ACTIONS TO CONFESS JUDGMENT TO RECOVER POSSESSION OF THE PREMISES AND CONFESS JUDGMENT FOR THE RECOVERY OF POSSESSION OF THE PREMISES AS HEREINBEFORE PROVIDED.

Section 17.7. AFFIDAVIT.

IN ANY CONFESSION OF JUDGMENT OF EJECTMENT AND/OR FOR RENTAL LANDLORD SHALL FIRST CAUSE TO BE FILED IN SUCH ACTION AN AFFIDAVIT MADE BY LANDLORD OR SOMEONE ACTING FOR LANDLORD, SETTING FORTH THE FACTS NECESSARY TO AUTHORIZE THE ENTRY OF JUDGMENT, OF WHICH FACTS SUCH AFFIDAVIT SHALL BE PRIMA FACIE EVIDENCE, AND IF A TRUE COPY OF THIS SUBLEASE (AND OF THE TRUTH OF THE COPY, SUCH AFFIDAVIT SHALL BE SUFFICIENT EVIDENCE) SHALL BE FILED IN SUCH SUIT, ACTION, OR ACTIONS, IT SHALL NOT BE NECESSARY TO FILE THE ORIGINAL AS A WARRANT OF ATTORNEY, ANY RULE OF COURT, CUSTOM OR PRACTICE TO THE CONTRARY NOTWITHSTANDING.

Section 17.8. Performance by Landlord or Prime Landlord.

Notwithstanding anything herein to the contrary, in the event Tenant fails to perform any of its obligations under this Sublease for any reason with reasonable dispatch after notice by Landlord or Prime Landlord of such failure, Landlord or Prime Landlord may, but shall not be obligated to, perform such obligation and in connection therewith Landlord shall have the right to enter the Premises. Notwithstanding the foregoing, if Tenant's failure to perform its obligations would, in the Prime Landlord's or Landlord's opinion, endanger the safety of the public or employees of Prime Landlord or Landlord, the Landlord or Prime Landlord shall so state in its notice, and the Landlord or Prime Landlord may, but shall not be obligated to, perform Tenant's obligations immediately or any time after the giving of such notice (which may be by telephone or by facsimile). Upon such performance by the Prime Landlord or Landlord, Tenant shall immediately reimburse the performing party for the full cost thereof, including reasonable attorneys' or professional fees, with interest at the Default Rate.

ARTICLE 18
SUBORDINATION AND ATTORNMENT

Section 18.1. Subordination.

Unless a Mortgagee (as hereinafter defined) shall otherwise elect as provided in Section 18.2, Tenant's rights under this Sublease are and shall remain subject and subordinate to the operation and effect of

(a) any lease of land only or of land and buildings in a sale-leaseback or lease-subleaseback transaction involving the Premises or Landlord's interest therein, or

(b) any mortgage, deed of trust or other security instrument constituting a lien upon the Premises or Landlord's interest therein,

whether the same shall be in existence at the date hereof or created hereafter, any such lease, mortgage, deed of trust or other security instrument being referred to herein as a "Mortgage", and the party or parties having the benefit of the same, whether as lessor, mortgagee, trustee or noteholders, being referred to herein as a "Mortgagee". Tenant's acknowledgment and agreement of subordination provided for in this Section are self-operative and no further instrument of subordination shall be required; however, Tenant shall execute such further assurances thereof as shall be requisite or as may be requested from time to time by Landlord or any Mortgagee and in the event Tenant fails so to do within ten (10) days after demand in writing, without limiting Landlord's other rights on account of such failure, Tenant does hereby make, constitute and irrevocably appoint Landlord as its attorney in fact and in its name, place and stead so to do.

Section 18.2. Mortgagee's Unilateral Subordination.

If a Mortgagee shall so elect by notice to Tenant or by the recording of a unilateral declaration of subordination, this Sublease and Tenant's rights hereunder shall be superior and prior in right to the Mortgage of which such Mortgagee has the benefit, with the same force and effect as if this Sublease had been executed, delivered and recorded prior to the execution, delivery and recording of such Mortgage, subject, nevertheless, to such conditions as may be set forth in any such notice or declaration.

Section 18.3. Attornment.

Tenant agrees that, in the event of foreclosure of any Mortgage to which this Sublease is subordinate (or deed or assignment in lieu of foreclosure thereof), at the election of the holder, Tenant shall attorn to such holder (and its successors and assigns) as the successor holder of Landlord's interest hereunder in which case, subject to any applicable terms and provisions of any written agreement between Tenant and such holder, this Sublease shall continue in effect all as if it had been a lease entered into directly between Tenant and such holder (and its successors and assigns). The foregoing shall be self-operative; however, Tenant agrees, upon receipt of written request so to do, to execute such instruments, if any, as may be required in order to give effect to the foregoing and in the event Tenant fails so to do within ten (10) days after demand in writing, without limiting Landlord's other rights on account of such failure, Tenant does hereby make, constitute and irrevocably appoint Landlord as its attorney in fact and in its name, place and stead so to do.

Section 18.4. Agreement with Prime Landlord.

Prior to the Commencement Date, Tenant shall enter into a nondisturbance, subordination and attornment agreement with Prime Landlord in the form attached hereto as Exhibit E, which shall govern the rights and obligations of Prime Landlord and Tenant in the event of a termination of the Prime Lease.

ARTICLE 19
NOTICES

Section 19.1. Sending of Notices.

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

If to Landlord:

MarketPlace Philadelphia Limited Partnership
One Wells Avenue
Newton, Massachusetts 02459

with a copy to:

MarketPlace Philadelphia Management, LLC
Philadelphia International Airport
Philadelphia, Pennsylvania 19153

and a copy to:

New England Development
One Wells Avenue
Newton, Massachusetts 02459

and a copy to:

Goulston & Storrs, P.C.
400 Atlantic Avenue
Boston, Massachusetts 02110
Attention: NED - Philadelphia Airport/Retail

If to Tenant:

_____
_____
_____

with a copy to:

_____

_____
_____

If to Prime Landlord:

Chief Executive Officer, Division of Aviation
City of Philadelphia - Terminal E
Philadelphia International Airport
Philadelphia, Pennsylvania 19153

with a copy to:

City of Philadelphia
Law Department
One Parkway, 16th Floor
1515 Arch Street
Philadelphia, Pennsylvania 19102
Attn: Transportation Division

Either party may, at any time, change its address for the above purposes by sending a notice to the other party stating the change and setting forth the new address.

Section 19.2. Notice to Mortgagees.

If any Mortgagee shall notify Tenant that it is the holder of a Mortgage affecting the Premises, no notice, request or demand thereafter sent by Tenant to Landlord shall be effective unless and until a copy of the same shall also be sent to such Mortgagee in the manner prescribed in Section 19.1 and to such address as such Mortgagee shall designate.

ARTICLE 20
REPRESENTATIONS AND WARRANTIES OF TENANT

Section 20.1. Indebtedness to Prime Landlord.

Neither Tenant nor any Affiliate of Tenant has any unpaid debt due and owing to Prime Landlord and is not delinquent in the payment of any taxes due to Prime Landlord, except such debts or obligations for which Tenant or any Affiliate of Tenant and Prime Landlord, through its Department of Revenue, have executed an agreement to eliminate such delinquencies. For the purposes of this Sublease, the term “Affiliate of Tenant” means (a) any individual, corporation, partnership, trustee, administrator, executor or other legal entity that directly or indirectly owns or controls, or is owned or controlled by, or is under common ownership or control with Tenant, or (b) any legal entity in which Tenant, or any general partner of Tenant or any shareholder owning greater than 5% of the voting shares of Tenant, has an ownership interest greater than 20%.

Section 20.2. Business Privilege License.

Tenant shall obtain and maintain throughout the Term of this Sublease a valid current business privilege license to do business in Philadelphia. Tenant's retail operations shall be licensed and maintained in accordance with all applicable local, Commonwealth and federal laws, rules and regulations, as well as all Airport regulations and standards. Retail operations shall be subject to periodic inspections by Prime Landlord and any other government agency having jurisdiction over such operations, and Tenant shall promptly correct or cause to be corrected all deficiencies reported by any governmental agency having jurisdiction over the operation of the Premises. Copies of all inspection reports (including Health Department reports of inspections) shall be forwarded to Landlord and Prime Landlord immediately upon receipt by Tenant.

Section 20.3. Certificate of Non-Indebtedness.

Prior to the execution of this Sublease, Tenant shall execute and deliver to Landlord a Certificate of Non-Indebtedness in the form attached hereto as Exhibit G which provides as follows and to the best of Tenant's information and belief, the representations made therein are or will be upon execution, true and correct. Prior to the commencement of any work at the Premises by or on behalf of Tenant, Tenant shall cause its General Contractor to execute and deliver to Landlord a Certificate of Non-Indebtedness in the form attached hereto as Exhibit G-1. For the purposes of this Sublease, the term Certificate of Non-Indebtedness shall mean a certificate which provides as follows:

> "Tenant [Contractor] hereby certifies and represents that Tenant [Contractor] and any entity or individual that owns or controls or is controlled or owned by, or is under common control or ownership with Tenant [Contractor], is not currently indebted to the Prime Landlord and will not at any time during the Term be indebted to the Prime Landlord, for or on account of any delinquent taxes (including, but not limited to, taxes collected by the Prime Landlord on behalf of the School District of Philadelphia), liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the Prime Landlord has been established. In addition to any other rights or remedies available to the Prime Landlord at law or in equity, Tenant [Contractor] acknowledges that any breach or failure to conform with this certification may, at the option and discretion of the Prime Landlord, result in the withholding of payments otherwise due to Tenant [Contractor] for services rendered in connection with this Sublease [Contract], and, if such breach or failure is not resolved to the Prime Landlord's satisfaction within a reasonable time frame specified by the Prime Landlord in writing, may result in the offset of any such indebtedness against such payments otherwise due to Tenant [Contractor] and/or the termination of Tenant [Contractor] for default (in which case Tenant [Contractor] will be liable for all excess cost and other damages resulting from such termination)."

ARTICLE 21
MISCELLANEOUS

Section 21.1. Estoppel Certificates and Other Statements.

At any time and from time to time, within ten (10) days after Landlord shall request the same, Tenant will execute, acknowledge and deliver to Landlord and to such Mortgagee or other party as may be designated by Landlord, a certificate in an acceptable form with respect to the matters requested by such party and such other matters relating to this Sublease or the status of performance of obligations of the parties hereunder as may be reasonably requested by Landlord. If Tenant fails to provide such certificate within ten (10) days after request by Landlord, in addition to any other remedies available to Landlord by reason of such failure, Tenant shall be deemed to have approved the contents of any such certificate submitted to Tenant by Landlord and Landlord is hereby authorized to so certify.

Within ten (10) days after Landlord's demand therefor which may be made no more often than once per year, the Tenant shall furnish to Landlord, at Tenant's sole cost and expense, then current financial statements of Tenant and of each guarantor, audited, if audited statements have been recently prepared on behalf of Tenant or such guarantor, or otherwise certified as being true and correct by the chief financial officer of Tenant or such guarantor, as the case may be, or by the Tenant or such guarantor if the same is an individual.

Section 21.2. Inspections and Access by Landlord.

Tenant will permit Prime Landlord and Landlord, and their respective agents, employees and contractors to enter all parts of the Premises after reasonable advance notice to Tenant and during Tenant's business hours to inspect the same and to enforce or carry out any provision of this Sublease, including, without limitation, any access necessary for the making of any repairs which are Landlord's or Prime Landlord's obligation hereunder; provided, however, that, in the event of an emergency, Landlord or Prime Landlord may enter the Premises for such purposes at any time, upon such notice to Tenant, if any, as shall be feasible under the circumstances. Landlord and Prime Landlord shall have reasonable access to the Premises to determine compliance by Tenant with the terms hereof.

Section 21.3. Memorandum of Sublease.

Neither this Sublease nor a short form or memorandum thereof shall be recorded in the public records.

Section 21.4. Remedies Cumulative.

No reference to any specific right or remedy shall preclude Landlord from exercising any other right or from having any other remedy or from maintaining any action to which it may otherwise be entitled at law or in equity. No failure by Landlord to insist upon the strict performance of any agreement, term, covenant or condition hereof, or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial rent during the continuance of any such breach, shall constitute a waiver of any such breach, agreement, term,

covenant or condition. No waiver by Landlord of any breach by Tenant under this Sublease or of any breach by any other tenant under any other lease of any portion of the Concession Area shall affect or alter this Sublease in any way whatsoever.

Section 21.5. Successors and Assigns.

This Sublease and the covenants and conditions herein contained shall inure to the benefit of and be binding upon Landlord, its successors and assigns, and shall be binding upon Tenant, its successors and assigns and shall inure to benefit of Tenant and only such assigns and subtenants of Tenant to whom the assignment of this Sublease or the subletting of the Premises by Tenant has been consented to by Landlord as provided in the Sublease. Upon any sale or other transfer by Landlord of its interest in the Premises and in this Sublease, and the assumption by Landlord's transferee of the obligations of Landlord hereunder, Landlord shall be relieved of any obligations under this Sublease accruing thereafter.

Section 21.6. Captions and Headings.

The table of contents and the ARTICLE and Section captions and headings herein are for convenience of reference only and in no way shall be used to construe or modify the provisions set forth in this Sublease.

Section 21.7. Joint and Several Liability.

If two or more individuals, corporations, partnerships or other business associations (or any combination of two or more thereof) shall sign this Sublease as Tenant, the liability of each such individual, corporation, partnership or other business association to pay rent and perform all other obligations hereunder shall be deemed to be joint and several and all notices, payments and agreements given or made by, with or to any one of such individuals, corporations, partnerships or other business associations shall be deemed to have been given or made by, with or to all of them. In like manner, if Tenant shall be a partnership or other business association, the members of which are, by virtue of statute or federal law, subject to personal liability, the liability of each such member shall be joint and several.

Section 21.8. Broker's Commission.

Each of the parties represents and warrants that there are no claims for brokerage commissions or finders' fees in connection with the execution of this Sublease, and agrees to indemnify the other against, and hold it harmless from, all liability arising from any such claim including, without limitation, the cost of counsel fees in connection therewith.

Section 21.9. No Joint Venture.

Any intention to create a joint venture or partnership relation between the parties hereto is hereby expressly disclaimed. The provisions of this Sublease in regard to the payment by Tenant and the acceptance by Landlord of a percentage of Gross Concession Sales of Tenant and others is a reservation for rent for the use of the Premises.

Section 21.10. No Option.

The submission of this Sublease for examination does not constitute a reservation of or option for the Premises, and this Sublease shall become effective only upon execution and delivery thereof by both parties.

Section 21.11. No Modification.

This writing is intended by the parties as a final expression of their agreement and as a complete and exclusive statement of the terms thereof, all negotiations, considerations and representations between the parties having been incorporated herein. No course of prior dealings between the parties or their officers, employees, agents or affiliates shall be relevant or admissible to supplement, explain or vary any of the terms of this Sublease. Acceptance of, or acquiescence in, a course of performance rendered under this or any prior agreement between the parties or their affiliates shall not be relevant or admissible to determine the meaning of any of the terms of this Sublease. No representations, understandings or agreements have been made or relied upon in the making of this Sublease other than those specifically set forth herein. This Sublease can be modified only by a writing signed by the party against whom the modification is enforceable. Notwithstanding anything herein to the contrary, in the event the Prime Landlord or the FAA requires, as a condition precedent to the granting of funds for the improvement of the Airport, modifications, revisions, supplements or deletions of any of the terms, conditions or requirements of this Sublease, then Tenant agrees that such changes as may be required to enable Prime Landlord or Landlord to obtain such funds shall be permitted.

Section 21.12. Severability.

If any portion of any term or provision of this Sublease, or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this Sublease, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this Sublease shall be valid and be enforced to the fullest extent permitted by law.

Section 21.13. Third Party Beneficiary.

As set forth above, the Prime Landlord shall be a third party beneficiary to this Sublease. Nothing contained in this Sublease shall be construed so as to confer upon any other party the rights of a third party beneficiary, except rights contained herein for the benefit of a Mortgagee.

Section 21.14. Corporate Tenants.

If Tenant is a corporation, the persons executing this Sublease on behalf of Tenant hereby covenant and warrant that: Tenant is a duly constituted corporation qualified to do business in the Commonwealth; all Tenant's franchises and corporate taxes have been paid to date; all future forms, reports, fees and other documents necessary for Tenant to comply with applicable laws

will be filed by Tenant when due; and such persons are duly authorized by the board of directors of such corporation to execute and deliver this Sublease on behalf of the corporation.

In addition, if Tenant and/or Guarantor (if any) of Tenant's obligations hereunder is a corporation, Tenant and/or Guarantor (if any) shall deliver to Landlord, upon the execution of this Sublease, a Clerk's Certificate or Secretary's Certificate in form reasonably satisfactory to Landlord, confirming that the execution of this Sublease and/or Guarantee, as applicable, have been duly authorized.

Section 21.15. Applicable Law.

This Sublease and the rights and obligations of the parties hereunder shall be construed in accordance with the laws of the Commonwealth of Pennsylvania. All actions or proceedings arising directly, indirectly or otherwise in connection with this Sublease or the Premises shall be litigated in the courts having a situs within the City of Philadelphia, Commonwealth of Pennsylvania. Tenant hereby irrevocably consents and submits to the jurisdiction of any local, state federal court located within the City of Philadelphia, Commonwealth of Pennsylvania.

Section 21.16. Notice to Mortgagee.

After receiving written notice from any person, firm, or other entity, that it holds a mortgage (which term shall include a deed of trust) which includes as part of the mortgaged premises the Premises, Tenant shall, so long as such mortgage is outstanding, be required to give to such holder the same notice as is required to be given to Landlord under the terms of this Sublease, but such notice may be given by Tenant to Landlord and such holder concurrently. It is further agreed that such holder shall have the same opportunity to cure any default, and the same time within which to effect such curing, as is available to Landlord; and if necessary to cure such a default, such holder shall have access to the Premises.

Section 21.17. Assignment of Rents.

With reference to any assignment by Landlord of Landlord's interest in this Sublease, or the rents payable hereunder, conditional in nature or other, which assignment is made to the holder of the first mortgage or deed of trust on the Premises, Tenant agrees:

(a) that the execution thereof by Landlord, and the acceptance thereof by such holder, shall never be deemed an assumption by such holder of any of the obligations of Landlord hereunder, unless such holder shall, by written notice sent to Tenant, specifically otherwise elect; and

(b) that, except as aforesaid, such holder shall be treated as having assumed Landlord's obligations hereunder only upon foreclosure of such holder's mortgage or deed of trust and the taking of possession of the Premises by such holder.

Tenant agrees that, in the event of foreclosure of any such mortgage or deed of trust to which this Sublease is subordinate (or deed or assignment in lieu of foreclosure thereof), at the election of the holder, Tenant shall attorn to such holder (and its successors and assigns) as the successor holder of Landlord's interest hereunder, in which case, subject to any applicable terms and provisions of any written agreement between Tenant and such holder, this Sublease shall continue in effect all as if it had been a sublease entered into directly between Tenant and such holder (and its successors and assigns). Tenant agrees, upon receipt of written request so to do, to execute such instruments, if any, as may be required in order to give effect to the foregoing.

Section 21.18. Performance of Landlord's Obligations by Mortgagee.

Tenant shall accept performance of any of Landlord's obligations hereunder by Prime Landlord or any Mortgagee of Landlord.

Section 21.19. Waiver of Certain Rights.

Landlord and Tenant hereby mutually waive any and all rights which either may have to request a jury trial in any action, proceeding or counterclaim (except for those involving personal injury or property damage) arising out of this Sublease or Tenant's occupancy of or right to occupy the Premises.

Tenant further agrees that in the event Landlord commences any summary proceeding for non-payment of rent or possession of the Premises, Tenant will not interpose and hereby waives all right to interpose any non-compulsory counterclaim of whatever nature in any such proceeding. Tenant further waives any right to remove said summary proceeding to any other court or to consolidate said summary proceeding with any other action, whether brought prior or subsequent to the summary proceeding.

Section 21.20. Limitation on Right of Recovery Against Landlord.

Tenant acknowledges and agrees that the liability of Landlord under this Sublease shall be limited to its interest in the Prime Leased Premises and any judgments rendered against Landlord shall be satisfied solely out of the proceeds of sale of its interest in the Prime Leased Premises. No personal judgment shall lie against Landlord upon extinguishment of its rights in the Prime Leased Premises and any judgment so rendered shall not give rise to any right of execution or levy against Landlord's assets. The provisions hereof shall inure to Landlord's successors and assigns including any Mortgagee. The foregoing provisions are not intended to relieve Landlord from the performance of any of Landlord's obligations under this Sublease, but only to limit the personal liability of Landlord in case of recovery of a judgment against Landlord; nor shall the foregoing be deemed to limit Tenant's rights to obtain injunctive relief or specific performance or to avail itself of any other right or remedy which may be awarded Tenant by law or under this Sublease. In no event shall the Landlord or the Landlord's managing agent ever be liable to the Tenant for any indirect or consequential damages or loss of profits or the like.

If Tenant claims or asserts that Landlord has violated or failed to perform a covenant of Landlord not to unreasonably withhold or delay Landlord's consent or approval, Tenant's sole remedy shall be an action for specific performance, declaratory judgment or injunction and in no event shall Tenant be entitled to any money damages for a breach of such covenant and in no event shall Tenant claim or assert any claim for any money damages in any action or by way of set off, defense or counterclaim and Tenant hereby specifically waives the right to any money damages or other remedies.

Section 21.21. Survival.

All representations, warranties, covenants, conditions and agreements contained herein which either are expressed as surviving the expiration or termination of this Sublease or, by their nature, are to be performed or observed, in whole or in part, after the termination or expiration of this Sublease (such as, but not limited to, indemnity obligations with respect to occurrences prior to the expiration of the Term), shall survive the termination or expiration of this Sublease.

Section 21.22. Relocation of Premises.

In the event of an expansion, renovation or remerchandising of the Concession Area in the vicinity of the Premises the Landlord shall notify the Tenant thereof ("Landlord's Notice"). In such event, the Landlord and the Tenant shall attempt in good faith to agree upon a shift in location of the Premises to other available, mutually satisfactory premises in the Concession Area. If the Landlord and the Tenant so agree, promptly thereafter they shall execute a writing confirming such shift in location and such other agreements incident thereto as shall have been reached. If the Landlord and the Tenant do not so agree within thirty (30) days after the Tenant receives Landlord's Notice or if such other premises are not available, then the Landlord shall have the right to terminate this Sublease, by giving the Tenant notice of the Landlord's desire so to do. If the Landlord shall give the Tenant such termination notice, then this Sublease shall terminate as of the termination date specified in such notice, which date shall not be sooner than ninety (90) days after the date of such notice, with the same force and effect as if the date so stipulated was the date originally established as the Termination Date hereof.

Section 21.23. Prime Landlord's Approval.

Notwithstanding anything herein to the contrary, the terms and conditions of this Sublease shall not be effective, and neither the Landlord nor Tenant shall have any obligations hereunder, unless and until Prime Landlord shall have consented to the form and substance of this Sublease. If, as a condition to Prime Landlord's approval hereof, Prime Landlord requires amendments, deletions or alteration to this Sublease which do not materially increase Tenant's obligations hereunder, Tenant shall consent to such modifications and shall execute and deliver, within five (5) days after delivery by Landlord to Tenant, appropriate amendments to this Sublease effectuating Prime Landlord's required modifications. If such modifications would materially increase Tenant's obligations hereunder, Tenant and Landlord shall enter into good faith negotiations to resolve any reasonable objections of Tenant, and if such objections cannot be resolved to the satisfaction of Landlord and Tenant within ten (10) business days after notice

to Tenant of Prime Landlord's required modifications, then either Landlord or Tenant shall have the right to terminate this Sublease.

Section 21.24. Non-Interference with Operation of Airport.

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

Section 21.25. Subordination to United States Government.

This Sublease shall be subordinate to the provisions of any existing or future agreements between Prime Landlord and any agency or instrumentality of the United States government, relative to the operation and maintenance of the Airport, the terms and execution of which have been or may be required as a condition precedent to the expenditure or reimbursement to Prime Landlord for federal funds or development of the Airport.

Section 21.26. Security Deposit.

Tenant agrees to pay to Landlord, upon execution and delivery of this Sublease, the sum of _____ THOUSAND and __/100 DOLLARS ($_____) as a security deposit hereunder, and that Landlord shall hold the same throughout the Term of this Sublease as security for the performance by Tenant of all obligations on the part of Tenant to be kept and performed. Landlord shall have the right from time to time, without prejudice to any other remedy Landlord may have on account thereof, to apply such deposit, or any part thereof, to Landlord's damages arising from any default on the part of Tenant. Should the entire security deposit, or any portion thereof, be applied by Landlord in accordance with the provisions hereof, Tenant shall forthwith upon demand pay to Landlord an amount sufficient to restore such security deposit to the original amount specified herein. Landlord shall have the same rights and remedies for the non-payment by Tenant of any amounts due on account of the security deposit as Landlord has hereunder for the failure of Tenant to pay the Annual Basic Rental. Tenant not then being in default, Landlord shall return the deposit, or so much thereof as shall not have theretofore been applied in accordance with the terms of this Sublease, to Tenant on the expiration or earlier termination of the Term of this Sublease and performance by Tenant of all the obligations of Tenant to be performed hereunder, including, without limitation, the surrender of possession of the Premises in compliance with the provisions hereof and the payment of all amounts to be paid by Tenant. However, if the determination of any amount to be paid by Tenant to Landlord, such as Annual Percentage Rent for the last Rental Year, is not made at the expiration or earlier termination of this Sublease, Landlord may retain such portion of the security deposit as Landlord believes in the exercise of Landlord's good faith judgment is an appropriate reserve against such future liability of Tenant and return only the balance of such deposit pending the final determination and payment of all such amounts by Tenant to Landlord. While Landlord holds such deposit, Landlord shall have no obligation to pay interest on the same, unless required so to do by applicable law, and shall have the right to commingle the same with Landlord's other funds. If Landlord conveys Landlord's interest under this Sublease, the

deposit, or any part thereof not previously applied, may be turned over by Landlord to Landlord's grantee, and if so turned over, Tenant agrees to look solely to such grantee for proper application of the deposit and the return thereof in accordance herewith. The holder of a mortgage on property which includes the Premises shall never be responsible to Tenant for the return or application of any such deposit, whether or not such holder succeeds to the position of Landlord hereunder, unless such deposit shall have been received in hand by such holder.

Anything in this Section 21.26 to the contrary notwithstanding, Tenant shall have the right to provide in lieu of the foregoing cash security deposit an irrevocable letter of credit in favor of Landlord in the amount of $_____, expiring no earlier than thirty (30) days following the expiration of the Term of this Sublease (as the same may be extended), provided the form thereof and the bank issuing the letter of credit are satisfactory to Landlord. If the initial term of the letter of credit will expire prior to thirty (30) days prior to the expiration of the Term of this Sublease, Tenant shall from time to time, as necessary, renew or replace the original and any subsequent letter of credit not less than thirty (30) days prior to its stated expiration date so that it will remain in full force and effect until thirty (30) days after the expiration of the Term of this Sublease. Without limiting the generality of the foregoing, the letter of credit shall be unconditional except for the following condition: "Drafts will be accompanied by the written statement of _____, that it is entitled to draw hereunder pursuant to the provisions of Section ___ of that Sublease Agreement, dated _____, 2___, with _____ as Tenant, relating to premises at the Philadelphia International Airport in Philadelphia, Pennsylvania," and, by the terms of said letter of credit, Landlord shall be entitled to draw against said letter of credit on sight. Landlord shall be entitled so to draw the whole or any portion of the amount of said letter of credit as aforesaid (and thereafter treat the amount so drawn as a cash security deposit hereunder) if the Tenant is not entitled pursuant to the provisions hereof to the return of said letter of credit by the date which is thirty (30) days prior to the expiration date thereof or if the Tenant otherwise defaults in any of its obligations hereunder.

Section 21.27. Bankruptcy or Insolvency.

If the Tenant shall become a debtor under the United States Bankruptcy Code, 11 U.S.C. §§101 et seq. (the "Bankruptcy Code") then, to the extent that the Bankruptcy Code may be applicable or affect the provisions of this Sublease, the following provisions shall also be applicable. If the trustee or debtor-in-possession shall fail to elect to assume this Sublease within sixty (60) days after the commencement of a case under the Bankruptcy Code, this Sublease shall be deemed to have been rejected; and the Landlord shall be thereafter immediately entitled to possession of the Premises and this Sublease shall be terminated subject to and in accordance with the provisions of this Sublease and of law (including such provisions for damages). No election to assume (and, if applicable to assign) this Sublease by the trustee or debtor-in-possession shall be permitted or effective unless: (i) all defaults shall have been cured and the Landlord shall have been provided with adequate assurances reasonably satisfactory to the Landlord, including (a) any reasonably required guaranties and/or security deposits, and (b) any other reasonably required assurances that there will continue to be sufficient funds and personnel available to professionally merchandise, stock, promote, staff and operate the Premises in strict compliance with all provisions of this Sublease; and (ii) neither such assumption nor the operation of the Premises subsequent thereto shall, in the Landlord's reasonable judgment, cause

or result in any breach or other violation of any provision of this or any applicable lease, mortgage or other contract, or disrupt the tenant mix of the Concession Areas; and (iii) the assumption and, if applicable, the assignment of this Sublease satisfies in full the provisions of the Bankruptcy Code, including, without limitation, Sections 365(b)(1) and (3) and (f)(2); and (iv) the assumption has been ratified and approved by order of such court or courts as have final jurisdiction over the Bankruptcy Code and the case. No assignment of this Sublease by the trustee or debtor-in-possession shall be permitted or effective unless the proposed assignee likewise shall have satisfied (i), (ii), (iii) and (iv) of the preceding sentence regarding such assignment and any such assignment, shall, without limitation, be subject to the provisions of ARTICLE 16 hereof. When pursuant to the Bankruptcy Code the trustee or debtor-in-possession is obligated to pay reasonable use and occupancy charges, such charges shall not be less than the Annual Basic Rental and other charges specified herein to be payable by the Tenant. Neither the Tenant's interest or estate in the Premises herein or created hereby nor any lesser interest or estate of the Tenant shall pass to anyone under any law of any state or jurisdiction without the prior written consent of the Landlord. In no event shall this Sublease, if the term hereof has expired or has been terminated in accordance with the provisions of this Sublease, be revived, and no stay or other proceedings shall nullify, postpone or otherwise affect the expiration or earlier termination of the term of this Sublease pursuant to the provisions of this Section 21.27 or prevent the Landlord from regaining possession of the Premises thereupon.

Section 21.28. Airport Modifications.

It is understood and agreed by Landlord and Tenant that major Airport modifications may take place during the Term. To facilitate the planning, design or construction of any such modifications, Prime Landlord may, pursuant to the terms of the Prime Lease, direct Landlord to vacate such portions of the Prime Leased Premises as is necessary. If Landlord shall give notice thereof to Tenant, Tenant shall promptly thereafter surrender possession of all or such portion of the Premises and for such period of time (including the remainder of the Term) as Landlord shall direct in its said notice. It is understood and agreed that there shall be no liability by the Prime Landlord or Landlord for any damages or loss of profits or cost by reason of such vacating of the Premises or removal or relocation of improvements or restoration of the Premises; provided, however, that, to the extent Prime Landlord reimburses Landlord for the unamortized cost of Tenant's work and provided that Tenant is not in default hereunder, then Landlord shall reimburse Tenant for such unamortized cost. Notwithstanding anything to the contrary contained in this Section 21.28, if Prime Landlord determines that it would be desirable to relocate Tenant to new premises available in the Airport, then Prime Landlord and Landlord shall endeavor to identify such premises and if Prime Landlord elects to negotiate with respect to such new premises, then Landlord shall negotiate in good faith the amount, if any, of the Prime Landlord reimbursement for Tenant's reasonable moving expenses and so-called "tenant fit out allowance"; and Tenant shall negotiate in good faith the aforesaid amount and any other respected terms with respect to such new premises. Prime Landlord, Landlord and Tenant shall have no obligation to commit to such space until all parties resolve any relocation issues to their satisfaction. If the parties resolve these issues, then promptly thereafter they shall execute a writing confirming such shift to the new premises and such other agreements incident thereto as shall have been reached. If the parties do not so agree within thirty (30) days after Tenant first receives notice from Landlord of the aforesaid requirement to vacate the Premises, then Tenant

shall be required to vacate the Premises as aforesaid and the Term of this Sublease shall terminate as of the date Tenant shall so vacate the Premises.

Section 21.29. Certain Rights Reserved by Prime Landlord.

The Prime Landlord shall have the following rights, each of which the Prime Landlord may exercise without notice to Tenant and without liability to Tenant for damage or injury to property, person or business on account of the exercise thereof, and the exercise of any such rights shall not be deemed to constitute an eviction or disturbance of Tenant's use or possession of the Premises and shall not give rise to any claim for set-off or abatement of rent or any other claim (but Prime Landlord agrees to use reasonable efforts not to interfere materially with or disturb Tenant's use or possession of the Premises and the operation of Tenant's business therein):

(a) To change the name or street address of the Terminal Building or the Airport.

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

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

(d) To maintain a central key box at the Airport Communications center for housing door keys and keys for all entry doors for all of the Premises at all times, provided that such keys shall at all times be kept under adequate and appropriate security by the Prime Landlord. Tenant shall furnish the Landlord and Prime Landlord additional duplicate keys as required, and agrees not to change locks nor to affix locks on doors without the prior written consent of the Landlord and Prime Landlord. Notwithstanding the provisions for the Landlord's access to Premises, Tenant releases the Prime Landlord and Landlord of all responsibility arising out of theft, robbery, pilferage and personal assault. Upon the expiration or earlier termination of the Term or Tenant's right to possession, Tenant shall immediately return all keys to the Landlord and shall immediately disclose to the Landlord the combination of any safes, cabinets or vaults left in the Premises.

(e) To approve the weight, size and location of safes, vaults and other heavy equipment and articles in and about the Premises and the Terminal Building so as not to exceed the legal load per square foot designated by the structural engineers for the Airport, and to require all such items and furniture and similar items to be moved into or out of the Terminal Building and Premises only at such times and in such manner as the Landlord and Prime Landlord shall direct in writing. Tenant shall not install or operate machinery or any mechanical devices of a nature not directly related to Tenant's ordinary use of the Premises without the prior written consent of the Landlord and Prime Landlord. Movements of Tenant's property into or

out of the Terminal Building or Premises and within the Terminal Building are entirely at the risk and responsibility of Tenant, and the Prime Landlord reserves the right to require permits before allowing any property to be moved into or out of the Terminal Building or Premises.

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

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

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

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

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

Section 21.30. REIT/UBTI.

The Landlord and the Tenant hereby agree that it is their intent that all Annual Basic Rental, Annual Percentage Rental, Additional Rent and any other rent and charges payable to the Landlord under this Sublease (hereinafter individually and collectively referred to as "Rent") shall qualify as "rents from real property" within the meaning of Sections 512(b)(3) and 856(d) of the Internal Revenue Code of 1986, as amended, (the "Code") and the U.S. Department of the Treasury Regulations promulgated thereunder (the "Regulations"). In the event that (i) the Code or the Regulations, or interpretations thereof by the Internal Revenue Service contained in revenue rulings or other similar public pronouncements, shall be changed so that any Rent no longer so qualifies as "rent from real property" for purposes of either said Section 512(b)(3) or Section 856(d) or (ii) the Landlord, in its sole discretion, determines that there is any risk that all or part of any Rent shall not qualify as "rents from real property" for the purposes of either said Sections 512(b)(3) or 856(d), such Rent shall be adjusted in such manner as the Landlord may require so that it will so qualify; provided, however, that any adjustments required pursuant to this Section 21.30 shall be made so as to produce the equivalent (in economic terms) Rent as payable prior to such adjustment; and provided further, that, if the Rent cannot be adjusted as described above and such inability to adjust the Rent results in an adverse effect upon the Landlord or its mortgagee, then the Landlord shall have the option to terminate this Sublease upon ninety (90) days' prior written notice to the Tenant. If such notice shall be given, then this Sublease shall terminate on the ninetieth (90th) day after the date of such notice, all with the same force and effect as if such date were the Termination Date specified in this Sublease. The parties agree to execute such further commercially reasonable instrument as may reasonably be required by the Landlord in order to give effect to the foregoing provisions of this Section 21.30.

Section 21.31. Gender.

Whenever the context requires, words used in the singular shall be construed to mean or include the plural and vice versa, and pronouns of any gender shall be deemed to include and designate the masculine, feminine and neuter gender.

Section 21.32. Prime Landlord's Title.

Prime Landlord's title to the Premises and the Airport is and always shall be paramount to the interest of Tenant in the Premises. Nothing contained herein empowers Tenant to commit or engage in any act which can, shall or may encumber the title of Prime Landlord.

Section 21.33. Tenant as Franchisee.

Reference is made to the fact that the Tenant is conducting business in the Leased Premises as a franchisee (pursuant to a franchise agreement, license agreement, or agreement in the nature thereof, referred to hereinafter as the "Franchise Agreement") of _____ (the "Franchisor"). It is specifically understood and agreed that the termination or amendment of the Franchise Agreement and/or any other agreement between the Tenant and the Franchisor, by virtue of which termination or amendment, the Tenant no longer has any rights from the Franchisor to use the "_____" trade name or conduct a _____ operation in the Leased Premises in accordance with the provisions of this Sublease, shall constitute a material breach of the obligations of the Tenant under this Sublease, on account of which the Landlord shall have all of the rights and remedies which would be available to the Landlord for any breach by the Tenant of its obligations hereunder. The Landlord shall be able conclusively to rely on notice from the Franchisor of the termination or such amendment of the Franchise Agreement or other such agreement terminating the Tenant's said rights. The Tenant agrees to send to the Landlord a true copy of any default notice or termination notice or notice or such amendment received by the Tenant from the Franchisor with respect to the Franchise Agreement within five (5) days of its receipt thereof.

Section 21.34. Food Common Area Provision.

Reference is made to the fact that the Leased Premises are located within a portion of Landlord's Floor Area containing common area seating for the food tenants located within such portion. The Landlord agrees that said common seating area shall be maintained in a clean condition at all times during the Term of this Sublease in order that such common seating area may be utilized by the patrons of the Landlord's Floor Area and the Leased Premises during the hours of operation thereof. The Tenant agrees that it shall pay to the Landlord, as the Tenant's contribution towards the maintenance of such common seating area, as additional rent, Tenant's allocable share of the actual cost to Landlord of such maintenance, payable on the first day of each and every month, in advance, included within the Term hereof, the first such payment to be made on the commencement of the Term of this Sublease. For any fraction of a month, said monthly payment shall be prorated. Tenant's allocable share of such expenses shall be a fraction, the numerator of which is the number of square feet contained in Tenant's Floor Area and the denominator of which is number of square feet contained in the total floor area of all of

the premises (including the Leased Premises) located within the portion of Landlord's Floor Area containing such common area seating, as reasonably designated from time to time by Landlord.

Section 21.35. Restaurant Provision.

The Tenant covenants and agrees that during the entire term of this Sublease, the Tenant will conduct in the Premises a high-grade operation serving first-quality food for on-premises consumption, and that the Premises will be kept spotlessly clean at all times. The Tenant agrees to use all efforts which may be necessary to minimize odors and noises in the Premises and emitted therefrom. The Tenant further agrees that it will, promptly upon receipt of written notice from the Landlord, take whatever steps may be necessary in order to comply with improvements of food, service, appearance, and the like in the Premises, as reasonably requested by the Landlord from time to time; and failure so to do shall be deemed to be a material default hereunder, invoking all of the provisions with respect to default contained in this instrument.

Section 21.36. Tenant's Payment.

This Sublease is conditioned upon the payment by the Tenant to the Landlord of the sum of _____ and 00/100 DOLLARS ($_____) as follows:

(a) _____ and 00/100 Dollars ($_____) on or before the date that is six (6) months after the Commencement Date;

(b) _____ and 00/100 Dollars ($_____) on or before the date that is eighteen (18) months after the Commencement Date; and

(c) _____ and 00/100 Dollars ($_____) on or before the date that is thirty (30) months after the Commencement Date.

In any event, any remaining unpaid balance shall be due and payable immediately upon the expiration or earlier termination of this Sublease for any reason (and the Tenant's obligation so to make such payments, together with interest at the Default Rate, shall survive any termination of this Sublease). The failure of the Tenant to make such payments when due shall be a material default in the Tenant's obligations hereunder, on account of which the Landlord shall have all the same remedies that the Landlord has for non-payment of Annual Basic Rental under the provisions of this Sublease, at law and in equity.

Section 21.37. Special Provision.

The Landlord agrees that construction of the Premises to the extent required of the Landlord shall be substantially completed not later than twenty-four (24) months following the date hereof, unless the Landlord's failure so to complete is caused by governmental restrictions, strikes, lockouts, shortages of material or labor, acts of God, enemy action, civil commotion, fire or unavoidable casualty, or any other causes beyond the reasonable control of the Landlord, in which event the aforesaid 24-month period shall be extended for such period as the Landlord is

so prevented from completing such construction. If such substantial completion has not been achieved within such period, as extended as aforesaid, the Tenant and the Landlord shall each have the right to terminate this Sublease by giving written notice of such termination to the other within thirty (30) days after the expiration of such period. Upon the giving of such notice of termination, the Term of this Sublease shall cease and come to an end, and thereupon there shall be no further liability or obligation upon either party hereto. Such right of termination shall be the sole and exclusive remedy, either at law or in equity, available to the Tenant in the event of the Landlord's failure so to complete construction. **[Section 21.37 not applicable and should be deleted unless Tenant is located in D/E Connector (also not necessary once the Grand Opening occurs/D/E Connector open) or on list of spaces provided by MarketPlace.]**

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement under seal in any number of counterpart copies, each of which shall be deemed an original for all purposes but all of which taken together shall constitute one and the same instrument, as of the day and year first above written.

LANDLORD:

MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP

By: MarketPlace Philadelphia, Inc.

By: _____

TENANT:

Attest: _____ By: _____

Name: _____ Name: _____

Title: _____ Title: _____

COMMONWEALTH OF MASSACHUSETTS)
) ss.
COUNTY OF MIDDLESEX)

_____, 20__

On this day, before me, personally appeared _____ who being by me duly sworn, did say that he is President of MarketPlace Philadelphia, Inc., which corporation is general partner of MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP, a Delaware limited partnership (the "Limited Partnership"); that he knows the seal of said corporation, and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors in its capacity as general partner of said Limited Partnership, and said _____ acknowledged said instrument to be his free act and deed and the free act and deed of said corporation in its capacity as general partner of said Limited Partnership.

_____
Notary Public
My Commission Expires:

STATE OF)
) ss.
COUNTY OF)

_____, 20__

On this day, before me, personally appeared _____, who being by me duly sworn, did say that he is President of _____, a _____ corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and said _____ acknowledged said instrument to be the free act and deed of said corporation.

_____
Notary Public
My Commission Expires:

EXHIBIT A

DRAWING OF TERMINAL BUILDING INCLUDING TENANT'S PREMISES

EXHIBIT B

DRAWING OF CONCESSION AREAS AND PRIME LEASED PREMISES

EXHIBIT C

LANDLORD'S AND TENANT'S WORK

PHILADELPHIA INTERNATIONAL AIRPORT
PHILADELPHIA, PENNSYLVANIA

CONTENTS:

I. DESCRIPTION OF THE LANDLORD'S WORK

II. DESCRIPTION OF THE TENANT'S WORK

III. WORK PERFORMED FOR THE TENANT

LANDLORD: MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP
c/o MarketPlace Development, Inc.
One Wells Avenue
Newton, Massachusetts 02459
(617) 243-7400
FAX: (617) 253-7459

LANDLORD'S ARCHITECT:

SHAPIRO PETRAUSKAS GELBER ARCHITECTS
1524 Delancey Street
Philadelphia, Pennsylvania 19102
(215) 735-1524
FAX: (215) 735-4949

EXHIBIT C

CONSTRUCTION

Reference is made to that certain print package entitled Tenant Design Manual, Parts I & II (hereinafter entitled "Tenant Design Manual"), a photocopy of which has been furnished to the Tenant and all of the terms and provisions thereof are hereby incorporated herein in full by this reference. Notice is hereby given to the Tenant that the terms and provisions of this Exhibit C are general and approximate due to the varying physical characteristics of the several premises comprising the Prime Leased Premises. The Tenant is advised to review the Tenant Design Manual carefully in order to determine the particular construction details applicable to the Premises. In view of the foregoing, it is understood and agreed that in the event of a conflict between the provisions of this Exhibit C and the Tenant Design Manual, the provisions of this Exhibit C shall govern. The Landlord shall have the right, from time to time, to revise the Tenant Design Manual and the Landlord hereby agrees to furnish the Tenant with a copy of such revisions.

I. DESCRIPTION OF THE LANDLORD'S WORK

[IF D/E CONNECTOR DEAL - KEEP THIS PARAGRAPH AND DELETE REST OF SECTION I. ALSO ADD PLACE HOLDER FOR EXHIBIT C-1 AFTER C AND ADD TO LIST OF EXHIBITS IN SECTION 1.3 OF THE SUBLEASE.] Landlord shall perform the items of work delineated as Landlord's on Exhibit C-1 annexed hereto and made a part hereof ("Landlord's work"). Landlord shall cause Landlord's work to be done in a good and workmanlike manner and in conformity with all applicable federal, state and local laws, ordinances and building codes.

[IF AS IS DEAL - KEEP THIS PARAGRAPH AND DELETE REST OF SECTION I.] The Premises are being provided to Tenant solely on an "as is" basis. Landlord makes no representations or warranties as to the adequacy of existing systems (including, without limitation, HVAC, sprinkler, mechanical, electrical, plumbing and fire protection) to meet Tenant's design requirements, any governing code or governing authority requirements. The Premises should be field checked by Tenant. All plans and signs shall be subject to approval by Landlord for compliance with the sublease.

The following work shall be (or has been) performed by the Landlord:

A. UTILITIES

1. Sanitary Sewer - For Food Court and food/beverage tenants only, a common sanitary sewer with a stub for the Premises shall be (or has been) provided at a location determined by the Landlord, at the Tenant's expense.

2. Water - For Food Court and food/beverage tenants only, service for water in the common area with a stub for the Premises shall be (or has been)

provided at a location determined by the Landlord, at the Tenant's expense.

3. Sprinkler – For terminals with sprinkler systems, a tee will be (or has been) provided to the Premises at a location determined by the Landlord, at the Tenant's expense, to which the Tenant will connect the sprinkler system to be installed by the Tenant. Tenants may be required to tie directly into existing sprinkler systems subject to their availability, as determined by the Landlord, at Tenant's expense.

4. Electrical Service - A fused disconnect switch, sized to meet code and program requirements of 12.5 watts psf for retail tenants, 75 watts psf for food and beverage preparation areas and 12.5 watts psf for seating areas, in a designated Landlord electrical distribution closet for the Premises shall be (or has been) provided by the Landlord, at the Tenant's expense. The Landlord will also provide an empty service conduit with pull string and an electrical junction box to the Premises, at the Tenant's expense. Primary service to the disconnect switch will be provided by the Landlord, at the Tenant's expense.

5. Fire Alarm - Landlord has provided (or will provide) a fire alarm contact module near or to the Premises at a location determined by the Landlord, at the Tenant's expense.

6. Telephone Service - The Landlord will provide an empty conduit with pull string to the Premises from the designated Landlord electrical distribution closet, at the Tenant's expense.

7. <u>HVAC</u>:

   a. Terminal One: The Landlord will provide a common air handling unit with duct stubs extended to the perimeter of the Tenant space above ceiling height at Tenant's expense. The Landlord system will provide a minimum of 1.5 cfm per square foot of chilled air for retail spaces and 2.5 cfm per square foot of chilled air for food and beverage spaces.

   b. Terminal F:

      (1) Retail: The Landlord will provide a common air handling unit with duct stubs extended to the perimeter of the Tenant space above ceiling height at Tenant's expense to provide supply air. The Landlord system will supply a minimum of 1.5 CFM per square foot of chilled air for retail.

(2) Food and Beverage: The Landlord will provide a common air handling unit with duct stubs extended to the perimeter of the Tenant space above ceiling height at Tenant's expense to provide outside air only.

c. Terminals A through E: The Landlord will provide a central HVAC system in an "as is" condition that distributes chilled water or chilled air to the perimeter of each Tenant space in the amounts specified in the Tenant Design Manual. The Tenant must field verify the condition of the central HVAC system and its available capacity prior to beginning Tenant's design. The Landlord will not provide chilled water to Tenant premises if the outdoor temperature is equal to or less than 50 ☐ Fahrenheit.

8. Gas Service for Food Tenants - Gas service is provided at locations designated by Landlord and is available for Tenant use, at the Tenant's expense.

With regard to all of the Landlord's work specified in items l through 8 above, the Tenant agrees to reimburse the Landlord for charges incurred by the Landlord in bringing all of said lines or services to the Premises; said charges to be as determined in or outlined in the Tenant Design Manual or in a separate Schedule of Charges to be prepared by Landlord.

B. COMMON FACILITIES

1. Corridors - To be located as the Landlord shall determine and in accordance with applicable building codes.

2. Truck Receiving Facilities - All deliveries to and from the Premises will be made, either directly or indirectly, by the Tenant from designated areas, as determined by the Landlord. Landlord may elect in the future to provide a delivery service. Should Landlord so elect, Tenant shall reimburse Landlord for such service subject to Section 9.4 of the Sublease.

3. Retail Common Areas - Air conditioned and lighted with architectural treatment and landscaping as determined by the Landlord.

4. Sprinklers - A sprinkler system will be provided by the Landlord (where required) in the common and public use areas in accordance with applicable building codes.

C. BUILDING SHELL

1. Structural Frame, Roof, Exterior of the Building - As Is condition - Responsibility of Division of Aviation.

2. Floor Slab – Delivered in As Is condition.

3. Demising Partitions - The Landlord will furnish and install new exposed metal studs and/or masonry partitions, at the Tenant's expense.

4. Neutral Piers between the Tenant Stores - Where desirable in the Landlord's opinion, a vertical neutral pier will be located at the storefront line between stores, such pier to be at the Landlord's cost and expense.

Landlord agrees to use commercially reasonable efforts in performing its work in order to minimize any interference with Tenant's work.

II. DESCRIPTION OF THE TENANT'S WORK

All other work required to complete and fully equip the Premises shall be done by the Tenant at the Tenant's sole cost and expense, and the same shall be done as follows:

A. GENERAL CONDITIONS

All work done by the Tenant in the Premises shall be governed in all respects by, and be subject to, the following:

1. The Division of Aviation and City of Philadelphia Building Requirements.

   a. The detailed store plans for the completion of the Premises must be prepared under the supervision of a Pennsylvania registered architect or registered engineer. All plans including architectural, mechanical, electrical and sign drawings shall have affixed thereto a Commonwealth of Pennsylvania registration stamp. Architectural drawings shall be signed and sealed by an architect and engineering drawings shall be signed and sealed by an engineer. In addition, Tenant shall be required to retain an architect registered in the Commonwealth of Pennsylvania until the Tenant's Premises has received final acceptance by the Landlord and the Prime Landlord.

   b. The Tenant's drawings must be submitted to the Landlord and governing authorities for review in accordance with the procedure outlined in the Tenant Design Manual. Landlord's approval shall not relieve the Tenant of the obligation to conform to the requirements of the applicable Building Department(s), State and all other applicable codes, the requirements of this Sublease (including, without limitation, this Exhibit C, the Tenant Design Manual, and the Construction Rules and Regulations) and governing authorities.

c. Plans for the Tenant's work shall be delivered to the Landlord's Architect and reviewed as set forth in the Tenant Design Manual all as if set forth herein. The Tenant shall reimburse the Landlord for plan review as set forth in the Schedule of Charges to be provided by the Landlord.

2. The Tenant shall not commence the Tenant's work until the Tenant has secured the Landlord's written approval of all contractors to be used in performing the Tenant's work and of the plans and specifications required to be submitted by the Tenant to the Landlord, as defined in sublease section 8.2. The Tenant's work shall be coordinated with the work being done by the Landlord and/or other tenants of the Landlord in order that such work will not interfere with nor delay the completion of work by the Landlord and/or other tenants of the Landlord. The performance of the Tenant's work shall cause no interference whatsoever with the completion of the Landlord's work in the Premises, nor in the remainder of the Terminal.

3. The Tenant's work shall be performed in a first-class workmanlike manner and shall be in good and usable condition at the date of completion thereof.

4. The Landlord shall have the right (but shall not be obligated) to perform by its own contractor or subcontractor, on behalf of and for the account of the Tenant, any of the Tenant's work on the Terminal or the Prime Leased Premises which the Landlord determines, in case of emergency or negligence, or upon the request of the Division of Aviation, should be so performed; provided, however, that, except in the case of emergency, Landlord shall give Tenant reasonable advance notice and an opportunity to cure, before performing such work. The Landlord contemplates that the work which the Landlord shall in any event require to be done by the Landlord's contractor or subcontractor will include, without limitation, work which affects any structural components of, or the general utility systems for, the building in which the Premises are located. The Landlord shall notify the Tenant of work which will be required to be done by the Landlord's contractor or subcontractor before the Tenant commences performance of any substantial part of its work. The Tenant shall promptly, on demand, reimburse the Landlord for all costs of planning and performing such work when and as incurred by the Landlord and for any costs incurred by the Landlord in obtaining all permits in connection therewith.

5. Compliance with Laws: All of the Tenant's work shall conform to applicable statutes, ordinances, regulations, codes and to requirements of the Landlord's insurance underwriters. The Landlord's approval of plans and specifications shall not constitute an acknowledgment that work done

in accordance therewith will so conform, and the Tenant shall be solely responsible for corrections in the Tenant's work required by any governmental agency or insurance underwriters. The Tenant shall obtain and convey to the Landlord approvals from all agencies having jurisdiction over matters relative to electrical, gas (if available), water, heating and cooling, and telephone work, and shall secure its own building and occupancy permits. The Landlord reserves the right to require changes in the Tenant's work when necessary by reason of code requirements or directives of governmental authorities having jurisdiction over the Premises.

6. Approvals: No approval by the Landlord shall be valid unless the same be in writing and signed on behalf of the Landlord and the Division of Aviation (DOA).

7. Insurance: Prior to commencement of the Tenant's work and until the last to occur of (a) the completion of the Tenant's work, or (b) the Commencement Date, the Tenant shall maintain, or cause to be maintained, casualty insurance in builder's risk form, covering the Landlord, the Landlord's agents and beneficiaries, the Landlord's Architect, the Landlord's contractor or subcontractors, the Tenant and the Tenant's contractors as their interests may appear, against loss or damage by fire, vandalism and malicious mischief, and such other risks as are customarily covered by the so-called "extended coverage endorsement" upon all the Tenant's work in place, and all materials stored at the site of the Tenant's work and all materials, equipment, supplies and temporary structures of all kinds incidental to the Tenant's work and builder's machinery, tools and equipment, all while forming a part of, or contained in, such improvements or temporary structures while on the Premises or when adjacent thereto while on drives, sidewalks, streets, dolly concourse or concourse, all in the full insurable value thereof at all times by reputable insurance companies licensed to do business in The Commonwealth of Pennsylvania. In addition, the Tenant agrees to require all contractors and subcontractors engaged in the performance of the Tenant's work to effect and maintain and deliver to the Tenant and the Landlord certificates evidencing the existence of, prior to the commencement of the Tenant's work and until completion thereof, the following insurance coverages:

   a. workers' compensation insurance at statutory limits and in accordance with the applicable laws of The Commonwealth of Pennsylvania and with Employer's Liability insurance with limits of at least $1,000,000.

   b. Commercial general liability insurance policy, including (but not limited to) contractor's liability coverage, contractual liability

coverage, products and completed operations coverage, broad form property damage and owners and contractors protective liability coverage, to afford protection with respect to bodily injury, death, personal injury, and property damage with a combined single limit of at least $5,000,000 per occurrence and an aggregate of not less than $5,000,000 per occurrence. Notwithstanding anything to the contrary set forth herein, such insurance shall remain in place for at least three years after the completion of the Tenant's Work to which it relates.

c. business automobile liability, including owned, non-owned, and hired vehicles, with a combined single limit of at least $5,000,000 per occurrence or such other minimum levels as may be required by the City of Philadelphia or other empowered entities with respect to commercial vehicles on or near the airport premises.

Prior to the commencement of the Tenant's work, the Tenant shall deliver to the Landlord's Tenant Coordinator certificates of all required insurance. All insurance coverages required herein must be provided by insurance carriers authorized to do business in The Commonwealth of Pennsylvania and be otherwise reasonably acceptable to the Tenant and the Landlord. In addition, all such insurance shall provide, and certificates thereof shall state, that the same is non-cancelable and non-amendable without at least thirty (30) days' prior written notice to Landlord, and attach evidence of the payment of premiums thereon (and certificates of renewal, and evidence of premium payments with reference thereto, where appropriate). Furthermore, with respect to commercial general liability and business automobile liability, such insurance shall also include all entities reasonably designated by Landlord and the Division of Aviation (DOA) from time to time as additionally insured on a primary basis.

8. In any contract or undertaking which the Tenant may make with a contractor for work in the Premises, provision shall be made for the dismissal from the job of workmen whose work is, in the Landlord's (and, for this purpose, "the Landlord" shall include a reference to the Landlord's Architect) reasonable judgment, unskilled or otherwise objectionable provided Landlord gives Tenant prior notice of such determination, and any such workmen shall be discharged, and the Tenant shall exonerate, indemnify and hold the Landlord (and the Landlord's Architect) harmless from any loss, cost, damage or liability incurred by reason of compliance with any such demand.

The Tenant shall use, and the Tenant shall require its contractor and subcontractors to use, its best efforts to prevent work stoppages on the

Premises, or elsewhere in the Terminal, to the extent attributable to work being performed on the Premises, irrespective of the reason for any such stoppage, in recognition of the fact that it is of the utmost importance to the Landlord and all those occupying or to occupy space in the Terminal that there be no interruption in the progress of the work and to that end, in the event that the conduct or presence of any employee(s) of the Tenant or the Tenant's contractor(s) or subcontractor(s) causes a labor dispute or work stoppage, the Tenant expressly agrees to have such employee(s) immediately removed from the Terminal upon the Landlord's request, and the Tenant's failure to do so shall constitute a default under the Sublease. The Tenant shall exonerate, indemnify and hold the Landlord (and the Landlord's Architect) harmless from any loss, cost, damage or liability incurred by reason of compliance with any such demand.

The Landlord's contractor has included in his contract with all subcontractors the following Harmony Clause. The Tenant will be required to include this clause in all contracts with general and subcontractors so that there will be no interruption in the process of work.

Harmony Clause

There shall be no manifestations on the project of any dispute between any labor organization and any Tenant contractor or subcontractor, including but not limited to, any area standards picketing against said contractor or subcontractor.

Should there be any manifestation of a labor dispute between any Tenant contractor or subcontractor and any union, which results in a stoppage of work on the part of said contractor or subcontractor's employees or the employees of any other employer or supplier on the project or at the Terminal, which in the sole judgment of the Landlord will cause, or is likely to cause, unreasonable delay in the progress of construction or operation of any business at the Terminal, then upon written notice from Landlord, the Tenant shall have the obligation and the right to declare the contractor or subcontractor in default of its contract, and upon such notice, the Tenant shall have the right to take such steps as are necessary to finish the uncompleted portion of the work to be performed by the contractor or subcontractor.

9. Reference is made to that certain print package entitled "Construction Rules and Regulations" (hereinafter entitled "Construction Rules and Regulations"), a photocopy of which has been furnished to the Tenant and

all of the terms and provisions thereof are hereby incorporated herein in full by this reference. All work done by the Tenant, the Tenant's contractor or sub-contractor on the Tenant's behalf shall be subject to the Construction Rules and Regulations. The Tenant is responsible for enforcing the Tenant's contractor and sub-contractor's compliance with such Construction Rules and Regulations, which are incorporated herein by reference. The Landlord and the Division of Aviation (DOA) reserve the right to modify the Construction Rules and Regulations from time to time. The cost of any obligations imposed by the Construction Rules and Regulations will be the Tenant's responsibility.

B. GENERAL CONSTRUCTION

The Tenant shall perform all work necessary to prepare the Premises for opening for business and shall comply with the plan approval procedure outlined in the Tenant Design Manual which, by reference, is made part of this Exhibit C. The finish work which the Tenant is to perform shall include, but not be limited to, the following:

1. STOREFRONTS

a. The Tenant shall construct the storefront and closure, including all required structural supports.

b. The design of the storefront shall be in harmony with other stores of the Prime Leased Premises and shall conform to the standards of design and construction contained in the Tenant Design Manual. In any event, the storefront shall be subject to the prior approval of the Landlord.

2. FLOOR SLABS

a. Any work performed by the Tenant relating to the floor slabs for the Premises, including, without limitation, slab preparation, placement of concrete, and any demolition will be performed by the Tenant's contractor at the Tenant's expense, in accordance with plans and specifications which shall have been approved by the Landlord prior to commencing any such work.

b. All slab openings and framing (as required) must be designed by a structural engineer.

3. CEILINGS

a. The Tenant shall use the underwriter's approved non-combustible ceiling treatment as set forth in the Tenant Design Manual. Minimum ceiling height shall be in accordance with the Tenant Design Manual.

b. No combustible materials will be permitted above the ceiling. The Tenant shall not hang any material or fixtures from the roof deck or bottom chord of structural members. Preferably, all hanging shall be done from the top chord of structural members by means of trapeze-type hangers. Any such "hangers" shall be subject to the prior approval of the Landlord.

c. The Tenant shall not hang anything from the ceiling grid system or mechanical systems in the Terminal.

4. INTERIOR WALLS & PARTITIONS

a. The Tenant shall install on the Tenant's side of demising stud wall (1) layer of 5/8" type X gypsum wallboard or equivalent to become a part of a one-hour rated demising partition.

b. The Tenant will not be permitted to hang fixtures from nor attach fixtures to the aforementioned partition. The Tenant will be required to install a fixture partition adjacent to the demising partitions for the attachment of fixtures in this location. In lieu of installing a fixture partition, the Tenant may submit a sketch of proposed additional framing or bracing to the Landlord for approval. The Tenant must indicate on such sketch the weights and methods of carrying same on the partitions.

c. All interior finish materials shall meet the flamespread requirements of all applicable codes, ordinances and regulations.

5. SERVICE DOOR

a. In the event Tenant's Premises abut a service corridor, the Tenant will install a service door complete with hardware between the Premises and the truck receiving facilities, project corridor or sidewalk, if and where indicated on plans. Such service door will be installed by Tenant according to Landlord's specifications as set forth in the Tenant Design Manual.

b. Notwithstanding the foregoing, due to the specific design of the DE Screening Building a service door is not permitted for tenants located in the D/E Connector. All deliveries are to be received through the Tenant storefront.

6. PAINTING

a. The Tenant shall perform all interior painting and decoration within the Premises and at its storefront and surrounding areas as may be required pursuant to or as a result of Tenant's construction.

7. FLOOR COVERING

a. The Tenant shall install all floor covering within the Premises.

b. The Tenant is required to install the base building transition tile to a minimum of the centerline of the storefront security grille or door system.

8. TRASH AND RUBBISH

a. If Tenants are permitted to provide their own dumpsters, then the dumpsters shall be placed in locations designated by the Landlord. Landlord reserves the right to provide common dumpsters for use by Tenant and Tenant's contractor; and to provide trash and rubbish removal from Tenant's Premises, at the Landlord's sole discretion, and at Tenant's expense, based upon an allocation by Landlord.

9. WATER AND SEWER

a. Tenant shall tie into water line available to Tenant's Premises, as directed by Landlord, and shall extend and distribute the water service as required by Tenant's approved plans, at Tenant's expense.

b. Tenants shall furnish and install a water meter approved by the Landlord, and shall be responsible for all related water charges. Tenant shall also be responsible for all sewer charges related to Tenant's operation.

c. Tie in locations:
- Capped sanitary stub is provided below the floor of the Premises.
- Capped cold water stub is provided above the floor in the Premises.

10. SPRINKLERS

a. If a sprinkler system is available to the Premises or is required by code and is not being installed by Landlord, then the Tenant shall install sprinkler head layout and piping to provide a fully sprinkled Premises. The Tenant shall furnish and install new sprinkler heads in accordance with the Tenant Design Manual and approved by the Landlord's insurance carrier

b. Sprinkler system must also comply with all applicable codes and regulations, including but not limited to, requirements of the City of Philadelphia, the Division of Aviation and the Landlord's insurance carriers.

11. FIRE EXTINGUISHERS

a. The Tenant shall furnish and install fire extinguishers as required by applicable authorities, including the City of Philadelphia, the Division of Aviation, the Philadelphia Fire Departments, and the Landlord's insurance carriers.

12. HEATING, VENTILATING AND AIR CONDITIONING

a. The Tenant shall tie into the central HVAC system. The Tenant may provide a supplemental cooling system, capable of providing conditioned and/or heated air above and beyond that provided by Landlord per Article I, Subparagraph A7, of this Exhibit C only with special written approval of the Landlord and the Division of Aviation (DOA).

The Tenant shall provide and install a heating and air conditioning system necessary to service the Premises in accordance with the Tenant Design Manual and applicable code requirements. The equipment to be installed by the Tenant may include air distribution equipment, heating and cooling coils, diffusers, grilles, fire dampers, duct work, duct insulation, temperature controls and wiring.

b. Food and Beverage: The Tenant shall tie into the Landlord's central HVAC system provided by the Landlord for outside air requirements. Tenant must install a "split system" capable of providing chilled and/or heated air for Tenant's Premises. The Tenant shall provide and install a heating and air conditioning system necessary to service the Premises in accordance with the Tenant Design Manual and applicable code requirements. The equipment to be installed by the Tenant may include a condensing unit, air handling unit, refrigerant lines, air distribution equipment, heating and cooling coils, diffusers, grilles, fire dampers, duct

work, duct insulation, temperature controls and wiring. The Tenant must maintain a 20% minimum negative air balance within the space via an exhaust system provided by Tenant.

c. Air conditioning equipment is permitted on the roof only in locations designated by the Landlord. Any additional steel supports and curbs for roof equipment, whether furnished and installed by the Landlord or the Tenant, will be at the Tenant's expense. The foregoing will vary according to the particular physical characteristics of the Premises and the Tenant should review the Tenant Design Manual for specific details.

d. All roof openings, blocking, flashing, steel supports and related work will be done by the Tenant using the Landlord's designated contractor, at the Tenant's expense. All work is subject to the approval of the Landlord.

e. In the event the Premises are to be served, in whole or in part, by the central HVAC system, the Tenant shall install such equipment as shall be required by the Tenant Design Manual in connection therewith. Without limitation, food tenants will be required to furnish any and all hoods, exhaust fans, makeup air units with heating provisions, grease exhaust/filtration system as required by the Tenant Design Manual and duct work in their premises

f. The complete HVAC system must be in operation, inspected and balanced prior to the opening of the Premises for business. The Tenant is responsible for balancing the HVAC distribution system by a balancing contractor approved by the Landlord, which approval shall not be unreasonably withheld.

g. Tie in location:
- Supply air trunk line provided above the floor in the Premises.
- Return air trunk line provided above the floor in the Premises.

13. <u>ELECTRICAL</u>

a. The Tenant shall furnish and install a complete electrical system for power and lighting as required by the Tenant Design Manual and applicable codes.

b. The Tenant shall furnish and make all arrangements for the furnishing and installation of Tenant's submeter and pay all costs and charges in connection therewith.

c. The Tenant shall furnish, install, support and connect all lighting fixtures, including lamps.

d. The Tenant shall furnish and install all lighting timers, contactors, controls, etc.

e. Tie in:
   - Junction box and conduit with pull string for use by the Tenant in running electric from the Premises to the electrical closet is located above the floor in the Premises.

14. TELEPHONE

a. The Tenant shall obtain telephone service with connection at the Landlord's designated location at Tenant's expense. All wiring, conduit, and installation shall be subject to Landlord and Division of Aviation (DOA) approval.

15. FIRE ALARM

a. Tenant shall design and install Tenant's fire alarm system within the Premises as required by code and other municipal or governmental requirements, as well as Landlord's requirements. Tenant shall hire Landlord's or Prime Landlord's fire alarm vendor (at Landlord's direction) to connect Tenant's fire alarm system into the central system, at Tenant's expense. In order to meet the Terminal opening schedule or to address life safety concerns, Landlord reserves the right to tie-in and troubleshoot the Tenant's fire alarm system at Tenant's expense, at Landlord's sole discretion. However, Landlord's exercise of such right shall not excuse Tenant from responsibility for the operation of such system.

b. Tie in location:
   - Fire alarm contact module for tie into the Airport system is located in the concourse in front of the Premises.

16. GAS

a. Tenant is responsible to extend gas piping from a location determined by Landlord to the Premises, at Tenant's expense.

b. Tie in location:
   - Tenant shall obtain gas service at the Landlord's connection point and provide all piping, metering and installation as required. Installation shall be subject to Landlord and Division of Aviation (DOA) approval.

17. OTHER INTERIOR WORK

The Tenant shall furnish and install all store fixtures; same to be new and at least equal in quality and design to fixtures used in other better grade, recently opened stores of the Tenant or the Tenant's parent company. All fixtures to be subject to the approval of the Landlord's Architect, said approval not to be unreasonably withheld or delayed provided same conform to the foregoing.

18. MATERIALS

No materials used in connection with the Tenant's work in or about the Terminal shall contain any asbestos or other hazardous or toxic materials (collectively, "hazardous materials"). If the transportation, storage, use or disposal of any hazardous materials anywhere on the Terminal associated in any way with the Tenant's work results in any (1) contamination of the soil or surface or groundwater or (2) loss or damage to person(s) or property, then Tenant agrees to respond in accordance with the following paragraph:

Tenant agrees (i) to notify Landlord immediately of any contamination, claim of contamination, loss or damage, (ii) after consultation and approval by Landlord, to clean up the contamination in full compliance with all applicable statutes, regulations and standards, and (iii) to indemnify, defend and hold Landlord harmless from and against any claims, suits, causes of action, costs and fees, including attorneys' fees, arising from or connected with any such contamination, claim of contamination, loss or damage. This provision shall survive the termination of the Sublease to which this Exhibit C is annexed. No consent or approval of Landlord shall in any way be construed as imposing upon Landlord any liability for the means, methods, or manner of removal, containment or other compliance with applicable law for and with respect to the foregoing.

Tenant shall immediately notify Landlord upon Tenant's receipt of any inquiry, notice, or threat to give notice by any governmental authority or any other third party with respect to any hazardous materials.

19. CONSTRUCTION STATUS AT OPENING

In the event that the Tenant will not have completed all of the Tenant's construction and other work in connection with the initial alteration of the Premises, including the equipping of the Premises with all trade fixtures and personal property necessary or proper for the operation of the

Tenant's business, on or before the date of opening of the Terminal, then the Landlord may install temporary barricades (with temporary doors) between the Terminal area and the Premises, which barricades shall, at the Landlord's option, remain in place until the Tenant has so completed all such work. If the Landlord elects to install such barricades, then such barricades (and doors) will be installed, maintained and removed at the Tenant's cost. Such cost shall be reasonable and without profit to the Landlord, and shall be charged back to the Tenant and paid by the Tenant to the Landlord promptly after the Landlord furnishes the Tenant with a bill therefor together with a statement in reasonable detail evidencing such costs. The Tenant shall furnish to the Landlord prior to the opening of the Terminal a sign or signet with the Tenant's logo and indicating that the Tenant is coming to the Terminal, reasonably satisfactory in all respects to the Landlord, so that the same may appear on such temporary barricades.

In addition, in the event that applicable codes require that certain fire safety systems and improvements, including, without limitation, sprinkler system and drywall installation, must be complete and in operation in the Premises even though the Premises are not then in operation, the Tenant agrees to reimburse the Landlord for the cost incurred by the Landlord in completing and operating such fire safety systems and improvements. Without limiting the generality of the foregoing, the provisions of this paragraph shall be effective if the fire marshall or other municipal authority advises the Landlord that it is required that certain fire safety systems and improvements in the Premises must be complete and in operation. Said reimbursement shall be made by the Tenant promptly upon the Landlord billing the Tenant therefor as aforesaid.

In addition, if any of Tenant's Work (including, without limitation, so-called "punch list" items) is not completed within thirty (30) days after Tenant's opening for business in the Premises, then Landlord shall have the right, but not the obligation, to complete the same and Tenant agrees to reimburse Landlord for the costs incurred by the Landlord for such completion. Said reimbursement shall be made by Tenant promptly upon the Landlord billing the Tenant therefor. In addition to all other rights and remedies of Landlord under this Sublease, if Tenant shall fail to complete its Work (including, without limitation, so-called "punch list" items) within thirty (30) days after Tenant's opening for business in the Premises, then Tenant shall pay to Landlord a sum equal to Three Hundred Dollars ($300.00) for each day thereafter that Tenant shall fail to complete such work. The provisions of this paragraph 18 shall not affect the commencement of the term of this Sublease nor any of the Tenant's other obligations or Landlord's obligations under this Sublease, including, without limitation, the obligations of the Tenant to complete such work, to open for business in the Premises and to pay all rent and charges in accordance with the provisions of this Sublease.

20. OTHER MATTERS

a. Surrounding tenants and the Landlord have the right to run duct work, piping, electrical conduit, etc., through the Premises and Landlord shall use reasonable efforts to minimize any interference with Tenant's operations. Same shall be above the ceiling line, and where possible, tight to underside of roof structure or below floor slab; and in all events, such work shall be done in locations and in a manner approved in advance by the Landlord's Architect. For coordination with surrounding tenants, the Tenant shall provide to the Landlord's Architect reproducible drawings of its complete mechanical and electrical systems for approval. The Tenant shall furnish reproducible shop drawings of the "as built" mechanical, electrical, and plumbing systems if they are changed from the original approved design.

b. The Tenant shall be responsible for the demolition of all existing improvements, utilities and fixtures within the Premises to the extent that they are not utilized by the Tenant in the final condition of the Premises.

c. The Tenant shall erect a construction barricade as set forth in the Tenant Design Manual, at Tenant's expense unless such barricade has previously been provided by others. The barricade shall not be removed without prior approval of Landlord.

d. The Tenant shall be responsible for the construction of storefront, signage, and blade signs in accordance with the Tenant Design Manual. Additional instructions regarding these items will be provided by the Landlord.

III. WORK PERFORMED FOR THE TENANT

Wherever provision is made in this Exhibit C **or Exhibit C-1 annexed hereto** for work to be done by the Landlord with the Tenant to reimburse the Landlord for the cost thereof, the Tenant shall reimburse the Landlord for said cost within ten (10) days after having received a statement from the Landlord with respect to said cost; and unless the same shall be paid by the Tenant within said 10-day period, the Tenant shall likewise pay to the Landlord interest on such unpaid amount computed at the Default Rate set forth in Section 1.1.J under the Sublease to which this Exhibit C is annexed from the date of the Landlord's statement to the date of payment, for the recovery of which amounts the Landlord shall have the same remedies as though said amounts were due and owing as rent under the Sublease to which this Exhibit is annexed. **[DELETE BOLD LANGUAGE IF TENANT NOT IN D/E CONNECTOR.]**

EXHIBIT D

INVESTMENT CERTIFICATE
(Provide all Tenant and all ACDBE and/or M/W/DSBE investments by amount and percentage below, as indicated below)

Tenant Name: _____ Date: _____

Location: _____ Space Number: _____

A. Gross Square Footage of Premises _____sf

B. Architectural / Engineering Costs $_____

C. Construction Hard Costs $_____

D. Furniture, Furnishings & Equipment $_____

E. Total of Construction Costs $_____
(B+C + D)

F. Premises Minimum Investment $_____
Per Sublease

_____ **(ADD TENANT NAME)**

By:_____
Name:
Its:
Hereunto duly authorized

STATE OF)
) ss.
COUNTY OF)

UPDATE AS REQUIRED

On this ____ day of _____, 20__, before me, the undersigned notary public, personally appeared _____, the _____ of _____, a _____ corporation, proved to me through satisfactory evidence of identification, which was _____, to be the person whose name is signed on this Certificate, and acknowledged to me that he signed it voluntarily for its stated purpose.

_____
Notary Public
My Commission Expires:

EXHIBIT E

NONDISTURBANCE, SUBORDINATION AND ATTORNMENT AGREEMENT

This NONDISTURBANCE, SUBORDINATION AND ATTORNMENT AGREEMENT is made as of the _____ day of _____, _____, between CITY OF PHILADELPHIA, a Pennsylvania municipal corporation (hereinafter referred to as "Prime Landlord") and _____, a _____ corporation, having an office at _____ (hereinafter referred to as "Subtenant").

WITNESSETH, WHEREAS:

Prime Landlord has entered into a certain lease (hereinafter referred to as the "Prime Lease") dated January 31, 2001, with MARKETPLACE PHILADELPHIA LIMITED PARTNERSHIP (f/k/a MarketPlace Redwood Limited Partnership), a Delaware limited partnership, as Tenant (hereinafter referred to as "Sublandlord"), with respect to certain premises located in the Philadelphia International Airport, located in the City of Philadelphia and Township of Tinicum, Pennsylvania; and

Sublandlord, as lessor, and Subtenant, as lessee, have entered into a sublease dated _____, ____, a copy of which is attached hereto as Exhibit A (hereinafter referred to as the "Sublease") of part of said premises (the "Sublet Premises"). [Insert if applicable: The Sublease is to be guaranteed by a guaranty of _____ attached hereto as part of Exhibit A (hereinafter referred to as the "Guaranty")]; and

The parties hereto desire to assure Subtenant's possession of the Sublet Premises upon the terms and conditions therein mentioned in the event of a termination of the Prime Lease;

NOW, THEREFORE, in consideration of the covenants hereinafter set forth and for Ten Dollars and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby covenant and agree as follows:

1. Prime Landlord consents to the execution and delivery of the Sublease in the form annexed as Exhibit A.

2. (A) If the current term of the Prime Lease, or any renewal thereof, shall terminate before the expiration of the term of the Sublease, as the Sublease may be renewed in accordance with the terms thereof, for any reason other than condemnation, fire or other damage, the Sublease, if then in existence, without any default thereunder beyond the expiration of any grace period provided for therein, shall continue as a lease between Prime Landlord, as lessor, and Subtenant, as lessee, with the same force and effect as if Prime Landlord, as lessor, and Subtenant, as lessee, had entered into a lease as of the date of the termination of the Prime Lease, containing the same terms, covenants and conditions as those contained in the Sublease, including any rights of renewal thereof, for a term equal to the unexpired term of the Sublease. Upon Prime Landlord's written request, given within sixty (60) days after any such termination, Subtenant, within thirty (30) days after receipt of such request, shall execute and deliver to Prime

Landlord a new lease of the Sublet Premises for the unexpired term of the Sublease upon all of the terms, covenants and conditions of the Sublease (including any renewal options).

(B) The rights under this Paragraph 2 and elsewhere in this Agreement shall inure to the benefit of only the Subtenant herein named and shall not pass to any assignee of the Sublease or any other party, unless such assignee or other party is specifically approved in writing by Prime Landlord.

(C) Subtenant hereby agrees to give to Prime Landlord copies (at the address and in the manner specified below) of all notices of Sublandlord default(s) under the Sublease at the same time as, and whenever, Subtenant shall give any such notice of default to Sublandlord, and no such notice of default shall be deemed given to Sublandlord unless and until a copy of such notice shall have been so delivered to Prime Landlord. Prime Landlord shall have the right to remedy any Sublandlord default under the Sublease, or to cause any default of Sublandlord under the Sublease to be remedied, and for such purpose Subtenant hereby grants Prime Landlord such additional period of time as may be reasonable to enable Prime Landlord to remedy, or cause to be remedied, any such default in addition to the period given to Sublandlord for remedying, or causing to be remedied, any such default. Subtenant shall accept performance by Prime Landlord of any term, covenant, condition or agreement to be performed by Sublandlord under the Sublease with the same force and effect as though performed by Sublandlord. No Sublandlord default under the Sublease shall exist or shall be deemed to exist (i) as long as Prime Landlord, in good faith, shall have commenced to cure such default and shall be prosecuting the same to completion with reasonable diligence, subject to force majeure, or (ii) if possession of the Sublet Premises is required in order to cure such default, or if such default is not susceptible of being cured by Prime Landlord, as long as Prime Landlord, in good faith, shall have notified Subtenant that Prime Landlord intends to institute proceedings under the Prime Lease, and, thereafter, as long as such proceedings shall have been instituted and shall be prosecuted with reasonable diligence.

3. From and after such termination of the Prime Lease:

(A) Subtenant will attorn to Prime Landlord, and Prime Landlord will accept such attornment. Subtenant, as lessee, shall be bound to Prime Landlord, as lessor, under all of the terms, covenants and conditions of the Sublease, including any rights of renewal thereof, for a term equal to the unexpired term of the Sublease, with the same force and effect as if Prime Landlord, as lessor, and Subtenant, as lessee, had entered into a lease as of the date of the termination of the Prime Lease. Said attornment shall be effective and self operative without execution of any further instruments.

(B) From and after the time of such attornment, Subtenant shall have the same remedies against Prime Landlord for the breach of any agreement contained in the Sublease that Subtenant might have had against Sublandlord if the Prime Lease had not been terminated, except that Prime Landlord shall not be (i) liable for any act or omission of Sublandlord, (ii) subject to any offsets or defenses that Subtenant might have against Sublandlord, (iii) bound by any rent or additional rent that Subtenant might have paid for more than one (1) month in advance to Sublandlord, except to the extent actually received by Prime Landlord, (iv) bound by

any monies (other than rent payments) deposited with Sublandlord (including any security deposit), except to the extent actually received by Prime Landlord, or (v) bound by any obligation that Sublandlord might have had to perform any work, alterations or improvements to or in the Sublet Premises; provided, however, Prime Landlord shall remain obligated for such work, alterations or improvements Prime Landlord has undertaken to perform.

4. Neither Subtenant nor its successors or assigns shall enter into any agreement that shall modify, surrender or merge the Sublease without the prior written consent of Prime Landlord. Any agreement made in contravention to the provisions of this Paragraph 4 shall be of no force or effect as to Prime Landlord.

5. In case any lease or tenancy shall come into existence between Prime Landlord and Subtenant pursuant to the provisions of this Agreement, the provisions of Paragraph 6 hereof shall apply to any liability imposed upon Prime Landlord, by reason of such lease or tenancy.

6. The term "Prime Landlord" as used in this Agreement means only the present owner of Prime Landlord's interest in the Sublet Premises, so that in the event of any sale or other transfer of an interest therein, Prime Landlord shall be and thereby is entirely freed and relieved of all covenants and obligations of the Prime Landlord hereunder. The term "Subtenant" as used in this Agreement includes any successor and assign of the named Subtenant herein; provided, however, that such reference to Subtenant's successors and assigns shall not be construed as Prime Landlord's consent to any assignment or other transfer or occupancy arrangement by Subtenant, except as permitted hereunder and in each instance such successor or assign shall agree in writing to be bound by all of the Subtenant's obligations hereunder and under the Sublease and the predecessor or assignor shall not be released from liability hereunder or under the Sublease. The provisions of this Agreement, however, shall bind any subsequent owner of Prime Landlord's interest in the Sublet Premises.

7. Any notice, election, communication, request or other document or demand required or permitted under this Agreement shall be in writing and shall be sent by registered or certified mail, postage prepaid, or shall be delivered by private express carrier addressed to Prime Landlord or Subtenant, as the case may be, at the following addresses (or to such other address or addresses as may from time to time hereafter be designated by a party by like notice):

If to Prime Landlord: Chief Executive Officer, Division of Aviation
City of Philadelphia - Terminal E
Philadelphia International Airport
Philadelphia, Pennsylvania 19153

with a copy to: City of Philadelphia
Law Department
One Parkway, 16th Floor
1515 Arch Street
Philadelphia, Pennsylvania 19102
Attn: Transportation Division

If to Subtenant: _____
_____
_____

with a copy to:_____
_____
_____

All such notices shall be effective when deposited in the United States mail or delivered to a private express carrier within the continental United States, provided that the same are received in the ordinary course at the address to which the same were sent. Any such notice, demand, or communication from an attorney acting or purporting to act on behalf of a party shall be deemed to be notice from such party provided that such attorney is authorized on behalf of such party.

8. If any provision of this Agreement is held to be invalid or unenforceable by a court of competent jurisdiction, such provision shall be deemed modified to the extent necessary to be enforceable, or if such modification is not practicable, such provision shall be deemed deleted from this Agreement, and the other provisions of this Agreement shall remain in full force and effect.

9. Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified orally, but only by an instrument in writing executed by the party against which enforcement of the termination, amendment, supplement, waiver or modification is sought.

10. Upon an event of default for failure to pay the rental in the Sublease reserved or in the payment of any other sums due under the Sublease by the Subtenant, Subtenant hereby authorizes and empowers any prothonotary or attorney of any court of record to appear for Subtenant in any and all actions which may be brought for said rental and/or said other sums and to confess judgment against Subtenant and in favor of Sublandlord for the recovery of said rental and/or other sums and for interest and costs, together with a reasonable attorney's commission for collection in an amount equal to the lesser of $25,000 or five percent (5%) of the amount due. Such authority shall not be exhausted by one exercise thereof, but judgment may be confessed as aforesaid from time to time as often as any of said rental and/or other sums shall fall due or be in arrears, and such powers may be exercised as well after the expiration of the term, and Subtenant waives and releases all errors and imperfections in any such action or actions.

11. When the Sublease and the term of any extension or renewal thereof shall have been terminated on account of an event of default and also when the term thereby created or any extension or renewal thereof shall have expired, it shall be lawful for any attorney of any court of record to appear as attorney for Subtenant as well as for all persons claiming by, through or under Subtenant, and to confess judgment in ejectment against Subtenant and all persons claiming by, through or under Subtenant and therein confess judgment for the recovery by Sublandlord of possession of the premises, for which this Sublease shall be his sufficient warrant; thereupon, if Sublandlord so desires, an appropriate writ of possession may issue forthwith, without any prior writ or proceeding whatsoever, and provided that if for any reason after such action shall have been commenced it shall be determined and possession of the

premises remain in or be restored to Subtenant, Sublandlord shall have the right for the same events of default and upon any subsequent events or default, or upon the termination of the Sublease or Subtenant's right of possession as actions to confess judgment to recover possession of the premises and confess judgment for the recovery of possession of the premises as hereinbefore provided.

12. This Agreement shall be construed in accordance with the laws of The Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement under seal in any number of counterpart copies, each of which shall be deemed an original for all purposes, as of the day and year first above written.

APPROVED AS TO FORM:
CITY OF PHILADELPHIA
LAW DEPARTMENT
Shelley R. Smith, Esq.
City Solicitor

By:_____
Sara Beth Kalb
Senior Attorney

THE CITY OF PHILADELPHIA

By: _____
Its Deputy Mayor, Transportation & Utilities
Hereunto duly authorized

ATTEST:

_____
Secretary

_____

By: _____
Its President
Hereunto duly authorized

Pennsylvania Form of Acknowledgment

STATE OF)
) ss.
COUNTY)

_____, ____

On this day, before me, personally appeared _____, who being by me duly sworn, did say that he is President of _____, a _____ corporation; that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and said _____ acknowledged said instrument to be the free act and deed of said corporation.

_____
Notary Public
My Commission Expires:

SUBLANDLORD CONSENT TO NONDISTURBANCE, SUBORDINATION AND ATTORNMENT AGREEMENT

The undersigned hereby consents to the execution and delivery of the foregoing instrument and agrees that neither the execution of the same nor anything done pursuant to the provisions thereof shall be deemed or taken to modify the Prime Lease therein referred to.

Dated: _____, _____

MARKETPLACE PHILADELPHIA
LIMITED PARTNERSHIP

By: MarketPlace Philadelphia, Inc.

By:_____

GUARANTOR CONSENT TO NONDISTURBANCE, SUBORDINATION AND ATTORNMENT AGREEMENT

The undersigned hereby consents to the execution and delivery of the foregoing instrument and agrees that neither the execution of the same nor anything done pursuant to the provisions thereof shall be deemed or taken to modify the Guaranty therein referred to.

Dated: _____, _____

ATTEST: _____

_____ By _____

Secretary Its:

Hereunto duly authorized

The Philadelphia International Airport Concession Program
MarketPlace Philadelphia, L.P.

Disadvantaged Business Enterprise Statement and Letter of Intent

EXHIBIT F

Marketplace Philadelphia, L.P. has assured the City of Philadelphia that Marketplace Philadelphia, L.P. will procure only that participation by Airport Concession Disadvantage Business Enterprises (ACDBEs) which comply with 49 CFR Parts 23 and 26 in all aspects and phases of the concession activities at the Philadelphia International Airport. Concession activities include, but are not limited to, equity ownership in developer partnership, employment, facility design and construction, management and control of the concession, leasing, franchising, in-line stores and retail merchandising units operation, professional services, and the purchases of equipment and supplies.

In accordance with the ACDBE Program and Prime Lease Requirements _____ will incorporate all related ACDBE goals and requirements into its contracts and license/lease agreements with its subtenants and subcontractors, consistent with the ACDBE and Prime Lease Requirements included in its contract with Marketplace Philadelphia, L.P. and the City of Philadelphia, which may be amended from time to time.

The Philadelphia International Airport Concession Program and Prime Lease Requirements are divided into two program elements: ACDBE utilization and employment.

PROGRAM ELEMENT 1

A goal of _____ (___ %) percent of the dollar value of the _____ concession contract, and _____ (____ %) percent of the locations shall be operated by an Airport Concession Disadvantaged Business Enterprise (ACDBE) certified by the Pennsylvania Unified Certification Program (PaUCP) prior to the execution of the license/lease agreement. All interested parties are encouraged to search the PaUCP database at www.paucp.com in identifying eligible and interested ACDBE firms.

Level of participation included with Sublease _____ %.

Licensee/Lessee proposes to contract with the following ACDBE firm(s) in the space design and construction, and operation of the concession: (Please attach additional sheets, if required.)

The Philadelphia International Airport Concession Program
MarketPlace Philadelphia, L.P.

Disadvantaged Business Enterprise Statement and Letter of Intent

ARCHITECT	ADDRESS AND TELEPHONE NUMBER	CONTACT PERSON	TYPE OF WORK	$ VALUE OF WORK	UCP CERT.
CONTRACTOR(S)	ADDRESS AND TELEPHONE NUMBER	CONTACT PERSON	TYPE OF WORK	$ VALUE OF WORK	UCP CERT.
CONCESSION OPERATOR(S)	ADDRESS AND TELEPHONE NUMBER	CONTACT PERSON	TYPE OF WORK	$ VALUE OF WORK	UCP CERT.

All substitutions of the ACDBE(s) identified above must be approved by the Division of Aviation prior to the execution of said substitution. Please use "Attachment 1" for submission of all substitution requests to the Division of Aviation. Substitutions must be forwarded to the attention of **Director of Compliance, Philadelphia International Airport, Terminal D, Philadelphia, PA 19153.**

The Philadelphia International Airport Concession Program
MarketPlace Philadelphia, L.P.

Disadvantaged Business Enterprise Statement and Letter of Intent

PROGRAM ELEMENT 2

Information on the diversity of the undersigned and its workforce shall be provided in the form of employment hours for disadvantaged owners and employees, (including minorities and females) as defined in 49 CFR Part 23, which must be reported to Landlord and Prime Landlord. Such personnel shall include all management and non-management positions, as well as full and part-time employees. All interested parties are encouraged to contact the Job Bank established by the Philadelphia International Airport and MarketPlace Philadelphia, L.P. In addition, the City of Philadelphia's Office of Economic Opportunity will provide information on local agencies specializing in the placement of such personnel: contact the Director of the Office of Economic Opportunity at (215) 686-6372.

Level of participation included with Sublease _____%.

Licensee/Lessee has identified the following employees and positions:

NAME	ETHNICITY/GENDER	POSITION	FULL-TIME/PART-TIME	MANAGEMENT/ LABOR	HOURLY RATED SALARY

As part of this effort the licensee/lessee shall submit updated monthly employment rosters utilizing "Attachment 1", to the attention of the **Director of Compliance, Philadelphia International Airport, Terminal D, Philadelphia, PA 19153**.

The Philadelphia International Airport Concession Program
MarketPlace Philadelphia, L.P.

Disadvantaged Business Enterprise Statement and Letter of Intent

SIGNED: _____

PRINT NAME: _____

TITLE: _____

COMPANY NAME: _____

TELEPHONE NUMBER: _____

DATE SUBMITTED: _____

The Philadelphia International Airport Concession Program
MarketPlace Philadelphia, L.P.

Disadvantaged Business Enterprise Statement and Letter of Intent

The undersigned does hereby swear that the foregoing statements and information are true and correct and include all relevant information necessary to identify and explain its intentions of doing business with Airport Concession Disadvantaged Business Enterprises and Disadvantaged Business Enterprises and employing minorities and females in its workforce.

_____
(Name of Business)

Further, the undersigned does covenant and agree to provide the City of Philadelphia, through its established reporting mechanisms, complete and accurate information regarding actual participation by ACDBE firms in the operation of the concession, the information on the diversity of its workforce, and any proposed changes in any of the arrangements hereinabove stated and to permit the City to audit and examine the books, records, and files of _____ (Name of Business), as they pertain to the concession opportunity at the Philadelphia International Airport. It is recognized and acknowledged that the statement herein are being given under oath and any material misrepresentation will be grounds for not awarding or terminating any contract which may be awarded in reliance hereon. It is further understood that engaging in any deceptive conduct for the purpose of obtaining a license or lease agreement is punishable as a felony of the third degree under PA C.S.A. 4107.2.

_____
Signature of Firm's Authorized Representative

_____ _____
Date Title

State of _____.

County (City) of _____.

On this _____ day of _____ 20__, before me, appeared _____ the undersigned officer, personally in the foregoing affidavit and acknowledged that he (she) executed the same in the capacity therein stated and for the purposes therein contained.

IN WITNESS, I HERETO SET MY HAND AND OFFICIAL SEAL

_____
Notary Public
My Commission Expires _____ *(SEAL)*

Philadelphia International Airport Concession Program
MarketPlace Philadelphia, L.P.
"Substitution Request Form"

_____ _____ ,20 ____
(NAME OF CONCESSION OPERATOR) (DATE OF SUBSTITUTION REQUEST)

(a) SUBSTITUTION REQUEST FORM

NAME OF SUBSTITUTED FIRM:
NATURE OF SUBSTITUTION:
DATE OF ANTICIPATED SUBSTITUTION:
NAME OF PROPOSED REPLACEMENT:
ADDRESS:
TELEPHONE:
CONTACT PERSON:
DOLLAR VALUE OF CONTRACT:
TYPE OF WORK TO BE PERFORMED:
ACDBE CERT STATUS (PaUCP CERTIFIED):

_____ _____ _____
Signed Title Date

Philadelphia International Airport Concession Program
MarketPlace Philadelphia, L.P.
"Substitution Request Form"

_____ _____ Thru _____ , 20 ____
(NAME OF CONCESSION OPERATOR) (REPORT PERIOD)

NAME	ETHNICITY/GENDER	POSITION	FULL-TIME/PART-TIME	MANAGEMENT/ LABOR	HOURLY RATE/SALARY

_____ _____ _____
Signed Title Date

EXHIBIT G

CERTIFICATE OF NON-INDEBTEDNESS

The undersigned _____, a _____ corporation (the "Tenant") hereby certifies and represents that Tenant and any entity or individual that owns or controls, or is controlled or owned by, or is under common control or ownership with, Tenant is not currently indebted to the City of Philadelphia (the "City") and will not at any time during the term of that certain sublease between Tenant and MarketPlace Philadelphia Limited Partnership, dated _____, ____ (the "Sublease") be indebted to the City, for or on account of any delinquent taxes (including, but not limited to, taxes collected by the City on behalf of the School District of Philadelphia), liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established. In addition to any other rights or remedies available to the City at law or in equity, Tenant acknowledges that any breach or failure to conform to this certification may, at the option and direction of the City, result in the withholding of payments otherwise due to Tenant for services rendered in connection with the Sublease and, if such breach or failure is not resolved to the City's satisfaction within a reasonable time frame specified by the City in writing, may result in the offset of any such indebtedness against said payments otherwise due to Tenant and/or the termination of the Sublease for default of Tenant (in which case Tenant will be liable for all excess costs and other damages resulting from such termination).

_____

By: _____
Its:
Hereunto duly authorized

EXHIBIT G-1

Project Name and Space No.: _____
Location: _____

CERTIFICATE OF NON-INDEBTEDNESS

The undersigned _____, a _____corporation (the "General Contractor") of _____ (the "Tenant") hereby certifies and represents that General Contractor and any entity or individual that owns or controls, or is controlled or owned by, or is under common control or ownership with, General Contractor is not currently indebted to the City of Philadelphia (the "City") and will not at any time during the period of time that the General Contractor is performing work for the Tenant at the Philadelphia International Airport be indebted to the City, for or on account of any delinquent taxes (including, but not limited to, taxes collected by the City on behalf of the School District of Philadelphia), liens, judgments, fees or other debts for which no written agreement or payment plan satisfactory to the City has been established. In addition to any other rights or remedies available to the City at law or in equity, General Contractor acknowledges that any breach or failure to conform to this certification may, at the option and direction of the City, result in the withholding of payments otherwise due to General Contractor for services rendered for Tenant and, if such breach or failure is not resolved to the City's satisfaction within a reasonable time frame specified by the City in writing, may result in the offset of any such indebtedness against said payments otherwise due to General Contractor.

_____

By: _____
Its:
Hereunto duly authorized

Date:_____

EXHIBIT H

MENU

City of Philadelphia
Procurement Department

Addendum No. 1 **Date: November 19, 2013**
Concession RFP # C-102-14
Deadline for Submitting Proposals: January 28, 2014

It is the sole responsibility of the Proposer to ensure it has received all addenda to the RFP. The Procurement Commissioner may, in the Commissioner's sole discretion, reject any Proposal for which not all the addenda have been executed and returned.

NOTICE

REQUEST FOR PROPOSALS
FOR

MASTER LEASE AND CONCESSION MANAGEMENT AGREEMENT
AT
PHILADELPHIA INTERNATIONAL AIRPORT

RFP # C-102-14

IS AMENDED AS FOLLOWS:

Except as expressly amended by this Addendum No. 1, the RFP is unchanged. Except as otherwise defined in this Addendum No. 1, capitalized words and phrases used in this Addendum No. 1 have the meanings assigned to them in the RFP.

Part 1

The "**Pre-Proposal Meeting Notice Date**" under the RFP is changed to November 26, 2013. All references in Attachment K to November 15, 2013, shall be changed to November 26, 2013.

Part 2

1.1 Section 5 of the RFP is deleted in its entirety and replaced by the following:

"SECTION 5: SUBMITTAL REQUIREMENTS: PROPOSAL FORMAT AND CONTENT

[PLACE THIS SECTION AT THE FRONT OF YOUR PROPOSAL PACKAGE]

5.1 Proposal Form:

INSTRUCTIONS: The information and materials requested in this Section 5 must be completed in accordance with the terms and conditions of this RFP. Eight (8) original Proposals must be submitted to the address listed in Section 1.3.

The Proposer hereby submits to the City of Philadelphia, through its Procurement Department, this Proposal for the right and obligation to market, lease, and manage food, beverage, retail and passenger services concessions at PHL, as more fully described herein in the attached RFP.

5.1.1 Financial Proposal:

Based upon the terms, provisions and conditions of this RFP, the undersigned hereby agrees to pay the following Rental Payment to the City for the privileges provided under the Agreement during Agreement Years one through seven. The percentage retained from Total Gross Concession Revenues shall constitute the undersigned full compensation for the performance of Terminal Concession Management Services. In lieu of the foregoing, Proposer, may but is not required to, submit Flat Fee Compensation for each year of the Agreement.

Contract Year	Percentage of Total Gross Concession Revenues	Flat Fee Compensation (Optional)
Year 1	_____%	$_____
Year 2	_____%	$_____
Year 3	_____%	$_____
Year 4	_____%	$_____
Year 5	_____%	$_____
Year 6	_____%	$_____

Year 7	_____%	$_____
	Total (For Flat Fee)	$_____

Proposer must submit completed Proforma on form attached as Attachment G.

Submitted by:
[Please type or print]

Name: _____

Company: _____

Address: _____
_____
_____

Telephone: _____

Facsimile: _____

E-mail: _____

5.2 Qualifications Statement: Proposer Profile and Business Experience:

The Proposer gives the following assurances, representations and covenants that the Proposer is fully qualified to provide Terminal Concession Management Services at PHL. The undersigned Proposer further affirms that the following information is true, accurate and complete in all respects.

5.2.1 Proposer Profile:

A. Provide a brief history of your organization and an executive summary that describes your company's qualifications. This summary shall include number of employees and number of years in airport concession management services business.

B. Indicate any parent or subsidiary relationships with other businesses.

C. Corporate office organizational structure.

If you are a corporation, in Section 5.3 give the date and state of organization and the names and addresses of the officers and directors and complete all other information requested in Section 5.If you are a partnership or a joint venture, in Section 5.3 give the date of agreement, county and state where the agreement was filed, and name and address of each partner and complete all other information requested in Section 5.3. 3.

5.2.2 Financial Information:

A. The undersigned Proposer herewith submits audited financial statements for the three (3) most recently completed fiscal years. Each such statement bears the certification of the independent Certified Public Accountant ("CPA") who originally audited and certified such statements. The CPA's certification must certify and attest to the accuracy of such statements and that the statements represent the results of the application of generally accepted accounting principles.

B. In the absence of audited financial statements, the Proposer should submit the best available information, which will permit the City to assess the Proposer's financial capability and current fiscal operating position.

C. List the surety companies which have heretofore issued performance bonds to Proposer for prior contracts. Give names and addresses of each surety company, amount of each bond and the term of each bond. List any performance bonds that were called the last five years due to unsuccessful completion of a contract. Complete the following:

The Proposer has never ( ) has ( ) [check one] had a bond or surety canceled or forfeited. If the Proposer has had a bond or surety canceled, state the name of the bonding company, date, amount of bond and reason for such cancellation or forfeiture.

D. The Proposer has never ( ) has ( ) [check one] been adjudged bankrupt (Chapter 7), or petitioned the court for relief under the Bankruptcy Code or Act for either business reorganization (Chapter 11) or the Wage Earner's Plan (Chapter 13). If the response is in the affirmative, provide the following information:

(1) Date petition filed
(2) Case No. and jurisdiction
(3) Amount of liabilities and debts
(4) Date of discharge or successful completion of reorganization or wage earner's plan

E. The Proposer submits herewith the following list of at least three (3) persons or firms with whom the Proposer has conducted significant financial transactions during the past two (2) years and who may be contacted by the City. If firms are used, give the name of

the department and/or person whom the City may contact. Proposers must attach a letter of reference from each of the persons or firms listed below.

REFERENCE NO. 1

Name: _____ Phone: _____
Firm: _____ Facsimilie: _____
Title: _____ E-Mail: _____

Department: _____
Address: _____

REFERENCE NO. 2

Name: _____ Phone: _____
Firm: _____ Facsimilie: _____
Title: _____ E-Mail: _____
Department: _____
Address: _____

REFERENCE NO. 3

Name: _____ Phone: _____
Firm: _____ Facsimilie: _____
Title: _____ E-Mail: _____
Department: _____
Address: _____

F. The Proposer‘s bank references are:

	Name	**Address**
1.		
2.		
3.		

5.2.3 Felony Convictions:

A. Attached hereto on a separate sheet, the Proposer submits information concerning any felony convictions (for the individual if Proposer is an individual, for each general partner if Proposer is a partnership, for each corporate officer and major shareholder if Proposer is a corporation).

FELONY CONVICTIONS

Name	Date	Offense	Disposition

B. The Proposer agrees that the City's evaluation of the Proposer's responsibility under this Proposal will include an evaluation of the information furnished above for the purpose of determining whether the Terminal Concession Program as proposed by the Proposer would be developed, managed and operated in a law-abiding manner and in a manner not subjecting the City or members of the traveling public to risk of harm or criminal, deceitful, or otherwise unethical practices.

C. The undersigned hereby affirms that the Proposer is authorized to conduct business in the Commonwealth of Pennsylvania and The City of Philadelphia, or will obtain proper authorization including an appropriate Commercial Activity License to do so before executing an agreement and furnishing the required performance bond or letter of credit.

5.2.4 General Litigation Disclosure:

Proposer must describe any pending, contemplated or ongoing administrative or judicial proceedings material to Proposer's business, finances, services or products including, but not limited to, any litigation, consent orders, debarment or contracts with any local, state or federal regulatory agency issued to Proposer or to any parent or subsidiary of Proposer.

5.3 Business Organization Statement:

5.3.1 General Information:

Name of Firm [Exactly as it would appear on an agreement; if operating under a fictitious name, so indicate.]

_____

_____

Principal Office Address:

_____

_____

Telephone Number:

Form of Business Entity [check one]

( ) Corporation
( ) Partnership
( ) Individual
( ) Joint Venture

5.3.2 Corporation Statement:

If a corporation, answer the following:
Date of Incorporation: _____
Location of Incorporation: _____
Is the corporation authorized to do business in Pennsylvania? Yes ( ) No ( )
If so, as of what date? _____
The corporation is held: Publicly ( ) Privately ( )

Furnish the name, title, and address of each director and officer of the corporation.

DIRECTORS

	Name	Address	Principal Business Affiliation Other than Proposer's Directorship
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

SHAREHOLDERS

	Name	Address	Number of Shares Owned
1.			
2.			
3.			

4. _____ _____ _____

5. _____ _____ _____

6. _____ _____ _____

7. _____ _____ _____

8. _____ _____ _____

OFFICERS

	Name	**Position**
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____

5.3.3 Partnership Statement:

If a partnership, answer the following:
Date of organization: _____
General Partnership ( ) Limited Partnership ( )
Partnership Agreement recorded? Yes ( ) No ( )

_____	_____	_____	_____	_____
Date	Book	Page	County	State

Has the partnership done business in the Commonwealth of Pennsylvania?
Yes ( ) No ( )
When? _____
Name, address, and ownership share of each general partner and each partner owning more than five percent (5%) of the partnership:

	Name	Address	% of Ownership
1.			%
2.			%
3.			%
4.			%
5.			%
6.			%

5.3.4 Joint Venture Statement:

If a joint venture, answer the following:
Date of organization: _____
Joint Venture Agreement recorded? Yes ( ) No ( )

Date	Book	Page	County	State

Has the joint venture done business in the Commonwealth of Pennsylvania?
Yes ( ) No ( )
When? _____

Name, address of each joint venturer and percent of ownership of each:

	Name	Address	% of Ownership
1.			%
2.			%
3.			%
4.			%
5.			%

5.4 Warranties By Proposer:

Proposer warrants and represents that all of the following is true and correct:

5.4.1 The Proposer warrants and represents that all forms and additional information provided pursuant to this Section 5 herein has been completed to the best of the Proposer's ability, and the Proposer affirms that all information contained herein is true, correct and complete.

5.4.2 By submission of its Proposal, the Proposer acknowledges and agrees that the City has the right to make any inquiry or investigation it deems appropriate to substantiate or supplement information contained in the Proposal, including without limitation the Qualifications Statement or Joint Venture Statement. Proposer authorizes the release to the City of any and all information sought in such inquiry or investigation, including without limitation information and documents requested pursuant to 49 CFR Part 23 and the FAA's Joint Venture Guidance (July 2008).

5.4.3 The Proposal is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization, or corporation; that the Proposal is genuine and not collusive or sham; that the Proposer has not directly or indirectly induced or solicited any other Proposer to put in a false or sham Proposal, and has not directly or indirectly colluded or agreed with any Proposer or anyone else to put in a sham Proposal or to refrain from proposing; that the Proposer has not directly or indirectly sought by agreement or communication to secure any advantage against the City; anyone interested in the Proposal as principal are named within the Proposal; that all statements contained in the Proposal are true; that the Proposer has not directly or indirectly divulged information or data relative to the Proposer's Proposal to any other person, partnership, corporation, or association, except to such person or persons as have a direct financial interest in the Proposer's general business.

5.4.4 The Proposer is organized and existing in good standing under the laws of the state of its creation and is certified to do business in the Commonwealth of Pennsylvania and the City of Philadelphia.

5.4.5 The undersigned is an officer/partner of the Proposer with the requisite power and authority to bind the Proposer to the terms and conditions of this RFP and the submitted Proposal. .

5.4.6 No City employee or other Proposer responding to this RFP has any interest in Proposer, any subcontractor or Concession Operator, or any Proposal submitted by it in response to this RFP.

5.4.7 Proposer, any subcontractor or proposed Concession Operator has not been prohibited by the City from participating in any City contracts.

5.4.8 Proposer, any subcontractor or proposed Concession Operator has not been delinquent in its performance of any City contract which has not been cured.

5.4.9 Proposer is financially capable and has all the technical, professional and other expertise required to provide the goods and services required by this RFP.

5.4.10 Receipt of the following addenda is acknowledged, if applicable:

[List all Addenda]

The foregoing Proposal is hereby submitted by the entity or person signing below in accordance with all terms and conditions as set forth in the Request for Proposal issued by The City of Philadelphia, Procurement Department, for the Agreement at Philadelphia International Airport.

PROPOSER:

DATE: _____ _____

(Corporate Seal if Applicable) Name of Proposer

By: _____

(signature)

Name: _____

Title: _____

Attest: _____

(signature)

Name:_____

Title:_____

[Add signature lines as necessary below.]

Mailing Address:

_____

_____

_____

5.5 Additional Proposal Information for the Agreement at PHL:

In addition to the Forms set forth in 5.3 each Proposer shall include the following information in their Proposal:

5.5.1 Cover Letter and Covenant to Execute Agreement: Proposer shall submit a cover letter of no more than two (2) pages stating the following:

- ☐ Name under which the Proposer will enter into the Agreement;
- ☐ Proposer's contact person and his or her telephone number, facsimile number, and email address;
- ☐ Statement that the Proposer shall execute the Agreement consistent with the terms as outlined in the RFP; and
- ☐ General information that the Proposer desires to include as an introduction to the Proposal including, why the Proposer believes that its Proposal is best for the City and the Airport's customers.

5.5.2. Background and Experience:

All Proposers must satisfy the minimum requirements set forth in Section 2.3.

i. For all prior experience at each comparable facility, submit the following information:

- Location name and address;
- If an airport location, note primary markets and airlines served;
- If an airport location, the annual number of enplaned passengers for the continuous five years referenced; if a non-airport location, the annual number of visitors to the location for the continuous five years referenced;
- Annual volume of sales and annual rent for the continuous five years, separating the sales volumes between food, beverage, service, and retail;
- Number of food, beverage, retail and passenger services locations managed the square footage and number of leases/tenants of each type;
- Name of general manager at each property, the length of employment as well as other relevant information (i.e. experience, salary);
- Name(s) of individual(s) and company(ies) that performed the leasing of each;
- Dollar amount of the leasing, management and any other fees collected by Proposer for the leasing and management of each of these locations, separated out by type of fee, for the continuous five years;
- Established ACDBE goal for each facility and the actual percentage of ACDBE participation achieved (based on gross sales) if applicable, by type of tenant (food, beverage, retail and passenger services) for each of the continuous five years referenced; and
- Describe any onsite contruction management experience for each location for the continuous five years.

ii. Provide:

The name, location, and date of any of the Proposer's contracts or leases that have been terminated, either voluntarily or involuntarily, prior to the expiration of their terms. Include in this list, any leases or contracts that were awarded, but never executed by the Proposer and explain the reasons for which the contract or lease was not executed. For the same period of time, list any judgments or lawsuits that involved a tenant managed by the Proposer's organization or a directly-related affiliate or requested the termination of any of Proposer's leases or contracts or applied any fines or penalties on the Proposer or the Proposer's affiliate;

A statement advising whether or not the Proposer, or any entity (including an entity as part of a joint venture) or individual that has, directly or indirectly, a controlling interest in the Proposer, any subsidiary, or other entity in which the Proposer has a controlling interest, or any other affiliate of Proposer, has been involved in a bankruptcy proceedings in the past seven (7) years;

A statement that the Proposer will not invest in, or partner or joint venture in any way, or represent in any way, or have any financial agreement with any food, beverage, retail, or passenger services operations doing business at the Airport or any food, beverage, retail or passenger services concession operator that might be considered in the future as a Concession Operator at the Airport;

A statement advising whether or not Proposer or any of its principals, officers, directors, any corporation, partner, joint venturer or other entity that has, directly or indirectly, a controlling interest in the Proposer, or subsidiary corporation or other entity in which the Proposer has a controlling interest, or any other affiliate of the Proposer has ever been barred from proposing or bidding on government contracts (federal, state, or local), and if so, explain why, and the current status of said debarment proceeding(s); and

A statement advising whether a federal or state lien has ever been placed upon the Proposer, or any of its principals, officers, directors, partners or joint venturers.

5.5.3. Management and Implementation Plan:

The Proposer shall include a complete and detailed description of its proposed approach to providing the Terminal Concession Management Services including policies and business practices used to perform such services, as outliined in **Attachment I** for the Terminal Concession Program for PHL. The description shall include the following required elements:

a. Market Understanding

i. Provide demographic characteristics of the customers at PHL which demonstrates Proposer's understanding of passenger profiles and behavioral patterns of customers

(i.e., business, tourist, international, domestic, connecting or originating and destination travelers) at PHL, as they apply to food and beverage, retail and passenger services wants and needs; as well as other types of customers (i.e. employees) and to what extent Proposer believes they will contribute to sales volume; and

ii. Proposer should describe retail and airport industry trends, opportunities and challenges as they relate to the Terminal Concession Program, including the strengths and weaknesses of airport food, beverage, retail and passenger services concessions today. Describe what conclusions have been drawn and how the Proposer, if selected, would incorporate this information into the Terminal Concession Program.

b. Food Service, Retail and Passenger Services Concepts Inventory

i. Food Service. The Proposer shall prepare an inventory of the proposed preliminary concepts for the food, beverage, retail and passenger services operations at PHL. For each of the following food and beverage designations, the Proposer shall identify the concepts for food and beverage units in the Terminal Concession Program, including the following information: tenant, type of cusine, nationally branded or locally themed, ACDBE participation, and expected number of units to be installed over the term of the Agreement.

- Quick service
- Snack food
- Gourmet coffee
- Table-service restaurant
- Fast casual restaurant
- Bar with food

ii. Retail Services. For each retail concession, the Proposer shall identify the retail concepts for the Terminal Concession Program, including the following information: tenant, concept/type of merchandise that would be offered, such as "specialty retail/children's toys," nationally branded or locally themed, ACDBE participation, and expected number of units to be installed over the term of the Agreement. For the retail locations, use the following designations:

- Specialty retail
- Convenience retail or newsstand

iii. Passenger Services. For passenger services, the Proposer shall identify the concepts for passenger services in the Terminal Concession Program, with the following information: tenant, the concept/type of services and merchandise that would be offered, such as "massage and body products," nationally branded or locally themed, ACDBE participation, and expected number of units to be installed over the term of the Agreement.

Accompanying the inventory shall be a narrative that describes the rationale for the proposed food, beverage, retail and passenger services concession mix, as it relates to the market; adjacencies; allocation between terminals; and the intent, if any, to combine, subdivide, or re-concept existing units, especially where the use is being changed from food service to retail or passenger services or vice versa

c. Proforma

Each Proposer shall provide a proforma income statement in the format presented in **Attachment G** (using the excel template provided) that provides the Proposer's projected concession operator sales volume, rental income, Proposer's expenses, retained management fee and Rental Payment or Flat Fee Compensation to the City for each Agreement year. The proforma income statements shall be evaluated in terms of their reasonableness and completeness.

In addition to submitting a completed **Attachment G**, Proposer shall also include the following information to support their projections:

i. Complete set of detailed assumptions for each line item of the proforma.

ii. Explanation justifying any and all changes in sales and rent projections from the existing program performance. This narrative should correlate the proposed concept inventory to the proforma.

iii. Identification of Proposer's working capital required for the proposed Terminal Concession Management Services and source of cash to provide for the payment of the Proposer's fixed expenses and working capital.

d. Leasing Philosophy and Strategy

The City desires to include retailers/restaurateurs from the Philadelphia, Pennsylvania metropolitan region in the Terminal Concession Program. It is the City's intent to ensure nondiscrimination in the award and administration of opportunities for concessions at PHL and create a level playing field on which qualified firms can compete fairly. The Proposer shall describe its approach to the foregoing as well as to the negotiation and administration of concession operator subleases, as outlined in Section II-A of **Attachment I**. The following specifics shall also be addressed in the Proposer's Proposal:

i. Provide a sample leasing package;

ii. Describe how the Proposer would access the national, regional, and local markets (without using the services of commercial real estate brokers). Include past projects, their dates, and leasing personnel; and a list of

executed leases (including square footages) with national, regional and local tenants (specify category) that were non-broker related transactions;

iii. Include letters of interest from all food, retail and passenger service operators that the Proposer has approached regarding opportunities at PHL.

iv. Describe Proposers philosophy and past practices regarding the negotiation of leases, including the establishment of minimum annual guarantees ("MAGs") versus percentage rent and the establishment of breakpoints for percentage rent, etc. Proposer shall include its approach to the collection of rents and other fees as described in Section III-G of **Attachment I**.

v. Describe how Proposer would present information in monthly operational and leasing meetings with the Airport as outlined in Section III-E of **Attachment I**, including how the Proposer would perform the business analysis and reporting outlined in Section III-F of **Attachment I** and provide sample reports, organizing data that would be given to the Airport at these meetings and as part of these reports.

vi. Describe how Proposer would obtain full and open competition with respect to concession opportunities.

e. Implementation, Construction Management, and Transition Plan

Proposer shall describe its approach to facility development and construction oversight as outlined in Section II-B of **Attachment I**. The description shall include how the renovation of existing and the development of future concession locations would be implemented including the following:

i. Describe the Proposers process for designing common area construction and overseeing such construction, including the managing of the Concession Operators during construction fit-out and how such will to interface with the Airport.

ii. Describe how Proposer will effect compliance with the PHL tenant design standards, including those set forth in the design manual which can be found at:

http://www.phl.org/Business/DesignandCodeManuals/Documents/Tenant_Design_Manual.pdf.

iii. Provide a draft transition and construction-phasing plan describing how the common areas and the concession location would be retenanted and redeveloped, as appropriate. Describe the rationale for such ordering, the effects on customer service and rental revenue during the transition, and proposed locations and concepts for temporary units that would be used during the transition. Describe how vacant units or units under construction would be handled.

iv. Provide a detailed estimate of any investment (over and above the cost of concession space build-out) that would need to be made by the Concession Manager to accommodate Terminal Concession Program to provide the necessary level of service. Proposer should also provide a schedule of when these investments would be required based on the proposed phasing of redevelopment and the mechanism that would be used.

f. ACDBE Plan

The Proposal must contain the required forms in and address all of the requirements set forth in Sections 2.3.6, 3.3, 5.5.3(b) above, 5.5.4 below and **Attachment E** and **Attachment I** to this RFP, and the following:

The Proposal must address the following:

- Name and address of each firm
- Annual estimated revenue to be earned by each named firm, along with the percentage of the total Management Fee that each firm's revenues represents.
- Description of the legal arrangement(s) underlying each ACDBE's participation
- Description of the role each ACDBE will have in the carrying out the Management Agreement, along with the previous experience each ACDBE has in providing such goods or services
- In the event that a ACDBE firm is not performing, Proposer should describe the approach it would employ to help improve performance, and in the event that approach fails, the approach employed to replace that ACDBE firm with another ACDBE business partner

ACDBE Participation Plan for the Terminal Concession Program must address the following:

- Each Proposer must describe how it will meet the City's ACDBE goals with respect to the annual 35% Concession Program Goal requirement.

- Describe strategies being used by the Proposer at other airports and identify specific ACDBE goals achieved at those airports.

- Provide an ACDBE outreach plan that contains an ongoing strategy for identifying a diverse base of ACDBEs at PHL, including but not limited to the community seminar and economic forums described in Section II-A of Attachment I, as well as other sources and/or specific events and activities designed to reach ACDBEs on an ongoing basis who may be interested in food, beverage, retail and/or passenger service locations.

- Describe specific methods that Proposer will employ to foster compliance by the concessionaires with 49 CFR Parts 23 and 26 and the City's ACDBE Program requirements.

- Describe the components of Proposer's monitoring and enforcement program for

compliance with the City's ACDBE Program and federal ACDBE participation requirements. Proposer should describe, in detail, the approach it would employ to enforce ACDBE requirements, including the steps employed to replace noncompliant concessionaires with operators who are ACDBE compliant.

g. Delivery Management Plan

The Concession Manager is required to work closely with the Concession Operators to develop procedures for the delivery of product to both, landside and airside, food, beverage, passenger service and retail facilities at PHL. The Concession Manager may contract with a logistical support provider to meet the reasonable common logistical and storage requirements of the Concession Operators at PHL. All Concession Operators must use and share in the prorated costs of any common logistical support provider. The cost will not be passed on to the City.

The Airport will provide the Concession Manager with space for the operation of a central delivery system at PHL. All product deliveries must be made via designated doors or airside gates accessed only by employees using airport issued identification badges that allow airside access. The Selected Proposer must agree to adhere to Transportation Security Administration ("TSA") or Airport directives and policies regarding access to airside facilities.

The Proposal shall include suggestions and information regarding options for delivery management as outlined in Section P of **Attachment I** and must address the following elements pertaining to delivery management:

i. Any fees proposed to be charged to the Concession Operators for delivery management services and how those fees were calculated; and

ii. A plan to allocate and manage the storage facilities to be assigned to the Terminal Concession Program to be awarded for the use of the food, beverage, retail and passenger service Concession Operators. Proposer shall include details regarding any fees that would be charged to the concession operators for any support space, delivery management or delivery services.

5.5.4. Property Management, Marketing, Advertising and Promotion:

The Proposal must specifically address the following:

a. Property Management

i. Proposer shall describe its overall approach to the operational management and sublease administration as outlined in Section II-C of **Attachment I**. Proposer should describe, in detail: (1) how it will work with the Airport to monitor the performance of each food, beverage, retail and passenger services Concession Operator for operational excellence as outlined in Part III of **Attachment I** and other recommended standards for revenue productivity: (2) adherence to the PHL tenant design manual on an

ongoing basis: (3) enforcement of street pricing and operating hours: (4) evaluation of product mix in response to passengers' desires, and review of inventory, menus, signage, graphics, seating: (5) facility cleanliness and maintenance: (6) compliance with City mandated recycling requirements: compliance with Federal security requirements, and (7) other operational standards. Proposer should also provide a proposed schedule and sample evaluation form that would be used to document each concession operator's performance.

ii. Set out a policy and include specific criteria that Proposer would be employed to evaluate performance by a Concession Operator as well as penalties for non-performance. Proposer, may but shall not be required to, institute a point of sales system to assist Concession Manager in monitoring sales performance of each Concession Operator.

iii. Describe any incentive programs that reward good performance by Proposers staff or Concession Operators

iv. Detail how Proposer created and implemented employee training and customer service programs that were implemented at two (2) other facilities which resulted in increased revenue and customer satisfaction.

v. Method Proposer would use to analyze and communicate all information to the Airport relating to Concession Operator performance, including sales, rent collection, ACDBE participation, adherence to tenant design standards, and customer service issues. Include a sample schedule that outlines proposed reporting both pre- and post- tenant openings. Proposer should provide, as an example, a copy of a Concession Operator performance report that it has provided in the past to a comparable facility. Proposer should also provide a draft reporting document showing the format and detail of rental information that would be collected and submitted monthly to the Airport.

vi. Describe how the Proposer would promote a positive Concession Operator/Concession Manager relationship. Proposer shall describe programs or initiatives used at other airports that helped establish positive Concession Operator/Concession Manager relations and improved performance.

vii. Proposer shall propose a plan to handle any common area maintenance ("CAM") that may apply to the Concession Program at the Airport, as well as a method to charge concession operators for the CAM costs. CAM should include food court maintenance, trash collection and removal, grease collection and removal/recycling, roof exhaust maintenance, grease trap and drain cleaning and pest control. The Proposer shall only pass through the direct costs of CAM to the Concession Operators without any additional management fees or mark-ups applied by Proposer.

viii. The Selected Proposer shall be responsible for producing and keeping current floor plans for all concession units and storage areas, including the square footage of each unit and the locations of utility points to lease lines at each location. Describe the capabilities

of the Proposer to create and maintain such floor plans and indicate how often the plans would be updated.

b. Marketing, Advertising, and Promotion

i. Proposer should describe its approach to the marketing and promotion of the Terminal Concession Program including the services and activites outlined in Section III-D of **Attachment I**. Proposer should identify the key elements that will be encompassed in its annual marketing plan and quarterly status reports, describe proposed internal and external promotion efforts and events, including the ACDBE outreach plan required in Section 5.5.3.f above and programs that will be instituted to promote sales at PHL. Proposer shall also discuss the benefits of the establishment of a marketing fund ("Marketing Fund") and its uses if the Proposer intends to create such a fund for the Terminal Concession Program; and

ii. Using information developed from Proposer's proforma income statement **(Attachment G)** for this section, detail the type of marketing initiatives that could be implemented using money from the Marketing Fund. Concession Manager will be responsible for producing, updating and installing the concession maps for the directories, which are provided by the advertising concessionaire at PHL.

5.5.5 Intentionally Omitted

5.5.6 Management and Key Staffing:

a. Proposer shall describe its management team for performing the Terminal Concession Management Services and how such team will meet or exceed the minimum staffing requirements outlined in Section I-B of **Attachment I**;

b. For each key person, as required by **Attachment I B**., identify where his/her base of operations would be located and whether such person would be full-time or part-time (the General Manager and Assistant General Manager must be located at the Airport full time). If any key person is part-time, please indicate the name and location of the other projects to which he/she would be assigned, the duration of those projects, and the percentage of time that he/she would be assigned to PHL;

c. The Proposer must show how it would staff the work to be performed to ensure that all Terminal Concession Management Services are performed on a timely basis and in accordance with the schedule submitted with the Proposal;

d. Describe the types of training that would be provided to staff, if any;

e. Provide resumes of Proposer's key staff that would be responsible for performing Terminal Concession Management Services at PHL. Each resume must outline similar project roles and responsibilities and describe specific achievements in each of the key operational areas listed in Attachment I of this RFP; and

f. List salary ranges for all key personnel.

5.5.7. Transition Plan: Proposer shall provide a detailed plan to ensure a seamless transition at the commencement of the Agreement, which includes, but is not limited to, any coordination issues with the current provider ("Transition Plan")."

END OF ADDENDUM TEXT: SIGNATURE PAGE FOLLOWS

PROPOSER MUST SIGN THE PROPOSAL AS WELL AS THE ADDENDUM

ADDENDUM NO. 1
ACKNOWLEDGEMENT OF RECEIPT

City of Philadelphia, Procurement Department
Request for Proposals For Master Lease and Concession Management Agreement at Philadelphia International Airport
RFP 102-14

I have carefully read Addendum No. 1 to the Request for Proposals for **Master Lease and Concession Management Agreement at Philadelphia International Airport** and I certify that I have received all pages listed in Addendum No. 1.

_____
Name of Respondent

_____
Signature of Respondent's Authorized Official

_____
Printed Name and Title of Signer

_____
Date

THE CITY OF PHILADELPHIA

REQUEST FOR PROPOSALS

RFP NO. C-102-14

MASTER LEASE AND CONCESSION MANAGEMENT AGREEMENT
at
PHILADELPHIA INTERNATIONAL AIRPORT

MARK E. GALE, A.A.E
CHIEF EXECUTIVE OFFICER
PHILADELPHIA INTERNATIONAL AIRPORT

HUGH ORTMAN
PROCUREMENT COMMISSIONER

PROCUREMENT DEPARTMENT
1st FLOOR, MUNICIPAL SERVICES BUILDING
1401 JOHN F. KENNEDY BLVD.
PHILADELPHIA, PA 19102-1685

PROPOSALS WILL BE RECEIVED UNTIL 10:30 AM PREVAILING LOCAL TIME
TUESDAY, JANUARY 28, 2014
IN ROOM 170A, MUNICIPAL SERVICES BLDG.,
1401 J.F.K. BLVD., PHILADELPHIA, PA 19102

A MANDATORY PRE-PROPOSAL MEETING IS SCHEDULED FOR
TUESDAY DECEMBER 3, 2013 10:00 AM IN THE
PHILADELPHIA AIRPORT MARRIOTT
ONE ARRIVALS ROAD
TERMINAL B
PHILADELPHIA, PA 19153

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ATTACHMENTS

- Attachment A - PHL Concession Layout Plan
- Attachment B - Passenger Traffic Analysis
- Attachment C - Campaign Contribution Disclosures
- Attachment D - Insurance Requirements
- Attachment E - ACDBE Requirements
- Attachment F - Tax and Regulatory Status and Clearance Statement Form
- Attachment G - Proforma Financial Statement
- Attachment H - Concession Performance Data
- Attachment I - Terminal Concession Management Services
- Attachment J - 2012 Passenger Satisfaction Survey
- Attachment K - Mandatory Pre-Proposal Meeting Notice

Summary of Schedule

Posting of RFP	October 29, 2013
Deadline for Questions in Advance for Pre-Proposal Meeting	November 15, 2013
Pre-Proposal Meeting Notice Due Date	November 15, 2013
Mandatory Pre-Proposal Meeting	December 3, 2013
Final Deadline for Questions regarding RFP	December 10, 2013
Date for Issuance of Addenda	December 30, 2013
Proposals Due	January 28, 2014
Proposer Interview Dates	February 2014
Commencement of Agreement	On or about July 1, 2014

SECTION 1: GENERAL INFORMATION AND REQUIREMENTS

1.1 Solicitation:

1.1.1 Notice of Contract Opportunity**.** The City of Philadelphia (the "City"), owner and operator of Philadelphia International Airport ("PHL") is soliciting proposals from qualified firms to provide for the management of the food, beverage, retail and passenger services concession program at PHL. As more fully set forth in this Request for Proposal, including all Attachments and any written addenda issued by the City (collectively referred to herein as the "RFP"), the proposals shall include information demonstrating proposer experience in managing airport concession operations (including marketing and leasing strategies) construction management, a financial proposal, as well as Airport Concession Disadvantaged Business Enterprise ("ACDBE") participation and general concession management plans and strategies. The successful Proposer shall enter into the **MASTER LEASE AND CONCESSION MANAGEMENT AGREEMENT (hereinafter the "Agreement") at PHL with the City.**

1.1.2 The Division of Aviation (the "Airport"), which operates PHL and the Deputy Director of Aviation, Property Management and Business Development, or his designee will be responsible for oversight of the Agreement resulting from this solicitation.

1.1.3 Any questions regarding this RFP may be submitted by e-mail to Ms. Robin Gibson, Airport Properties Executive Assistant, at robin.gibson@phl.org. The final deadline for submitting questions is Tuesday, December 10, 2013 at 3:30 PM. Oral communications from City personnel or other persons shall not be binding on the City and shall in no way modify the provisions of this RFP. Only written addenda issued by the City pursuant to Section 1.5 shall be binding on the City as modifications to this RFP.

1.2 Contents of this RFP:

1.2.1 Official responses of the City to inquiries regarding this RFP shall be issued by the City in writing as addenda pursuant to Section 1.5, which will be posted on www.phila.gov/bids (under Public Works Bidding Opportunities) and only such written addendum shall be binding on the City as modifications to this RFP.

1.2.2 This RFP outlines the City's objectives, describes the general characteristics of the contract opportunity, and outlines the principal elements of the proposed business arrangement.

1.2.3 The RFP includes the following attachments:

- Attachment A – PHL Concessions Layout Plan
- Attachment B - Passenger Traffic Analysis
- Attachment C – Campaign Contribution Disclosures
- Attachment D - Insurance Requirements
- Attachment E - ACDBE Requirements
- Attachment F - Tax and Regulatory Status and Clearance Statement Form

- Attachment G - Proforma Financial Statement
- Attachment H – Inventory of Existing Terminal Concession Program
- Attachment I – Terminal Concession Management Services
- Attachment J – 2012 Passenger Satisfaction Survey
- Attachment K– Pre-Proposal Meeting Notice

1.3 Submission Date:

Notice is hereby given that the City's Procurement Commissioner will receive sealed Proposals on or before Tuesday, January 28, 2014 at 10:30 AM Prevailing Local Time, at the City of Philadelphia, Procurement Department, Room 170A, 1st Floor, Municipal Services Building, 1401 John F. Kennedy Blvd., Philadelphia, PA 19102. **Proposers who fail to submit Proposals (defined in Section 1.6.1) prior to the above submission date and time will not be considered for this contract opportunity.**

1.4 Mandatory Pre-Proposal Meeting:

1.4.1 Pre-Proposal Meeting: A **mandatory** pre-proposal meeting will be held for all interested parties (not more than 3 representatives from each Proposer) on Tuesday, **December 3, 2013** at 10:00 AM Eastern Standard Time ("Pre-Proposal Meeting Date") at the Philadelphia Airport Marriott in Terminal B at Philadelphia International Airport. Please complete **Attachment K** if you plan to attend. The purpose of this Pre-Proposal Meeting will be to review the requirements contained in the RFP and entertain general questions that potential Proposers may have concerning any of the aspects of services to be provided. Attendance at this Pre-Proposal Meeting is **mandatory** and only those who attend will be eligible for an award from this RFP. An optional tour of the PHL facilities will also be available after the **mandatory** Pre-Proposal Meeting.

Please note that this will be the only scheduled tour of the facilities and individual tours will not be offered. Tours shall be limited to three (3) persons per entity considering submission of a Proposal. It is necessary that tour participants have a driver's license, passport, or other government issued identification in order to be permitted to visit the secure (airside) locations of PHL. Potential Proposers should return a completed Pre-Proposal Meeting Notice form attached to this RFP as **Attachment K** by email to Robin Gibson at robin.gibson@phl.org by November 15, 2013.

1.4.2. Advance Questions: Potential Proposers are encouraged to submit questions in advance of the Pre-Proposal Meeting by email to Robin Gibson at robin.gibson@phl.org by November 15, 2013. Pre-Proposal questions received by November 15, 2013 may be addressed at the Pre-Proposal Meeting.

1.5 Addenda:

All questions regarding the terms and conditions of this RFP and the Agreement must be submitted in writing no later than December 10, 2013 to: Robin Gibson at robin.gibson@phl.org.**There will be no further opportunity to ask questions of the City regarding this RFP after December 10, 2013.**

1.5.1 Please clearly state the RFP number C-102-14 on your email.

1.5.2 All questions whether submitted prior to the **mandatory** Pre-Proposal Meeting, or otherwise on or before December 10, 2013, that impact upon the RFP process will be answered in writing in a formal addendum issued by the City no later than December 30, 2013.

1.6 Responses To This RFP:

1.6.1 Responses to this RFP must be submitted in the form of proposals in accordance with the instructions and requirements in this RFP ("Proposals"). Respondents to this RFP are referred to as "Proposers".

1.6.2 By submitting a Proposal in response to this RFP, the Proposer expressly acknowledges and agrees to accept and be bound by all terms and conditions set forth in this RFP.

1.6.3 Each Proposer shall be fully responsible for all costs associated with the development, preparation, transmittal and submission of any Proposal or material submitted in response to this RFP.

1.6.4 The successful Proposal submitted in response to this RFP shall be the sole and absolute property of the City, and the City shall have title thereto and unrestricted use thereof.

1.7 Duration of Proposals:

In consideration of the City's evaluation of the Proposals, each Proposer agrees that its Proposal shall be a firm offer to the City. The Proposal shall remain open for review and consideration by the City for a period of at least one hundred and eighty (180) days beginning with the Proposal Submission Due Date set forth in Section 1.3, the cover page, or as may be revised by addenda.

1.8 Proposer's Security:

1.8.1 Proposer's Proposal shall be accompanied by refundable security in the form of a Certified Check or Money Order made payable to the order of "The City of Philadelphia" in the amount of Fifty Thousand Dollars ($50,000.00) ("Proposer's Security"). Failure to submit the required Proposer's Security with the Proposal will result in the Proposer's disqualification from consideration. Proposer's Security will be refunded, without interest, to the unsuccessful Proposer(s) after execution of a final contract or at the conclusion of this RFP process.

1.8.2 Any Proposer who has not been released from its Proposal by the City or who refuses to execute a contract, deliver performance or other bonds, insurance, etc. in conformity with the City's requirements, may forfeit some or all of such Proposer's Security as liquidated damages.

1.9 General Disclaimer:

1.9.1 This RFP is not binding on the City. The City assumes no contractual or other obligations as a result of the issuance of this RFP. No other party, including any Proposer to this RFP, or any future Proposer to any RFP that may be issued by the City, is intended to be granted any rights hereunder. This RFP and the process it describes are proprietary to the City and are for the sole and exclusive benefit of the City.

1.9.2 This RFP does not commit the City to enter into the Agreement. The City assumes no contractual or other obligations as a result of the preparation or submission of a Proposal by anyone responding to this RFP or the evaluation of Proposals by the City or the selection of a Proposer for further negotiations.

1.10 Confidentiality:

1.10.1 The Selected Proposer (hereinafter defined in Section 2.1.1) shall treat all information obtained from the City, which is not generally available to the public, as confidential and/or proprietary to the City. The Selected Proposer shall exercise all reasonable precautions to prevent any information derived from such sources from being disclosed to any other person/entity. The Selected Proposer shall indemnify and hold harmless the City, its officials (elected and appointed), employees and agents, from and against any and all liability, demands, claims, suits, losses, damages, causes of action, fines and judgments (including attorney's fees) resulting from any use or disclosure of such confidential and/or proprietary information by the City or any person acquiring such information, directly or indirectly, from the City.

1.10.2 Prior to award of the contract, all Proposals will remain confidential and the Proposals will not be disclosed outside City administration; provided, however, general, non-proprietary, information about a Proposal, may be disclosed as necessary. Notwithstanding the foregoing, if the City is required to disclose some or all of a Proposal to any federal or state department or agency, including, without limitation, the FAA in order to obtain its approval or otherwise, the Proposer hereby acknowledges that such disclosure is permissible.

Proposals that include confidential business information of the Proposer, such as commercial or financial information, that Proposer does not want disclosed outside the City must be marked with a legend that states:

> **"This response includes data that shall not be disclosed outside the City without the permission of [insert firm's name] and shall not be duplicated, used, or disclosed – in whole or in part – for any purpose other than to evaluate this response. This restriction does not limit the City's right to use information contained in this data if it can be obtained from another source without restriction, and is subject to the City's obligation to release public documents. The data subject to this restriction are contained in pages [insert numbers or other identification of pages]"**

Proposers shall mark only those pages containing restricted data with the following

legend:

> **"Use or disclosure of data contained on this page is subject to the restriction on the title page of this Proposal."**

A blanket restriction applicable to the entire Proposal is not acceptable. Moreover, the inclusion of this provision regarding the restriction on disclosure and use of data should not be construed to protect against the City's disclosure of generic concepts or information that has already been made public. In addition, the City may, after discussion with a Proposer, determine that some or all of the information encompassed by the restriction is not appropriately included within the restriction and that such information may be released outside the City.

Proposals and copies of Proposals (including the electronic copy or any duplicates made) shall not be returned to the unsuccessful Proposers. The City shall have no liability for inadvertent or mandated disclosure of information submitted with a Proposal, but the City shall use reasonable municipal efforts not to disclose appropriately marked confidential information.

1.10.3 The Proposers agree that the City may make such disclosure or reproduce such information as is deemed necessary by the City, in its sole and absolute discretion, to comply with applicable law, including without limitation the Philadelphia Home Rule Charter, the Pennsylvania Right to Know Act and the federal Freedom of Information Act. Proposer expressly waives any cause of action, whether in law or in equity, that it may have against the City respecting such disclosure.

1.11 Publicity:

All publicity (including, but not limited to, news releases, news conferences, and commercial advertising) relating to this RFP and/or the services or products sought by this RFP and/or any agreement entered into as the result of this RFP shall require the prior written approval of the Airport's Chief Executive Officer or his designee.

SECTION 2: BACKGROUND AND MINIMUM REQUIREMENTS

2.1 Objective:

2.1.1 The City's objective, ("Objective") is to enter into the Agreement as a result of this RFP with a qualified firm, (the "Selected Proposer") that will provide for: (1) the management of the food, beverage, retail and passenger services concession program at PHL, demonstrating experience in managing airport concession operations (including, marketing and leasing strategies); (2) construction management services; (3) a financial proposal; (4) ACDBE participation; and (5) general concession management plans and strategies, all in accordance with agreed upon terms (collectively, the "Terminal Concession Program").

The Selected Proposer shall meet or exceed the following goals and objectives throughout the term of the Agreement:

- Provide a variety of food, beverage, retail and passenger services options that meet the needs of the customers of PHL, and provide quality products, outstanding customer service, value for money, and menu choices that vary and are updated with changing market trends and customer wants and needs;

- Maximize financial return to the City by developing food, beverage, retail and passenger services concepts matching the customers' wants and needs, tailoring those concepts to the PHLmarket, working with the Airport and the Concession Operators, (hereinafter defined) to develop marketing and joint promotions for the Terminal Concession Program;

- Work with the Airport and Concession Operators to provide attractive, well designed facilities that provide an excellent variety of contemporary food, beverage, retail, and passenger services choices for customers of PHL and that are inviting with strong visual appeal to potential customers;

- Ensure that Concession Operators are open for business during the hours prescribed in the leases, and that Concession Operators extend operating hours during weather events and other disruptions to normal flight schedules;

- Ensure that all food, beverage, retail and passenger services premises are compliant with the Americans with Disabilities Act of 1990, as amended ("ADA"), and also accommodate customers with luggage, luggage carts and strollers, as well as wheelchair-bound customers;

- Continually measure, improve and analyze the productivity of the food, beverage, retail and passenger services operations at PHL;

- Continually evaluate and improve the customer perception, impression, and acceptance of the food, beverage, retail and passenger services concepts and facilities at PHL:

- Use good faith efforts to provide for ACDBE Participation in accordance with U.S. Department of Transportation ("USDOT") Regulations 49 CFR Parts 23 and 26, the City's ACDBE Program and Sections 2.3.6, 3.3, 5.5.3(b) & (f), 5.5.4 and **Attachments E and I** of this RFP. A copy of the City's ACDBE Program shall be available upon request; and

- Participate in any City hosted job fairs for PHL and connect with the on-line job portal created by the City posting job opportunities.

2.2 Background Information:

2.2.1 The Proposer shall carefully examine the terms of this RFP and mayinvestigate and inspect the Airport facilities at PHL, including, without limitation, the PHL Concession Layout Plan (**Attachment A**), 2012 Passenger Satisfaction Survey (**Attachment J**), Passenger Traffic Analysis (**Attachment B**), Inventory of Existing Terminal Concession Program **(Attachment H)** and other information attached to this RFP. The City has tried to present accurate information, but Proposers are advised to independently investigate and verify the accuracy of any information received. The City makes no representation or warranty and assumes no liability with respect to the use of this information by the Proposers. A Proposer shall judge for itself all of the circumstances and conditions affecting its Proposal.

2.2.2 Airport Layout: The terminal buildings contain a total of approximately 3.1 million square feet of space, including seven terminals (A-West, A-East, B,C,D,E and F), (collectively, the "Terminal Buildings") with 124 aircraft parking positions, mostly located in the southwest section of the City. Approximately 130,000 square feet of space in the Terminal Buildings has been developed for concessions. The PHL Concessions Layout Plan is attached as **Attachment A**. Airport layout information is also available at www.phl.org/terminal_map.html. Proposer acknowledges that, from time to time and at the sole and absolute discretion of the City, the internal layout of the Terminal Buildings may change.

Terminal A-West, is an International Terminal, that lies within Tinicum Township, Delaware County offering concession space throughout the terminal in areas within close proximately to gates and outside customs (international baggage claim) area.

Terminals A-East, B, C, D and E each have the majority of concession space located in the concourse/gate areas with minimal locations in the baggage claim areas. Notably Terminals B and C, and Terminals D and E include food, beverage and retail corridors that are located between them.

Terminal F has recently beenexpanded. The concession space, ticketing area, and baggage handling facilities are all currently located at ground level.
2.2.3 Passenger Traffic Information: Historic passenger enplanement information in the form of passenger traffic analysis for PHL is attached as **Attachment B**. Passenger traffic information is also available at:

http://www.phl.org/Business/ReportsPlans/Pages/activityReports.aspx.

Passenger enplanements are expected to change during the term of the Agreement. The City makes no representation or warranty and assumes no responsibility or liability with regard to the number of passengers.

2.2.4 Ongoing Business: The Proposers shall note that the current concession developercontinues to sublease concession locations in each of the Terminal Buildings in the ordinary course. The City updates the concession program continuously and considers various ongoing business opportunities. In this regard, with respect to Terminal B, the current concession developer has issued an RFP and may enter into an arrangement whereby a single concession operator will operate (and otherwise be

responsible for) all or substantially all concession locations within that Terminal under a single sublease. All revenues generated under any such arrangement, would be part of the Total Gross Concession Revenues as defined in Section 3.5 of this RFP.

2.3 Minimum Qualifications & Requirements:

2.3.1 Eligibility**:** To be eligible for the City's review, each Proposer and the Proposal submitted, must satisfy the minimum qualifications identified in this Section 2.3, which recognize and address the described Objectives, set forth in Section 2.1. The Selected Proposer will be solely responsible to the City for all skills, resources, and activities required to maintain the Terminal Concession Program in accordance with the City's Objectives.

All Proposers must demonstrate a minimum of five (5) years of continuous prior experience, within the last ten (10) years, in the marketing, leasing, and management of airport food, beverage, retail and passenger services concessions. Any Proposer that is a newly created business entity, including a joint venture, must contain at least one component entity that satisfies the requirements of the preceding sentence. All Proposers must have experience directly marketing, leasing, managing, monitoring and providing construction management for food, beverage, retail and passenger services concessions at a minimum of at least one large airport facility comparable to PHL.

2.3.2 Disclosure Forms: Each Proposer shall disclose all information required under Chapter 17-1400 of the Philadelphia Code and must complete the Campaign Contribution Disclosure forms set forth in **Attachment C**.

2.3.3 Proposers Restrictions:

A. No Proposal will be accepted or selected from, nor will the City enter into any contract negotiations with, any City employee or official, or any firm in which a City employee or official has a direct or indirect financial interest. Any Proposal may be rejected that, in the City's sole judgment, does not comply with these conditions.

B. No Proposal will be accepted or selected from, nor will the City enter into any contract negotiations with, any person, firm or corporation that is in arrears or is in default, which has not been cured, of any debt to the City (including, without limitation, tax delinquencies). See Section 4.4.2. Any unsatisfied contract obligation, or surety obligation to the City by a Proposer (or component entity) will similarly disqualify a Proposal. A Proposal from a person, firm, or corporation that is/was in default under any existing or previous contract with the City, or has failed to execute a contract that the Proposer negotiated with the City will similarly be disqualified.

C. No Proposal will be accepted or selected from, nor will the City enter into any contract negotiations with, any Proposer that is involved in litigation against the City, including but not limited to negotiations to settle a claim against the City.

D. No Proposal will be accepted or selected from, nor will the City enter into any contract negotiations with, any Proposer that has been prohibited by the City from entering into any City contracts.

E. Incomplete Proposals will not be considered.

F. All Proposals submitted by Proposers who have engaged in any form of collusion in the preparation or submission of Proposals shall be rejected.

G. The following activities will be **expressly prohibited** under the Agreement:

1. Operation of any food, beverage, retail or passenger services concession facilities at PHL by the Concession Manager (defined in Section 3.1);

2. Investment in, or partnership with, (joint venture) with in any way, or representation of in any way, or entering into any financial agreement with any food, beverage, retail, or passenger services Concession Operator (as defined in Attachment I) doing business at PHL; and

3. The sale of any goods or services not authorized under the Agreement.

2.3.4 Insurance Requirements. The Concession Manager shall procure and maintain, at its sole cost and expense, during the entire term of the Agreement (including any renewal periods and tail coverage periods), the types of insurance required by **Attachment D.**

2.3.5 Nondiscrimination:

A. The Proposer must be determined by the City to be compliant with all nondiscrimination requirements of the US Department of Transportation, the Commonwealth of Pennsylvania and the City of Philadelphia. Accordingly, the Proposer must be compliant with 49 CFR Parts 21, 23 and 26, the Pennsylvania Human Relations Act, 43 P.S. §§951-963, the Fair Practices Ordinance of The Philadelphia Code (Chapter 9-1100), Chapter 17-400 of the Philadelphia Code and the Mayor's Executive Order No. 4-86, as each may be amended from time to time.

B. The Proposer shall agree to ensure fair and equal employment of all persons, including the meaningful and substantial employment of socially and economically disadvantaged individuals (as defined in 49 CFR §23.3) in all aspects of the Agreement with the City. Proposers shall agree to incorporate this obligation into their subcontracts and to require all their contractors (and approved subcontractors), consistent with this obligation, to adhere to fair and equal employment practices, including the hiring and employment of socially and economically disadvantaged persons.

2.3.6 Completion of Airport Concession Disadvantaged Business Enterprise (“ACDBE”) Participation Schedules and Certifications:

A. Pursuant to 49 CFR Part 23, as amended, each Proposer must certify that it shall not discriminate against any business owner on the basis of the owner's race, color, national origin or sex in connection with the selection of Proposer or performance of any concession agreement entered into as the result of Proposer's selection by City, or management contract, or subcontract, purchase or Agreement agreement covered by 49 CFR Part 23.

B. Accordingly, as set forth in Section 3.3 of this RFP, each Proposer must complete the documents required in Section 5.5.3(b) & (f), and the following documents in **Attachment E**, either: (i) the Schedule for ACDBE Participation; or (ii) the Request for Good Faith Efforts Review documents in **Attachment E**, including the Schedule for Partial Participation by ACDBEs and the Certification of the Unavailability of ACDBEs.

C. Proposal instructions for ACDBE Participation and completion of the required ACDBE Participation forms are included in **Attachment E** to this RFP entitled "INSTRUCTIONS, FORMS AND CONTRACT PROVISIONS RELATING TO PARTICIPATION OF DISADVANTAGED BUSINESS ENTERPRISES IN CITY AIRPORT CONCESSIONS CONTRACTS," and made a part of this RFP. Proposers are advised to carefully review these special instructions. Compliance with this Section and **Attachment E** are a material part of this RFP.

2.3.7 Philadelphia Tax and Regulatory Status and Clearance Statement and Commercial Activity License (formerly the Business Privilege License Number) Requirements:

A. It is the policy of the City of Philadelphia to ensure that each contractor and subcontractor has all required licenses and permits and is current with respect to the payment of City taxes or other indebtedness owed to the City (including, but not limited to, taxes collected by the City on behalf of the School District of Philadelphia), and is not in violation of other regulatory provisions contained in The Philadelphia Code. To assist the City, through its Department of Revenue and Department of Licenses and Inspections, in determining this status, each Proposer is required to complete and return with its Proposal, The City of Philadelphia Tax and Regulatory Status and Clearance Statement Form (included with this RFP as **Attachment F**).

B. If the Proposer is not in compliance with the City's tax and regulatory codes, an opportunity will be provided to enter into satisfactory arrangements with the City. If satisfactory arrangements cannot be made within a week of being notified of their non-compliance, Proposers may not be eligible to enter into contract negotiations with the City, as contemplated by this RFP.

C. The Selected Proposer will also be responsible for obtaining the above information in Sections A and B hereinabove from its proposed subcontractors (if any). If a proposed subcontractor is not in compliance with City codes and fails to enter into satisfactory arrangements with the City, the non-compliant subcontractor may be ineligible to participate in the contract contemplated by this RFP and the

Selected Proposer shall be required to replace the non-compliant subcontractor with a compliant subcontractor.

D. If a Proposer or a proposed subcontractor is not currently in compliance with the City's tax and regulatory codes, please contact the Revenue Department to make arrangements to become compliant at 215-686-6600 or revenue@phila.gov. Proposers who do not have a City of Philadelphia Business Income and Receipts Tax Account Number (formerly Business Privilege Tax Account Number) and Commercial Activity License Number (formerly Business Privilege License Number) will be required to obtain both if selected to enter into the Agreement[1].

E. Applications for a Business Income and Receipts Tax Account Number or a Commerical Activity License Number[2] may be made on line by visiting The City of Philadelphia Business Services Portal at:

http://business.phila.gov/Pages/Home.aspx

and clicking on "Register Your Business." If you have specific questions, call the Department of Revenue at 215-686-6600 for questions related to The City of Philadelphia Business Income and Receipts Tax Account Number or the Department of Licenses and Inspections at 215-686-2490 for questions related to the Commercial Activity License.

SECTION 3: SCOPE OF SERVICES

3.1 General:

The Selected Proposer shall enter into the Agreement to manage the Terminal Concession Program at PHL to include: (1) the management of the food, beverage, retail and passenger services concession program at PHL, demonstrating experience in managing airport concession operations (including, marketing and leasing strategies; (2) construction management services; (3) a financial proposal; (4) ACDBE participation; and (5) general conession management plans and strategies, and performing all other services as generally outlined in **Attachment I** to this RFP ("Terminal Concession Management Services"). The City and the Selected Proposer will negotiate the final scope of Terminal Concession Management Services and the terms and conditions of the Agreement.

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[1] Applicants that have a Business Privilege Tax Number should use that number, as it is automatically their Commercial Activity License Number, and need not apply for a new Commercial Activity License Number. Similarly, Applicants with a Business Privilege Tax Account Number should use that number as their Business Income and Receipts Tax Account Number.

[2] Commercial Activity Licenses are not typically required for non-profit organizations; however, Business Income and Receipts Tax Account Numbers typically are required.

The Selected Proposer shall be responsible to the City for providing all skills, resources, and activities required to develop, manage and operate the Terminal Concession Program for the existing and future locations in the Terminal Concession Program in accordance with the City's Objectives. The Concession Manager shall be compensated for these Terminal Concession Management Services solely through the Financial Proposal submitted under Section 5.1.1. herein without separate reimbursement for expenses incurred. (The Selected Proposer who enters into the Agreement with the City shall hereinafter be referred to as the "Concession Manager".)

As part of its Terminal Concession Management Services, in addition to construction management services related to all individual Concession Operator (as defined in Attachment I) locations, the Concession Manager shall provide design and planning services and construction management services for common space improvements and base building improvements for the Terminal Concession Program.

In addition, the City may request that the Concession Manager contract for certain common space and base building construction and improvements related to the Terminal Concession Program, provided that the Concession Manager's costs for such construction and improvements would be reimbursed under a separate agreement with the Philadelphia Authority for Industrial Development ("PAID"). A construction and improvements budget would be agreed upon by the Concession Manager and the City prior to the Concession Manager contracting for such construction and improvements with PAID. The reimbursement of construction and improvements costs incurred, in accordance with the budget, would be paid to the Concession Manager by PAID, pursuant to the separate agreement to be made between PAID and the Concession Manager. Some other financing arrangement with regard to the reimbursement of construction and improvements may be considered.

The separate agreement with PAID would provide for written approval to be obtained from the City of plans for any such construction and improvements prior to any construction or improvements being undertaken. Any such approval of the plans under the separate agreement with PAID would require that the Concession Manager and PAID submit to the City's Office of Economic Opportunity ("OEO") an Economic Opportunity Plan ("EOP") containing commitments to include minority-owned, woman-owned, and/or disabled-owned businesses ("M/W/DSBEs") in the Concession Manager's design and/or construction contracts, along with a plan for the employment of a diverse workforce. The OEO initially would provide to the Concession Manager a form of EOP, and would establish appropriate ranges for the participation of M/W/DSBEs and workforce goals.

3.2 Future Concession Locations:

The City agrees to work with the Concession Manager periodically throughout the term of the Agreement to identify any potential future concession locations within the Terminal Buildings. If the City identifies any future concession locations, it shall notify Concession Manager in writing of the availability of such space. Concession Manager shall have one hundred eighty (180) days from the receipt of the notice to present a sublease to the City for the City's approval (or to commit itself in writing) to operate such future concession location. In the event Concession Manager fails to present a proposed concession

concept and proposed concession operator to the City for the City's approval for such future concession location within said one hundred eighty (180) day period, Concession Manager shall have no further rights with respect thereto, and the City may thereafter enter into an agreement for such space with any party for the operation of any non retail business or use such space for any non retail use, notwithstanding Concession Manager's concession rights under the Agreement.

3.3 Participation of Disadvantaged Business Enterprises:

3.3.1 This RFP is issued under the regulations of the U.S. Department of Transportation ("USDOT"), 49 C.F.R. Parts 23 and 26, as amended. It is the policy of the City of Philadelphia and USDOT that certified Airport Concession Disadvantaged Business Enterprises ("ACDBE(s)"), as defined in 49 CFR Part 23, as amended), shall have a fair opportunity to participate in the performance of airport concessions contracts, which relate to Federal funds received by Philadelphia International Airport since 1988 and which funds were authorized under Title 49 of the United States Code.

3.3.2 Each Proposer shall be required to provide concession management services in accordance with the City's ACDBE Program and the above regulations by using good faith efforts to satisfy the following ACDBE participation goals:

a. Concession Manager Goal: 30% of Ownership and/or Goods/Services provided annually; and

b. Concession Program Goal: 35% of annual Gross Sales.

The Concession Manager Goal is the Pennsylvania Unified Certification Program ("PaUCP") certified ACDBE participation goal for concession management services provided by the Proposer. The Concession Program Goal is the PaUCP certified ACDBE participation goal for concession operations.

3.3.3 Proposers must use their best efforts to include services in their Proposals, which represent meaningful participation by ACDBEs and require the same meaningful ACDBE participation by their Concession Operators. Accordingly, Proposers mustcomplete the mandatory forms in Sections 5.5.3(b) & (f), and **Attachment E** of this RFP. Said ACDBE Participation must comply with the requirements of 49 CFR Parts 23 and 26, Section 2.3.6, this Section 3.3 and Sections 5.5.3(b) & (f) and 5.5.4 of this RFP as well as **Attachments E** and **I** of this RFP.

3.4 Duration:

The term of the Agreement contemplated by this RFP shall be for a seven (7) year term with an option for a 3-year renewal and thereafter a 2-year renewal, all renewals in the sole and absolute discretion of the City. Only if the Renewal Performance Criteria described below are satisfied will a renewal be considered. The effective date of the Agreement shall be negotiated between the City and the Selected Proposer, but is expected to be July 1, 2014. The Renewal Performance Criteria shall be a combination of: (1) total concession sales per enplaned passengers of not less than $12.00 in each of

the Agreement Years, (2) total Rental Payment or Flat Fee Compensation to the City of not less than those shown on the Proposer's proforma as set forth in the completed **Attachment G**, (3) ACDBE participation of not less than the level set forth above in Section 3.3, (4) consistent monitoring of the concession operators' performance and the enforcement of the concession operations standards as developed by the Proposer in conjunction with the Airport, and (5) the development of a Terminal Concession Program consistent with the variety and quality of products and services outlined in the Proposal and agreed upon by the City and consistent with the Objectives set forth in Section 2.1.1 herein.

3.5 Financial Offer:

Each Proposer shall provide a financial offer to the City ("Rental Payment") in the form of a percent of the Total Gross Concession Revenues to be paid by the Proposer. The Rental Payment shall represent the Concession Manager's payment to the City for the privilege of managing the Terminal Concession Program at PHL. The portion of Total Gross Concession Revenues retained by the Concession Manager shall constitute the Concession Manager's compensation for Terminal Concession Management Services required to be performed to achieve the City's Objectives pursuant to the Agreement. In lieu of the Rental Payment set forth herein, the Proposer may, but shall not be required to, propose a flat fee ("Flat Fee Compensation").There shall be no other fees due to the Concession Manager provided, however, the City may request that the Concession Manager provide certain additional services ("Additional Services"). Upon request of the City, the Concession Manager shall provide a fee proposal for the Additional Services. If accepted by the City, the City shall pay the Concession Manager for the Additional Services in accordance with the fee proposal.

"Total Gross Concession Revenues" means all receipts of any kind and nature actually paid to the Concession Manager in connection with its operation of the Terminal Concession Program from any and every source, including, without limitation, all amounts paid to Concession Manager by Concession Operators, (and other businesses and individuals other than concesssion operators by virtue of (or in connection with) the Agreement), whether such amounts represent rent based on Gross Concession Sales as further described in the Agreement including: base rent, minimum annual guarantee payments, profit share, percentage rent, service charges, liquidated damages, late fees, or any other charges payable to Concession Manager from a Concession Operator and further amounts as described in the Agreement.

A financial proposal form set forth in Section 5.1.1 and **Attachment G** of this RFP shall be completed and the form shall not be modified.

SECTION 4: INSTRUCTIONS TO PROPOSERS AND GENERAL CONTRACT/AGREEMENT REQUIREMENTS

4.1 General:

4.1.1 Proposals must be prepared to include the forms provided and information identified in Section 5 of this RFP. Proposals that contain omissions, erasures, alterations, conditions, or additions to forms provided may be rejected, in the City's sole and absolute discretion.

4.1.2 Failure to answer all questions completely and furnish all information required in this RFP may result in disqualification of the Proposer. The City reserves the right to thoroughly investigate the financial status and experience of the Proposer, any of its subcontractors and proposed concession operators.

4.1.3 Eight (8) original Proposals must be submitted in sealed envelope(s), and/or sealed box(es) addressed to the Procurement Commissioner, at the location specified in Section 1.3 of this RFP, with the words "**MASTER LEASE AND CONCESSION MANAGEMENT AGREEMENT at PHILADELPHIA INTERNATIONAL AIRPORT"** plainly written on the face of the sealed envelope(s), and/or sealed box(es). **The name and address of the Proposer, the RFP number (C-102-14) and the submission date must also appear on the face of the envelope(s), and/or box(es). Please also include with the originals, one (1) copy of the proposal in electronic format either on CD-ROM or jump drive.**

4.2 Signatures:

All Proposals must include the following information and must be signed, at the end of Section 5 as follows below. **Proposals that are not properly signed will not be accepted**.

4.2.1 Individuals: If the Proposal is made by an individual, the Proposal must be signed by the individual, the individual's full name must be typed or printed under the signature line and the Proposal must include the individual's mailing address;

4.2.2. Partnerships: If the Proposal is made by a partnership, the Proposal must:

A. Be signed by at least one of the general partners with authority to bind the partnership and the name of the general partner must be typed or printed under the signature line;

B. Include the name and mailing address of the partnership; and

C. Include a copy of the partnership agreement, or other document authorizing the general partner to sign the Proposal to bind the partnership.

4.2.3. Corporations: If a corporation makes the Proposal, the Proposal must:

A. Be signed by the president or vice president of the corporation, and the secretary or treasurer must attest the signature and the names of the corporate officers must be typed or printed under the signature lines;

B. Include the name and mailing address of the corporation; and

C. Include a copy of the corporation's bylaws or a corporate resolution authorizing the corporate officer signing the Proposal to bind the corporation.

4.2.4 Joint Ventures: If the Proposal is made by a joint venture, the Proposal must:

A. Be signed by all joint venture partners and the names of the joint venture partners must be typed or printed under the signature lines;

B. Include the name and mailing address of the joint venture; and

C. Include a copy of the joint venture agreement or other documentation signed by each member of the joint venture and, if applicable, any documentation necessary to show that the individuals signing on behalf of each joint venture partner are authorized to bind the joint venture.

4.2.5 In order to have the foregoing ownership counted toward the thirty percent (30%) Concession Manager Goal set forth in Section 3.3.2 of this RFP, the Proposer must be a PaUCP certified ACDBE or a joint venture with a PaUCP certified ACDBE owner. The joint venture must meet the requirements of 49 CFR Part 23 and the FAA's Joint Venture Guidance (July 2008). In addition, Proposer must complete the documents required in Section 5.5.3 and **Attachment E**, which show that Proposer is an ACDBE or has ACDBE ownership.

4.3 Delivery of Proposal:

IT SHALL BE THE RESPONSIBILITY OF THE PROPOSER TO DELIVER THE PROPOSAL PRIOR TO 10:30 AM PREVAILING LOCAL TIME ON THE SUBMISSION DATE AS FOUND ON THE COVER PAGE OF THIS RFP (JANUARY 28, 2014). LATER DELIVERY FOR ANY REASON WILL DISQUALIFY THE PROPOSER. IT IS THE PROPOSER'S RESPONSIBILITY TO ENSURE PROPOSALS ARE SUBMITTED BY THE SUBMISSION DATE AND TIME AND TO VERIFY RECEIPT OF PROPOSALS BY THE PROCUREMENT DEPARTMENT. PLEASE AFFORD ADDITIONAL TIME FOR SECURITY SIGN-IN PROCEDURES AT THE MUNICIPAL SERVICES BUILDING IF HAND-DELIVERING PROPOSALS ON THE SUBMISSION DATE.

4.4 General Citywide and Certain Airport Contract Requirements:

4.4.1 Any Proposer selected to enter into the Agreement shall expect the Agreement to contain terms acceptable to the City for the Terminal Concession Program at PHL as required by this RFP and, including without limitation, terms which are substantially similar to the City-wide provisions set forth in this Section 4 . The terms and conditions provided or described in this Section 4 are generally required by the City in contracts for services of the type sought by this RFP. The City reserves the right, however, to require or negotiate different and/or additional terms and conditions in any final agreement resulting from this RFP if, in the sole and absolute judgment of the City, it is in the best interest of the City to do so, without notice to other Proposers and without affording other Proposers any opportunity to revise their Proposals based on such different or additional terms.

4.4.2 Certificate of Non-Indebtedness**.** The Concession Manager by submitting a Proposal certifies and represents that the Concession Manager and the Concession Manager's parent company(ies) and subsidiary(ies) are not currently indebted to the City and will not, if an Agreement is executed with Concession Manager, at any time during the term of the Agreement (including any extensions or renewals thereof) be indebted to the City, for or on account of any delinquent taxes (including, but not limited to, taxes collected by the City on behalf of the School District of Philadelphia), liens, judgments, fees or other debts for which no written Concession Manager payment plan satisfactory to the City has been established. In addition to any other rights or remedies available to the City at law or in equity, the Concession Manager acknowledges that any breach or failure to conform to this certification may, at the option of the City, result in the withholding of payments otherwise due to the Concession Manager under the Agreement and, if such breach or failure is not resolved to the City's satisfaction within a reasonable time frame specified by the City in writing, the City may effect an increase in the Rental Payment due to the City under this Agreement to recover the debt and/or may terminate the Agreement for default (in which case the Concession Manager shall be liable for all excess costs, including attorney's fees, and other damages resulting from the termination).

4.4.3 Business Interests In Northern Ireland**:**

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

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

C.The Concession Manager agrees to cooperate with the City's Director of Finance in any manner, which the said Director deems reasonable and necessary to carry out the Director's responsibilities under Section 17-104 of The Philadelphia Code. The Concession Manager expressly understands and agrees that any false certification or representation in connection with this Paragraph and/or any failure

to comply with the provisions of this Paragraph shall constitute a substantial breach of this Agreement entitling the City to all rights and remedies provided in this Agreement or otherwise available in law (including, but not limited to, Section 17-104 of The Philadelphia Code) or equity. In addition, it is understood that false certification or representation is subject to prosecution under Title 18 Pa.C.S.A Section 4904.

4.4.4 Non-Discrimination:

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

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

B. In accordance with Chapter 17-400 of The Philadelphia Code, as it may be amended from time to time, Concession Manager hereby agrees that its payment or reimbursement of membership fees or other expenses associated with participation by its employees in an exclusionary private organization, insofar as such participation confers an employment advantage or constitutes or results in discrimination with regard to hiring, tenure of employment, promotions, terms, privileges or conditions of employment on the basis of race, color, sex, sexual orientation, religion, national origin or ancestry, constitutes, without limiting the generality of the Default and Remedies sections of the Agreement, is a substantial breach of the Agreement entitling the City to all rights and remedies provided in the Agreement or otherwise available at law or equity.

C. Concession Manager agrees to cooperate with the Commission on Human Relations of The City of Philadelphia in any manner, which the Commission deems reasonable and necessary for the Commission to carry out its responsibilities under Chapter 17-400 of The Philadelphia Code. Failure to so cooperate shall constitute, without limiting the applicability of the Default and Remedies sections of the Agreement, termination for default, a substantial breach of the Agreement entitling

the City to all rights and remedies provided herein or otherwise available at law or equity.

4.4.5 Americans With Disabilities Act**:** Concession Manager understands and agrees that no individual with a disability shall, on the basis of the disability, be excluded from participation in the Agreement or from activities or services provided under the Agreement. As a condition of accepting and executing the Agreement, Concession Manager shall comply with all provisions of the Americans With Disabilities Act (the "Act"), 42 U.S.C. §§12101 - 12213, and all regulations promulgated thereunder, as the Act and regulations may be amended from time to time, which are applicable (a) to Concession Manager, (b) to the benefits, services, activities, facilities and programs provided in connection with the Agreement, (c) to the City, or the Commonwealth of Pennsylvania, and (d) to the benefits, services, activities, facilities and programs of the City or of the Commonwealth, and, if any funds under the Agreement are provided by the federal government, which are applicable to the federal government and its benefits, services, activities, facilities and programs. Without limiting the applicability of the preceding sentence, the Concession Manager shall comply with the "General Prohibitions Against Discrimination," 28 C.F.R. Part 35.130, and all other regulations promulgated under Title II of "The Americans With Disabilities Act," as they may be amended from time to time, which are applicable to the benefits, services, programs and activities provided by the City through contracts with outside contractors.

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

4.4.7 Ethics Requirements:

A. To preserve the integrity of City employees and maintain public confidence in the selection process for competitively bid contracts, the City shall vigorously enforce the various ethics laws as they relate to City employees in the selection of Proposers, and the negotiation and execution of City contracts, including but not

limited to the Pennsylvania Ethics Act, 65 Pa.C.S. §1101 et seq; Chapter 20-600 of the Philadelphia Code and Article X of the Philadelphia Home Rule Charter.

B. The Concession Manager and its sub-licensees, contractors, and subcontractors must not offer or give, directly or indirectly, anything of value to any City official, officer or employee, including any gift, gratuity, favor, entertainment, invitation, food, drink or loan, the receipt of which would violate Executive Order No. 03-11 issued by the Mayor of Philadelphia on January 25, 2011.

C. Any person who offers or gives anything of value to any City official, officer, or employee, the receipt of which violates Executive Order No. 03-11 or any of the various ethics laws applicable to City contracts, is subject to sanctions. The sanctions may range from disqualification from participation in particular City contract(s), to debarment, depending on the nature of the particular violation. The terms and duration of the sanctions, after consultation with the Chief Integrity Officer, will be pursuant to any rules the Procurement Commissioner promulgates with respect to contracts subject to competitive bidding, or as the Director of Finance promulgates with respect to all other contracts.

D. The City may, at its sole discretion consider it an Event of Default under the Agreement if the Concession Manager or its Concession Operators, sub-licensees, subtenants, contractors, and subcontractors offer or give, directly or indirectly, anything of value to any City officer, director, or employee in violation of this Section 4.4.7.

4.4.8 Tax Requirements:

A. The Agreement will be entered into in the City and the Concession Manager's delivery of goods into the City, or performance of services in the City, is "doing business" in the City and subjects the Concession Manager to the City's tax requirements, including without limitation one or more of the following taxes: (i) Business Privilege Taxes; (ii) Net Profits Tax; and (iii) City Wage Tax. At all times during the term of the Agreement, Concession Manager shall timely pay and be in compliance with the City's tax requirements.

B. In addition to the City's tax requirements, the Concession Manager shall timely pay all federal, state, and local taxes, assessments, and levies, however characterized (collectively, "Assessments") that apply to the Agreement, and the Concession Manager's activities under the Agreement. The Concession Manager is solely liable for all late charges, interest, penalties, and fees arising from the Concession Manager's failure to timely pay all Assessments. The City is not obligated at any time during the term of the Agreement to pay any Assessments related to the Agreement or the Concession Manager's activities under the Agreement.

C. The Concession Manager's failure to comply with the requirements of the Agreement regarding payment of Assessments, or Concession Manager's failure to

otherwise pay an Assessment as required by applicable law, is an Event of Default of the Agreement.

4.4.9 Philadelphia 21st Century Minimum Wage and Benefits Standard: The Concession Manager, if it employs more than five (5) employees or is otherwise subject to Philadelphia Code Chapter 17-1300, as specified therein, (but not any Concession Operator or other subcontractor to the Concession Manager, subject to the last paragraph of this Section 4.4.9) shall comply with the minimum compensation (aka "living wage") standards in Section 17-1305 by: (1) providing its covered employees with an hourly wage, excluding benefits, that is at least one hundred and fifty percent (150%) of the federal minimum wage; (2) to the extent the Concession Manager provides health benefits to any of its employees, providing each full-time, non-temporary, non-seasonal covered employee with health benefits at least as valuable as the least valuable health benefits that are provided to any other full-time employees of the Concession Manager; and (3) providing each full-time, non-temporary, non-seasonal covered employee at least the minimum number of earned sick leave days required by Philadelphia Code Section 17-1305(2).

Concession Manager shall promptly provide to the City all documents and information as the City may require verifying its compliance with the requirements of Chapter 17-1300. Furthermore, Concession Manager shall notify each affected employee what wages are required to be paid. The City's Office of Labor Standards may grant a partial or total waiver of Section 17-1300 based on specific stipulated reasons elaborated in Section 17-1304 of the Philadelphia Code.

City Council Bill No. 130532, Resolution No. 130544, and an amendment to the Philadelphia City Charter provided for therein, may be approved. Irrespective of such approval, the minimum compensation standards in Philadelphia Code Section 17-1305 will be applied to each Concession Operator whose sublease agreement with the Concession Manager is made, amended, or extended on or after the date of the Concession Manager's agreement arising from this RFP. Additional application of those wage and benefit standards may be required by Philadelphia Code Chapter 17-1300, as amended. Concession Manager shall be required to monitor compliance and the Concession Operators shall report to the City on that compliance periodically. Such reporting may also be required by the City to include data related to the implementation of the wage and benefit standards.

4.4.10 Business, Corporate and Slavery Era Insurance Disclosure: In accordance with Section 17-104 of The Philadelphia Code, Concession Manager, after execution of the Agreement, shall complete an affidavit certifying and representing that Concession Manager (including any parent company, subsidiary, exclusive distributor or company affiliated with Concession Manager) has searched any and all records of the Concession Manager or any predecessor company regarding records of investments or profits from slavery or slaveholder insurance policies during the slavery era. The names of any slaves or slaveholders described in those records must be disclosed in the affidavit. Concession Manager expressly understands and agrees that any false certification or representation in connection with the affidavit and/or any failure to comply with the provisions of these requirements shall constitute a substantial breach of the Agreement entitling the City to all

rights and remedies provided in the Agreement or otherwise available in law (including, but not limited to, Section 17-104 of The Philadelphia Code) or equity and the contract will be deemed voidable. In addition, it is understood that false certification or representation is subject to prosecution under Title 18 Pa.C.S.A. Section 4904.

4.4.11 Confidential and Proprietary Information of The City: The Concession Manager shall treat all information it obtains from the City that is not generally available to the public as confidential and proprietary to the City. The Concession Manager shall exercise all reasonable precautions to prevent any confidential and propriety information it obtains from the City from being disclosed to any other person or entity. The Concession Manager shall indemnify, defend, and hold harmless the City from and against all liabilities, demands, claims, suits, losses, damages, causes of action, fines and judgments (including attorney's fees) resulting from or related to any use or disclosure of any City confidential or proprietary information by the Concession Manager or its employees, or by any person acquiring that information, directly or indirectly, from the Concession Manager or its employees. The Concession Manager's obligations under this provision survive the Agreement end date.

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

4.4.13 Campaign Contribution Disclosures: Proposers and their subcontractors, concessionaires, subconcessionaires and tenants are required to disclose their campaign contributions to political candidates and incumbents who are running for, or currently serving in, a local (Philadelphia) or state-wide elected office anywhere within the Commonwealth of Pennsylvania (federal campaign contributions are not included); any consultants used in responding to the RFP and contributions those consultants have made; prospective subcontractors; and whether Proposer or any representative of Proposer has received any requests for money or other items of value or advice on particular firms to satisfy minority-, woman- or disabled-owned business participation goals from City employees. For more information on the disclosure requirements, please consult reference materials provided by the City on its eContract Philly website found at: https://secure.phila.gov/eContract/ under "Disclosure/Eligibility" prior to completing the required disclosure forms. **Attachment C**, entitled Campaign Contribution Disclosures must be completed by each Proposer.

4.4.14 Indemnification: The Concession Manager shall agree as part of the Agreement to defend, indemnify and hold harmless the City, its representatives, elected and appointed officials, officers, agents and employees from and against any and all loss, costs, liability, expenses, damages of whatever nature, causes of action, suits, claims, demands, judgments, awards and settlements including, without limitation, payments of claims or liability resulting from or occasioned by, wholly or in part, directly or indirectly, Concession Manager's act or omission or negligence or fault in connection with the Agreement, including but not limited to, those in connection with any injury or death of any person or damage to or destruction of any property, the contamination of the Leased Premises (as defined in Attachment I, Section II.A.1. and any location used by a Concession Operator or Concession Manager, failure to pay Concession Operators or subcontractors, any infringement or violation of any property right (including patent, trademark, copyright etc.), arising in connection with the Agreement, and the use of the Leased Premises or any location used by the Concession Manager or any Concession Operator, or any of their respective principals, officers, agents, employees, contractors or subcontractors except to the extent any of the foregoing is due to the sole negligence of the City, its officials, officers, agents or employees

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

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

4.4.15 Performance Bond: Prior to the execution of the Agreement by the City, the Concession Manager will be required to provide the City with a performance bond or irrevocable letter of credit in the amount of twenty-five percent (25%) of the anticipated annual Rental Payment (as defined in Section 3.5 herein) due to the City during the Agreement term including any optional renewals as security for the faithful performance of and compliance with all the terms and conditions of the Agreement. Failure to secure such bond or letter of credit for the term may be considered a breach of the Agreement and will entitle the City to all rights and remedies under the law. In the event that the City uses any or all of the proceeds of a performance bond or draws down on a irrevocable letter of credit, the Concession Manager shall be required to immediately replace the performance bond or the irrecorable letter of credit in the amounts set forth in this paragraph.

4.4.16 Contract Preparation Fee: Furthermore and pursuant to Section 17-702 of the Philadelphia Code, charges by The City of Philadelphia Law Department, in connection with the preparation of the Agreement, or any amendment thereto, are as follows:

Contract Value	**Preparation Fee**
$0-$30,000	$50
$30,001-$100,000	$200
$100,001-$500,000	$500
$500,001-$1,000,000	$900
Over $1,000,000	$1,500

4.4.17 City's Right to Inspect: Concession Manager shall keep and make available complete and accurate books of accounts, financial records, and other records (collectively, "Books and Records") within the City relating to the Concession Manager's management and operation of the Terminal Concession Program. The Concession Manager shall maintain its Books and Records, as well as any/all records of Concession Operators that the City requires the Concession Manager to maintain, in accordance with generally accepted accounting principles consistently applied. Concession Manager will be required to maintain records of Concession Operators' compliance with minimum wage and benefit standards contained in Philadelphia Code Chapter 17-1300, as described in Section 4.4.9 of this RFP. The City may inspect and audit all of the Concession Manager and the Concession Operator's Books and Records and Concession Manager and the Concessions Operator's affairs at all reasonable times at the Airport, or any other place the City may require, as more specifically defined in the Agreement.

4.4.18 Authorization of Contract by City Council: In accordance with Section 8-201 of the Home Rule Charter of the City of Philadelphia, the Agreement negotiated by the City with the Successful Proposer in response to this RFP must be authorized by ordinance by Philadelphia City Council before the City can execute the Agreement.

SECTION 5: SUBMITTAL REQUIREMENTS: PROPOSAL FORMAT AND CONTENT

[PLACE THIS SECTION AT THE FRONT OF YOUR PROPOSAL PACKAGE]

5.1 Proposal Form:

INSTRUCTIONS: The information and materials requested in this Section 5 must be completed in accordance with the terms and conditions of this RFP. Eight (8) original Proposals must be submitted to the address listed in Section 1.3.

The Proposer hereby submits to the City of Philadelphia, through its Procurement Department, this Proposal for the right and obligation to market, lease, and manage food, beverage, retail and passenger services concessions at PHL, as more fully described herein in the attached RFP.

5.1.1 Financial Proposal:

Based upon the terms, provisions and conditions of this RFP, the undersigned hereby agrees to pay the following Rental Payment to the City for the privileges provided under the Agreement during Agreement Years one through seven. The percentage retained from Total Gross Concession Revenues shall constitute the undersigned full compensation for the performance of Terminal Concession Management Services. In lieu of the foregoing, Proposer, may but is not required to, submit Flat Fee Compensation for each year of the Agreement.

Contract Year	Percentage of Total Gross Concession Revenues	Flat Fee Compensation (Optional)
Year 1	_____%	$_____
Year 2	_____%	$_____
Year 3	_____%	$_____
Year 4	_____%	$_____
Year 5	_____%	$_____
Year 6	_____%	$_____
Year 7	_____%	$_____
	Total (For Flat Fee)	$_____

Proposer must submit completed Proforma on form attached as Attachment G.

Submitted by:
[Please type or print]

5.2 Qualifications Statement: Proposer Profile and Business Experience:

The Proposer gives the following assurances, representations and covenants that the Proposer is fully qualified to provide Terminal Concession Management Services at PHL. The undersigned Proposer further affirms that the following information is true, accurate and complete in all respects.

5.2.1 Proposer Profile:

A. Provide a brief history of your organization and an executive summary that describes your company's qualifications. This summary shall include number of employees and number of years in airport concession management services business.

B. Indicate any parent or subsidiary relationships with other businesses.

C. Corporate office organizational structure.

If you are a corporation, in Section 5.3 give the date and state of organization and the names and addresses of the officers and directors and complete all other information requested in Section 5.If you are a partnership or a joint venture, in Section 5.3 give the date of agreement, county and state where the agreement was filed, and name and address of each partner and complete all other information requested in Section 5.3. 3.

5.2.2 Financial Information:

A. The undersigned Proposer herewith submits audited financial statements for the three (3) most recently completed fiscal years. Each such statement bears the certification of the independent Certified Public Accountant ("CPA") who originally audited and certified such statements. The CPA's certification must certify and attest to the accuracy of such statements and that the statements represent the results of the application of generally accepted accounting principles.

B. In the absence of audited financial statements, the Proposer should submit the best available information, which will permit the City to assess the Proposer's financial capability and current fiscal operating position.

C. List the surety companies which have heretofore issued performance bonds to Proposer for prior contracts. Give names and addresses of each surety company, amount of each bond and the term of each bond. List any performance bonds that were called the last five years due to unsuccessful completion of a contract. Complete the following:

The Proposer has never ( ) has ( ) [check one] had a bond or surety canceled or forfeited. If the Proposer has had a bond or surety canceled, state the name of the bonding company, date, amount of bond and reason for such cancellation or forfeiture.

D. The Proposer has never ( ) has ( ) [check one] been adjudged bankrupt (Chapter 7), or petitioned the court for relief under the Bankruptcy Code or Act for either business reorganization (Chapter 11) or the Wage Earner's Plan (Chapter 13). If the response is in the affirmative, provide the following information:

(1) Date petition filed
(2) Case No. and jurisdiction
(3) Amount of liabilities and debts
(4) Date of discharge or successful completion of reorganization or wage earner's plan

E. The Proposer submits herewith the following list of at least three (3) persons or firms with whom the Proposer has conducted significant financial transactions during the past two (2) years and who may be contacted by the City. If firms are used, give the name of the department and/or person whom the City may contact. Proposers must attach a letter of reference from each of the persons or firms listed below.

5.3 Business Organization Statement:

5.3.1 General Information:

Name of Firm [Exactly as it would appear on an agreement; if operating under a fictitious name, so indicate.]

_____

_____

Principal Office Address:

_____

_____

_____

Telephone Number:

_____

Form of Business Entity [check one]
( ) Corporation
( ) Partnership
( ) Individual
( ) Joint Venture

5.3.2 Corporation Statement:

If a corporation, answer the following:
Date of Incorporation: _____
Location of Incorporation: _____
Is the corporation authorized to do business in Pennsylvania? Yes ( ) No ( )
If so, as of what date? _____
The corporation is held: Publicly ( ) Privately ( )

Furnish the name, title, and address of each director and officer of the corporation.

DIRECTORS

Name	Address	Principal Business Affiliation Other than Proposer's Directorship

1. _____ _____ _____
2. _____ _____ _____
3. _____ _____ _____
4. _____ _____ _____
5. _____ _____ _____
6. _____ _____ _____
7. _____ _____ _____
8. _____ _____ _____

SHAREHOLDERS

	Name	Address	Number of Shares Owned
1.			
2.			
3.			
4.			
5.			
6.			
7.			
8.			

OFFICERS

	Name	Position
1.		
2.		

3. _____ _____

4. _____ _____

5.3.3 Partnership Statement:

If a partnership, answer the following:
Date of organization: _____
General Partnership ( ) Limited Partnership ( )
Partnership Agreement recorded? Yes ( ) No ( )

Date	Book	Page	County	State

Has the partnership done business in the Commonwealth of Pennsylvania?
Yes ( ) No ( )
When? _____
Name, address, and ownership share of each general partner and each partner owning more than five percent (5%) of the partnership:

	Name	Address	% of Ownership
1.			%
2.			%
3.			%
4.			%
5.			%
6.			%

SECTION 6: PROPOSAL EVALUATION, NEGOTIATION AND SELECTION

6.1 Proposal Evaluation:

6.1.1 Proposals submitted by Proposers and which the City determines, in its sole and absolute discretion, are responsive to this RFP will be reviewed by a selection committee consisting of representatives selected by the Procurement Department and PHL ("Selection Committee").

6.1.2 The City reserves the right to request that Proposers make one or more presentations to the Selection Committee, in City offices, addressing their ability to achieve the Objectives of this RFP, and reserves the further right to conduct on-site investigations of the Proposer's facilities. The City has tentatively scheduled presentations by the Proposers for the Selection Committee for February 2014 with final confirmation of dates to be provided. Secondary presentations and/or site visits may be required.

6.1.3 Financial Compensation set forth in Section 5.1.1. to the City is a material factor, but not the sole or necessarily determining factor in Proposer selection. The City may, at its

sole and absolute discretion, enter into the Agreement resulting from this RFP with a person or entity other than the Proposer offering the highest financial compensation to the City. The City will enter into the Agreement with the Proposer whose Proposal the City determines, in its sole and absolute discretion, to be in the best interest of the City.

6.1.4 Selection Criteria: The following selection criteria will be used by the Selection Committee:

A. Financial Offer

The evaluation of the financial offer provided pursuant to Section 3.5 will be based on the amount of the Rental Payment to be paid by the Concession Manager to the City; projected sales and rental income to the City; and reasonableness and viability of the Proposer's sales and rental income projections.

B. Development and Implementation Plan

The quality and variety of the proposed concession concept plan for PHL; demonstration of market understanding; leasing philosophy and strategy; implementation, construction management and Transition Plan; ACDBE outreach and leasing plan; including a local outreach plan targeting the Philadelphia Metropolitan Area markets, all as more particularly set forth in Section 2.1.

C. ACDBE Participation

The level and the quality of the ACDBE participation proposed by the Proposer for the Terminal Concession Management Services for the Terminal Concession Program as detailed pursuant to Sections 2.3.6, 3.3, 5.5.3, 5.5.4, **Attachment E, Attachment I** and as otherwise required by this RFP.

D. Property Management, Marketing, Advertising and Promotion

The depth and breadth of Proposer's plan for managing tenant relations, performance monitoring methods, incentive programs, employee and customer service training, reporting of tenant operating performance to the Airport, marketing and promotion plans.

E. Background, Experience, and Financial Capability of Proposer

The quality and depth of the Proposer's experience with leasing and managing comparable airport facilities; including construction management; specifically length of time leasing and managing comparable airport and/or other commercial facilities, provided however, in any case the Proposer must satisfy the minimum requirements set forth in Section 2.3.

F. Proposed Management and Key Staff

The quality and depth of experience displayed by the proposed staff in marketing, leasing, on-site property management, and design/construction coordination.

6.1.5 Following the City's review of the Proposals, the City may select one or more Proposer with which to negotiate. The City shall notify Proposer(s) of its selection for negotiations. The date of the Proposer's receipt of the notification of selection for negotiation is confirmed, is referred to herein as the "Selection Notification Date."

6.1.6 Within ten (10) calendar days of the Selection Notification Date or such longer period as the City may authorize in writing, the Proposer(s) shall meet with the City's designated representative(s) at the places and at such times designated by the City, to negotiate, in good faith, the terms and conditions of the Agreement in accordance with the terms of this RFP.

6.1.7 If within thirty (30) calendar days of the Selection Notification Date or such later date as the City may authorize verbally or in writing, the City and the Selected Proposer have not agreed to the terms of the Agreement, the City may reject the Proposal submitted by the Selected Proposer and if, in the City's sole and absolute judgment, the Proposer did not negotiate in good faith, the Proposal Security shall become the property of the City as liquidated damages, and not as a penalty. Otherwise, the Proposal Security will be returned to the Proposer.

6.1.8 As set forth in the Reservation of Rights in Section 6.4 of this RFP, upon rejection of the Proposal of a Selected Proposer, the City, at its option, may either: (a) proceed to negotiate the Agreement with any other Proposer(s), or (b) reject all remaining Proposals submitted in response to this RFP with or without issuing another RFP.

6.2 Selection of Proposer and Negotiation:

6.2.1 Selection of a Proposer by City does not mean the Agreement will be successfully negotiated and executed between the City and the Selected Proposer.

6.2.2 The selection of a Proposer means that the City has decided to enter into negotiations for the Agreement and as set forth in the Reservation of Rights in Section 6.4 of this RFP does not preclude the City from simultaneously negotiating with another Proposer.

6.2.3 The determination of the Selected Proposer shall be made by the City, in its sole and absolute discretion, which decision shall be final.

6.2.4 The City may request submission of additional information to assist it in evaluating any Proposal, and all Proposers responding to this RFP shall cooperate fully with such request.

6.3 Disqualification Of Proposers:

6.3.1 Collusion: If the City has reason, in its sole and absolute judgment, to believe that collusion exists among any Proposers responding to this RFP, none of the participants in such collusion will be considered.

6.3.2 No Proposal shall be received from, or Agreement entered into with, any City employee or official who may have any direct or indirect interest financial and otherwise in such submitted Proposal or the Agreement.

6.3.3 In the event that only one Proposal is received by the City in response to this RFP, the City reserves the right to reject the Proposal and to begin the RFP process anew.

6.4 Reservation of Rights:

6.4.1 The City reserves the right to reject as informal or non-responsive any Proposal that, in the City's sole and absolute judgment, is incomplete, not in conformity with applicable law, not responsive to this RFP or contains erasures, alterations, ambiguities or items of work not called for by this RFP.

6.4.2 Without limiting the generality of any other provision of this RFP, the City reserves the right, at any time prior to execution of the Agreement with the Selected Proposer, to exercise all or any one or any combination of the following rights and options, which rights and options the City may exercise to the extent that the City, in its sole and absolute discretion, deems to be in the City's best interests:

A. To reject the Proposal of any Proposer that submits an incomplete or inadequate proposal;

B. To reject any Proposal submitted from Proposers who fail to meet the minimum qualification criteria as set forth in Section 2.3 herein or who fail to satisfy the submission requirements;

C. To accept or reject, at any time prior to its execution of the Agreement, any or all Proposals or any part thereof submitted in connection with this RFP;

D.To accept or reject any and all Proposals;

E. To re-issue this RFP without change or modification;

F. To supplement, amend, substitute or otherwise modify this RFP or to re-issue this RFP. In any RFP for similar services that may be issued subsequent to this RFP, to require terms and conditions that are substantially different from the terms and conditions set forth in this RFP;

G. To cancel this RFP with or without issuing another RFP;

H. To request additional or clarifying information or more detailed information from any firm or person at any time, including information inadvertently omitted in a proposal;

I. To request that some or all of the Proposers modify Proposals or provide additional information following evaluation by the City;

J. To negotiate any or all of the terms of a Proposer's Proposal, or more than one Proposer's Proposal;

K. To negotiate for acceptable terms in an otherwise unacceptable Proposal, such negotiations may result in changes to material terms of this RFP; in such event, the City shall not be obligated to inform other Proposers of the changes, or permit them to revise their Proposals, unless the City, in its sole and absolute discretion, determines that doing so and permitting such is in the City's best interest;

L. To terminate any negotiations at any time and initiate negotiations with another firm and/or conduct simultaneous, competitive negotiations with multiple firms or to negotiate with several Proposers seriatim;

M. Through negotiations, to enlarge or reduce the scope of services or to change other items that are material to the RFP. In that event, the City shall not be obligated to inform other Proposers of the changes;

N. To enter into a contract, in whole or in part, or enter into multiple agreements, or pursue initiatives on its own;

O. To reject the Proposal of any Proposer that, in the City's sole and absolute judgment, has been delinquent or unfaithful in the performance of any contract with the City, is financially or technically incapable of satisfying the requirements in the RFP, or that is otherwise not a responsible Proposer;

P. To rescind its rejection of any Proposal(s) and negotiate (or resume negotiations) with a previously rejected Proposer;

Q. To waive any informality, technicality, defect, non-responsiveness, or deviation from the requirements of this RFP;

R. To not proceed with the process described in this RFP, or to change any time schedules set forth herein, including without limitation the deadline for submitting Proposals in response to this RFP;

S. To permit, reject, or require, in the City's absolute discretion, amendments (including information inadvertently omitted), modifications, alterations and/or corrections to Proposals by some or all of the Proposers following their submission of Proposals;

T. To conduct such investigations as the City considers appropriate with respect to the financial, technical or qualifications of each Proposer responding to this RFP and any information contained in its Proposal; including without limitation on-site investigations of the facilities of any one or more Proposers, or the facilities where any Proposer performs its services, or any projects performed by any Proposer;

U. To decide not to enter into an Agreement pursuant to this RFP;

V. To require any one or more Proposers to make one or more presentations to the City at the City's offices or other location as determined by the City, at the Proposer's sole cost and expense, addressing the Proposer's Proposal and its ability to achieve the objectives of this RFP;

W. To do any of **the foregoing without notice to Proposers or others, except such notice as the City, in its sole and absolute discretion, elects to post on www.phila.gov/bids (under Public Works Bidding Opportunities).**

6.4.3 Interpretation; Order of Precedence: In the event of conflict, inconsistency or variance between the terms of this Reservation of Rights and any term, condition or provision contained in any notice of contract opportunity, the terms of this Reservation of Rights shall govern.

6.4.4 Headings: The headings used in this Reservation of Rights do not in any way define, limit, describe or amplify the provisions of this Reservation of Rights or the scope or intent of the provisions, and are not part of this Reservation of Rights.

ATTACHMENT
A
PHL CONCESSION LAYOUT PLAN

CONCOURSE A (West) LOWER LEVEL

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
AW-ST1-LL			556	Storage
AW-ST3-LL	A14		1,023	Storage
AW-ST3-LL	A14		3,978	Storage
	Total		5,557	

TERMINAL A (East) BAG

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
AE-S-1-LL			50	Vending
AE-ST1-LL			1,638	Storage
AE-ST3-LL			1,028	Storage
AE-ST4-LL			1,082	Storage
AE-EC1-LL			48	Electrical Closet
	Total		3,846	

A/B CONNECTOR LOWER LEVEL

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
AB-01-LL			1,288	Office
AB-S-1-LL			20	Vending
AB-JC-1-LL			90	Janitors Closet
AB-EC1-LL			48	Electrical Closet
	Total		1,446	

TERMINAL B LOWER LEVEL

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
B-ST1-LL			1,132	Storage
B-ST2-LL			322	Storage
B-EC1-LL			48	Electrical Closet
B-EC2-LL			48	Electrical Closet
	Total		1,550	

B/C CONNECTOR LOWER LEVEL

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
BC-S-13-LL			32	Vending
BC-S-14-LL			32	Vending
BC-S-14-LL			4	Service
BC-S-15-LL			4	Service
BC-S-16-LL			4	Service
BC-K1-LL		VACANT	290	Retail
BC-K2-LL		AUNTIE ANNE'S	200	Food and Beverage
BC-K3-LL		JOHNNIES DOG HOUSE	200	Food and Beverage
	Total		676	

TERMINAL C LOWER LEVEL

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
C-ST2-LL			1,070	Storage
C-EC1-LL			48	Electrical Closet
C-EC2-LL			48	Electrical Closet
	Total		1,166	

C/D CONNECTOR LOWER LEVEL

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
CD-01-LL			900	Landlord Construction Management
CD-S-5-LL			32	Vending
CD-S-6-LL			32	Vending
CD-S-7-LL			32	Vending
CD-ST-1-LL			1,993	Storage
CD-ST-2-LL			117	Storage
	Total		3,106	

TERMINAL D BAG

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
D-1-LL			32	Vending
D-ST3-LL		Tenant	1,102	Storage
D-ST4-LL		Tenant	814	Storage
D-EC3-LL			48	Electrical Closet
D-JC2-LL			35	Janitor's Closet
D-3-LL		Tenant	141	Food and Beverage
	Total		2,172	

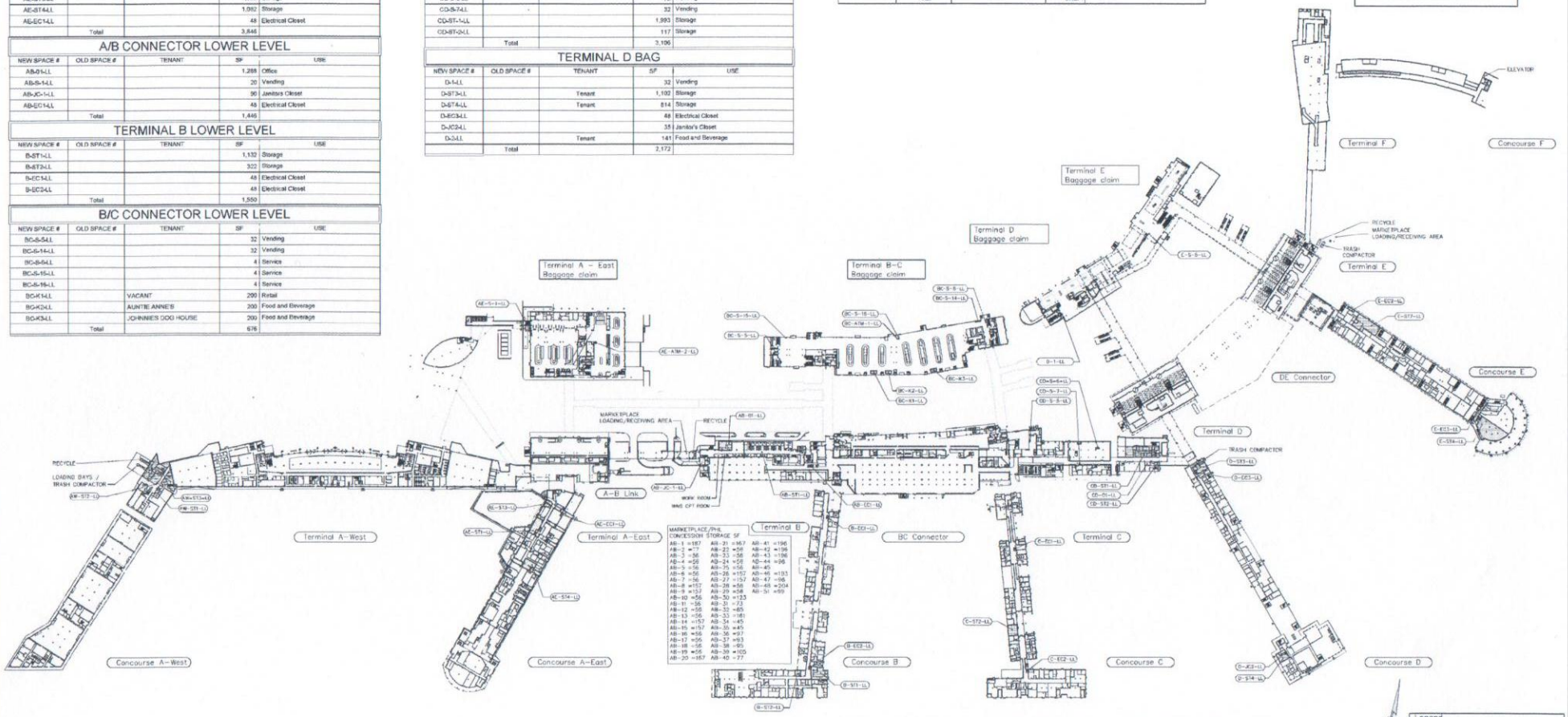
TERMINAL E BAG/ LOWER LEVEL

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
E-S-5-LL	L3ME-1		32	Vending
E-ST4-LL			2,616	Storage
E-ST7-LL			2,708	Storage
E-EC2-LL			180	
E-EC3-LL			48	Electrical Closet
	Total		5,584	

CONCOURSE F LOWER LEVEL

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
	Total		#REF!	

SPACE NUMBER NOTATION KEY:
Terminal-Use-Space Number
ST = Storage
S = Services or Seating
EC = Electrical Closet
JC = Janitor's Closet
C = Cart
K = Kiosk
LL = Lower Level
-xxx- = Spaces to be Deleted



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Legend
- Retail
- Food and Beverage
- Service
- Seating
- Future Use

Philadelphia International Airport

Exhibit B - Overall Lease Plan

spg

MARKETPLACE PHILADELPHIA

Philadelphia International Airport, Philadelphia PA

Exhibit B
Terminals A West thru F
Lower Level

Concession Spaces Plan & Chart

Date: 10.10.2013 | Issue: | Sheet 1 of 5

TERMINAL A (West)

NEW SPACE #	OLD SPACE #	TENANT	SF	USE	Date Issued
AW1	C9-A	International Shoppes	961	Duty Free	4/17/2007
AW2	C9-B	Travelex	177	Currency Exchange	4/17/2007
AW3	C8	Banked	578	Future Use	8/27/2007
AW4	C7	Banked	576	Future Use	8/27/2007
AW5	C6-D	Au Bon Pain	540	Food and Beverage	8/27/2007
AW6	C6-C	Vino Volo	528	Retail	8/27/2007
AW7-A/B	C6-A / B	Brookstone	1,022	Retail	8/27/2007
AW8	C5-C	Hudson News	1,897	Newsstand	8/27/2007
AW9	C5-B	International Shoppes	3,235	Duty Free	8/27/2007
AW10	C5-A	Travelex	405	Currency Exchange	4/17/2007
AW11	C10	Healthy Gourmet	226	Food and Beverage	8/27/2007
AW19	A14	Flight Meals	174	Food and Beverage	8/27/2007
AW21	C11	Hudson News	463	Newstand / Café	8/27/2007
	Total		10,906		

CONCOURSE A (West)

NEW SPACE #	OLD SPACE #	TENANT	SF	USE	Date Issued
AW12-A	C4-B	Famous Famiglia Pizza	718	Food and Beverage	8/27/2007
AW12-B	C4-A	Maki of Japan	768	Food and Beverage	8/27/2007
AW12-S	C4-S	Landlord	1,573	Food Court Seating	8/27/2007
AW13	C2	La Tapenade	1,912	Food and Beverage	8/27/2007
AW14	C3	Dunkin Donuts	395	Food and Beverage	8/27/2007
AW15	C1-C A	Chickie's and Pete's	2,003	Food and Beverage	8/27/2007
AW16	C1-E	International Shoppes	600	Duty Free	8/27/2007
AW17	C1-D	Hudson News	652	Newsstand	8/27/2007
AW18-A	C1-B	Angelina's Panini Bar	676	Food and Beverage	8/27/2007
AW18-B	C1-A	McDonald's	909	Food and Beverage	8/27/2007
AW18-S	C1-S	Landlord	1,330	Food Court Seating	8/27/2007
	Total		11,536		

TERMINAL A (East)

NEW SPACE #	OLD SPACE #	TENANT	SF	USE	Date Issued
AE3-A	A3 A	Explore Philadelphia	845	Retail	11/27/2007
AE3-B	A3 B	CNBC News	2,565	Newsstand	11/27/2007
AE10	LO2-A1	Banked	470	Future Use	11/27/2007
	Total		3,880		

CONCOURSE A (East)

NEW SPACE #	OLD SPACE #	TENANT	SF	USE	Date Issued
AE4-A	A4-A	Guava and Java	739	Food and Beverage	11/26/2007
AE4-B	A4-B	Jack Duggan's	2,193	Food and Beverage	11/26/2007
AE5-A	L05-A	Currito Burrito	817	Food and Beverage	9/22/2008
AE5-B	L05-B	Salad Works	748	Food and Beverage	11/26/2007
AE5-C	L05-C	Villa Pizza	764	Food and Beverage	11/26/2007
AE5-S	L05-S	Landlord	1,341	Food Court Seating	11/26/2007
AE6	A6	Banked	472	Future Use	11/26/2007
AE7	L03-B	International Shoppes	1,485	Duty Free	11/26/2007
AE9-A	L02-A	CNBC News	859	Newsstand	11/27/2007
AE11	A5	Banked	472	Future Use	11/26/2007
AE12	L30A-1	Travelex	118	Currency Exchange	11/27/2007
	Total		10,008		

A/B CONNECTOR

NEW SPACE #	OLD SPACE #	TENANT	SF	USE	Date Issued
AB2	L44	Travelex Worldwide Money	622	Financial Services	11/27/2007
AB3-A	L26-A	Tenant	1,193	Future Use	6/2/2009
AB3-B		Banked	1,076	Future Use	11/27/2007
AB4	L26-CB	The UPS Store	1,015	Business Center/Services	5/22/2007
AB5	L26-CA	Landlord	786	Business Center/Services	5/22/2007
AB6	L26-B	Minute Suites	1,441	Business Center/Services	4/15/2010
	Total		6,133		

B/C CONNECTOR

NEW SPACE #	OLD SPACE #	TENANT	SF	USE	Date Issued
BC1-S		Landlord	5,435	Food Court Seating	
BC1	M01	GAP	2,858	Retail	2/11/2008
BC2	M02	Johnston & Murphy	1,650	Retail	2/11/2008
BC3	M03	Body Shop	1,425	Retail	2/11/2008
BC4	M04	Roots	1,574	Retail	2/11/2008
BC5	M05	Heritage Books	1,044	Retail	2/13/2008
BC6	M06	Philly Steak & Gyro	599	Food and Beverage	2/13/2008
BC7	M07	Chick-Fil-A	651	Food and Beverage	2/13/2008
BC8	M08	Subway	789	Food and Beverage	2/13/2008
BC9	M10	Wendy's	549	Food and Beverage	2/13/2008
BC10	M11	Asian Chao	714	Food and Beverage	2/13/2008
BC11	M12	Pinkberry	435	Food and Beverage	2/13/2008
BC13	M14	Legal SeaFoods	3,656	Food and Beverage	4/30/2007
BC14	M16	Swarovski	593	Retail	4/30/2007
BC15	M17	PGA Tour Golf	1,523	Retail	4/30/2007
BC16	M18	Philadelphia America	2,140	Retail	4/23/2013
BC17-A/B	M19 AB	Brooks Brothers	2,207	Retail	4/30/2007
BC18A	M20	Le Bus Café	350	Food and Beverage	4/1/2010
BC19	M21a	Time to Fly	368	Retail	4/30/2007
BC20	M21b	Tumi	455	Retail	4/30/2007
BC21	M22	Sunglass Hut	458	Retail	4/30/2007
BC22/23	M23ab	Fire & Ice	902	Retail	2/13/2008
BC24	M24a	Lids	455	Retail	4/30/2007
BC25	M24b	Bose	455	Retail	4/30/2007
BC26-A/B	M25	Starbucks	863	Food and Beverage	7/22/2013
BC26-S		Starbucks Seating	281	Seating Area	7/22/2013
BC27-A/B	M26	Vino Volo	924	Food and Beverage	7/22/2013
BC27-S		Vino Volo Seating	218	Seating Area	7/22/2013
BC28-A/B	M27ab	Harley Davidson	910	Retail	5/3/2007
BC29-A	M28 ab	Pandora	444	Retail	8/29/2013
BC29-B	M28 ab	L'Occitane	461	Retail	8/29/2013
BC30	M29b	In-Motion	455	Retail	5/3/2007
BC31	M29a	Brighton	368	Retail	5/3/2007
BC32	M30	Dunkin Donuts	194	Food and Beverage	5/4/2007
	Total		36,701		

CONCOURSE B

NEW SPACE #	OLD SPACE #	TENANT	SF	USE	Date Issued
BSNG	BSNG	CNBC News	145	Newsstand	1/3/2008
B1 / B2	L06	CNBC News	3,027	Newsstand	5/7/2013
B3	A22-B	Aftaze	863	Retail	1/4/2008
B4	L07	Tech Interaction	1,548	Retail	3/10/2009
B5-A	L09-A	Guava & Java	536	Food and Beverage	10/20/2009
B5-B	L09-B	Auntie Anne's	552	Food and Beverage	1/7/2008
B6		Tenant	563	Food and Beverage	1/4/2008
B7	L07	Cibo Bistro & Wine Bar	1,464	Food and Beverage	1/4/2008
B8-A/B	L11-AB	Villa Pizza	1,078	Food and Beverage	1/7/2008
B10-A	L10-A	Jet Rock Bar & Grille 1	2,561	Food and Beverage	1/7/2008
B10-B	L10-B	CNBC News	423	Newsstand	1/7/2008
B12-A	L12-A	Eat At Joe's	845	Food and Beverage	1/8/2008
B12-B	L12-B	Tenant	584	Food and Beverage	1/8/2008
B12-S	L12-S	Landlord	493	Food Court Seating	1/8/2008
B13		Vino Volo	152	Food and Beverage	1/7/2008
	Total		14,834		

CONCOURSE C

NEW SPACE #	OLD SPACE #	TENANT	SF	USE	Date Issued
CSNG-1	CSNG	CNBC News	72	Newsstand	1/3/2008
C1	M31a	Au Bon Pain	3,280	Food and Beverage	1/3/2008
C2	M31b	Xpress Spa	1,585	Retail	1/3/2008
C4	A9	CNBC News	1,665	Newsstand	1/3/2008
C5	L14-A	Sky Asian Bistro	2,237	Food and Beverage	1/3/2008
C6	L14-B	Burrito Elito	711	Food and Beverage	1/3/2008
C7		Tech Interaction	573	Retail	2/11/2008
C8-A	L15-A	Cibo Express Market	325	Food and Beverage	1/3/2008
C8-B	L15-B	Sweet Flights	998	Retail	1/3/2008
C9-A	L16-C	Jamba Juice	555	Food and Beverage	1/3/2008
C9-B	L16-B	Philly Steak & Gyro	528	Food and Beverage	1/3/2008
C9-C	L16-A	Lamberti Pizza	617	Food and Beverage	1/3/2008
C9-S	L16-S	Landlord	632	Food Court Seating	1/4/2008
C11	L17-A	Chickie's and Pete's	2,382	Food and Beverage	1/4/2008
C12-A	L17-C	Popeye's	645	Food and Beverage	1/4/2008
C12-B	L17-D	Auntie Anne's	615	Food and Beverage	1/3/2008
C12-S	L17-S	Landlord	1,048	Food Court Seating	1/3/2008
C31		Chickie's and Pete's Bar	1,027	Food and Beverage	6/7/2012
	Total		19,495		

TERMINAL D

NEW SPACE #	OLD SPACE #	TENANT	SF	USE	Date Issued
D1		Chickie's & Pete's	2,744	Food and Beverage	7/27/2010
D3-A		Earl of Sandwich	897	Food and Beverage	4/6/2009
D3-B		Currito Burritos	897	Food and Beverage	4/6/2009
D3-S		Landlord	1,519	Food Court Seating	4/6/2009
D4		Xpres-Spa	992	Retail	8/18/2010
DK1		Stellar News	1,724	Newsstand	4/6/2009
	Total		8,773		

CONCOURSE D

NEW SPACE #	OLD SPACE #	TENANT	SF	USE	Date Issued
D5-A		Stellar News	659	Retail	5/26/2009
D6-A	L20-C	King of Pizza	452	Food and Beverage	5/21/2007
D6-B	L20-A	Tenant	923	Food and Beverage	7/9/2007
D6-D	L20	Jamba Juice	268	Food and Beverage	8/29/2007
D6-E	L20	Auntie Anne's	272	Food and Beverage	8/2/2008
D6-S	L20-S	Landlord	526	Food Court Seating	5/21/2007
D8	L52	Dunkin Donuts	569	Food and Beverage	5/21/2007
D9	L54	Green Leaf's	580	Food and Beverage	8/18/2010
D9-S		Landlord	654	Food Court Seating	5/21/2007
D10	L50	CNBC News	689	Newsstand	5/21/2007
D11	L51	Jet Rock III	4,372	Food and Beverage	5/31/2007
DSNG	DSNG	CNBC News	54	Newsstand	1/8/2008
D12		Xpress Spa	68	Retail	7/11/2013
D13		Travelex	67	Retail	1/18/2011
D14		Tenant	230	Food and Beverage	
	Total		10,383		

D/E CONNECTOR

NEW SPACE #	OLD SPACE #	TENANT	SF	USE	Date Issued
DE1		Tech Showcase	922	Retail	7/7/2008
DE2		Brookstone	754	Retail	7/7/2008
DE3		Sunglass Hut	658	Retail	7/7/2008
DE4		Crocs	645	Retail	1/25/2008
DE5		Vino Volo	624	Food and Beverage	7/7/2008
DE5-S		Vino Volo Seating	540	Seating Area	7/7/2008
DE6		Peet's Coffee	569	Food and Beverage	7/7/2008
DE6-S		Peet's Coffee Seating	533	Seating Area	7/7/2008
DE7		Lids	687	Retail	7/7/2008
DE8		InMotion Entertainment	560	Retail	7/7/2008
DE9		Taxco Sterling	509	Retail	7/7/2008
DE10		Stellar Books	896	Retail	7/7/2008
	Total		8,297		

TERMINAL E

NEW SPACE #	OLD SPACE #	TENANT	SF	USE	Date Issued
E1		Tenant	1,025	Food and Beverage	6/12/2013
E1-B		Good 2 Go (Temp)	208	Food and Beverage	8/19/2010
E3		Stellar News	1,410	Newsstand	4/6/2009
EK1		Life is Good	603	Retail	7/13/2009
EK2		B-Iconic	392	Retail	7/13/2009
EKS		Landlord	806	Seating	7/13/2009
	Total		4,236		

CONCOURSE E

NEW SPACE #	OLD SPACE #	TENANT	SF	USE	Date Issued
ESNG	ESNG	CNBC News	54	Newsstand	12/20/2006
E5-A	L24A	Pennsylvania Market	730	Newsstand	4/24/2007
E5-B	L24B	CNBC News	779	Newsstand	4/24/2007
E6-A		Chickie's and Pete's	2,239	Food and Beverage	5/1/2008
E6-B		Guava and Java	559	Food and Beverage	5/1/2008
E8-A	L23-A	Tenant	449	Food and Beverage	2/5/2007
E8-B	L23-B	Maki of Japan	795	Food and Beverage	2/5/2007
E8-C	L23-D	Sbarro's	870	Food and Beverage	12/20/2007
E12		Cantina Laredo	2,100	Food and Beverage	1/22/2009
E13		Stellar News	528	Retail	2/5/2008
E14		Au Bon Pain	369	Food and Beverage	1/22/2009
E15		McDonald's	1,115	Food and Beverage	8/13/2009
E15-S		Landlord	1,951	Food Court Seating	2/5/2008
E8-S		Landlord	1,403	Food Court Seating	12/20/2007
	Total		13,941		

CONCOURSE F

NEW SPACE #	OLD SPACE #	TENANT	SF	USE	Date Issued
F7	F7	Hudson News	409	Newsstand	4/17/2007
F6	F6	Stellar News	1,004	Newsstand	4/17/2007
F8	F8	Good 2 Go	358	Food and Beverage	12/5/2007

TERMINAL F HUB

NEW SPACE #	OLD SPACE #	TENANT	SF	USE	Date Issued
FH1		Xpress Spa	1,507	Retail	4/19/2012
FH2		Solstice	408	Retail	7/19/2012
FH3		Fire & Ice	510	Retail	6/21/2012
FH4		Hudson News	1,174	News	8/20/2012
FH5		Philly Pretzel Factory	654	Food and Beverage	9/25/2012
FH6		Red Mango	897	Food and Beverage	11/8/2012
FH7		Smashburger	902	Food and Beverage	9/25/2012
FH8		Far East	918	Food and Beverage	7/20/2012
FH9		Sbarro	779	Food and Beverage	11/28/2012
FH10		Au Bon Pain	2,071	Food and Beverage	9/17/2012
FH12		Tony Luke's	821	Food and Beverage	9/19/2012
FH13		Chipolte	831	Food and Beverage	7/20/2012
FH14		Le Bus Café	693	Food and Beverage	7/20/2012
FH15		Hudson News	811	News	4/24/2012
FH17		Local Tavern	3,221	Food and Beverage	5/8/2012
FH19		Sound Balance	527	Retail	7/20/2012
FH21		re:vive	2,303	Food and Beverage	3/22/2012
FH22		Good 2 Go	427	Food and Beverage	6/26/2012
FH23		Stellar News	822	Newsstand	3/22/2012
FH26		Kiehl's	345	Retail	11/20/2012

ATM

NEW SPACE #	OLD SPACE #	TENANT	SF	USE	Date Issued
AW-ATM-1		Bank OF America	9	Retail	
AW-ATM-3		Bank OF America	9	Retail	
AE-ATM-1		Bank OF America	19	Retail	
AB-ATM-2-LL		Bank OF America	19	Retail	
AE-ATM-3		Bank OF America	19	Retail	
AB-ATM-1		Bank OF America	19	Retail	
B-ATM-1		Bank OF America	19	Retail	
BC-ATM-1-LL		Bank OF America	19	Retail	
BC-ATM-2		Bank OF America	19	Retail	
C-ATM-1		Bank OF America	19	Retail	
C-ATM-2		Bank OF America	19	Retail	
D-ATM-1		Bank OF America	19	Retail	
D-ATM-3		Bank OF America	19	Retail	
DE-ATM-1		Bank OF America	19	Retail	
E-ATM-1		Bank OF America	19	Retail	
E-ATM-2		Bank OF America	19	Retail	
FH-ATM-1		Bank OF America	17	Retail	10.17.2012
FH-ATM-2		Bank OF America	19	Retail	10.17.2012
	Total		320		

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Philadelphia International Airport

Exhibit B - Overall Lease Plan

MARKETPLACE PHILADELPHIA

Philadelphia International Airport, Philadelphia PA

Exhibit B
Terminals A West thru F
Level 2

Concession Spaces Chart

Date: 10.10.2013 | Issue: | Sheet 2 of 5

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Legend
- Retail
- Food and Beverage
- Service
- Seating
- Future Use

Philadelphia International Airport

Exhibit B - Overall Lease Plan

spg 3

MARKETPLACE PHILADELPHIA

Philadelphia International Airport, Philadelphia PA

Exhibit B
Terminals A West thru F
Level 2

Concession Spaces Plan

Date: 10.10.2013 | Issue: | Sheet 3 of 5

TERMINAL A (West)

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
AW-S-2	L 1-2	Tenant	33	Service
AW-ST-1				
AW-ST-2				
	Total		33	

CONCOURSE A (West)

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
AW-EC-1	C1-F	Landlord	45	Electrical Closet
AW-JC-1		Landlord	47	Janitor's Closet
AW-EC-2		Landlord	81	Electrical Closet
AW-EC-3		Landlord	106	Electrical Closet
AW-JC-3		Landlord	44	Janitor's Closet
AW-C-1	AW01		71	Retail Merchandising Unit
AW-C-3	AW03		71	Retail Merchandising Unit
	Total		465	

TERMINAL A (East)

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
	Total		0	

CONCOURSE A (East)

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
AE-C-1	AE-01		71	Retail Merchandising Unit
	Total		71	

B/C CONNECTOR

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
BC-S-7	L40B-1	Shoeshine	53	Shoeshine
BC-ST-1		Wendy's Storage	245	Storage
BC-JC				Janitors Closet
BC-EC-1				Electrical Closet
	Total		298	

CONCOURSE B

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
B-S-5		Tenant	7	Service
B-S-11	L43B-2	Tenant	5	Phone Card Kiosk
B-S-12	L43B-3	Tenant	5	Phone Card Kiosk
B-S-13	L43B-4	Tenant	5	Phone Card Kiosk
B-S-14	L43B-5	Tenant	5	Phone Card Kiosk
B-C-1	B-01		71	Retail Merchandising Unit
B-C-3	B-03		71	Retail Merchandising Unit
B-C-4	B-04		71	Retail Merchandising Unit
B-C-5	B-05		71	Retail Merchandising Unit
B-C-6	B-06		71	Retail Merchandising Unit
B-C-7	B-07		71	Retail Merchandising Unit
B-C-8	B-08		71	Retail Merchandising Unit
B-C-9	B-09		71	Retail Merchandising Unit
B-C-10	B-10		71	Retail Merchandising Unit
B-C-11	B-11		71	Retail Merchandising Unit
B-C-12	B-12		71	Retail Merchandising Unit
B-C-13	B-13		71	Retail Merchandising Unit
B-C-14	B-14		71	Retail Merchandising Unit
B-C-15	B-15		71	Retail Merchandising Unit
B-C-16	B-16		71	Retail Merchandising Unit
B-C-17	B-17		71	Retail Merchandising Unit
B-C-18	B-18		71	Retail Merchandising Unit
	Total		1,163	

CONCOURSE C

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
C-C-1	C-01		71	Retail Merchandising Unit
C-C-2	C-02		71	Retail Merchandising Unit
C-C-3	C-03		71	Retail Merchandising Unit
C-C-4	C-04		71	Retail Merchandising Unit
C-C-5	C-05		71	Retail Merchandising Unit
C-C-6	C-06		71	Retail Merchandising Unit
C-C-7	C-07		71	Retail Merchandising Unit
C-C-8	C-08		71	Retail Merchandising Unit
C-C-9	C-09		71	Retail Merchandising Unit
C-C-10	C-10		71	Retail Merchandising Unit
C-C-11	C-11		71	Retail Merchandising Unit
C-C-12	C-12		71	Retail Merchandising Unit
	Total		852	

TERMINAL D

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
D-ST-1		Landlord	1,344	Storage
D-ST-2		Landlord	604	Storage
D-EC-1		Landlord	103	Electrical Closet
D-JC-1		Landlord	107	Janitor's Closet
D-EC-2				
	Total		2,155	

CONCOURSE D

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
D-EC-2				
D7	L40D-1	Shoeshine	36	Future Use
D-ST-3		Landlord	239	Storage
D-C-1	D-01		71	Retail Merchandising Unit
D-C-2	D-02		71	Retail Merchandising Unit
	Total		416	

D/E CONNECTOR

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
	Total		0	

TERMINAL E

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
E-ST-1a		Landlord	156	Storage
E-ST-1b		Landlord	549	Storage
E-ST-2		Landlord	701	Storage
E-JC-1		Landlord	114	Janitor's Closet
E-EC-1		Landlord	93	Electrical Closet
E-O-1	L25A	MarketPlace Offices	3,413	Office
	Total		4,849	

CONCOURSE E

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
E-JC-2		Landlord	113	Janitor's Closet
E-C-1	E-01		71	Retail Merchandising Unit
E-C-2	E-02		71	Retail Merchandising Unit
	Total		255	

TERMINAL F

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
F-ST-1	F1	Landlord	467	Storage
F-S-1	L38F-1	Rainy Downs	92	Vending
F-JC-1		Landlord	27	Janitor's Closet
F-EC-1		Landlord	27	Electrical Closet
	Total		613	

CONCOURSE F

NEW SPACE #				
F-C-1	F-01		71	Retail Merchandising Unit
	Total		71	

TERMINAL F HUB

NEW SPACE #	OLD SPACE #	TENANT	SF	USE
FH-ST-1		Tenant	3,566	Storage
FH-ST-2		Tenant	247	Storage
FH-EC-1		Landlord	177	Electrical Closet
FH-EC-2		Landlord	122	Electrical Closet
FH-EC-3		Landlord	123	Electrical Closet
FH-EC-4		Landlord	115	Electrical Closet
FH-JC-1		Landlord	115	Janitor Closet
	Total		4,465	

MPP OFFICES

NEW SPACE #				
F-MPR-O		Marketplace Offices	100	OFFICE
	Total		100	

THIS IS A PRELIMINARY LEASE PLAN INTENDED FOR DISCUSSION PURPOSES ONLY. LANDLORD RESERVES THE RIGHT TO MAKE ANY CHANGES TO THE PLAN INCLUDING, WITHOUT LIMITATION, BUILDING OR STORE SIZE/CONFIGURATION, ENTRANCES, AND OVERALL CONFIGURATION. LANDLORD MAKES NO WARRANTIES OR REPRESENTATIONS CONCERNING ANY MATTER CONTAINED ON THIS PLAN, NOR SHALL TENANT RELY UPON THE SAME.

Philadelphia International Airport
Exhibit B - Overall Lease Plan

spg

MARKETPLACE PHILADELPHIA

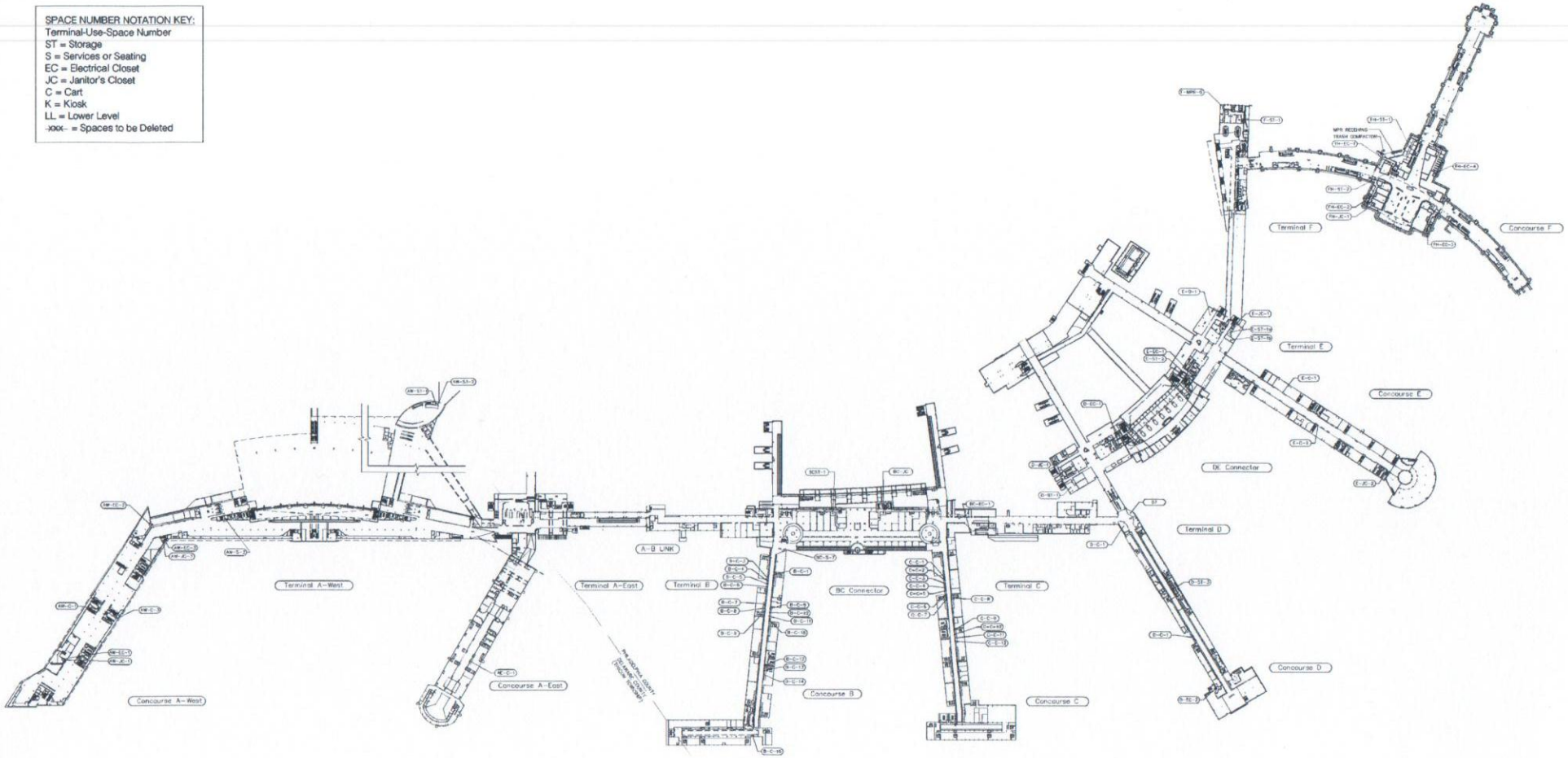
Philadelphia International Airport, Philadelphia PA

Exhibit B
Terminals A West thru F
Level 2

RMU, Service & Storage
Space Chart

Date: 10.10.2013 | Issue: | Sheet 4 of 5

SPACE NUMBER NOTATION KEY:
Terminal-Use-Space Number
ST = Storage
S = Services or Seating
EC = Electrical Closet
JC = Janitor's Closet
C = Cart
K = Kiosk
LL = Lower Level
-xxx- = Spaces to be Deleted



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Philadelphia International Airport

Exhibit B - Overall Lease Plan

spg

MARKETPLACE PHILADELPHIA

Philadelphia International Airport, Philadelphia PA

Exhibit B
Terminals A West thru F
Level 2

RMU, Service & Storage
Space Plan

Date: 10.10.2013 | Issue: | Sheet 5 of 5

ATTACHMENT B

PASSENGER TRAFFIC ANALYSIS

City of Philadelphia Aviation Division Passenger Traffic Analysis

Total Passengers

Calendar Year	Total Passenger Traffic
2005	31,495,385
2006	31,768,272
2007	32,211,439
2008	31,834,725
2009	30,669,564
2010	30,775,961
2011	30,839,175
2012	30,252,816
2013 (through July)	17,856,258

Enplanements

Calendar Year	A-East	A-West	B	C	D	E	F	Total Enplanements
2005	1,243,395	1,707,479	3,009,750	2,972,786	2,024,072	2,408,490	2,303,608	15,669,580
2006	1,184,929	1,846,105	2,576,463	2,416,074	2,351,191	1,943,667	3,450,695	15,769,124
2007	1,343,159	1,798,545	2,629,233	2,699,958	2,475,085	2,080,143	3,012,060	16,038,183
2008	1,919,530	1,919,710	2,162,044	3,668,969	2,286,163	1,496,129	2,385,971	15,838,516
2009	1,772,678	1,954,652	2,016,342	3,529,646	2,038,893	1,474,865	2,488,926	15,276,002
2010	1,446,959	1,879,245	2,466,493	3,255,918	1,982,064	1,871,582	2,445,914	15,348,175
2011 **(*)**	1,604,189	1,789,781	2,836,644	2,910,097	1,933,794	2,007,766	2,529,312	15,611,583
2012 **(*)**	1,575,770	1,714,978	2,820,613	2,990,738	1,899,923	1,791,694	2,550,410	15,344,126
2013 **(*)**	1,519,699	1,743,607	2,777,384	3,045,061	1,897,185	1,521,725	2,711,224	15,215,885

* **City Fiscal July 1st – June 30th**

ATTACHMENT C

CAMPAIGN CONTRIBUTION DISCLOSURE

For the following forms, any reference to Non-Competitively Bid Contract shall have the same meaning as the Concession Management Agreement, lease or sublease. And any reference to Applicant, shall mean Concession Manager, Concession Operator, tenant, lessee and subcontractor.

Disclosure Forms

Directions:

1. Please read the following information regarding the completion of these disclosure forms. Please review the definitions prior to completing any form.
2. Date and initial the top of each form after you have completed it and sign the form on the last page.
3. NOTE: There are two different types of campaign contribution disclosure forms: one for those who are applying as individuals and one for those applying as businesses. Only fill out one type of form. (If you have used a consultant with respect to applying for this financial assistance you will have to fill out a campaign contribution disclosure form for them as well.)

Getting Started

There are five sets of disclosure forms enclosed in this packet. You must provide information for each disclosure form. The information you must disclose includes:

1. Any contributions (defined as a provision of money, in-kind assistance, discounts, forbearance or any other valuable thing) made during the two years prior to the application submission date or prior to your receipt of financial assistance in the absence of an application;
2. The name of any consultant(s) you used to help in obtaining this financial assistance and any campaign contributions they have made;
3. Any subcontractors you are planning to use if awarded this financial assistance;
4. Whether a City or Agency employee or official asked you to give money, services, or any other thing of value to any individual or entity; and
5. Whether a City or Agency employee or official gave you any advice on how to satisfy any minority, women, disabled or disadvantaged business participation goals.

More information on Disclosing Campaign Contributions

Applicants for financial assistance must disclose any contributions they made to:

- A candidate for nomination or election in any public office in the Commonwealth of Pennsylvania
- An incumbent in any public office in the Commonwealth of Pennsylvania
- A political committee or state party in the Commonwealth of Pennsylvania
- A group, committee, or association organized in support of any candidate, office holder, political committee or state party in the Commonwealth of Pennsylvania

The types of contributions that must be disclosed include:

- Any advance or deposit of money, gift, or any other valuable thing given to a candidate or political committee for the purpose of influencing any election in the Commonwealth of Pennsylvania
- The purchase of tickets for events such as dinners, luncheons, rallies and all other fund-raising events
- Granting of rebates or discounts not available to the general public or rebates by television and radio stations and newspapers not extended on an equal basis to all candidates
- Any payments made on behalf of the candidate not made by either the candidate or their committee

Attribution Rules. In addition to disclosing contributions made directly by the applicant, the applicant will be asked to supply information on other types of contributions. The campaign contribution disclosure forms will include questions that specifically ask for information on these other types of contributions. These contributions will be attributed to the individual or business and will be used to determine the applicant's eligibility to receive financial assistance.

Businesses (i.e. corporation, limited liability company, partnership association, joint venture, or any other legal entity) have to disclose contributions made by the following:

- Applicant business
- Parent, subsidiary, or otherwise affiliated entity of the applicant business ("affiliate")
- An individual or business that is then reimbursed by the applicant business or affiliate

- Officers, directors, controlling shareholders, or partners of the for-profit applicant business or for-profit affiliate
- Political action committee controlled by applicant business or affiliate
- Political action committee controlled by officer, director, controlling shareholder, or partner of the for-profit applicant business or for-profit affiliate

Individuals have to disclose contributions made by the following:

- Applicant individual
- Member of individual's immediate family (i.e., spouse, life partner, or dependent child living at home), when contributions are in excess of $2900

In addition to direct contributions to candidates, incumbents, or political committees in the Commonwealth of Pennsylvania, applicants are also required to disclose:

1. Contributions not directly given to a candidate, incumbent, or political committee but made with the intent that the contribution will benefit the candidate, incumbent, or political committee;
2. Solicitation of contributions on behalf of a candidate, incumbent, or political committee, including the hosting of or solicitation at fundraising events (required to disclose details regarding the date of event and amount raised); and
3. Contributions not made directly by the individual/business to a candidate, incumbent, or political committee but furnished by the individual / business (as an "intermediary").

Eligibility Restrictions

Effective as of January 1, 2012, if an individual makes contributions totaling over $2,900 in one calendar year to a candidate for City elective office or to an incumbent, the individual is not eligible to receive financial assistance during that candidate's or incumbent's term of office. The monetary limits in effect for individuals prior to January 1, 2012 remain in effect for purposes of determining an individual's eligibility during the two year disclosure period prior to the date of an individual's receipt of financial assistance or for determining an individual's continuing compliance for a five year period following the receipt of the financial assistance. For the period February 1, 2006 through December 31, 2007, the contribution limit amount is $2,500; for the period January 1, 2008 through December 31, 2011, the contribution limit amount is $2,600.

Effective as of January 1, 2012, if a business makes contributions totaling over $11,500 in one calendar year to a candidate for City elective office or to an incumbent, the business is not eligible to receive financial assistance during that candidate's or incumbent's term of office. The monetary limits in effect for businesses prior to January 1, 2012 remain in effect for purposes of determining the business' eligibility during the two year disclosure period prior to the date the business' receipt of financial assistance or for determining a business' continuing compliance for a five year period following the receipt of the financial assistance. For the period February 1, 2006 through December 31, 2007, the contribution limit amount is $10,000; for the period January 1, 2008 through December 31, 2011, the contribution limit amount is $10,600.

→ **Note on Eligibility:** If a candidate for any City elective office contributes $250,000 or more from his or her personal resources to his or her campaign, then the eligibility thresholds for individuals and businesses shall double with respect to contributions to all candidates for that same elective office (i.e. $5,800 for individuals and $23,000 for businesses).

Definitions

Affiliate	A parent, subsidiary, or otherwise affiliated entity of a business
Applicant	An individual or business who has filed an application to be awarded a non-competitively bid contract or financial assistance
Business	A corporation, limited liability company, partnership, association, joint venture or any other legal entity (including non-profit organizations) other than an Individual
Candidate	Any individual who seeks nomination or election to public office, other than a judge of elections or inspector of elections, whether or not such individual is nominated or elected. An individual shall be deemed to be seeking nomination or election to such office if he or she has (1) received a contribution or made an expenditure or has given his consent for any other person or committee to receive a contribution or make an expenditure, for the purpose of influencing his or her nomination or election to such office, whether or not the individual has made known the specific office for which he or she will seek nomination or election at the time the contribution is received or the expenditure is made; or (2) taken the action necessary under the laws of the Commonwealth of Pennsylvania to qualify himself or herself for nomination or election to such office.
Consultant	A person used by an applicant to assist in obtaining the financial assistance through direct or indirect communication by such individual or business with any City agency or the organization providing financial assistance or any City officer or employee or officer or employee of the organization providing financial assistance, if the communication is undertaken by such individual or business in exchange for, or with the understanding of receiving, payment from the applicant; provided, however, that "Consultant" shall not include a full-time employee of the applicant.
Contributions	The provision of money, in-kind assistance, discounts, forbearance or any other valuable thing, during the two years prior to the deadline for the filing of the application for the contract opportunity or financial assistance, to any of the following: – a candidate for nomination or election to any public office in the Commonwealth of Pennsylvania; – an incumbent in any public office in the Commonwealth; – a political committee or state party in the Commonwealth; or – a group, committee or association organized in support of any candidate, office holder, political committee or state party in the Commonwealth.
Financial Assistance	Any grant, loan, tax incentive, bond financing subsidy for land purchase or otherwise, or other form of assistance that is realized by or provided to a person in the amount of fifty thousand dollars ($50,000) or more through the authority or approval of the City, including, but not limited to, Tax Increment Financing (TIF) aid, industrial development bonds, use of the power of eminent domain, Community Development Block Grant (CDBG) aid or loans, airport revenue bonds, and Enterprise Zone or similar economic development zone designations (such as Keystone Opportunity Zones, Keystone Opportunity Expansion Zones, Keystone Opportunity Improvement Zones, and Economic Development District Zones), but not including any assistance to which a person is entitled under a law enacted before the individual or business applied for or requested such assistance.
Immediate family	A spouse or life partner residing in the individual's household or minor dependent children
Incumbent	An individual who holds elective office

Intermediary	A person, who, other than in the regular course of business as a postal, delivery or messenger service, delivers a contribution from another individual or business to the recipient of such contribution
Person	An individual, corporation, limited liability company, partnership, association, joint venture, or any other legal entity
Political committee	Any committee, club, association or other group of persons which receives money or makes expenditures for purposes of influencing any election
Solicit a Contribution	Requesting or suggesting that a person make a contribution. The sponsoring or hosting of a fundraising event is considered soliciting a contribution from the attendees of the event. Any contributions raised at such event are counted as a contribution made by the host of the event.

Date: _____ *Initials:*_____

If Applying as an Individual:
Campaign Contribution Disclosure Form

Please read through the directions and definitions before filling out this disclosure form to make sure that each question is answered appropriately and thoroughly. Note that you must provide information for the two years prior to the application deadline.

	Yes	No
Have you made any contributions?	☐	☐
Have you solicited or served as an intermediary for any contributions?	☐	☐
Has a member of your immediate family made any contributions over and above $2,900?	☐	☐
Has a member of your immediate family solicited or served as an intermediary for contributions over and above $2,900?	☐	☐
Check here to certify that no contributions were made.	☐	

Additional information on every contribution must be disclosed.
Please use the table provided on the next page.

Date: _____ *Initials:*_____

If Applying as an Individual:
Campaign Contribution Disclosure Form

For relationship, please indicate whether the contributor was the Individual or Family Member.

Name of Contributor	Relationship (to individual or business completing this form)	Name of Recipient	Date of Contribution	Amount of Contribution

Please use additional pages as needed.

Date: _____ *Initials:*_____

If Applying as a Business:
Campaign Contribution Disclosure Form

Please read through the directions and definitions before filling out this disclosure form to make sure that each question is answered appropriately and thoroughly. Where "non-profit" is an option, indicate whether the business is a non-profit; non-profits are not required to disclose contribution information on these questions. Note that you must provide information for the two years prior to the application deadline.

	Yes	No	Non-Profit
Has the business made any contributions?	☐	☐	
Has the business solicited or served as an intermediary for any contributions?	☐	☐	
Has an officer, director, controlling shareholder, or partner of the business made any contributions? See note below.	☐	☐	☐
Has an officer, director, controlling shareholder, or partner of the business solicited or served as an intermediary for any contributions? See note below.	☐	☐	☐
Has an affiliate of the business made any contributions?	☐	☐	
Has an affiliate of the business solicited or served as an intermediary for any contributions?	☐	☐	
Has an officer, director, controlling shareholder, or partner of a for-profit affiliate of the business made any contributions? See note below.	☐	☐	
Has an officer, director, controlling shareholder, or partner of a for-profit affiliate of the business solicited or served as an intermediary for any contributions? See note below.	☐	☐	
Has the business or an affiliate of the business reimbursed another individual or business for a contribution that the individual or business has made?	☐	☐	
Has an officer, director, controlling shareholder, or partner of a for-profit business, or of a for-profit affiliate of the business, reimbursed another individual or business for a contribution that the individual or business has made?	☐	☐	
Has a political committee controlled by the business or by an affiliate of the business made any contributions?	☐	☐	
Has a political committee controlled by an officer, director, controlling shareholder, or partner of the for-profit business, or of a for-profit affiliate of the business, made any contributions?	☐	☐	
Check here to certify that no contributions were made.	☐		

Note: Applicants must disclose all contributions to candidates or incumbents which are attributed to an immediate family member of an officer, director, controlling shareholder or partner of the for-profit Applicant or the for-profit affiliate of the Applicant. Please disclose the full amount of the contribution, although only the amount above $2900 will be attributed to the officer, director, controlling shareholder or partner (and, by extension, the Applicant business).

Additional information on every contribution must be disclosed.
Please use the table provided on the next page.

Date: _____ *Initials:*_____

If Applying as a Business:
Campaign Contribution Disclosure Form

For relationship, indicate whether the contributor was the Business, Affiliate, Controlled Political Committee, Controlling Shareholder, Director, Officer, Parent, Partner, Reimbursed Contributor, Solicited Contributor, Subsidiary, or Other.

Name of Contributor	Relationship (to individual or business completing this form)	Name of Recipient	Date of Contribution	Amount of Contribution

Please use additional pages as needed.

Date: _____ ***Initials:***_____

Use of Consultant Disclosure Form

Please list all consultant(s) used in the year prior to the application deadline and the corresponding information for that consultant in the space provided below.

Please note that a Consultant, for the purposes of the required disclosures, is defined as an individual or business used by an applicant or contractor to assist in obtaining financial assistance through direct or indirect communication by such individual or business with any City agency, the organization providing financial assistance, any City officer/employee, or any officer/employee of the organization providing financial assistance, if the communication is undertaken in exchange for, or with the understanding of receiving, payment from the applicant or contractor or any other individual or business (however, "Consultant" shall not include a full-time employee of the Applicant or Contractor).

Check here to certify that no consultant(s) was used in the year prior to the application deadline.	☐
Consultant Name	
Address 1	
Address 2	
City, State, Zip	
Phone	
Amount Paid or to be Paid	
Consultant Name	
Address 1	
Address 2	
City, State, Zip	
Phone	
Amount Paid or to be Paid	
Consultant Name	
Address 1	
Address 2	
City, State, Zip	
Phone	
Amount Paid or to be Paid	
Consultant Name	
Address 1	
Address 2	
City, State, Zip	
Phone	
Amount Paid or to be Paid	

Date: _____ *Initials:*_____

Consultant: Individual Campaign Contribution Disclosure Form

Use this form if the Consultant used is an Individual. Please read through the directions and definitions before filling out this disclosure form to make sure that each question is answered appropriately and thoroughly. Note that you must provide information for the two years prior to the application deadline.

	Yes	No
Has the Consultant made any contributions?	☐	☐
Has the Consultant solicited or served as an intermediary for any contributions?	☐	☐
Has a member of the Consultant's immediate family made any contributions over and above $2,900?	☐	☐
Has a member of the Consultant's immediate family solicited or served as an intermediary for contributions over and above $2,900?	☐	☐
Check here to certify that no contributions were made.	☐	

Additional information on every contribution must be disclosed.
Please use the table provided on the next page.

Date: _____ *Initials:*_____

Consultant: Individual Campaign Contribution Disclosure Form

Use this form if the Consultant used is an Individual. For relationship, indicate whether the contributor was the Individual or Family Member.

Name of Contributor	Relationship to Consultant	Name of Recipient	Date of Contribution	Amount of Contribution

Please use additional pages as needed.

Date: _____ *Initials:*_____

Consultant: Business Campaign Contribution Disclosure Form

Use this form if the Consultant used is a Business. Please read through the directions and definitions before filling out this disclosure form to make sure that each question is answered appropriately and thoroughly. Where "non-profit" is an option, indicate whether the business is a non-profit; non-profits are not required to disclose contribution information on these questions. Note that you must provide information for the two years prior to the application deadline.

	Yes	No	Non-Profit
Has the Consultant business made any contributions?	☐	☐	
Has the Consultant business solicited or served as an intermediary for any contributions?	☐	☐	
Has an officer, director, controlling shareholder, or partner of the Consultant business made any contributions? See note below.	☐	☐	☐
Has an officer, director, controlling shareholder, or partner of the Consultant business solicited or served as an intermediary for any contributions? See note below.	☐	☐	☐
Has an affiliate of the Consultant business made any contributions?	☐	☐	
Has an affiliate of the Consultant business solicited or served as an intermediary for any contributions? See note below.	☐	☐	
Has an officer, director, controlling shareholder, or partner of a for-profit affiliate of the Consultant business made any contributions? See note below.	☐	☐	
Has an officer, director, controlling shareholder, or partner of a for-profit affiliate of the Consultant business solicited or served as an intermediary for any contributions?	☐	☐	
Has the Consultant business or an affiliate of the business reimbursed another individual or business for a contribution that the individual or business has made?	☐	☐	
Has an officer, director, controlling shareholder, or partner of the for-profit Consultant business, or of a for-profit affiliate of the Consultant business, reimbursed another individual or business for a contribution that the individual or business has made?	☐	☐	
Has a political committee controlled by the Consultant business or by an affiliate of the business made any contributions?	☐	☐	
Has a political committee controlled by an officer, director, controlling shareholder, or partner of the for-profit Consultant business, or of a for-profit affiliate of the Consultant business, made any contributions?	☐	☐	
Check here to certify that no contributions were made.		☐	

Note: Consultants must disclose all contributions to candidates or incumbents which are attributed to an immediate family member of an officer, director, controlling shareholder or partner of the for-profit Consultant or the for-profit affiliate of the Consultant. Please disclose the full amount of the contribution, although only the amount above $2900 will be attributed to the officer, director, controlling shareholder or partner (and, by extension, the Consultant business).

Additional information on every contribution must be disclosed.
Please use the table provided on the next page.

Date: _____ *Initials:*_____

Consultant: Business Campaign Contribution Disclosure Form

Use this form if the Consultant used is a Business. For relationship, indicate whether the contributor was the Consultant Business, Affiliate, Controlled Political Committee, Controlling Shareholder, Director, Officer, Parent, Partner, Reimbursed Contributor, Solicited Contributor, Subsidiary, or Other.

Name of Contributor	Relationship to Consultant	Name of Recipient	Date of Contribution	Amount of Contribution

Please use additional pages as needed.

Date: _____ *Initials:*_____

Use of Subcontractor Disclosure Form

Please list all subcontractor(s) you are planning to use if awarded this financial assistance by filling out the appropriate information in the space provided below.

Check here to certify that no subcontractor(s) are to be used.	☐
Subcontractor Name	
Address 1	
Address 2	
City, State, Zip	
Phone	
Amount Paid or to be Paid, or Percentage to be Paid	
Subcontractor Name	
Address 1	
Address 2	
City, State, Zip	
Phone	
Amount Paid or to be Paid, or Percentage to be Paid	
Subcontractor Name	
Address 1	
Address 2	
City, State, Zip	
Phone	
Amount Paid or to be Paid, or Percentage to be Paid	
Subcontractor Name	
Address 1	
Address 2	
City, State, Zip	
Phone	
Amount Paid or to be Paid, or Percentage to be Paid	

Date: _____ ***Initials:***_____

Employee Request Form

Please list any City employees or officers or employees/officers of the organization providing financial assistance who have asked you (the Applicant), any officer director, or management employee of the Applicant, or any person representing the Applicant to give money, services, or any other thing of value (other than contributions as defined above) during the two years prior to the application deadline.

Check here to certify that no City employees/officers or employees/officers of the organization providing financial assistance have asked you (the Applicant), any officer director, or management employee of the Applicant, or any person representing the Applicant to give money, services, or any other thing of value (other than contributions as defined above) during the two years prior to the application deadline.	☐
Name of Employee/Officer	
Title	
Money Services, or Thing of Value Requested	
Money, Services, or Thing of Value Given (If none, write “none”)	
Date Requested	
Date of Payment	
Name of Employee/Officer	
Title	
Money Services, or Thing of Value Requested	
Money, Services, or Thing of Value Given (If none, write “none”)	
Date Requested	
Date of Payment	
Name of Employee/Officer	
Title	
Money Services, or Thing of Value Requested	
Money, Services, or Thing of Value Given (If none, write “none”)	
Date Requested	
Date of Payment	

Date: _____ ***Initials:***_____

Employee Participation Advice Disclosure Form

Please list any City employees or officers employees/officers of the organization providing financial assistance who gave you (the Applicant), any officer director, or management employee of the Applicant, or any person representing the Applicant advice that a particular individual or business could be used by the Applicant to satisfy any goals established in the contract or financial assistance agreement for the participation of minority, women, disabled, or disadvantaged business enterprises during the two years prior to the application deadline.

Check here to certify that no City employees/officers or employees/officers of the organization providing financial assistance gave you (the Applicant), any officer director, or management employee of the Applicant, or any person representing the Applicant advice that a particular individual or business could be used by the Applicant to satisfy any goals established in the contract or financial assistance agreement for the participation of minority, women, disabled, or disadvantaged business enterprises during the two years prior to the application deadline.	☐
Name of Employee/Officer	
Title	
Date of Advice	
Individual or Business Recommended to Satisfy Participation Goals	
Name of Employee/Officer	
Title	
Date of Advice	
Individual or Business Recommended to Satisfy Participation Goals	
Name of Employee/Officer	
Title	
Date of Advice	
Individual or Business Recommended to Satisfy Participation Goals	
Name of Employee/Officer	
Title	
Date of Advice	
Individual or Business Recommended to Satisfy Participation Goals	

Date: _____ ***Initials:***_____

Signature

In order for the disclosure forms to be considered valid, they must be properly signed by the financial assistance recipient ("recipient"). The forms may not be signed by anyone other than the recipient or an authorized officer or employee of the recipient. **Disclosure forms that are not signed will be rejected.** By signing your name and title in the signature space below, you, as the recipient, signify your intent to sign these disclosure forms. **Someone other than the proper signatory may not provide another's signature.** All signatories hereby declare and certify that they are the recipient or are employees or officers of the recipient duly authorized to make disclosures on the recipient's behalf; and represent and covenant that, to the best of their knowledge after appropriate inquiry, all of the information and disclosures provided are true and contain no material misstatement or omissions.

If the disclosure forms are being submitted by an INDIVIDUAL, SOLE PROPRIETOR, PARTNERSHIP, LIMITED LIABILITY PARTNERSHIP, LIMITED LIABILITY COMPANY, or any other legally formed entity except a corporation (see below) sign the disclosure forms here, with a signature by either the Individual, Owner, Partner, Member or Manager. If the disclosure forms are not signed by the above mentioned, by signing as the Authorized Signatory below, you hereby certify that you are authorized to sign in place of such officers:

_____ _____
Signature Date

_____ _____
Name ***Individual/Owner/Partner/Member or Manager. If other, please specify.***

If these disclosure forms are being submitted by a CORPORATION, sign the forms here, with signatures by (a) President or Vice-President of the corporation AND (b) Secretary, Assistant Secretary, Treasurer or Assistant Treasurer of the corporation. If the disclosure forms are not signed by the above mentioned, you hereby certify that you are authorized pursuant to a certified corporate resolution to sign in place of such officers.

_____ _____
Signature Date

_____ _____
Name ***President/Vice President, if other, please specify***

_____ _____
Signature Date

_____ _____
Name ***Secretary/Asst. Secretary/Treasurer/Asst. Treasurer. If other, please specify.***

ATTACHMENT D

INSURANCE REQUIREMENTS

Insurance.

A. Unless otherwise approved by the City's Risk Management Division in writing, Concession Manager shall, at its sole cost and expense, procure and maintain, or cause to be procured and maintained, in full force and effect, the types and minimum limits of insurance specified below, covering Concession Manager's performance of the Terminal Concession Management Services. Concession Manager shall procure, or cause to be procured, all insurance from reputable insurers admitted to do business on a direct basis in the Commonwealth of Pennsylvania or otherwise acceptable to the City. All insurance herein shall be written on an "occurrence" basis and not a "claims-made" basis. In no event shall Concession Manager perform any Terminal Concession Management Services or other work until Concession Manager has delivered or caused to be delivered to the City's Risk Management Division the required evidence of insurance coverages. All insurance coverages shall provide for at least thirty (30) days prior written notice to be given to the City in the event coverage is materially changed, cancelled, or non-renewed. The City, its officers, employees, and agents, shall be named as additional insureds on the General Liability and Umbrella Liability Insurance policies and loss payee on the property policies. Concession Manager shall also deliver or cause to be delivered to the City an endorsement stating that the coverage afforded the City and its officers, employees, and agents, as additional insureds, will be primary to any other coverage maintained by the Additional Insureds and shall not permit or require such other coverage to contribute to the payment of the loss.

(a) Workers' Compensation and Employers' Liability.

1) Workers' Compensation: Statutory Limits.
2) Employers' Liability: $100,000 Each Accident – Bodily Injury by Accident; $100,000 Each Employee - Bodily Injury by Disease; and $500,000 Policy Limit - Bodily Injury by Disease.
3) Other states' insurance including Pennsylvania.
4) Waiver of Right to Recover From Others Endorsement (WC 00 03 13) where permitted by state law, naming the City, its officers, employees and agents and amended to apply to contracts under which the Concession Manager is not performing work.

(b) Commercial General Liability Insurance.

The insurance shall cover premises and operations; explosions, collapse, and underground hazards; products liability and completed operations; independent contractors; contractual liability on a blanket basis or

contractual liability specifically covering the Agreement; personal injury liability (with employee exclusion deleted), on-airport automobile coverage for all owned, nonowned, or hired motor vehicles used in connection with the Concession Manager's obligations under the Agreement; fire legal liability with a limit of not less than One Hundred Thousand Dollars ($100,000); and broad form property damage against bodily injury and property damage claims. The commercial general liability coverage shall be subject to a limit of liability not less than a combined single limit of (i) Ten Million Dollars ($10,000,000) per occurrence and in the aggregate, with respect to activity not taking place in, on or affecting the PHL operations area, and (ii) Twenty Five Million Dollars ($25,000,000) per occurrence and in the aggregate, with respect to activity in, on or affecting the PHL operations area. The General Aggregate Limit must apply on a Per Location Basis. Such coverage shall be adjusted pursuant to the provisions of this Attachment D.

(c) Automobile Liability Insurance.

1) Limit of Liability: $5,000,000 per occurrence combined single limit for bodily injury (including death) and property damage liability.
2) Such requirement shall be $10,000,000 per occurrence for vehicles
3) with access to the airfield.
4) Coverage: Owned, non-owned, and hired vehicles.

(d) All Risk Property Insurance.

Concession Manager shall bring or keep property upon the leased premises and subleased premises solely at its own risk and Concession Manager, at its sole cost and expense, will keep all personal property, stock and leasehold improvements now and hereafter located on the leased premises and subleased premises insured against "All Risk" of Loss with an insurer in an amount at least equal to the replacement value. Any deductible amount shall not exceed Fifty Thousand Dollars ($50,000).

Business and rental interruption insurance covering loss of income, rents and necessary continuing expenses for interruptions caused by any occurrence covered by any insurance required hereunder, in coverage limits acceptable to the City.

Insurance against loss due to any increased cost of repair, reconstruction, debris removal or demolition by reason of any changes in requirements pertaining thereto, provided that such insurance is available at regular rates and commonly obtained with respect to improvements similar in character, size, general location, use and occupancy to the leased premises and the subleased premises, in amounts acceptable to the City.

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

(f) Builders risk coverage in an amount to be determined by the City prior to commencement of the construction of the concession-related improvements. The coverage will be required to remain in full force and effect during the construction of the concession-related improvements by the Concession Manager or Concession Operator and any subsequent reconstruction and cover the Concession Manager and all Concession Operators during the construction or reconstruction of the leased premises and the subleased premises. Concession Manager agrees that prior to commencing any construction or renovation work on or to the leased premises and subleased premises, Concession Manager shall receive written approval from the City and shall require all contractors and subcontractors doing said work to maintain all Insurance Requirements and indemnify the City in the same manner required of Concession Manager as outlined in the Agreement. In addition, Concession Manager shall require the Concession Operator, contractors and subcontractors to submit Certificates of Insurance.

(g) Any other insurance applicable to the operation of the leased premises and the subleased premises in amounts and containing provisions as the City may reasonably require, provided that such insurance is in amounts and upon terms as are cost effective and commercially reasonable and provided further that such insurance is readily available upon commercially reasonable terms.

The requirement for advance documentation of insurance coverage may be waived in such situations where such waiver will benefit City, but under no circumstances shall Concession Manager or any Concession Operator or subcontractor actually begin work (or continue work, in the case of renewal) without providing the required evidence of insurance. City reserves the right to require Concession Manager to furnish certified copies of the original policies of all insurance required under the Agreement at any time upon ten (10) days written notice to Concession Manager.

Each of the aforementioned certificates shall provide that no act or omission or negligence or fault of the City shall invalidate the coverage, that such policies shall be primary to any other policies of insurance available to the City and its officers, employees and agents, and each certificate shall provide that such policies cannot be terminated, canceled or materially changed in any manner that may materially adversely affect the City, until after the issuing company has provided thirty (30) days prior written notice to the City and the City's Risk Manager. Any and all deductibles in the insurance policies described above shall

be assumed by and be for the account of, and at the sole risk of Concession Manager. Concession Manager shall deliver to the City, ten (10) days before the date of the renewal of any policy of insurance required hereunder, a renewal certificate that shall conform to the requirement set forth in this Section for the original certificates. The City shall have the right to modify or waive the insurance obligations of Concession Manager as required by the Agreement.

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

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

D. Prohibition on Acts Affecting Insurance Coverage. Concession Manager shall not do or permit to be done anything, either by act or omission, which shall cause the cancellation of any policy of property insurance for PHL, the leased premises and the subleased premises or any part thereof. If Concession Manager shall do or permit to be done anything, either by act or omission that shall cause an increase in the premiums for insurance for PHL, the leased premises and the subleased premises or any part thereof, Concession Manager shall either pay the amount of such increase, or purchase additional insurance in form and substance satisfactory to the City. Concession Manager shall comply with all safety requirements and recommendations made by the City or any insurance company. The City acknowledges that the Agreement and the rights and obligation of the parties contained herein do not contravene any policies of insurance on which the City is a named or additional insured.

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

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

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

H. Concession Manager Insurance. Concession Manager shall require the Concession Operators to maintain and provide evidence of insurance coverages in types and amounts approved by the City, with coverages to be in full force and effect for the term of the Concession Operator's occupancy. With respect to Concession Operators whose business operations at the location include the

sale, distribution or use of alcoholic beverages, such required insurance coverages shall include, without limitation, liquor law legal liability insurance for bodily injury and property damage insuring against loss, damage, liability, suits, claims, costs and expenses by reason of the manufacture, storage, sale, distribution, use or giving away of alcoholic liquors in, from and about the concession location occupied by such Concession Operator and the leased premises and the subleased premises, whether such liability, arises under any present or future law, statute or ordinance of the Commonwealth or any other governmental authority, relating to the sale or other disposition of fermented alcoholic or other intoxicating liquors in, from, on or about the concession location occupied by such Concession Operator or the leased premises and the subleased premises, in such coverage limits to be determined by the City but not exceeding Ten Million Dollars ($10,000,000) per occurrence in the aggregate. Further, it will be the responsibility of Concession Manager to maintain a file of the Concession Operators' certificates of insurance and ascertain that it is current. The City reserves the right to review Concession Manager's Concession Operator insurance file at any time.

ATTACHMENT E

ACDBE REQUIREMENTS

ATTACHMENT E

INSTRUCTIONS, FORMS AND CONTRACT PROVISIONS RELATING TO PARTICIPATION OF DISADVANTAGED BUSINESS ENTERPRISES IN CITY AIRPORT CONCESSIONS CONTRACTS

1. **Policy**. This invitation and proposal is issued under the Regulations of the U.S. Department of Transportation ("U.S. DOT"), 49 C.F.R. Parts 23 and 26, as amended. It is the policy of the City of Philadelphia and U.S. DOT that airport concession disadvantaged business enterprises ("ACDBE(s)"), as defined in 49 CFR Part 23, as amended, shall have a fair opportunity to participate in the performance of airport concessions contracts. This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23 and 26, which concerns participation by airport concessionaire disadvantaged business enterprises (ACDBEs) in the concession activities of airports receiving Federal financial assistance from the Federal Aviation Administration, which funds were authorized and issued under Title 49 of the United States Code since 1988. All forms, information and documentation submitted are subject to the penalties of 18 U.S.C.S. 1001 relating to false statements and 18 Pa.CS.A 4904 relating to unsworn falsification to authorities.

2. **49 CFR Part 23 Nondiscrimination and Assurances**. This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23. The Proposer agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23. The successful proposer agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR Part 23, that it enters and cause those businesses to similarly include the statements in further agreements.

3. **ACDBE Participation**. The ACDBE Goals established for this Request for Proposal ("RFP") are the following:

- Concession Manager Goal: 30% of Ownership and/or Goods/Services provided annually. The Concession Manager Goal shall apply to the percentage of PaUCP certified ACDBE participation in concession management services provided by the Proposer.
- Concession Program Goal: 35% of annual Gross Sales. The Concession Program Goal shall apply to the percentage of PaUCP certified ACDBE participation in concession operations.

a. Proposers are required to use good faith efforts to include ACDBE participation in this proposal in accordance with the above goals.

b. Accordingly, Proposers are required to submit one of the following with their proposal:

(i). A Schedule For Participation demonstrating any ACDBE participation commitments that Proposer has achieved in accordance with the above goals; <u>or</u>

(ii). A Request For Good Faith Efforts Review, demonstrating that Proposer has made good faith efforts to include ACDBEs in its proposal.

c. The Schedule For Participation or, when necessary, a Request For Good Faith Efforts Review, shall become part of the Proposer's proposal and is an element of responsiveness in the proposal. **The failure to submit either a Schedule For Participation or a Request For Good Faith Efforts Review shall result in rejection of the proposal.** The City reserves the right to permit the proposer to submit a Request For Good Faith Efforts Review at any time prior to award of a contract in order to evaluate whether the proposer made good faith efforts.

4. **Counting ACDBE Participation**. The Schedule For Participation (if any) must contain the name and address of each ACDBE, a detailed description of the work (including a supply effort) to be performed by each named ACDBE and the percentage and dollar amount of participation. An entity wishing to participate as a joint venture ACDBE shall, in addition to the Schedule For Participation, complete and submit all required joint venture information forms available at the City of Philadelphia DBE Program Office. Listing of an ACDBE on the Schedule For Participation or a Schedule For Partial Participation accompanying a Request For Good Faith Efforts Review, constitutes a representation by the Proposer that the ACDBE is certified under the Pennsylvania Unified Certification Program (PaUCP), as indicated below, and capable of completing the subcontract with its own work force and that the Proposer has made a binding commitment, in writing, with such firm prior to submission of the proposal. A copy of the binding commitment must be submitted with the Proposal.

ATTACHMENT E

The written commitment must describe the work to be formed by the ACDBE, which must be a commercially useful function as required by 49 CFR Parts 23 and 26. Such a listing is also a representation that if the Proposer is selected, the Selected Proposer will subcontract with the listed ACDBE(s) for the work described and dollar/percentage amount(s) set forth in the proposal submission and produce a copy of the executed subcontract within thirty (30) days of the execution of a concession agreement between City and the Proposer or submit a request for Good Faith Efforts Review if the Proposer is unable to execute a subcontract with the ACDBE.

a. Any ACDBE listed on the Schedule For Participation or the Schedule For Partial Participation accompanying a Request For Good Efforts Review **must be certified by the PaUCP before the time of proposal submission**. Proposers may list on the Schedule For Participation **only** firms that are currently certified as an ACDBE for the work described in their written commitment. PaUCP maintains a directory of certified ACDBEs classified according to NAIC codes. This Directory is accessible online at www.paucp.com. Proposer shall not receive credit towards ACDBE participation or good faith efforts by using other certification directories (e.g., OEO Directory of Certified Firms, Pennsylvania Department of General Services BMWBO Directory).

b. Pursuant to 49 CFR Part 23.55, if a firm is determined to be an eligible ACDBE, the dollar value of the contract awarded to the ACDBE is counted toward ACDBE participation as follows:

i. **Commercially Useful Function:** Only expenditures to the ACDBE that relate to a commercially useful function performed by the ACDBE under the ACDBE's contract with the Proposer are counted toward ACDBE participation. An ACDBE is considered to perform a commercially useful function in accordance with 49 CFR Part 23.55 when it is responsible for execution of a distinct element of the work of a contract and carrying out its responsibilities by actually performing, managing and supervising the work involved.

ii. **Joint Ventures:** Only that portion of the total dollar value of a contract with a joint venture equal to the percentage of ACDBE ownership and control in the joint venture is counted toward ACDBE participation. The ACDBE joint venture partner must be responsible for a clearly defined portion of the work and must share in the risks and profits of the joint venture commensurate with its ownership interest in the joint venture as required by 49 CFR Part 23 and the FAA's Joint Venture Guidance (July 2008).

iii. **Management Contract:** The total dollar value an ACDBE earns under a management contract may be counted toward ACDBE participation.

iv: **Subconcessionaire or Subcontractor:** When an ACDBE performs under a subconcessionaire agreement or a subcontract with a non-ACDBE, only that portion of the monies earned by the ACDBE under its subagreement may be counted toward ACDBE participation.

v**. Bona Fide Services:** The entire amount of fees or commissions charged by an ACDBE for Bona Fide services may be counted toward ACDBE participation, as long as the fees are reasonable and not excessive as compared with fees customarily allowed for similar services. Such services may include, but are not limited to, professional, technical, consultant, legal, security systems, advertising, building cleaning and maintenance, computer programming, or managerial.

vi. **Goods**:

(1) **Manufacturers and Regular Dealers:** One hundred percent (100%) of the expenditures for goods required under the contract and obtained from an ACDBE manufacturer, as defined in 49 CFR 26.55(e)(1)(ii), or purchased or leased from an ACDBE regular dealer, as defined in 49 CFR 26.55(e)(2)(ii).

(2) **Other goods suppliers:** For an ACDBE that is neither a manufacturer or a regular dealer, count toward ACDBE participation the entire amount of fees or commissions for assistance in the procurement of goods for the concession and the entire amount of fees or transportation charges for the delivery of goods to the concession, as long as such fees, commissions or charges are reasonable and not excessive as compared with fees customarily allowed for similar services. Do not count any portion of the cost of the goods themselves.

c. **Build-Out Costs Are Not Counted:** Pursuant to 49 CFR 23.55 (k), costs incurred in connection with the renovation, repair, or construction of a concession facility (sometimes referred to as the ''build-out'') are not counted toward ACDBE participation.

ATTACHMENT E

5. Good Faith Efforts Review and Proposer Appeal.

a. If the Proposer does not make any ACDBE participation commitments, it must file a Request For Good Faith Efforts Review as indicated above, documenting its good faith efforts to include ACDBE participation commitments in the proposal. Good faith efforts are those efforts undertaken by Proposer that, by their scope, intensity and appropriateness, can reasonably be expected to achieve ACDBE participation. Factors to be considered shall include, but not be limited to, soliciting interest of ACDBEs at pre-proposal meetings; negotiating in good faith with interested ACDBEs; providing interested ACDBEs with adequate information about the plans, specifications, and requirements of the contract in an expeditious manner; and, selecting portions of work or material needs consistent with the available ACDBE subcontractors and suppliers.

b. If the City determines that the Proposer failed to make good faith efforts the Proposer will be notified and may file a written appeal for administrative reconsideration to the City within forty-eight (48) hours of the date of notification; Proposer is not permitted to submit new or additional documentation of good faith efforts in connection with its appeal. Reconsideration will be made by a City official who did not participate in the original determination that Proposer failed to make good faith efforts. The result of the reconsideration process is final and is not administratively appealable to the U.S. Department of Transportation.

6. Post Award Obligation. All contractors and subcontractors are hereby advised that their compliance with the requirements for participation by ACDBEs is material to the contract. Failure to carry out the requirements herein constitutes a substantial breach of contract and, after notification to the U.S. DOT, may result in termination of the contract, suspension, being barred from proposing on and/or participating in City and U.S. DOT funded contracts for up to three (3) years, and/or any other remedy available in law or equity.

a. The successful Proposer is required to make good faith efforts to replace an ACDBE subcontractor that is unable to perform successfully with another ACDBE. All such substitutions require the prior written approval of the City. Similarly, in the event the successful Proposer's contract is increased by change order (sometimes referred to as a modification) and/or amendment, the successful Proposer is required to make good faith efforts to include ACDBE participation on such change order or amendment.

b. The successful Proposer is required to make prompt payment to each subcontractor for satisfactory performance of its contract. Any delay or postponement of payment may occur only for good cause following written approval of the Procurement Department and the Division of Aviation. This provision applies to both ACDBE and non-ACDBE subcontractors. In the event that successful Proposer is found to be in noncompliance with this directive, the City may exercise appropriate legal remedies which may include suspension and debarment of Proposer. Any issue or dispute, which may affect the prompt payment of subcontractors, should be brought to the attention of the Airport contract manager, as well as to the attention of the City of Philadelphia DBE Program Liaison Officer in situations involving ACDBE subcontractors, before a state of noncompliance is reached.

7. **Post Award Compliance Monitoring**. The City reserves the right to conduct post-award compliance reviews to ensure that contractors are in compliance with the contract requirements for ACDBE participation. The successful Proposer agrees to cooperate with the City in its compliance monitoring efforts and to submit, within the time limits prescribed by the City, all documentation that may be requested by the City, including, but not limited to, copies of subcontracts with the ACDBEs listed in the proposal, purchase orders, monthly ACDBE reports, canceled checks, etc. Unreasonable failure or refusal to furnish information or to cooperate in any compliance review shall constitute a substantial breach of contract.

ATTACHMENT E

SCHEDULE FOR PARTICIPATION BY
AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISES (ACDBEs)

Proposal Number: Name of Proposer _____

ACDBE		Detailed Description of Work or Supply Effort or Joint Venture responsibilities	ACDBE Participation	
			Dollar Amount $ (or ownership % for joint ventures)	Type of Contract
Name				
Address				
Contact Person	Phone			
Name				
Address				
Contact Person	Phone			

PLEASE NOTE:

1. If the Proposer is an ACDBE, it is still required to complete this form and must describe, in detail, the work that it will perform, with its own workforce and the dollar amount of the fees, charges or commissions for the work or goods (if a manufacturer or regular dealer) and the type of contract or a description of joint venture responsibilities and the percentage of joint venture ownership held by the ACDBE.
2. A binding commitment must have been achieved with the ACDBE for the detailed work and dollar amount of participation as reflected by the ACDBE's quotation listed on this Schedule for Participation.
3. ACDBEs listed above must be certified by the PaUCP prior to proposal opening in order to count towards ACDBE participation.

ATTACHMENT E

REQUEST FOR GOOD FAITH EFFORTS REVIEW

Name of Proposer:_____ Proposal Number:_____

Date: _____

I,_____, have not been able to achieve participation from any Airport Concession Disadvantaged Business Enterprises (ACDBEs). I represent, under penalty of law and as evidenced by the attached documentation, that I have made good faith efforts prior to proposal opening to achieve ACDBE participation in accordance with the criteria set forth in 49 C.F.R. Section 26.53, but have been unable to achieve such participation for the following reasons*:

*You may attach supplemental pages and documentation if necessary.

ATTACHMENT E

REQUEST FOR GOOD FAITH EFFORTS REVIEW
SCHEDULE FOR Partial PARTICIPATION
BY
AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISES (ACDBE)

Proposal Number Name of Proposer _____

ACDBE		Detailed Description of Work or Supply Effort or Joint Venture responsibilities	ACDBE Participation	
			Dollar Amount $ (or ownership % for joint ventures	Type of Contract
Name				
Address				
Contact Person	Phone			
Name				
Address				
Contact Person	Phone			

PLEASE NOTE:

1. If the Proposer is an ACDBE, it is still required to complete this form and must describe, in detail, the work that it will perform, with its own workforce and the dollar amount of the fees, charges or commissions for the work or goods (if a manufacturer or regular dealer) and the type of contract or a description of joint venture responsibilities and the percentage of joint venture ownership held by the ACDBE.
2. A binding commitment must have been achieved with the ACDBE for the detailed work and dollar amount of participation as reflected by the ACDBE's quotation (and the percentage of ownership for ACDBE joint venture owners) listed on this Schedule for Participation.
3. ACDBEs listed above must be certified by the PaUCP prior to proposal opening in order to count towards ACDBE participation.

ATTACHMENT E

Name of Proposer:_____ Proposal Number:_____

A. CONTRACTOR'S ADVERTISEMENTS FOR PARTICIPATION

Have you advertised in general circulation media, trade association publications and minority or female focused media concerning subcontracting opportunities in general? If so attach copies of all such advertisements published by you within the past six months. If copies are not available, explain why and state the text of the advertisement(s) and the publications where they were printed.

B. NOTIFICATION TO ACDBEs

(1) Did you contact in writing any certified Airport Concession Disadvantaged Business Enterprise(s) to solicit their participation in this contract? If so, attach dated copies of all such solicitations.

(2) Identify by name, address, date and telephone number each certified Airport Concession Disadvantaged Business Enterprise that you contacted orally, and name the person with whom you spoke. If your company maintains a telephone log, please attach relevant entrie

ATTACHMENT E

Name of Proposer: _____ Proposal Number:_____

C. AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISES UNAVAILABLE TO PARTICIPATE IN CONTRACT

Of those Airport Concession Disadvantaged Business Enterprises listed in answer to Subpart B above, identify those which were interested in the contract but which were unavailable to work on this contract or were unable to prepare a quote. State the reasons for the unavailability of each ACDBE. The attached certification of unavailability form should be completed by the ACDBE and submitted for each unavailable firm whenever possible.

D. INFORMATION AND ASSISTANCE PROVIDED TO AIRPORT CONCESSION DISADVANTAGED BUSINESSES

Of those Airport Concession Disadvantaged Business Enterprises listed in answer to Subpart B above, identify those which you provided with plans, specifications and requirements of the contract. Detail all assistance you provide to interested certified ACDBEs and all efforts at negotiation to specific sub-proposals below.

I HEREBY VERIFY THAT THE FOREGOING STATEMENTS ARE TRUE. THIS VERIFICATION IS MADE SUBJECT TO THE PENALTIES SET FORTH IN 18 Pa.C.S.A. 4904 RELATING TO UNSWORN FALSIFICATION TO AUTHORITIES, AND 18 U.S.C.S. 1001, RELATING TO FALSE STATEMENTS. I UNDERSTAND THAT THIS REQUEST FOR GOOD FAITH EFFORTS REVIEW WILL BE CONSIDERED AND APPROVED OR DISAPPROVED SOLELY ON THE BASIS OF THE INFORMATION HEREIN PROVIDED.

_____
Name (Signature)

_____
Title:

ATTACHMENT E

Name of Proposer:_____
Proposal Number:_____

CERTIFICATION OF UNAVAILABILITY OF AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISES

I, _____
do hereby certify that I am a certified Airport Concession Disadvantaged Enterprise ("ACDBE") under the PaUCP and I was offered an opportunity to particpate in the above referenced proposal

for_____
(Describe Work or Supply Effort Solicited)

by _____
(Name of Prime Proposer's Representative Making Solicitation)

on
_____
(Give Date of Solicitation)

but was unavailable to participate/unable to prepare a quote (strike inappropriate term) for the following reasons:

_____
Name of ACDBE

_____
Signature of Principal of ACDBE

_____
Title

_____
Date

ATTACHMENT F

TAX AND REGULATORY STATUS AND CLEARANCE STATEMENT FORM

CITY OF PHILADELPHIA TAX AND REGULATORY
STATUS AND CLEARANCE STATEMENT
FOR APPLICANTS

THIS IS A CONFIDENTIAL TAX DOCUMENT NOT FOR PUBLIC DISCLOSURE

This form must be completed and returned with Applicant's proposal in order for Applicant to be eligible for award of a contract with the City. Failure to return this form will disqualify Applicant's proposal from further consideration by the contracting department. Please provide the information requested in the table, check the appropriate certification option and sign below:

Applicant Name	
Contact Name and Title	
Street Address	
City, State, Zip Code	
Phone Number	
Federal Employer Identification Number or Social Security Number:	
Philadelphia Business Income and Receipts Tax Account Number (f/k/a Business Privilege Tax) (if none, state "none")*	
Commercial Activity License Number (f/k/a Business Privilege License) (if none, state "none")*	

____ I certify that the Applicant named above has all required licenses and permits and is current, or has made satisfactory arrangements with the City to become current with respect to the payment of City taxes or other indebtedness owed to the City (including, but not limited to, taxes collected by the City on behalf of the School District of Philadelphia), and is not in violation, or has made satisfactory arrangements to cure any violation, or other regulatory provisions applicable to Applicant contained in The Philadelphia Code.

___ I certify that the Applicant named above does not currently do business, or otherwise have an economic presence in Philadelphia. If Applicant is awarded a contract with the City, it promptly will take all steps necessary to bring it into compliance with the City's tax and other regulatory requirements.

_____ _____
Authorized Signature Date

_____
Print Name and Title

* You can apply for a City of Philadelphia Business Income and Receipts Tax Account Number or a Commercial Activity License on line after you have registered your business on the City's Business Services website located at http://business.phila.gov/Pages/Home.aspx. Click on "Register" or "Register Now" to register your business.

ATTACHMENT G

PROFORMA FINANCIAL STATEMENT

Philadelphia International Airport
Pro Forma Statement, Terminal Concessions Management Services

5-Year Pro Forma
(constant 2013 dollars)

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Total	Avg per Sq Ft.
Projections									
Enplanements (1% annual increase)	15,615,539	15,631,155	15,646,786	15,662,432	15,678,095	15,693,773	15,709,467	109,637,246	
Sales per Enplanement	$	$	$	$	$	$	$	$	$
Gross Sales									
Existing Leases	$	$	$	$	$	$	$	$	$
New Leases	$	$	$	$	$	$	$	$	$
Total Sales	$	$	$	$	$	$	$	$	$
Rent to City									
Existing Leases	$	$	$	$	$	$	$	$	$
New Leases	$	$	$	$	$	$	$	$	$
Total Rent	$	$	$	$	$	$	$	$	$
(Total Rent to City as a % of Total Sales)	%	%	%	%	%	%	%	%	
Fee to Manager	$	$	$	$	$	$	$	$	$
(Fee to Manager as a % of Sales)	%	%	%	%	%	%	%	%	
(Fee to Manager as a % of City Rent)	%	%	%	%	%	%	%	%	
**(Flat Fee Compensation (OPTIONAL))*	$	$	$	$	$	$	$	$	$
Manager Expenses									
Salaries	$	$	$	$	$	$	$	$	$
Benefits	$	$	$	$	$	$	$	$	$
Legal Services	$	$	$	$	$	$	$	$	$
Accounting Services	$	$	$	$	$	$	$	$	$
Office Equipment and Expenses	$	$	$	$	$	$	$	$	$
Depreciation and Amortization	$	$	$	$	$	$	$	$	$
Overhead	$	$	$	$	$	$	$	$	$
Total Expenses	$	$	$	$	$	$	$	$	$

Note: Rent shall include all amounts collected from concession operators, including any fees and penalities.
Marketing and promotional expenses shall include amounts expended from the marketing fund contribution collected from the concession operators
Square footage to be used for the calculation of average per square foot is 130,000

* Complete Only If Proposer Prefers to Submit a Flat Fee Compensation Amount for each Agreement Year in lieu of % of Sales and/% of Rent.

ATTACHMENT H

CONCESSION PERFORMANCE DATA

Philadelphia International Airport- Food & Beverage

Rental Terms							July 2009-June 2010				July 2010-June 2011				July 2011-June 2012				July 2012-June 2013			
Terminal A-West																						
Tenant	**Start**	**Expiration**	**Space**	**Sq. ft.**	**MAG**	**MAG FY2013**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**
Famous Famiglia	5/3/2003	5/31/2017	AW12-A	718	$225,000		$823,140	-	225,000	27.33%	$710,995	-	$225,000	31.65%	1,105,162	-	$225,000	20.36%	1,100,777		$225,000	20.44%
Maki of Japan	5/3/2003	12/31/2016	AW12-B	768	$170,000		$1,141,031	$35,386	205,386	18.00%	$1,016,973	$13,055	$183,055	18.00%	989,437	8,099	$178,099	18.00%	955,600	2,008	$172,008	18.00%
Cibo Bistro & Wine Bar	5/18/2003	m-t-m	AW13	1,812	$267,631		$2,389,559	$139,538	407,169	17.04%	$2,181,809	$37,823	$305,454	14.00%	2,137,200	31,717	$299,348	14.01%	2,239,011	45,831	$313,462	14.00%
Chickie & Pete's **(B)**	8/22/2008	6/30/2016	AW15	1,996	$101,500		$1,583,144	$0	101,500	6.41%	$1,579,128	-	$101,500	0.00%	1,638,732	-	$0	0.00%	1,713,326		$101,500	0.00%
LePetit Bistro	6/12/2003	12/19/2011	AW18-A	676	$60,000		$324,329	$7,873	50,414	15.54%	na	na	na	na	na	na	na	na	na	na	na	na
Angelina's Panini Bar	8/3/2012	7/31/2014	AW18-A	676	$150,000		na	na	na	na	na	na	na	na	na	na	na	na	$543,053		$136,694	0.00%
McDonalds	5/6/2003	5/31/2013	AW16-A	908	$65,000		$1,817,627	$188,620	$253,620	13.95%	$1,614,838	$160,002	$225,002	13.93%	$1,532,047	$149,487	$214,487	14.00%	$1,568,734	$154,623	$219,623	14.00%
Flight Meals	1/16/2008	m-t-m	AW19	174	$50,000		$536,800	$32,360	82,360	15.34%	$473,039	$21,064	$71,064	15.02%	487,450	23,118	$73,118	15.00%	545,251	34,051	$84,051	15.42%
Au Bon Pain	4/23/2007	12/31/2018	AW5	540	$91,063		$970,028	$55,166	146,229	15.07%	$872,138	$39,542	$130,605	14.98%	896,777	39,552	$130,615	14.56%	793,219	70,151	$115,651	14.58%
Vino Volo	5/16/2011	5/31/2016	AW6	528	$75,000		na			na	$53,009	-	$9,476	17.88%	399,027		$75,000	18.80%	$501,412		$75,000	14.96%
Total					$1,255,194		$9,585,658	$458,943	$1,471,678	15.35%	$8,501,928	$271,486	$1,251,156	14.72%	$9,185,833	$251,973	$1,195,667	13.02%	$9,960,383	$306,664	$1,442,989	14.49%
Enplanements							1,952,939				1,805,133				1,714,978				1,743,607			
Sales/EP							$4.91				$4.71				$5.36				$5.71			
Terminal A-East																						
Guava Java **(A)**	7/18/2008	9/30/2014	AE-4A	800	$250,000		$1,061,735	$114,668	364,668	34.35%	$1,085,944	$76,105	$326,105	$0	$1,197,708	$78,326	$328,326	27.41%	$1,204,200	$40,683	$290,683	24.14%
Jack Duggan's PHL	9/15/2009	8/31/2015	AE-4B	2155	$140,000	$180,000	$1,881,426	$196,285	336,285	17.87%	$2,719,063	$363,812	503,812	18.53%	$2,883,341	$396,668	$536,668	18.61%	$3,054,960	$430,992	$597,659	19.56%
Olde Philadelphia Tavern	2/10/1998	9/28/2009	AE5-A	838	$170,164		$324,329	$7,873	50,414	15.54%	na	na	na	na	na	na	na	na	na	na	na	na
Salad Works	7/6/1997	6/30/2020	AE5-B	748	$125,000		$797,327	-	125,000	15.68%	$790,993	-	125,000	15.80%	$946,951	$7,512	$132,512	13.99%	$954,299	$8,688	$133,688	14.01%
Villa Pizza	10/6/2007	6/30/2014	AE5-C	764	$139,992		$1,671,613	$157,129	297,121	17.77%	$1,669,857	$160,574	300,566	18.00%	$1,619,655	$151,234	$291,226	17.98%	$1,473,111	$125,160	$265,152	18.00%
													-									
Total					$825,156		$5,736,429	$475,955	$1,173,488		$6,265,857	$600,491	$1,255,483	20.04%	$6,647,656	$633,740	$1,288,732	19.39%	$6,686,570	$605,523	$1,287,182	19.25%
Enplanements							1,578,724				1,601,201				1,574,785				1,519,699			
Sales/EP							$3.63				$3.91				$4.22				$4.40			
Terminal B																						
Jet Rock	12/24/1996	12/31/2013	B10-A	2560	$500,000		$4,033,192	$176,638	676,638	16.78%	$4,000,261	$170,052	670,052	16.75%	$3,800,556	$134,100	$634,100	16.68%	$4,235,453	$217,091	$717,091	16.93%
Eat at Joes	5/23/1998	4/30/2017	B12-A	845	$168,000		$1,158,900	-	168,000	14.50%	$990,203	$19,847	187,847	18.97%	$1,324,514	$44,750	$212,750	16.06%	$1,101,641		$168,000	15.25%
Bassett's Turkey	10/23/2001	6/11/2013	B12-B	583	$100,000		$1,042,373	$66,627	166,627	15.99%	$968,753	$58,181	158,181	16.33%	$954,411	$50,794	$150,794	15.80%	$841,506	$30,471	$125,193	14.88%
Vino Volo	2/16/2010	m-t-m	B13	152	$48,557	$36,418	$121,728	$14,607	63,164	51.89%	$375,785	$45,094	93,651	24.92%	$418,177	$1,635	$50,192	12.00%	$427,224	$14,849	$51,267	12.00%
Mrs. Fields Cookies	4/15/2005	3/28/2010	B5-A	1465	$70,000		$285,671	-	62,500	21.88%	na	na	na	na	na	na	na	na	na	na	na	na
Guava Java	7/14/2010	7/31/2017	B5-A	536	$100,000		na	na	na	na	$855,191	$40,666	140,666	16.45%	$989,508	$58,321	$158,321	16.00%	$1,058,899	$70,602	$170,602	16.11%
Auntie Anne's Pretzels	8/2/1996	12/31/2016	B5-B	562	$146,808		$877,268	$47,422	194,230	22.14%	$1,002,045	$64,445	211,253	21.08%	$966,878	$51,756	$198,564	20.54%	$1,052,376	$72,829	$219,637	20.87%
Cibo Bistro & Wine Bar	10/3/1996	11/30/2020	B7	1465	$450,000		$2,468,602		450,000	18.23%	$1,689,901		450,000	26.63%	$2,716,292		$450,000	16.57%	$2,759,711		$450,000	16.31%
Villa Pizza	8/28/2008	6/30/2015	B8-A/B	1125	$195,000		$1,667,477	$78,495	273,495	16.40%	$1,568,376	$58,675	253,675	16.17%	$1,374,957	$22,231	$217,231	15.80%	$1,270,525	$3,695	$198,695	15.64%
													-									
Total					$1,778,365		$11,655,211	$383,789	$2,054,654	17.63%	$11,450,516	$456,960	$2,165,325	18.91%	$12,545,292	$363,587	$2,071,952		$12,747,335	$409,537	$2,100,485	16.48%
Enplanements							2,058,481				2,760,608				$2,820,613				2,777,384			
Sales/EP							$5.66				$4.15				$4.45				$4.59			
B/C Connector																						
Asian Chao	6/4/1998	12/31/2016	BC10	714	$250,000		$1,739,096	$87,819	337,819	19.42%	$1,656,804	$71,361	321,361	19.40%	$1,683,605	$76,721	$326,721	19.41%	$1,562,855	$52,571	$302,571	19.36%
Bassett's Turkey & Café	6/4/1998	12/4/2012	BC11	397	$150,000		$869,959	$6,593	156,593	18.00%	$759,860		150,000	19.74%	$654,622		$150,000	22.91%	$203,812		$64,113	31.46%
Pinkberry	4/23/2013	4/30/2020	BC11	435	$125,000		na	na	na	na	na	na	na	na	na	na	na	na	$177,344	$2,377	$25,988	14.65%
Legal Seafood	5/15/2010	12/31/2019	BC13	3656	$292,706	$334,429	$620,555	$7,973	300,679	48.45%	$5,182,740	$99,487	392,193	7.57%	$5,804,167	$154,414	$447,120	7.70%	$5,886,285	$160,949	$495,378	8.42%
Jazz & Java/Saxby's	6/4/1998	11/30/2009	BC18	826	$150,000		$285,671	-	62,500	21.88%	na	na	na	na	na	na	na	na	na	na	na	na
Le Bus Café	8/24/2011	8/31/2018	BC18-A	350	$150,000		na	na	na	na	na	na	na	na	$967,213	$17,274	$145,500	15.04%	$1,109,822	$16,473	$166,473	15.00%
Vino Volo	5/21/2008	6/30/2013	BC27-A/B	813	$125,000		$1,075,657	$9,079	134,079	12.46%	$989,720		125,000	12.63%	$982,667		$125,000	12.72%	$1,013,475	$1,617	$126,617	12.49%
Dunkin Donuts	6/15/2007	8/31/2013	BC32	194	$150,000		$1,074,279	$66,341	216,341	20.14%	$1,191,786	$92,193	242,193	20.32%	$1,170,437	$87,496	$237,496	20.29%	$1,153,433	$83,755	$233,755	20.27%
Philly Steak & Gyro	8/6/2009	8/31/2016	BC6	599	$200,000		$1,501,766	$58,365	258,365	17.20%	$1,401,350	$24,216	224,216	16.00%	$1,232,902		$200,000	16.22%	$1,091,249		$200,000	18.33%
Chick-Fil-A	5/10/2005	m-t-m	BC7	651	$165,000		$2,424,719	$153,708	318,708	13.14%	$2,311,766	$136,773	301,773	13.05%	$2,535,400	$170,310	$335,310	13.23%	$2,665,821	$189,873	$354,873	13.31%
Sbarro	6/4/1998	m-t-m	BC8	812	$275,000		$1,516,555	$74,973	349,973	23.08%	$1,176,797		275,000	23.37%	$1,192,194		$275,000	23.07%	$1,181,361		$275,000	23.28%
Johnnies Dog House	10/13/2006	1/13/2010	BC9	849	% of sales		$267,361	$13,368	13,368	5.00%	na	na	na	na	na	na	na	na	na	na	na	na
Wendy's	7/13/2010	7/31/2017	BC9	849	$120,000		na	na	na	na	$1,697,405	$126,517	246,517	14.52%	$1,906,673	$155,068	$275,068	14.43%	$1,892,021	$152,724	$272,724	14.41%
Auntie Anne's	4/20/2000	12/31/2016	BCK2-LL	200	$53,192		$387,232	-	53,192	13.74%	$277,218	-	53,192	19.19%	$251,957		$53,192	21.11%	$266,810		$53,192	19.94%
Ray's Dog House	12/18/2009	12/31/2013	BCK3-LL	200	% of sales		$121,902	$10,245	42,342	34.73%	$175,832	$1,534	25,534	14.52%	$185,145	$10,279	$10,279	5.55%	$136,471	$9,965	$9,965	7.30%
Total					$2,205,898		$11,884,753	$488,464	$2,243,959		$16,821,278	$552,081	$2,356,979	14.01%	$18,566,981	$671,562	$2,580,686	13.90%	$18,340,759	$670,304	$2,580,649	14.07%
Enplanements							5,676,453				5,744,973				5,811,351				5,822,445			
Sales/EP							$ 2.09				$ 2.93				$ 3.19				$ 3.15			

Philadelphia International Airport- Food & Beverage

Rental Terms							July 2009-June 2010				July 2010-June 2011				July 2011-June 2012				July 2012-June 2013			
Terminal C																						
Au Bon Pain	12/21/2006	12/31/2018	C1	3230	$170,169	$273,000	$3,614,415	$382,185	552,354	15.28%	$3,701,969	$398,315	568,484	15.36%	$3,487,930	$330,167	$500,336	14.34%	$3,085,800	$336,618	$609,618	19.76%
Chickie & Pete's **(B)**	2/8/2008	6/30/2016	C11	2382	$124,250		$3,010,869	-	124,250	4.13%	$3,086,750	-	124,250	4.03%	$3,606,601	-	$124,250	3.45%	$3,905,779		$124,250	3.18%
LePetit Bistro	6/19/2000	12/31/2011	C12-A	645	$60,000		$1,251,322	$55,966	115,966	9.27%	$1,138,356	-	60,000	5.27%	$413,909	$13,008	$36,504	8.82%	na	na	na	na
Popeye's Chicken	2/7/2013	2/29/2020	C12-A	645	$100,000		na	na	na	na	na	na	na	na	na	na	na	na	$457,893	$15,495	$55,376	12.09%
Jazz & Java/Saxby's	6/2/2000	8/31/2009	C12-B	615	$55,000		$71,817	-	9,167	12.76%	na	na	na	na	na	na	na	na	na	na	na	na
Auntie Anne's	12/22/2009	12/31/2015	C12-B	615	$119,335	$100,000	$290,828	-	119,335	41.03%	$667,077	$31,453	150,788	22.60%	$762,759	$31,969	$151,304	19.84%	$867,551	$48,088	$148,088	17.07%
Sky Asian Bistro	5/16/2001	12/31/2021	C5	2237	$248,225	$400,000	$3,229,628	$408,518	656,743	20.33%	$3,057,393	$370,626	618,851	20.24%	$2,481,988	$125,345	$373,570	15.05%	$3,959,715	$158,957	$558,957	14.12%
Burrito Elito	5/15/2012	5/31/2019	C6	711	$150,000		na	na	na	na	na	na	na	na	$156,273	$2,563	$21,918	14.03%	$1,149,442	$10,922	$160,922	14.00%
Cibo Express Gourmet	10/5/2010	10/31/2015	C8-A	325	$200,000		na	na	na	na	$926,642	$28,448	228,448	24.65%	$1,369,439	$55,416	$255,416	18.65%	$1,622,946	$94,671	$294,671	18.16%
Freshens Yogurt	2/22/1997	12/5/2012	C9-A	555	$100,000		$648,971	-	100,000	15.41%	$615,684	-	100,000	16.24%	$510,575	-	$100,000	19.59%	$171,375		$43,011	25.10%
Jamba Juice	3/12/2013	3/31/2020	C9-A	555	$160,000		na	na	na	na	na	na	na	na	na	na	na	na	$324,975		$48,602	14.96%
Philly Steak & Gyro	6/4/1998	7/31/2017	C9-B	528	$200,000		$1,094,198	-	200,000	18.28%	$651,915	-	200,000	30.68%	$967,482	-	$200,000	20.67%	$783,095		$200,000	25.54%
Sbarro	5/18/1998	9/30/2013	C9-C	617	$275,000		$1,856,290	$156,510	431,510	23.25%	$1,716,950	$123,068	398,068	23.18%	$1,805,987	$144,437	$419,437	23.22%	$1,760,891	$133,614	$408,614	23.20%
Total					$1,961,979		$15,068,340	$1,003,179	$2,309,325	15.33%	$15,562,736	$951,910	$2,448,889	15.74%	$15,562,943	$702,905	$2,182,735	14.03%	$18,089,462	$798,365	$2,652,109	14.66%
Enplanements							3,617,972				2,984,365				2,990,738				3,045,061			
Sales/EP							$ 4.16				$ 5.21				$ 5.20				$ 5.94			
Terminal D																						
Chickie & Pete's	11/10/2011	11/30/2018	D1	2744	$200,000		na	na	na	na	na	na	na	na	$1,344,122	$60,510	$188,843	14.05%	$2,262,724	$116,788	$316,788	14.00%
Jet Rock	10/29/2002	m-t-m	D11	4372	$546,691		$3,504,100	-	546,691	15.60%	$3,394,445	-	546,691	16.11%	$2,643,085	-	$546,691	20.68%	$2,356,069		$546,691	23.20%
Earl of Sandwich	11/29/2010	11/30/2017	D3-A	897	$125,000		na	na	na	na	$578,885	$7,756	73,885	12.76%	$1,044,226	$21,192	$146,192	14.00%	$961,329	$9,586	$134,586	14.00%
Currito Burrito	12/13/2010	12/31/2017	D3-B	897	$120,000		na	na	na	na	$484,895	$2,132	75,743	15.62%	$899,847	$5,979	$125,979	14.00%	$894,237	$5,193	$125,193	14.00%
Famous King of Pizza	6/4/1998	m-t-m	D6-A	452	$75,000		$678,533	-	75,000	11.05%	$737,229	-	75,000	10.17%	$576,013		$75,000	13.02%	$498,458		$75,000	15.05%
Burger King	12/1/1998	8/31/2009	D6-B	744	$150,000		$784,530	-	80,374	10.24%	na	na	na	na	na	na	na	na	na	na	na	na
TCBY	4/1/2004	1/11/2010	D6-C	179	$50,000		$170,432	-	29,167	17.11%	na	na	na	na	na	na	na	na	na	na	na	na
Jamba Juice	4/4/2011	4/30/2016	D6-D	268	$32,000		na	na	na	na	$136,003	$8,413	40,413	29.71%	$506,666	$25,067	$57,067	11.26%	$508,034	$25,285	$57,285	11.28%
Auntie Anne's	2/26/2010	12/31/2015	D6-E	272	$80,665	$100,000	$156,193	-	80,665	51.64%	$455,077	-	80,665	17.73%	$361,853		$80,665	22.29%	$333,821		$100,000	29.96%
Dunkin Donuts	6/6/2008	2/28/2015	D8	574	$100,000		$1,007,552	$101,661	201,661	20.01%	$1,110,725	$124,359	224,359	20.20%	$1,177,300	$139,006	$239,006	20.30%	$1,117,713	$125,897	$225,897	20.21%
LePetit Bistro	10/29/2002	7/5/2011	D9	1272	$60,000		$1,444,888	$135,358	195,358	13.52%	$1,520,698	$96,105	156,105	10.27%	na	na	na	na	na	na	na	na
Greenleaf	10/20/2011	10/31/2018	D9	580	$105,645	$150,000	na	na	na	na	na	na	na	na	$955,503	$49,701	$155,346	16.26%	$1,559,654	$95,055	$245,055	15.71%
Total					$1,645,001		$7,746,226	$237,019	$1,208,916		$8,417,957	$238,765	$1,272,861	15.12%	$9,508,614	$301,455	$1,614,789	16.98%	$10,492,039	$377,804	$1,826,495	17.41%
Enplanements							1,929,714				1,943,827				$1,900,908				1,897,185			
Sales/EP							$ 4.01				$ 4.33				$ 5.00				$ 5.53			

Philadelphia International Airport- Food & Beverage

Rental Terms							July 2009-June 2010				July 2010-June 2011				July 2011-June 2012				July 2012-June 2013			
D/E Connector																						
Vino Volo	12/30/2008	12/31/2015	DE-5	1164	$175,000		$775,293	-	175,000	22.57%	$698,816	-	175,000	25.04%	$585,231	-	$175,000	29.90%	$586,203		$175,000	29.85%
Peet's Coffee	12/30/2008	12/31/2015	DE-6	569	$150,000		$830,136	-	150,000	18.07%	$843,700	-	150,000	17.78%	$884,524	-	$150,000	16.96%	$904,611		$150,000	16.58%
Total					$325,000		$1,605,430	-	$325,000		$1,542,516	-	$325,000	21.07%	$1,469,755	-	$325,000	22.11%	$1,490,814	-	$325,000	21.80%
Enplanements							3,622,518				3,944,274				3,692,602				3,418,910			
Sales/EP							$ 0.44				$ 0.39				$ 0.40				$ 0.44			
Terminal E																						
Cantina Laredo	2/16/2010	1/6/1900	E12	2049	$250,000		$662,020		250,000	37.76%	$1,884,548	$14,054	264,054	14.01%	$1,558,196		$250,000	16.04%	$1,114,040		$250,000	22.44%
Au Bon Pain	5/2/2012	12/31/2018	E14	369	$31,500		na	na	na	na	na	na	na	na	$130,474	$18,235	$23,400	17.93%	$753,676	$80,358	$111,858	14.84%
McDonald's	2/16/2010	2/29/2020	E15	1110	$120,000		$920,761	$51,157	171,157	18.59%	$2,471,928	$135,508	255,508	10.34%	$2,126,346	$80,215	$200,215	9.42%	$1,982,881	$57,946	$177,946	8.97%
Good 2 Go III	3/18/2011	m-t-m	E1-B	166	$50,000		na	na	na	na	$189,064	$12,085	62,085	32.84%	$668,546	$43,597	$93,597	14.00%	$547,156	$26,595	$76,595	14.00%
Chickie & Pete's **(B)**	12/21/2007	6/30/2016	E6-A	2239	$124,250		$3,341,787	$647,947	772,197	23.11%	$3,209,088	$663,667	787,917	24.55%	$2,732,700	$666,705	$790,955	28.94%	$2,279,412	$654,778	$779,028	34.18%
Guava & Java **(A)**	9/3/2008	9/30/2014	E6-B	559	-		$1,047,563	$0	-	0.00%	$881,056	-	-	0.00%	$693,242	$0	$0	0.00%	$521,818		$0	0.00%
Cibo Market Express	9/16/2005	4/26/2010	E7	120	$75,000		$736,618	$48,628	111,128	15.09%	na	na	na	na	na	na	na	na	na	na	na	na
Bassett's Deli	10/9/2001	12/3/2012	E8-A	450	$175,000		$862,069	$28,867	203,867	23.65%	$447,818		175,000	39.08%	$397,298		$175,000	44.05%	$97,434		$74,328	76.29%
Maki of Japan	12/18/2009	12/31/2016	E8-B	795	$80,000		$579,106	$13,883	93,883	16.21%	$1,020,666	$13,720	93,720	9.18%	$765,362		$80,000	10.45%	$588,061		$80,000	13.60%
Sbarro	3/11/2010	3/31/2014	E8-C	870	$250,000		$351,135	$11,071	261,071	74.35%	$1,130,641	$32,660	282,660	25.00%	$917,185		$250,000	27.26%	$744,130		$250,000	33.60%
Total					$1,155,750		$8,501,059	$801,553	$1,863,303		$11,234,809	$871,694	$1,920,944	17.10%	$9,989,349	$808,752	$1,863,167	18.65%	$8,628,608	$819,677	$1,799,755	20.86%
Enplanements							1,692,804				2,000,447				$1,791,694				1,521,725			
Sales/EP							$ 5.02				$ 5.62				$ 5.58				$ 5.67			
Terminal F																						
Revive	6/23/2011	4/5/2013	F11	1118	$423,750		na	na	na	na	$24,467	$0	$ 9,417	38.49%	$2,600,460	$0	$423,750	16.30%	$1,993,689		$323,698	16.24%
Cibo Market	10/26/2011	6/30/2013	F12-A	295	$76,814	$112,500	na	na	na	na	na	na	na	na	$289,661	-	$76,814	26.52%	$430,274		$112,500	26.15%
Au Bon Pain	8/9/2011	m-t-m	F14	615	$41,625	$46,500	na	na	na	na	na	na	na	na	$2,669,544	$633,211	$674,836	25.28%	$2,793,543		$46,500	1.66%
Jet Rock	6/17/2001	7/4/2011	F2	1804	$125,000		4,326,214	$492,194	617,194	14.27%	$4,464,186	514,270	639,270	14.32%	48,297	5536	$130,536	270.28%	na	na	na	na
Cibo Express Gourmet	6/23/2011	3/13/2013	F25-B	565	$213,750		na	na	na	na	$20,154	-	4,750	23.57%	$1,080,785	-	$213,750	19.78%	$854,294		$151,694	17.76%
Sbarros	6/17/2001	6/17/2011	F4-A	685	$200,000		$1,714,767	$241,584	441,584	25.75%	$1,642,243	$217,683	410,461	24.99%	na	na	na	na	na	na	na	na
Asian Chao	6/17/2001	6/17/2011	F4-B	773	$170,000		$1,585,704	$115,427	285,427	18.00%	$1,550,385	$115,124	278,985	17.99%	na	na	na	na	na	na	na	na
Au Bon Pain	8/22/2008	8/14/2011	F5-A/B	951	$12,097		$1,585,704	$115,427	127,524	8.04%	$1,550,385	$115,124	278,985	17.99%	na	na	na	na	na	na	na	na
Good 2 Go II	8/27/2009	2/28/2014	F8	358	$98,000		$522,558	-	98,000	18.75%	$669,337	-	98,000	14.64%	$1,049,788	$48,970	$146,970	14.00%	$1,034,569	$46,840	$144,840	14.00%
Au Bon Pain	10/27/2011	m-t-m	F8-B	376	$28,500		na	na	na	na	na	na	na	na	$827,062	$0	$19,383	2.34%	$1,269,253	$649,114	$693,469	54.64%
Revive	3/15/2013	3/31/2015	FH21	2303	$150,000														$1,315,195	$148,294	$166,036	12.62%
Good 2 Go	3/15/2013	2/28/2020	FH22	426	$60,000														$449,833	$48,422	$57,755	12.84%
Total					$1,599,536		$9,734,947	$964,632	$1,569,729		$9,921,158	$962,201	$1,719,868	17.34%	$8,565,597	$687,717	$1,686,039	19.68%	$10,140,650	$892,670	$1,696,492	16.73%
Enplanements							2,407,478				2,519,958				$2,550,410				2,711,224			
Sales/EP							$ 4.04				$ 3.94				$ 3.36				$ 3.74			
Total					$12,751,879		$81,518,053	$4,813,534	$ 14,220,052	17.44%	$89,718,754	$4,905,588	$ 14,716,505	16.40%	$92,042,021	$4,421,691	$ 14,808,767	16.09%	$96,576,620	$4,880,544	$ 15,711,156	16.27%
Enplanements							15,238,112				15,615,539				15,344,126				15,215,885			
Sales/EP							$ 5.35				$ 5.75				$ 6.00				$ 6.35			

(A) Guava Java is one lease for A-East and E locations - rent and % rent shown in A-East location

(B) Chickie's and Pete's A-West, C and E are in one lease - % rent is shown in E location

Philadelphia International Airport- Retail

Rental Terms							July 2009-June 2010				July 2010-June 2011				July 2011-June 2012				July 2012-June 2013			
Terminal A-West																						
Tenant	**Start**	**Expiration**	**Space**	**Sq. ft.**	**MAG**	**MAG FY2013**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**
Int'l Shoppes	6/16/2007	12/31/2016	AW1	981	-		$2,383,170	-	-	0.00%	$2,102,601	-	-	0.00%	$2,230,510		-	0.00%	$2,552,927		-	see below
XpresSpa	2/21/2009	4/30/2013	AW11	228	$30,000		$129,081	-	30,000	23.24%	$124,545	-	30,000	24.09%	$137,385		30,000	21.84%	$40,417		10,000	24.74%
Healthy Gourmet	7/30/2013	3/31/2018	AW11	228	$75,000														$0		20,766	na
Taxco Sterling	3/28/2007	9/30/2013	AW14	395	$34,375	$37,500	$314,203	-	34,375	10.94%	$222,822	-	34,375	15.43%	$195,801		34,375	17.56%	$146,994		37,500	25.51%
Int'l Shoppes	7/24/2003	12/31/2016	AW16	600	$2,000,000		$647,427	$1,875,982	2,875,982	444.22%	$545,278	$1,690,573	2,690,573	493.43%	$641,971	$1,049,335	3,049,335	475.00%	$1,053,018		2,000,000	see below
Hudson News	5/2/2003	12/31/2017	AW17	600	-		$1,085,658	-	-	0.00%	$1,001,310	-	-	0.00%	$970,195		-	0.00%	$954,906		-	see below
Hudson News	5/2/2003	12/31/2017	AW21	463	$738,537		$206,988	$28,321	1,263,488	610.42%	$186,917	-	1,925,000	1029.87%	$159,873	$239,458	1,366,603	854.80%	$187,763		738,537	see below
Airport Wireless	6/30/2008	3/22/2011	AW6	528	$50,000		$475,067	$2,286	52,286	11.01%	$398,116	$3,834	40,124	10.08%	na	na	na	na	na	na	na	na
Brookstone	5/7/2003	1/31/2013	AW7-A/B	1022	% of sales		$808,408	$80,889	80,889	10.01%	$755,673	$75,567	75,567	10.00%	$957,114	$97,634	97,634	10.20%	$978,016	$99,582	99,582	10.18%
Hudson News	5/2/2003	12/31/2017	AW8	1967	-		$2,491,793	-	-	0.00%	$2,233,389	-	-	0.00%	$2,175,047		-	0.00%	$2,147,374		-	see below
Int'l Shoppes	1/27/2004	12/31/2016	AW9	3219	-		$5,362,456	-	-	0.00%	$4,833,133	-	-	0.00%	$5,358,520		-	0.00%	$3,765,808	$1,097,195	1,097,195	see below
Total					$2,927,912		$13,904,249	$1,987,478	$4,337,020		$12,403,784	$1,769,974	$4,795,639		$12,826,417	$1,386,427	$4,577,947		$11,827,223	$1,196,777	$4,003,580	33.85%
Enplanements							1,952,939				1,805,133				1,714,978				1,743,607			
Sales/EP							$ 7.12				$ 6.87				$ 7.48				$ 6.78			
Terminal A-East																						
Explore Phila	7/15/2006	6/30/2013	AE3-A	786	$46,800		$400,146	$1,217	48,017	12.00%	$385,354	-	46,800	12.14%	$420,465	$3,656	50,456	12.00%	$372,295		46,800	12.57%
CNBC	1/1/2006	6/30/2013	AE3-B	2000	$2,412,295		$1,614,497	$302,072	2,714,367	168.12%	$1,545,296	$186,818	2,599,113	168.20%	$1,619,011	$192,380	2,604,675	160.88%	$1,597,049	$189,030	2,601,325	see below
Int'l Shoppes	3/1/2003	12/31/2016	AE7	1485	-		$1,793,555	-	-	0.00%	$2,087,561	-	-	0.00%	$2,303,586	-	-	0.00%	$2,306,981		-	0.00%
CNBC	1/1/2006	6/30/2013	AE9-A	850			$1,520,254	-	-	0.00%	$1,606,820	-	-	0.00%	$1,698,006	-	-	0.00%	$1,739,312	-	-	see below
Total					$2,459,095		$5,328,451	$303,289	$2,762,384	51.84%	$5,625,030	$186,818	$2,645,913	47.04%	$6,041,068	$196,036	$2,655,131	43.95%	$6,015,637	$189,030	$2,648,125	44.02%
Enplanements							1,578,724				1,601,201				1,574,785				1,519,699			
Sales/EP							$ 3.38				$ 3.51				$ 3.84				$ 3.96			
Terminal B																						
CNBC	1/1/2006	6/30/2013	B1	2204	$0		$1,849,532	-	-	0.00%	$1,899,842	-	-	0.00%	$1,976,802		-	0.00%	$1,715,661		-	see below
CNBC	1/1/2006	6/30/2013	B10-B	423	$0		$1,538,278	-	-	0.00%	$1,569,823	-	-	0.00%	$1,502,665		-	0.00%	$1,717,817		-	see below
Taxco Sterling	12/7/2007	3/31/2014	B2	836	$75,000		$460,221	-	75,000	16.30%	$388,184	-	75,000	19.32%	$348,991		75,000	21.49%	$321,801		75,000	23.31%
Afaze	12/14/1999	12/31/2015	B3	893	$87,500	$90,000	$732,280	-	87,500	11.95%	$700,681	-	87,500	12.49%	$737,986		87,500	11.86%	$462,301		90,000	19.47%
Airport Wireless	4/13/2004	m-t-m	B4	1538	$100,000		$1,288,185	$34,582	134,582	10.45%	$1,249,575	$30,079	130,079	10.41%	$1,239,945	$31,793	131,793	10.63%	$1,156,451	$18,774	118,774	10.27%
CNBC	1/1/2006	6/30/2013	BSNG	118	-		$658,628	-	-	0.00%	$635,371	$0	-	0.00%	$697,944		-	0.00%	$732,163		-	see below
Total					$262,500		$6,527,124	$34,582	$297,082	4.55%	$6,443,475	$30,079	$292,579	4.54%	$6,504,333	$31,793	$294,293	4.52%	$6,106,194	$18,774	$283,774	4.65%
Enplanements							2,058,481				2,760,608				2,820,613				2,777,384			
Sales/EP							$ 3.17				$ 2.33				$ 2.31				$ 2.20			

Philadelphia International Airport- Retail

Rental Terms							July 2009-June 2010				July 2010-June 2011				July 2011-June 2012				July 2012-June 2013			
B/C Connector																						
The Gap	6/4/1998	m-t-m	BC1	2858	$165,000		$1,951,913	-	165,000	8.45%	$1,952,718	-	165,000	8.45%	$1,826,629	$0	165,000	9.03%	$1,893,450		165,000	8.71%
Swarovski	2/16/2007	2/28/2017	BC14	593	$60,000		$482,544	-	60,000	12.43%	$552,969	-	60,000	10.85%	$737,387	$14,674	74,674	10.13%	$648,459	$5,815	65,815	10.15%
PGA Tour Shop	6/4/1998	6/30/2013	BC15	1583	$75,000		$567,370	-	75,000	13.22%	$597,569	-	75,000	12.55%	$541,761	$0	75,000	13.84%	$652,557		75,000	11.49%
Pennsylvania Mkt	6/4/1998	6/30/2013	BC16	2094	$112,500		$628,046	-	112,500	17.91%	$707,038	-	112,500	15.91%	$661,284	$0	112,500	17.01%	$710,430		112,500	15.84%
Brooks Brothers	1/31/2006	6/30/2013	BC17-A/B	2205	$78,000		$1,141,184	$13,295	91,295	8.00%	$1,169,480	$15,558	93,558	8.00%	$1,214,575	$19,166	97,166	8.00%	$1,262,034	$22,963	100,963	8.00%
Spirit of Red Horse	12/14/2006	2/29/2012	BC19	368	$60,264		$321,247	-	60,264	18.76%	$336,797	-	60,264	17.89%	$189,514	$0	60,264	31.80%	na	na	na	na
Time to Fly	4/2/2012	6/30/2014	BC19	368	$55,000		na	na	na	na	na	na	na	na	$147,988	$1,237	14,834	10.02%	$695,203	$14,520	69,520	10.00%
Johnston & Murphy	6/4/1998	6/30/2013	BC2	1650	$125,000		$830,442	$0	125,000	15.05%	$962,220	$19,333	144,333	15.00%	$969,547	$20,432	145,432	15.00%	$1,021,779	$28,267	153,267	15.00%
Jack George	3/2/2009	12/31/2011	BC20	455	$70,000		$398,406	$0	70,000	17.57%	$359,784	-	70,000	19.46%	$213,657	$0	70,000	32.76%	na	na	na	na
TUMI	3/8/2012	3/31/2019	BC20	455	$80,000		na	na	na	na	na	na	na	na	$396,471	$14,442	39,603	9.99%	$1,254,436	$50,532	130,532	10.41%
Sunglass Hut	6/4/1998	1/31/2020	BC21	458	$99,996		$632,111	$20,101	120,097	19.00%	$897,793	$70,581	170,577	19.00%	$915,890	$74,019	174,015	19.00%	$1,054,542	$100,363	200,359	19.00%
Fire & Ice	7/9/1998	9/30/2015	BC22/23	902	$130,000		$861,800	$750	130,750	15.17%	$786,878	-	130,000	16.52%	$765,403	-	130,000	16.98%	$775,271		130,000	16.77%
Hat World	6/4/1998	12/31/2015	BC24	455	$85,000		$514,741	-	85,000	16.51%	$512,911	-	85,000	16.57%	$536,836	-	85,000	15.83%	$481,420		85,000	17.66%
Bose	10/28/2003	1/31/2016	BC25	455	$72,000	$90,000	$751,482	-	72,000	9.58%	$809,237	-	72,000	8.90%	$954,332	-	72,000	7.54%	$766,767		81,000	10.56%
Brookstone	6/4/1998	1/31/2013	BC26-A/B	796	$93,996		$715,413	-	93,996	13.14%	$716,486	-	93,996	13.12%	$825,415	-	93,996	11.39%	$828,292		93,996	11.35%
Harley Davidson	9/2/2005	6/30/2013	BC28-A/B	455	$41,600		$427,920	$1,192	42,792	10.00%	$429,719	$1,372	42,972	10.00%	$466,235	$6,395	47,995	10.29%	$432,451	$1,645	43,245	10.00%
Wisteria	12/5/2008	2/22/2010	BC29-A/B	905			$122,450	$12,245	12,245	10.00%	na	na	na	na	na	na	na	na	na	na	na	na
Blackberry	4/30/2010	10/28/2012	BC29-A/B	905	$100,000		$105,179		100,000	95.08%	$454,531	-	100,000	22.00%	$248,139	-	100,000	40.30%	$38,476		33,333	86.63%
Forever Heather	11/15/2012	11/30/2013	BC29-A/B	905	$60,000				60,000										$198,296		37,667	19.00%
The Body Shop	2/25/2005	2/28/2018	BC3	1425	$85,000	$100,000	$706,211	$1,035	86,035	12.18%	$673,366	-	85,000	12.62%	$716,690	-	85,000	11.86%	$651,718		81,667	12.53%
InMotion	4/12/2005	12/31/2015	BC30	455	$85,000		$703,622	$7,040	92,040	13.08%	$741,679	$8,003	93,003	12.54%	$779,456	$12,432	97,432	12.50%	$798,709	$14,839	99,839	12.50%
Brighton	10/26/2005	6/30/2013	BC31	368	$26,000		$566,476	$30,648	56,648	10.00%	$613,674	$35,367	61,367	10.00%	$631,788	$37,179	63,179	10.00%	$632,255	$37,226	63,226	10.00%
Hallmark	2/2/2005	5/31/2012	BC4	1574	$61,875		$578,530	$11,779	73,654	12.73%	$577,859	$11,579	73,454	12.71%	$539,099	$12,101	73,976	13.72%	na	na	na	na
Roster	7/9/2012	7/31/2014	BC4	1574	$49,000														$611,299	13,204	61,150	10.00%
Borders	10/10/2008	8/8/2011	BC5	1044	$200,000		$1,453,685	$0	200,000	13.76%	$1,288,583	-	200,000	15.52%	$146,172	-	20,968	14.34%	na	na	na	na
Heritage Books	12/15/2011	6/30/2013	BC5	1044	$115,000		na	na	na	na	na	na	na	na	$461,493	$6,469	90,192	19.54%	$872,783	$15,917	130,917	15.00%
Stellar News	7/15/2009	10/24/2010	BC-K1	200	-		$70,497		-	0.00%	$20,455	$3,068	3,068	15.00%	na	na	na	na	na	na	na	na
Total					$2,185,231		$14,531,272	$98,085	$1,984,316	13.66%	$15,161,744	$164,861	$1,991,092	13.13%	$14,885,762	$218,546	$1,988,226	13.36%	$16,280,627	$305,291	$2,013,996	12.37%
Enplanements							5,676,453				5,744,973				5,811,351				5,822,445			
Sales/EP							$ 2.56				$ 2.64				$ 2.56				$ 2.80			
Terminal C																						
Radio Road	2/22/2007	2/29/2012	C2	575	$46,667		$350,869	-	46,667	13.30%	$359,103		46,667	13.00%	$210,708	-	46,667	22.15%	na	na	na	na
XpresSpa	5/6/2006	4/30/2013	C3	1049	$80,000		$1,183,121	$65,637	145,637	12.31%	$1,127,742	$57,884	137,884	12.23%	$1,103,611	$54,506	134,506	12.19%	na	na	na	na
XpresSpa	7/7/2012	12/31/2017	C2/C3	1585	$150,000														$1,053,675	$31,986	126,569	12.01%
CNBC	1/1/2006	6/30/2013	C4	1665	-		$2,549,467		-	0.00%	$2,585,337		-	0.00%	$2,609,285	$0	-	0.00%	$2,629,391		-	see below
Airport Wireless	9/26/2003	11/17/2011	C6	711	$57,258		$756,566	$484	57,742	7.63%	$857,123	$2,855	60,113	7.01%	$337,067	$2,092	59,350	17.61%	na	na	na	na
Tech Interaction	3/20/2012	12/31/2017	C7	573	$100,000		na	na	na	na	na	na	na	na	$182,108	-	28,226	15.50%	$760,913	-	100,000	13.14%
Erwin Pearl	12/13/2003	1/13/2010	C8-A	325	$40,000		$111,409	-	21,503	19.30%	na	na	na	na	na	na	na	na	na	na	na	na
Sweet Flights	4/25/2002	4/30/2014	C8-B	998	$91,500		$659,028	$12,021	103,521	15.71%	$717,398	$22,132	113,632	15.84%	$679,744	$15,354	106,854	15.72%	$774,024	$32,324	123,824	16.00%
CNBC	1/1/2006	6/30/2013	CSNG	32	-		$722,412	-	-	0.00%	$697,106		-	0.00%	$779,717	$0	-	0.00%	$873,339		-	see below
Total					$565,425		$6,332,871	$78,142	$375,070	5.92%	$6,343,810	$82,871	$358,296	5.65%	$5,902,239	$71,952	$375,603	6.36%	$6,091,342	$64,310	$350,393	5.75%
Enplanements							3,617,972				2,984,365				2,990,738				3,045,061			
Sales/EP							$ 1.75				$ 2.13				$ 1.97				$ 2.00			

Philadelphia International Airport- Retail

Rental Terms							July 2009-June 2010				July 2010-June 2011				July 2011-June 2012				July 2012-June 2013			
Terminal D																						
CNBC	3/23/2006	6/30/2013	D10	689	-		$1,525,491		-	0.00%	$1,565,534		-	0.00%	$1,535,202		-	0.00%	$1,546,963		-	see below
XpresSpa	5/24/2011	5/31/2018	D4	992	$60,000		na	na	na	na	$30,823		60,000	194.66%	$264,601		60,000	22.68%	$267,807		60,000	22.40%
Stellar News	7/14/2009	12/31/2017	D5-A	659	-		$1,182,649	$102,397	102,397	8.66%	$583,886	$83,752	83,752	14.34%	$644,161	$96,624	96,624	15.00%	$658,517	$98,737	98,737	see below
Stellar News	7/9/2010	12/31/2017	DK-1	1724	-		na	na	na	na	$1,397,496	$205,976	205,976	14.74%	$1,538,395	$230,759	230,759	15.00%	$1,493,054	$223,958	223,958	see below
CNBC	1/1/2006	6/30/2013	DSNG	118	-		$584,776		-	0.00%	$451,815		-	0.00%	$377,136		-	0.00%	$439,029		-	see below
Total					$60,000		$3,292,917	$102,397	$102,397	3.11%	$4,029,554	$289,728	$349,728	8.68%	$4,359,495	$327,383	$387,383	8.89%	$4,405,370	$322,695	$382,695	8.69%
Enplanements							1,929,714				1,943,827				1,900,908				1,897,185			
Sales/EP							$ 1.71				$ 2.07				$ 2.29				$ 2.32			
D/E Connector																						
Tech Showcase	12/30/2008	12/31/2013	DE-1	922	$37,500	$75,000	$406,761	-	37,500	9.22%	$507,262		37,500	7.39%	$514,035	$44,013	81,513	15.86%	$488,577	$22,715	97,715	20.00%
Borders	12/30/2008	8/8/2011	DE-10	896	$200,000		$763,753	-	200,000	26.19%	$685,614		200,000	29.17%	$75,859	-	20,968	27.64%	na	na	na	na
Stellar Books	10/7/2011	12/31/2017	DE-10	909	$85,000		na	na	na	na	na	na	na	na	$285,706	-	62,379	21.83%	$310,731		51,163	16.47%
Brookstone	12/30/2008	12/31/2013	DE-2	754	$120,000		$492,735	-	120,000	24.35%	$544,392		120,000	22.04%	$537,338	-	120,000	22.33%	$583,296		120,000	20.57%
Sunglass Hut	12/30/2008	12/31/2013	DE-3	658	$100,000		$621,336	-	100,000	16.09%	$666,257		100,000	15.01%	$577,771	-	100,000	17.31%	$632,628		100,000	15.81%
Crocs	12/30/2008	m-t-m	DE-4	659	$80,000		$426,112	-	80,000	18.77%	$442,117		80,000	18.09%	$402,214	-	80,000	19.89%	$388,928		80,000	20.57%
Lids/Lids Kids	12/30/2008	12/31/2015	DE-7	687	$80,000		$545,813	-	80,000	14.66%	$615,880	$6,223	86,223	14.00%	$670,025	$20,027	100,027	14.93%	$461,362		80,000	17.34%
InMotion	12/30/2008	12/31/2015	DE-8	660	$100,000		$510,195	-	100,000	19.60%	$574,952		100,000	17.39%	$492,651	-	100,000	20.30%	$471,314	-	100,000	21.22%
Taxco	12/30/2008	12/31/2015	DE-9	809	$62,300	$75,000	$354,636	-	62,300	17.57%	$288,300		62,300	21.61%	$264,638	-	62,300	23.54%	$213,835	-	62,300	29.13%
Total					$864,800		$4,121,341	$0	$779,800	18.92%	$4,324,774	$6,223	$786,023	18.17%	$3,820,236	$64,040	$727,187	19.04%	$3,550,671	$22,715	$691,178	19.47%
Enplanements							3,622,518				3,944,274				3,692,602				3,418,910			
Sales/EP							$ 1.14				$ 1.10				$ 1.03				$ 1.04			
Terminal E																						
Stellar News	2/16/2010	12/31/2017	E13	528	-		$438,149		-	0.00%	$1,092,941	$193,670	193,670	17.72%	$996,471	$149,471	149,471	15.00%	$905,858		135,879	15.00%
Stellar News	6/25/2010	12/31/2017	E3	1410	-		$10,297		-	0.00%	$911,730	$133,380	133,380	14.63%	$815,126	$136,297	136,297	16.72%	$721,482	$102,017	102,017	14.14%
Pennsylvania Market	10/9/1998	6/30/2013	E5-A	981	$84,996		$550,937		84,996	15.43%	$443,320	-	84,996	19.17%	$411,313	-	84,996	20.66%	$403,453	-	84,996	21.07%
CNBC	1/31/2006	6/30/2013	E5-B	777	-		$1,236,045		-	0.00%	$751,542	-	-	0.00%	$639,972	-	-	0.00%	$539,340	-	-	see below
Life is Good	10/15/2010	12/31/2017	EK1	603	$50,000		na	na	na	na	$175,540	-	35,618	20.29%	$166,059	-	50,000	30.11%	$127,118	-	50,000	39.33%
Mindworks	10/15/2010	12/31/2017	EK2	392	$40,000		na	na	na	na	$133,190	-	28,495	21.39%	$147,407	-	40,000	27.14%	$120,974	-	40,000	33.06%
CNBC	1/1/2006	4/18/2013	ESNG	61	-		$430,086		-	0.00%	$371,059		-	0.00%	$273,079	-	-	0.00%	$161,122	-	-	see below
Total					$174,996		$2,665,513	$0	$84,996	3.19%	$3,879,323	$327,050	$476,159	12.27%	$3,449,427	$285,768	$460,764	13.36%	$2,979,347	$102,017	$412,892	13.86%
Enplanements							1,692,804				2,000,447				1,791,694				1,521,725			
Sales/EP							$ 1.57				$ 1.94				$ 1.93				$ 1.96			
Terminal F																						
Hudson News	10/27/2011	7/1/2013	F12-B	385	-		na	na	na	na	na	na	na	na	$285,911	-	-	0.00%	$460,695	-	-	see below
Hudson News	6/23/2011	3/16/2013	F25-A	565	-		na	na	na	na	$8,151		-	0.00%	$501,799	-	-	0.00%	$303,420	-	-	see below
Hudson News	6/17/2001	8/14/2011	F3	1836	-		2,670,125	-	-	0.00%	2,611,338		-	0.00%	299,831	-	-	0.00%	na	na	na	na
Hudson News	6/17/2001	3/15/2013	F6	1004	267,000		$1,364,805	-	-	0.00%	$1,339,831		-	0.00%	$2,054,515	-	-	0.00%	$1,551,041	208,527	266,637	see below
Stellar News	6/15/2013	12/31/2017	F6	1004	210,000		na	na	na	na	na	na	na	na	na	na	na	na	$81,026	-	9,333	see below
Hudson News	6/17/2001	12/31/2017	F7	409	33,000		$382,317	-	33,000	8.63%	$393,525		-	0.00%	$474,599	-	-	0.00%	$434,945	-	31,500	see below
Hudson News	10/28/2011	12/31/2017	F8-A	300		-	na	na	na	na	na	na	na	na	$248,292	-	-	0.00%	$425,176	-	-	see below
Stellar	3/15/2013	6/30/2020	FH23	1826	$210,000		na	na	na	na	na	na	na	na	na	na	na	na	$290,468	$42,030	$252,030	see below
Total					$510,000		$4,417,248	$0	$33,000	0.75%	$4,352,845	$0	$0	0.00%	$3,864,947	$0	$0	0.00%	$3,546,771	$250,557	$559,500	15.77%
Enplanements							2,407,478				2,519,958				2,550,410				2,711,224			
Sales/EP							$ 1.83				$ 1.73				$ 1.52				$ 1.31			
Total					$7,824,728		$61,120,986	$2,603,973	$10,756,065	17.60%	$62,564,340	$2,857,604	$11,695,429	18.69%	$61,653,925	$2,581,945	$11,466,534	18.60%	$60,803,182	$2,472,166	$11,346,133	18.66%
Enplanements							15,238,112				15,615,539				15,344,126				15,215,885			
Sales/EP							$ 4.01				$ 4.01				$ 4.02				$ 4.00			
International Shoppes					$2,000,000		$10,186,608	$1,875,982	$2,875,982	28.23%	$9,568,573	$1,690,573	$2,690,573	28.12%	$10,534,588	$1,049,335	$3,049,335	28.95%	$9,678,734	$1,097,195	$3,097,195	32.00%
Newstands																						
CNBC (all locations)					$2,412,295		$13,799,379	$302,072	$2,714,367	19.67%	$13,308,486	$186,818	$2,599,113	19.53%	$13,435,738	$192,380	$2,604,675	19.39%	$13,691,186	$189,030	$2,601,325	19.00%
Hudson News (all locations)					$1,038,537		$8,201,686	$28,321	$1,296,488	15.81%	$7,774,461	-	$1,925,000	24.76%	$7,170,063	$239,458	$1,366,603	19.06%	$6,465,320	$208,527	$1,036,674	16.03%
Stellar News (all locations)					% of sales		$1,701,592	$102,397	$102,397	6.02%	$4,006,508	$619,846	$619,846	15.47%	$3,994,153	$613,151	$613,151	15.35%	$3,778,911	$424,712	$560,591	14.83%
Note:	6/30/2013	those with 6/30/13 in red have pending renewals in process																				

Philadelphia International Airport- Services

Rental Terms						July 2009-June 2010				July 2010-June 2011				July 2011-June 2012				July 2012-June 2013			
Terminal A-West																					
Tenant	**Start**	**Expiration**	**Space**	**Sq. ft.**	**MAG**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**	**Sales**	**Percentage Rent**	**Total Rent**	**Effective Rent (Total Rent/Sales)**
Travelex	5/2/2003	5/31/2015	AW20	113	$2,000,000	$1,814,886	$75,253	2,075,253	114.35%	$2,148,501	$1,096	2,001,096	93.14%	$1,511,746	$1,356	2,001,356	132.39%	$1,479,843	$1,206	2,001,206	135.23%
Travelex	5/2/2003	5/31/2015	AW10	405	-	$10,992,746		-	0.00%	$10,261,148	$0	-	0.00%	$9,769,744	-	-	0.00%	$8,582,867	-	-	0.00%
Travelex	5/2/2003	5/31/2015	AW2	177	-	$6,142,967		-	0.00%	$6,044,005	$0	-	0.00%	$6,295,026	-	-	0.00%	$6,297,578	-	-	0.00%
Total						$18,950,599	$75,253	$2,075,253	10.95%	$18,453,655	$1,096	$2,001,096	10.84%	$17,576,517	$1,356	$2,001,356	11.39%	$16,360,288	$1,206	$2,001,206	12.23%
Enplanements						1,952,939				1,805,133				1,714,978				1,743,607			
Sales/EP						$ 9.70				$ 10.22				$ 10.25				$ 9.38			
Terminal A-East																					
PIA /Travelex	7/1/1995	5/31/2015	AE10/AE12	133	-	$2,894,087	-	-	0.00%	$2,971,852	-	-	0.00%	$3,123,940	-	-	0.00%	$2,976,808	-	-	0.00%
PIA /Travelex	7/1/1995	5/31/2015	D-S-4	609	-	$804,645	-	-	0.00%	$1,092,460	-	-	0.00%	$858,246	-	-	0.00%	$946,103	-	-	0.00%
Total						$3,698,733	-	-		$4,064,313	-	-		$3,982,186	-	-		$3,922,911	-	-	
Enplanements						1,578,724				1,601,201				1,574,785				1,519,699			
Sales/EP						$ 2.34				$ 2.54				$ 2.53				$ 2.58			
Services Throughout Airport																					
Ace	1/1/2005	12/31/2012	AB2	632	$30,000	$157,613	-	30,000	19.03%	$142,420	-	30,000	21.06%	$101,288	-	30,000	29.62%	$54,948	-	9,000	16.38%
Travelex	12/29/2012	5/31/2015	AB2	300	$10,000													$32,619		5,081	15.58%
UPS /Travelex	3/30/2001	5/31/2015	AB4	1015	-	$722,863	-	-	0.00%	$2,536,476	-	-	0.00%	$2,297,901	-	-	0.00%	$2,993,301	-	-	0.00%
Bank of America	8/4/2008	8/31/2016	ATM **(1)**	350	$1,360,000	$597,872	$418,510	1,778,510	297.47%	$550,012	$385,008	1,745,008	317.27%	$475,230	$332,853	1,692,853	356.22%	$436,090	$301,110	1,661,110	380.91%
Datawave	10/7/2000	8/31/2011	DWAVE	120	$27,139	$63,993	-	31,322	48.95%	$47,385	-	16,172	34.13%	$6,936	-	2,702	38.96%	na	na	na	na
Morning Start	2/1/2006	m-t-m	VEND	59	$90,000	$382,302	$62,921	152,921	40.00%	$424,588	$79,836	169,836	40.00%	$390,817	$66,327	156,327	40.00%	$390,817	$68,518	158,518	40.56%
Minute Suites	3/16/2011	1/31/2016	AB6	1441	$70,000	na	na	na	na	$72,923	-	20,511	28.13%	$195,647	-	70,000	35.78%	$212,818	-	70,000	32.89%
Total					$1,587,139	$1,924,643	$481,431	$1,992,753	103.54%	$3,773,804	$464,844	$1,981,527	52.51%	$3,467,819	$399,180	$1,951,882	56.29%	$4,120,593	$369,628	$1,903,709	46.20%
Enplanements						15,238,112				15,615,539				15,344,126				15,215,885			
Sales/EP						$ 0.13				$ 0.24				$ 0.23				$ 0.27			
Total						$24,573,975	$556,684	$4,068,006	16.55%	$26,291,772	$465,940	$3,982,623	15.15%	$25,026,521	$400,536	$3,953,238	15.80%	$24,403,792	$370,834	$3,904,915	16.00%
Enplanements						15,238,112				15,615,539				15,344,126				15,215,885			
Sales/EP						$ 1.61				$ 1.68				$ 1.63				$ 1.60			

(1) Bank of America pays 70% of surcharge transactions

ATTACHMENT I

TERMINAL CONCESSION MANAGEMENT SERVICES

TERMINAL CONCESSION MANAGEMENT SERVICES
OUTLINE OF ANTICIPATED SCOPE OF SERVICES

Part I. Overview

I-A. General Scope

The City will grant to the Concession Manager, subject to all terms, conditions and covenants of the Agreement, the privilege and obligation to manage the food, beverage, retail and passenger services concession program at PHL, including marketing, leasing, promoting and monitoring ACDBE participation, monitoring operations and enforcing compliance by food, beverage, retail and passenger services concession operators at PHL ("Concession Operators"), managing related construction as generally set forth in the RFP and this Attachment I, and as negotiated and finalized in the Agreement,

I-B. Staffing

The Concession Manager shall at all times maintain the following minimum personnel, all of whom shall be approved in writing by the Airport:

1. General Manager. The Concession Manager shall retain an on-site, experienced, full-time general manager ("General Manager"). The General Manager shall be fully authorized to represent and act for the Concession Manager in all matters pertaining to its operations under the Agreement. The General Manager shall be dedicated exclusively to the management, leasing, and marketing of the Terminal Concession Program. At a minimum, the General Manager must have five (5) years experience in airport concession management, managing multiple stores, units or properties of a size, complexity, and sales volume similar to that of Terminal Concession Program. The annual salary for the General Manager shall be a minimum of $80,000.

2. Assistant General Manager. The Concession Manager shall retain a minimum of one (1) on-site, experienced, full-time assistant general manager ("Assistant General Manager"). If the Concession Manager employs more than one Assistant General Manager, at least one such Assistant General Manager must possess a minimum of five (5) years operational food service experience if the General Manager does not have such food service experience. The annual salary for the Assistant General Manager shall be a minimum of $55,000. At times when the General Manager is not present at the Airport, the Assistant General Manager shall act for the General Manager and be in charge of all locations, services and facilities.

3. Staffing Plan. Prior to commencement of the Agreement, the Concession Manager shall propose a written staffing plan and shall receive written approval from the Airport for other staff in accordance with the Agreement. The minimum staff positions to be preapproved by the Airport in writing are:

a. Leasing Representative. A minimum of one (1) specific, dedicated full-time individual assigned to PHL whose primary responsibility is the subleasing of PHL concession locations.

b. Marketing Representative. A minimum of one (1) specific, dedicated full-time individual assigned to PHL whose primary responsibility is managing the PHL concession marketing program.

c. Construction Management/Tenant Coordinator. A minimum of one (1) specific individual assigned to PHL during all times when Concession Operator construction is taking place whose primary responsibility is coordination of all concession-related construction.

d. ACDBE Coordinator. A minimum of one (1) individual assigned to PHL whose primary responsibility is to ensure compliance specifically with the Airport's ACDBE Program and coordination with current and prospective ACDBE Concession Operators at PHL.

e. Administration. A minimum of one (1) individual assigned to PHL whose primary responsibility is administrative, reporting and record-keeping.

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

g. Other. Such additional staffing as may be required to: (1) read and record all utility matters located in all concession locations, including those areas used by the Concession Manager; (2) coordinate security compliance and badging matters for the Concession Manager and Concession Operator's employees; (3) comply with the City's recycling program and such other environmental initiatives which may be promulgated during the term of the Agreement;(4) monitor and report on Concession Operators' compliance with the Philadelphia 21st Century Minimum Wage and Benefits Standards (see RFP section 4.4.9) and with Labor Harmony contract provisions (see II-C.3.D of this Attachment I); and (5) participate in any City hosted job fairs for PHL and connect with the on-line job portal created by the City posting job opportunities.

The Concession Manager shall provide the Airport with resumes for all personnel proposed in this Section B of Attachment I. Such resumes shall be updated, as appropriate, but no less than once a year.

4. **Corporate**. As part of a staffing plan, the Concession Manager shall assign a single point-of-contact at the Concession Manager's corporate level of management to supervise the General Manager and be available to the Airport's management during business hours.

The Concession Manager will be required to maintain an office on PHL premises. The

City will provide the premises. The Concession Manager will not be required to pay basic rent therefor. The Concession Manager will be required to pay for utilities, any fit-out costs, furniture and such other fees as may be specified in the Agreement (e.g. for trash pickup).

Part II. Concession Management Services

II-A. Negotiation and Administration of Subleases

1. **General.** The Concession Manager is expected to evaluate, select and enter into subleases ("Subleases") with Concession Operators who will operate food, beverage, retail and passenger services concessions from individual spaces within the premises granted to Concession Manager ("Leased Premises"). The Concession Manager shall present proposals to the City for approval, negotiate sublease terms and execute the Sublease with each Concession Operator.

2. **Standard Sublease**. Within thirty (30) days following the effective date of the Agreement, the Concession Manager shall finalize the standard master form of Sublease incorporating comments from the Airport. All Subleases shall be submitted to the Airport for approval before final execution.

3. **Concept Development and Concession Operator Mix.** The Concession Manager shall propose a variety of food, beverage, passenger service and retail concepts, and shall lease to a mix of national, regional, local brands and use good faith efforts to propose Airport Concession Disadvantaged Business Enterprise (ACDBE) Concession Operators and participants that satisfy the City's annual 35% (thirty-five percent) ACDBE Participation Concession Program Goal requirement set forth in Section 3.3.2 and **Attachment E** of this RFP. Within thirty (30) days of the commencement of the Agreement, the Concession Manager shall submit to the City a date and plan for a community outreach seminar, designed to recruit ACDBE Concession Operators and participants who satisfy the above Concession Program Goal requirement as well as members of neighboring communities.

   a. The Concession Manager is expected to participate in annual economic opportunity forums offered by the City to meet and recruit local Concession Operators. The final selection of concepts and Concession Operators to become Concession Manager's subtenants shall be subject to City approval.

   b. Airport Concession Disadvantaged Business Enterprise (ACDBE) Participation: In addition to the above Annual 35% ACDBE participation Concession Program Goal requirement, the Concession Manager shall ensure that:

      (i) Prior to the submission of any sublease to the City for approval:

(a) all ACDBE participants are PaUCP certified and have been determined by the City to be in compliance with 49 CFR Parts 23 and 26 and the City's ACDBE Program requirements ("ACDBE Compliance"); and

(b) All ACDBE participants and non-ACDBE participants are qualified to do business in Pennsylvania and have a Philadelphia Business Privilege license prior to the submission of any sublease to the City for approval; and

(c) All ACDBE and non-ACDBE participants have submitted true and correct copies of all documentation required by the City to determine ACDBE Compliance; and

(ii) Concession Manager has an ongoing monitoring and enforcement program that aggressively and continuously monitors and enforces ACDBE participation by the ACDBE and non-ACDBE concessionaires participating in the City's ACDBE Program, in accordance with 49 CFR Parts 23 and 26 and the City's ACDBE Program.

4. **Concept Development Meetings**. The Concession Manager shall meet with the Airport as needed, but not less than once per month, to review its concept development plans and sublease negotiations. In addition, the Concession Manager shall meet with the Airport annually to review its annual comprehensive concession plan and identify emerging trends in airport food, beverage, retail and passenger services. The Concession Manager shall submit an annual Master Plan for the merchandising, marketing, leasing, and development of the food, beverage, retail and passenger services concession program, including temporary services and the phasing of new concession openings and closures.

5. **Concession Operator Selection and Preliminary Deal Sheet**. The Concession Manager shall recommend to the Airport a proposed Concession Operator and shall submit a written summary of the proposed Sublease, or a "Deal Sheet." The Deal Sheet shall include, at a minimum, concept type, use clause, term length, Minimum Annual Guarantee, Percentage of Gross Receipts, proposed menu and/or merchandise mix, projected first year Gross Receipts, and whether or not the proposed Concession Operator is an ACDBE. At the Airport's request, a proforma for the proposed Concession Operator shall also be provided.

6. **Sublease Negotiation.** The Concession Manager shall engage in sublease negotiations with prospective Concession Operators following the Airport's written approval of the Deal Sheet. The Concession Manager shall define, in each Sublease, the use for the individual location, that the Sublease is fully assignable to the City as well as the minimum capital investment required. In addition, the Concession Manager shall require all propsective Concession Operators to complete campaign disclosure forms pursuant to 17-1400 of the Philadelphia Code. Prior to execution of any agreement with

any Concession Operator, the Concession Manager shall be responsible for forwarding all such disclosure forms to the Finance Department for the City and confirming that a prospective Concession Operator is in compliance with 17-1400 of the Philadelphia Code.

II-B. **Facility Development**

The Concession Manager shall proceed with design development and construction of common area concession facilities when directed by the Airport and following approval of a Sublease shall cause the Concession Operator to proceed with design development and construction of its location at PHL.

1. **Presentation of Initial Concept Plan**. The Concession Manager shall cause the Concession Operator, as appropriate, to develop and for Airport approval, concept and design plans for each concession location within sixty (60) days after direction by the Airport. The Concession Manager shall present all location designs to the Airport and obtain all necessary Airport approvals for the design and construction of such locations. The initial concept plans shall include, at a minimum, the following:
   plan views;
   concept sketches;
   elevations;
   material boards; and
   project schedule

   The Concession Manager and Concession Operators shall comply with PHL Tenant design standards which can be found at:
   http://www.phl.org/Business/DesignandCodeManuals/Documents/Tenant_Design_Manual.pdf.

2. **Subsequent Plan Submittals**. Following Airport approval of the initial concept plan, the Concession Manager shall follow up with any required subsequent plan approvals. Such followup shall include assuring design standard compliance and appropriate construction coordination (such coordination shall be consistent with City standards and any security requirements).

II-C. **Operational Management**

1. **Sublease Administration**. The Concession Manager shall be responsible for administration of the Sublease, including, without limitation, collection of all rent, fees, fund contributions, reimbursements, and any liquidated damages due under the Sublease; ensuring that Concession Operators meet the insurance requirements; analysis of Concession Operators' financial performance including whether the Concession Operator is in default and what action, formal or informal, against the Concession Operator is contemplated; coordination with the Airport for concession advertising and promotions; temporary and/or permanent re- leasing of any premises that become vacant; completion of required campaign disclosure forms pursuant to 17-1400 of the Philadelphia Code and ensuring that Concession Operators are otherwise compliant with the

Sublease.

2. **Construction Coordination.** The Concession Manager shall coordinate construction management with the Airport's designated contacts at PHL on a regular basis. The Concession Manager will work with the Airport to establish a meeting schedule and procedures for construction coordination.

3. **Evaluation and Oversight**. The Concession Manager shall be responsible for continuing to evaluate the food, beverage, retail and passenger services operations conducted under the Agreement, including identifying any area where customer service and productivity of operations can be improved

   A. In performing the continuing evaluation of the Airport's Terminal Concession Program, the Concession Manager shall provide the following: (1) physical property inspections on at least a monthly basis, or more often as a particular problem or issue arises ; (2) the development of a secret shopper program; (3) foster communication between all Concession Operators; (4) an Emergency Preparedness Plan; (5) Concession Operator Training; and (6) customer service feedback, including the establishment of a customer service hotline and/or website.

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

   C. **Compliance with Living Wage Requirements.** All concession contracts entered into by the Concession Manager will be subject to the "Living Wage" requirements set forth in Chapter 17-1300 of the Philadelphia Code, the Philadelphia 21st Century Minimum Wage and Benefits Standards. The Concession Manager will be responsible to ensure Concession Operators' compliance with those requirements,, as provided in Section 4.4.9 of the RFP.

   D. **Labor Harmony**. The City is in the process of establishing a policy for Labor Harmony. The City expects such a policy will require action by the Concession Manager in implementing, monitoring and enforcing this policy. Specific Labor Harmony requirements will be provided by the City and will be the subject of negotiations for the Agreement. Furthermore, the Agreement will be subject to approval by City Council, as set forth in Section 4.4.18 of the RFP.

The following Labor Harmony principles shall be incorporated in the City's requirements:

Employees of PHL Concession Operators shall:

- Be treated with dignity and respect by the Concession Operator.
- Have clearly communicated employment policies such as, but not limited to, leave policies, dress code and dispute resolution policies in order to ensure Labor Harmony.
- Be able to hear from both the union and the Concession Operator (employer).

Unions Seeking to Organize PHL Concession Operator Employees shall:

- Be able to communicate with Concession Operator employees.
- Be able to publicly express their concerns consistent with the National Labor Relations Act and Airport Rules and Regulations.
- Not be prohibited from conducting organizing activities in accordance with established Airport Rules and Regulations.

Concession Operators at PHL shall:

- Treat their employees with dignity and respect.
- Have policies that are clearly communicated to their employees.
- Be able to communicate with their employees.

E. The Concession Manager shall comply with all applicable federal, state and local requirements and allow duly authorized representatives of the City and governmental entities reasonable access to all Leased Premesis for inspection purposes.

II-D. **<u>Marketing and Promotion</u>**

The Concession Manager shall establish, implement and monitor the following marketing and promotion plans and funds ("Marketing Plan"):

1. <u>Annual Marketing Plan</u>. The Concession Manager agrees to submit to the Airport a comprehensive Marketing Plan for the Terminal Concession Program, which shall describe the marketing and promotion, budget and strategies for the next year. The Marketing Plan shall include:

   Coordination of various promotion opportunities including, but not limited to, in-terminal flight information display monitors, and other opportunities that promote and advertise the Terminal Concession Program as well as coordination with the local hospitality, transportation, retail and restaurant industries, government agencies, the marketing of PHL. Furthermore, the Concession Manager shall plan, schedule and execute various promotional events at PHL such as product samplings, book signings, demonstrations, fashion shows and store-opening celebrations.

Implementation of Marketing Plan. Quarterly, the Concession Manager shall provide a status report on the Marketing Plan to the Concession Operators, which will be available to the Airport for review. The direct costs of the implementation of the Marketing Plan (excluding the cost of the Concession Manager's own employees) may be charged against the Marketing Fund.

2. Establishment and Use of the Marketing Fund. As set forth in Section 5.5.4 b. of the RFP, the Concession Manager may establish a Marketing Fund from funds collected from Concession Operators. Only direct marketing and promotion costs incurred by the Concession Manager, or Concession Operators, shall be allowed to be charged against the Marketing Fund. All expenditures shall require the approval of the Division of Aviation.

II-E. Meetings

The Concession Manager shall establish and conduct the following periodic meetings:

1. Meetings with the Airport at least quarterly to review Concession Operator sales and discuss operational issues, subleasing, any financing facility appearance and maintenance, development and construction updates, ACDBE participation, and other issues, as necessary;

2. Meetings with each Concession Operator not less than once each month to discuss the operation, marketing, and productivity of the Concession Operator's locations;

3. Meetings quarterly with all Concession Operators to review Airport news developments, ongoing operational issues and marketing and promotional activities;

4. Meeting annually with Airport staff to review the Marketing Plan, identify emerging trends in airport food, beverage, retail passenger services and review the annual subleasing plan.

II-F. Business Analysis and Reporting

The Concession Manager shall evaluate on an ongoing basis and report to the Airport by the twentieth (20th) calendar day of each month, in an electronic format and a file type as designated by Airport staff, the following Concession Operator performance data:

For the Terminal Concession Program:

1. Monthly Sales Report

2. Current month's sales vs. historical sales from the prior year and month, with subtotals by major terminal location and a total for PHL

3. Current revenue vs. historical revenue numbers from the prior year and month, with subtotals by major terminal location and a total for PHL

4. Year-to-date, rolling monthly sales and revenue numbers vs. rolling historical sales and revenue numbers, with subtotals by major terminal location and a total for PHL

5. ACDBE sales vs. ACDBE sales from the prior year for PHL

6. On the 15th of each month: gross sales generated by each ACDBE Concession Operator on a monthly basis; and on the 15th of the last month of each calendar quarter and December of each year: gross sales and percentage subtotals for each Concession Operator showing compliance or noncompliance with the Concession Operator's ACDBE participation requirement

7. On the 15th of the last month of each calendar quarter and December of each year, the percentage of goods and services provided to Concession Operators by ACDBEs, with subtotals for each Concession Operator showing compliance or noncompliance with the Concession Operator's ACDBE participation requirement

8. Reporting on compliance with the City's 21st Century Minimum Wage and Benefit Standards (see RFP Section 4.4.9).

For each concession location/unit within the Leased Premises:

1. Sales by individual Concession Operator locations with subtotals by type of concession (food beverage, specialty retail, services, RMUs, kiosks) by major terminal location and concourse and a total for PHL.

2. Rent paid and owed by each Concession Operator by concession location with subtotals by type of concession (food, beverage, specialty retail, newsstands, services, RMUs, kiosks) by major terminal location and concourse and a total for PHL.

3. Sales per square foot and per enplaned passenger for each concession location at PHL with subtotals by type of concession (food, beverage, specialty retail, newsstands, services, RMUs, kiosks) by major terminal location and concourse and a total for PHL.

4. Revenue per square foot and per enplaned passenger for each concession location at PHL with subtotals by type of concession (food, beverage, specialty retail, newstands, services, RMUs, kiosks) by major terminal location and concourse and a total for PHL.

II-G. **Rental Collection and Payment of Fees**

In consideration of the rights and privileges to be granted to the Concession Operator, the Concession Manager shall ensure that each Concession Operator sublease contains provisions consistent with the following payment requirements. In addition, the Concession Manager shall collect such fees from the Concession Operators on behalf of the City.

1. **Minimum Annual Guarantee**. Payment of a Minimum Annual Guarantee ("MAG") of a fixed dollar amount by each Concession Operator. Such MAG shall be established for each year of the sublease. One- twelfth (1/12) of the MAG shall be paid in advance and without demand on the first day of each calendar month. The MAG shall be deemed delinquent if the Concession Manager does not receive payment by the tenth (10th) calendar day of the month.

2. **Percentage of Gross Receipts**. Payment of a percentage of gross receipts ("Percentage Rent") in excess of the MAG generated by each Concession Operator as established during negotiation of the sublease. Percentage Rent payments, if due, shall be deemed delinquent if not received by the Concession Manager by the fifteenth (15th) calendar day after the end of each calendar month.

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

4. **Annual Statement**. There shall be an annual reconciliation conducted by each Concession Operator of the Minimum Annual Guarantee and Percentage Rent payments and the preparation of an Annual Statement, certified as accurate by the Concession Operator subject to 18 Pa.C.S.A. §4904. The Concession Manager shall collect such certified annual statements from the Concession Operators within sixty (60) days following the end of the calendar year, and shall prepare a comprehensive certified

annual statement for the concession program for the calendar year just ended. Such annual statement shall be submitted to the City on March 15 (or the closest business day following March 15, if that date should occur on a Saturday or Sunday or City holiday) of the following year. An independent certified public accountant ("CPA") shall prepare said annual statement for the Concession Manager. The annual statement shall also include a statement by the independent CPA that in its opinion such annual statement has been prepared in accordance with Generally Accepted Accounting Principles and in accordance with the terms and conditions of the Agreement, including the definition of Total Gross Concession Revenues set forth in the Agreement. Such annual statement shall also contain a list of the Total Gross Concession Revenues, by month, as shown on the books and records of the Concession Manager that were used to compute the Rental Payment paid to the City during the period covered by the annual statement. The City reserves the right to reject the Concession Manager's choice of independent CPA if said independent CPA does not, in the City's view, have the appropriate standing and reputation.

5. **Utility Charges**. Concession Manager shall be responsible for the collection of payment from Concession Operators for all utilities (including electric, gas and water/sewer, where appropriate) used or consumed at each location plus applicable taxes. Concession Manager shall direct Concession Operators to install meters as required by the City, at their sole cost and expense, in accordance with the PHL tenant design manual, at each of the concession locations subleased to them. Concession Manager shall be responsible for reading installed meters and tenant billings. Charges for such utility consumption shall be at rates established by the City for PHL and shall be on a non- discriminatory basis. Payment shall be due monthly.

6. **Telephone Service**. Concession Manager shall ensure that telephone service is separately contracted and paid by the Concession Manager and its Concession Operators. All Concession Operators, including those operating RMUs, are required to have telephone service.

Part III. Concession Operations Standards

III-A. **Hours of Operation**. The Concession Manager shall ensure that Concession Operators shall be open for business daily a minimum of one hour before the first scheduled departing flight from the terminal or concourse in which the Concession Operator's premises are located, and shall remain open for business until the last departure from the terminal or concourse in which the Concession Operator's premises are located. The City reserves the right to require the Concession Manager to direct the Concession Operators to increase the hours of operation if airline schedules and passenger demand dictate.

III-B. Concesssion Operator Staffing

1. **Airport Security** The Concession Manager shall ensure that all Concession Operators comply with the Airport Security Plan in Section 7 of the Philadelphia International Airport Rules and Regulations Manual. http://www.phl.org/business/pages/airport-rules-and-regulations-.aspx The Concession Manager shall have all liability and responsibility with respect to security issues relating to Concession Operator employee badging and security clearance requirements. The Concession Manager agrees to implement a badging plan for Concession Operator employees and serve as the liasion with respect to Concession Operator airport security compliance. The Concession Manager shall provide assistance to the Concession Operators by providing appropriate applications and other information and documentation supplied by the City for submission to the appropriate officials.

2. **Minimum Requirements.** During the hours of operation required herein, the Concession Manager shall ensure that all Concession Operators provide personnel in sufficient number and with such qualifications necessary to provide first class and efficient service to the public.

III-C. Service Levels

The Concession Manager shall use its best efforts to ensure the highest standards of public service from all Concession Operators. All Concession Operators shall accept at least two nationally-recognized credit cards (e.g., American Express, Master Card, VISA).

Additionally, the Concession Manager shall ensure that at least one food, beverage concession location and one newsstand/sundries concession location shall remain open twenty-four (24) hours each day in each terminal.

III-D. Cash Control and Accounting

The Concession Manager shall require Concession Operators to maintain control of all Gross Receipts with cash registers capable of providing customer receipts indicating the date and time of purchase. The Concession Manager shall require Concession Operators to maintain an accounting system in accordance with GAAP to permit audits by the Concession Manager and the City periodically.

III-E. Concession Manager and Concession Operator Audits

Concession Operators shall be audited by the Concession Manager at least once during the term of their Sublease and in any event at least once every three (3) years.

III-F. Licensing and Regulations

All concession facilities shall be licensed by the City of Philadelphia, and maintained in compliance with all applicable local, state, and federal rules, Airport's regulations and standards. Concession Operators at PHL are subject to periodic inspections and the

Concession Manager shall cause the Concession Operators to promptly correct or cause to be corrected any deficiencies.

III-G. Concession Operator Deliveries

The Concession Manager shall develop procedures and usage guidelines, and collect fees for all deliveries to both landside and airside food, beverage, retail, and passenger services concession locations. The Concession Manager may contract with a common logistical support provider (hereinafter referred to as the "Distributor") to meet the logistical and storage requirements of the Concession Operators. All Concession Operators may use and share in the prorated costs of the Distributor and the Concession Manager may not mark up the costs or charge the Concession Operators additional administrative or overhead fees for this service. The City shall use all reasonable efforts to provide the Concession Manager with space for the operation of a central delivery/distribution area of an appropriate size in order to provide common logistical support and storage for the Concession Operators, such space to be provided without charge (no rent or utilities) to the Concession Manager, its Distributor, and the Concession Operators. The Concession Manager agrees to adhere to Transportation Security Administration ("TSA") and City directives and policies regarding access to airside facilities for its own employees and to require Concession Operators to adhere to TSA and City directives and policies regarding access to airside facilities for their respective employees. The Concession Manager shall provide assistance to the Concession Operators by providing appropriate applications and other information and documentation supplied by PHL for submission to the appropriate officials. The Concession Manager shall also work with PHL to develop elevator and loading dock usage guidelines and procedures for Concession Operators. In the event that PHL provides additional storage areas, the Concession Manager will be expected to manage, develop procedures, usage guidelines and collect fees for the additional storage areas.

III-H. Facility Maintenance

The Concession Manager shall (1) be responsible for all common area maintenance; and (2) obligate all Concession Operators to repair and maintain all fixed improvements and operating equipment on their premises in good, safe condition throughout the term of their Subleases. For the purposes of this RFP, common area maintenance shall include maintaining, repairing and replacing, as required, all equipment, furnishings, flooring and walls within common areas so as to present a first class appearance to the users of PHL.

Custodial Service. The Concession Manager shall furnish custodial services and shall provide routine cleaning for all common food court public seating areas and the complete and adequate sanitary handling of all trash, garbage and other refuse generated in connection with those public seating areas, as well as recycling materials. Food court public seating areas shall be cleaned with sufficient frequency that they remain clean and readily available for public use at all times. The custodial service

shall also pick up and dispose of trash from individual food service Concession Operator location. In order to recover the direct costs of such custodial service, the Concession Manager shall assess reasonable fees to each food and beverage Concession Operator for Common Area Maintenance charges ("CAM") as well as charges to each food and beverage Concession Operator for trash removal from individual concession locations.

Grease Traps. The Concession Manager shall ensure that all food beverage Concession Operators' grease traps are inspected and cleaned at least once per month by the Concession Operators. Specific exceptions to this requirement on a case-by-case basis may be approved in writing by the City. The Concession Manager shall have the authority to hire an independent contractor to conduct grease trap inspections and cleaning and charge the Concession Operators a fee for the direct costs associated with this service, subject to the prior written approval of the City.

Maintenance of Plumbing/Sewer Lines. The Concession Manager shall prohibit the disposal of grease or solid materials by the food and beverage Concession Operators into the drainage system, and shall require all Concession Operators to snake drains and conduct any other necessary drain maintenance at least monthly. The Concession Manager shall have the authority to hire an independent contractor to snake drains and conduct any necessary drain maintenance, and charge the relevant Concession Operators a fee for the direct costs associated with this service, subject to the prior written approval of the City. The Concession Manager shall assess liquidated damages against any Concession Operator(s) that fails to properly maintain plumbing and/or sewer lines serving their premises.

Maintenance of Cooking Exhaust Systems. The Concession Manager shall require that all food and beverage Concession Operators with rooftop exhaust units conduct inspections, cleaning, and maintenance of all elements of cooking exhaust systems at least once per quarter. The Concession Manager may have an independent third-party contractor perform this function for all food and beverage Concession Operators and charge the food and beverage Concession Operators a pro rata share of the direct costs of such maintenance, subject to prior City approval. The Concession Manager and/or the food and beverage Concession Operators shall coordinate all rooftop exhaust work through City staff prior to accessing the roof. The Concession Manager shall assess liquidated damages against the Concession Operator(s) for failure to properly maintain rooftop exhaust systems serving their portion of the Leases Premises.

Maintenance of Utility Systems Serving the Premises. The Concession Manager shall ensure that Concession Operators are responsible, as appropriate, for the maintenance, repair and replacement of the following:

a. Gas, electrical, telephone, hot and cold water, heating and ventilation ductwork, fire sprinkler, steam, condensate, roof drainage, and sanitary and domestic waste utility branch lines that are solely for the use of the Concession Operator or located within their premises.

b. Electrical cables, conduits, wiring, fire alarm systems and wiring panels and

associated equipment located within and serving their premises.

The Concession Manager shall ensure that the Concession Operators:

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

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

c. Install and maintain utility meters, as specified by the City, at the Concession Operators' own cost and expense; and

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

The City will be responsible for the main distribution panels located in the PHL utility room(s) and the KWH meter and all other above mentioned items not serving the premises. The City may make inspections as often as it considers necessary to determine that the Concession Manager, its Concession Operators, or their subcontractor(s) are performing proper maintenance of the premises. In the event that blockages or damage to sewer and/or plumbing lines occur and such blockages or damage are reasonably determined by the City to be due to the negligence of the Concession Operator(s) or failure of the Concession Operator(s) to properly maintain their portion of the premises, then the City may request that the Concession Manager assess liquidated damages against the Concession Operator(s).

The City reserves the right to interrupt temporarily the heating, air conditioning, plumbing, and electrical services to make repairs, alterations, replacements, or improvements in said systems. The City shall have no responsibility or liability for failure to supply heat, air-conditioning, plumbing, and electrical service or when prevented from doing so by laws, orders, or regulations of any federal, State, or local agency as a result of strikes, accidents, or by any other cause whatsoever beyond the City's control. During periods of City construction, unforeseen interruptions in utility services may occur. The City shall have no liability for such interruptions; however the City shall provide the Concession Manager with as much advance notice as possible and shall use its best efforts to avoid interrupting the Concession Operators' operations except as necessary. Notwithstanding the foregoing, if any utility to the premises is supplied by the City and, due to the sole negligence of the City (including its agents and employees),

such utility to the premises is interrupted, forcing a Concession Operator to close its business within the premises for more than two (2) complete and consecutive days, then the Concession Operator's MAG may abate for the period commencing on the third (3rd) day after the Concession Operator closes its business within the premises and shall continue until the earlier of: (i) the date such utility is restored to the premises, or (ii) the date the Concession Operator reopens its business in the premises.

Part IV.QUALITY OF PERFORMANCE AND LIQUIDATED DAMAGES

The City intends to incorporate liquidated damages provisions in the Agreement related to the Concession Operator's performance. The Concession Manager is responsible for issuing notices of the assessment and collecting all liquidated damages. All such liquidated damages shall be deemed to be part of Total Gross Concession Revenues.. Details respecting liquidated damages will be negotiated as part of the Agreement, however, the City contemplates liquidated damages will include the following:

Compliance with Street Pricing: Liquidated damages at a rate of up to Two Hundred Fifty Dollars ($250.00) per occurrence after providing a written warning to the Concession Operator the first time a discrepancy is discovered.

Hours of Operation: If a concession location is found closed at anytime it is required to be open, the Concession Manager shall provide the Concession Operator with a reasonable opportunity (not more than four hours) to correct the discrepancy. Should the discrepancy continue, the Concession Manager shall assess the Concession Operator liquidated damages at a rate of up to Two Hundred Dollars ($200.00) per hour of non-operation, or any fraction thereof, until corrected.

Staffing: If a food, beverage, retail, or passenger service facility is found not to have the minimum staffing levels required to provide efficient service, the Concession Manager will provide the Concession Operator with a reasonable opportunity to correct the deficiency. Should the deficiency continue, the Concession Manager shall assess the Concession Operator liquidated damages at a rate of Fifty Dollars ($50.00) for each hour or fraction thereof that a Concession Operator does not maintain the required minimum staffing level in a facility until corrected.

Licensing and Regulations: If a Concession Operator does not correct the deficiencies within a reasonable time after written notice thereof in any event no more than ten (10) days, the Concession Manager shall assess the Concession Operator liquidated damages at a rate of up to Two Hundred Fifty Dollars ($250.00) for each day or part thereof until the deficiencies are corrected.

Custodial Services: The Concession Manager shall assess liquidated damages of One Hundred Dollars ($100.00) per day or portion thereof against a Concession Operator for each day that a Concession Operator fails to maintain the cleanliness of its concession locations and does not cure the failure within one hour of written notification of the problem.

Grease Traps: The Concession Manager shall assess liquidated damages against the food and beverage Concession Operator(s) of One Hundred Dollars ($100.00) per day or portion thereof for each day that a food service Concession Operator(s) fails to cure the failure within twenty-four (24) hours of Concession Manager or City notification to the food beverage Concession Operator of the problem.

Maintenance of Plumbing/Sewer Lines: The Concession Manager shall assess liquidated damages of One Hundred Dollars ($100.00) per day or portion thereof against a Concession Operator for each day that a Concession Operator fails to cure the failure within 24 hours of Concession Manager or City notification of the problem.

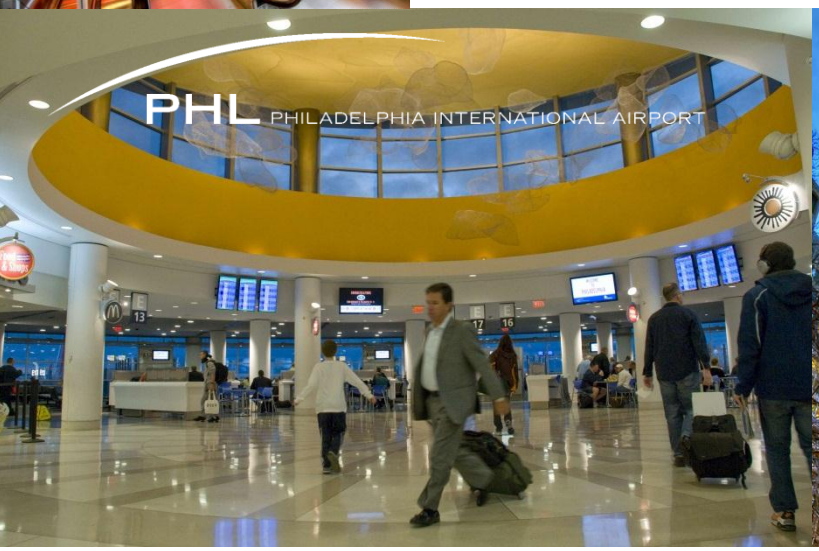
Maintenance of Cooking Exhaust Systems: The Concession Manager shall assess liquidated damages of One Hundred Dollars ($100.00) per day or portion thereof for each day that a food and beverage Concession Operator fails to cure the failure within 24 hours of Concession Manager or City notification to the food service Concession Operator of the problem.

Maintenance of Utility Systems Serving the Premises: In the event of subsequent similar incidents caused by the same Concession Operator, the Concession Manager shall assess liquidated damages against the Concession Operator in the amount of Two Hundred Dollars ($200.00) per day or portion thereof until the problem is corrected, in addition to the costs of investigating, cleaning, and repairing such blockages or damage. The Concession Manager shall be responsible for ensuring that the Concession Operator takes corrective action immediately upon notification by the City, and shall assist the City in collecting any costs or liquidated damages levied against the Concession Operator(s).

ATTACHMENT J

2012 PASSENGER SURVEY

2012 Passenger Survey



PHL PHILADELPHIA INTERNATIONAL AIRPORT

2012 Passenger Survey

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Appendix A – Tabulation Tables

Appendix B – Verbatim Passenger Comments

PHL PHILADELPHIA INTERNATIONAL AIRPORT

DEPARTING PASSENGERS

SURVEY OVERVIEW

Six Surveys Conducted During Last Eight Years:

- February 2004
- November 2006
- June 2008
- June 2010
- December 2011
- August 2012

Survey Objectives:

- Identify changes in passenger profile
- Assess changes in passenger behavior and spending
- Measure perceived effectiveness of concessions and services
- Determine enhancement opportunities

SURVEY METHODOLOGY

In 2011 and 2012 surveys were administered to passengers electronically, whereas the prior surveys were conducted via paper and pencil. Discretion should be used when comparing the results from 2011 and 2012 to prior surveys. One important change is the design of the questionnaire in terms of the measurement of satisfaction. For example, the paper questionnaire requested a numeric satisfaction rating on a scale of 1 (unacceptable) through 5 (very satisfied), with 1 as the left-most option and 5 as the right-most option. The 2011 and 2012 electronic survey tablet presented passengers with the descriptions for each rating (still tabulated on the same scale): very satisfied, satisfied, okay/fair, poor, and unacceptable. On the tablet, “very satisfied” (or 5) was the left-most option and “unacceptable” (or 1) was the right-most option.

It is also important to note the change in survey dates. While the method of administration is the same for 2011 and 2012 surveys, the time of year when the surveys were conducted is different. In 2011, the surveys were conducted in late fall/ early winter whereas the 2012 surveys were conducted in the summer. Passenger and travel characteristics sometimes vary between seasons, so caution should be exercised when comparing 2012 to 2011 satisfaction levels. Further, satisfaction levels are likely to rise in off-peak times, when fewer passengers are utilizing the facilities and resources at the Airport.

Summary of Survey Method and Results

	2012	2011	2010
Survey Dates	August 15-18	December 7-10	June 24-26
Type of Survey	Electronic via tablet	Electronic via tablet	Paper and pencil
Total Sample Size:	2,550	2,190	2,576
Departing Passengers	1,830	1,566	1,888
Arriving Passengers	720	624	688

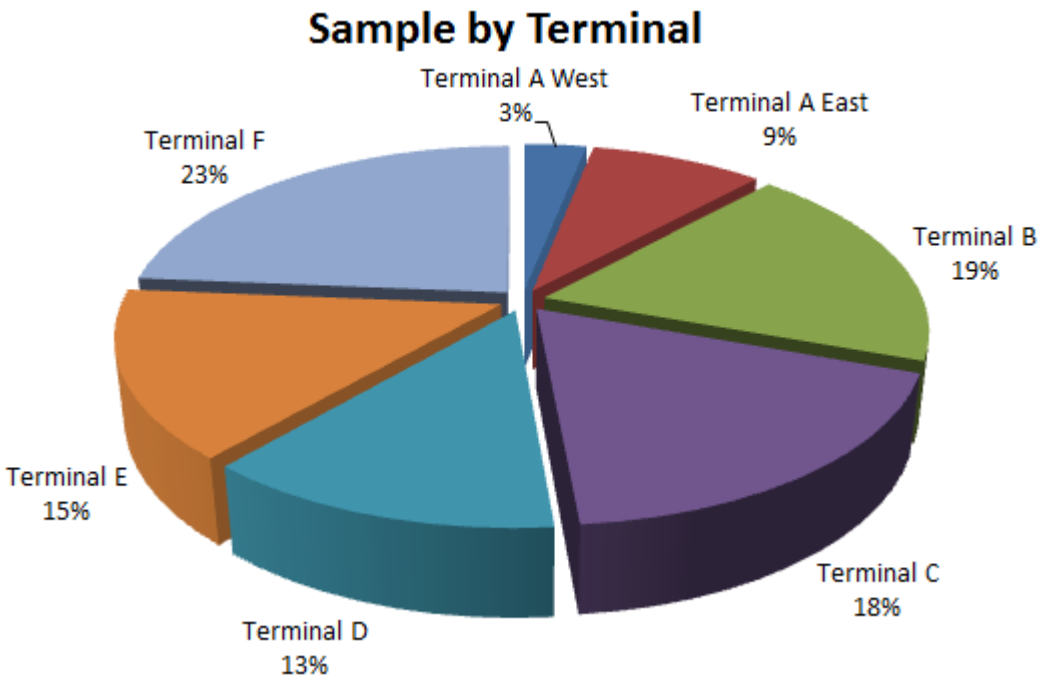
SURVEY METHODOLOGY

NOTABLE:

- Random sampling approach of departing passengers was used.
- Satisfaction was measured in seven categories:
  - Getting to the Airport
  - Checking-in with Airlines
  - Security Check Process
  - Getting Around the Airport
  - Airport Terminal Facilities
  - Food & Beverage Concessions
  - Retail Concessions
- Survey results were analyzed using standard statistical techniques - frequency and cross-tabulation analysis.

2012 SURVEY SAMPLE

- Survey was conducted over four days: Wednesday, August 15th, through Saturday, August 18th.
- To capture a representative sample of all travel times, the survey was conducted between 6:00 a.m. and 9:00 p.m.
- Total sample includes responses from over 1,800 departing passengers, which corresponds to a margin of error of ±1% at a 95% confidence level.
- The sample by terminal is shown below:

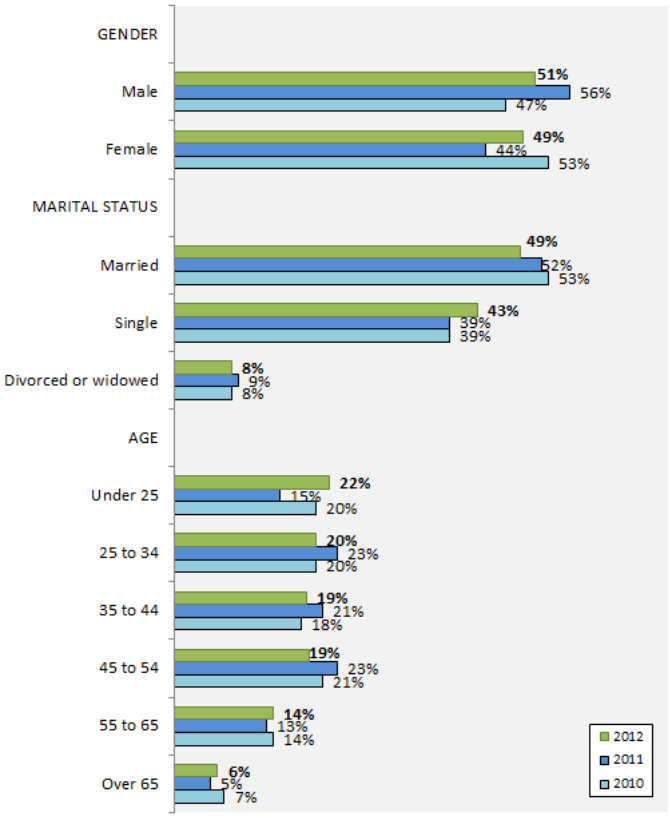


DEMOGRAPHIC CHARACTERISTICS

PASSENGER PROFILE

NOTABLE FINDINGS:

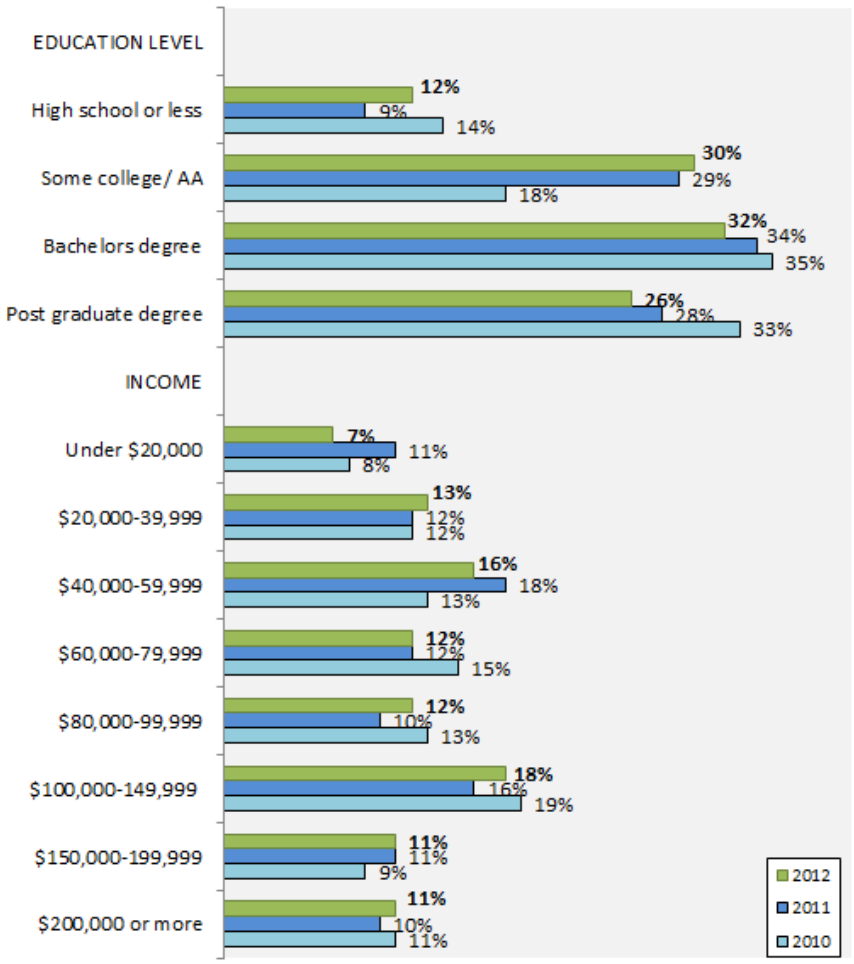
- The 2012 survey shows a more even distribution by gender: 51% of survey respondents are male and 49% are female. In 2011, there were a larger percentage of males and fewer females.
- The share of single respondents increased four percentage points, from 39% in 2011 to 43% this year. The percentage of married passengers decreased from 52% in 2011 to 49% this year.
- The 2012 survey has more respondents in the "Under 25" age group, up seven percentage points since last year. Considering the summer time is typically when students are traveling for vacation or back to college this finding is not unusual.



PASSENGER PROFILE

NOTABLE FINDINGS:

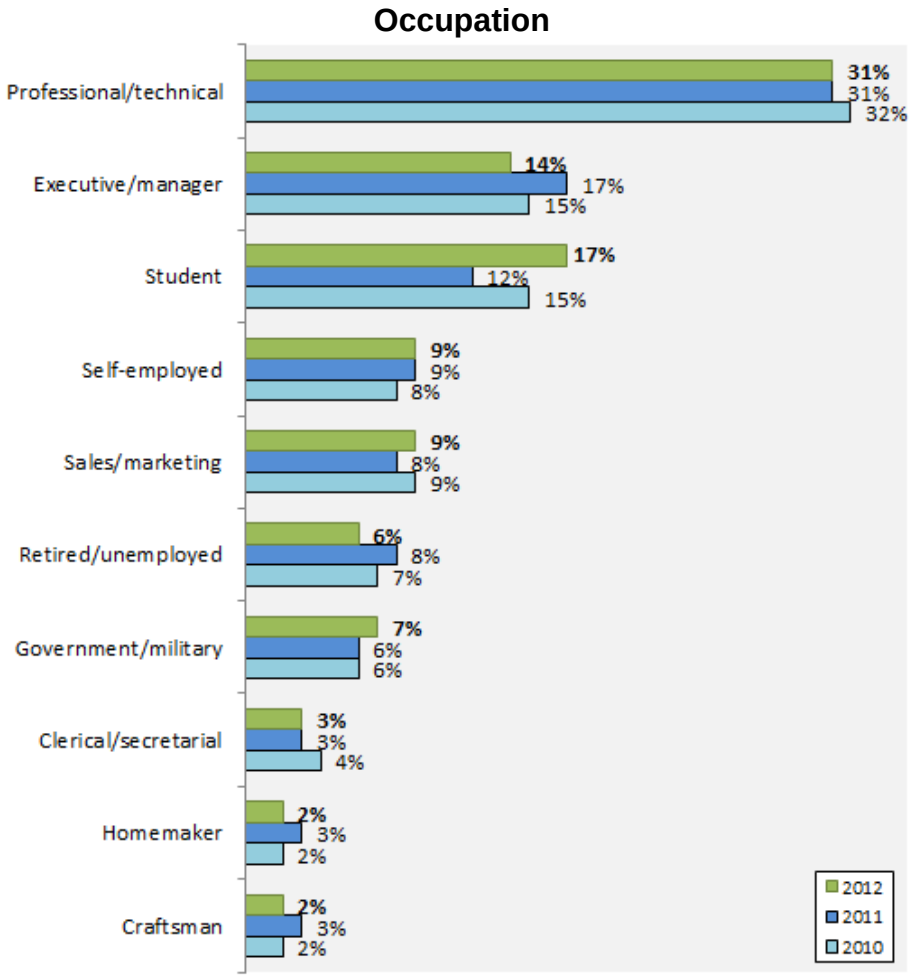
- In 2012, 58% of passengers report having a bachelors or post-graduate degree, compared to 62% in 2011.
- A large share of passengers (40%) have household incomes exceeding $100,000 per year compared to 37% in 2011. Another 40% of passengers report annual incomes between $40,000 to less than $100,000 compared to 43% in 2011. And 20% of passengers in 2012 and 23% in 2011 report incomes of less than $40,000.



PASSENGER PROFILE

NOTABLE FINDINGS:

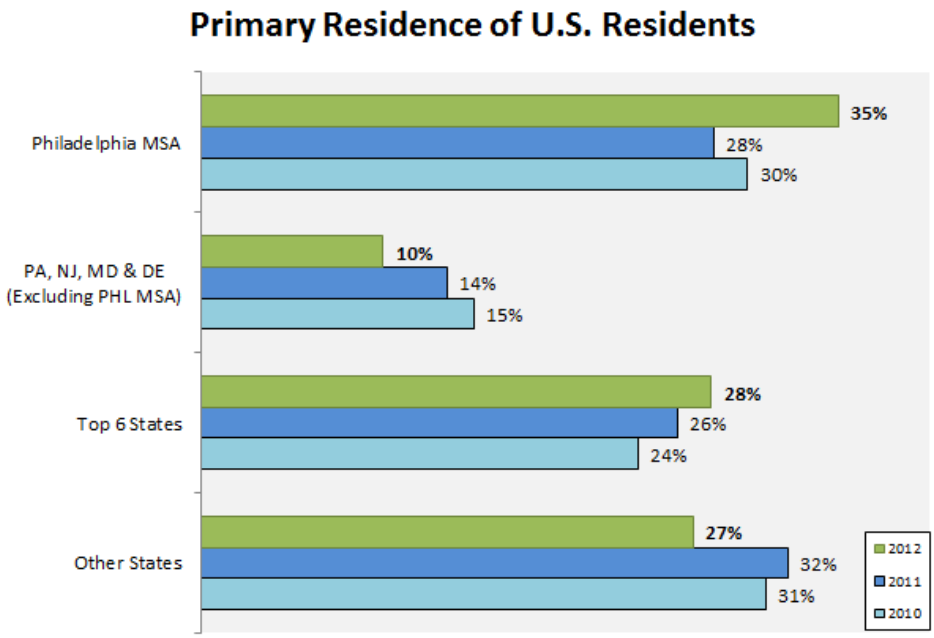
- The largest share of passengers continues to be those with professional or technical occupations. Thirty-one percent of passengers in 2012 and in 2011 report they are in a professional or technical field.
- The student population has increased in this survey, from 12% in 2011 to 17% in 2012. This is not surprising considering the share of passengers under the age of 25 has increased as well. Further, because the survey was conducted in August this year versus December last year, we would expect to find more students traveling at this time.



PASSENGER PROFILE

NOTABLE FINDINGS:

- Similar to prior surveys, the vast majority of passengers live in the United States: 89% are U.S. residents and 11% reside outside of the United States.
- Of U.S. residents, 35% live in the Philadelphia-Camden-Wilmington metropolitan statistical area (MSA). Counties included in this group are Bucks, Montgomery, Delaware, Chester, and Philadelphia, PA; Cecil, MD; New Castle, DE; and Burlington, Camden, Salem, and Gloucester, NJ.
- Further, 10% of passengers live within PA, NJ, MD, and DE, but outside of the PHL MSA.
- Excluding the states within the PHL MSA, 28% of passengers reside in the following Top 6 States: California, Florida, New York, North Carolina, Virginia, and Texas. The remaining 27% live in another state.



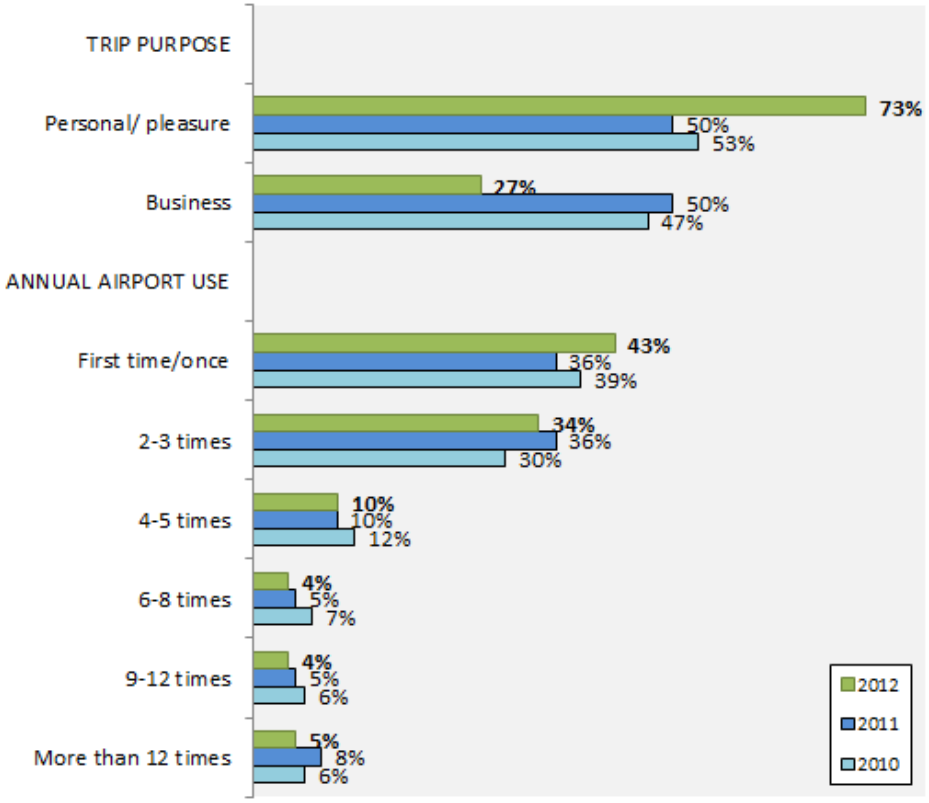
TRIP CHARACTERISTICS

TRIP CHARACTERISTICS

NOTABLE FINDINGS:

- The percentage of passengers traveling for personal/ pleasure reasons in this survey increased significantly from 50% in 2011 to 73% in 2012. Consequently, a smaller percentage of passengers are traveling for business: from 50% in 2011 to 27% in 2012. As noted above, because this year's survey was conducted in the summer month of August when more passengers are traveling for vacation, these findings are not unusual.
- With a larger percentage of personal/ pleasure travelers it is also not surprising that passengers reported using PHL less frequently. A larger percentage of passengers are using PHL for the first time or once in the last 12 months: 43% this year compared to 36% last year.

Trip Purpose and Frequency of Airport Use

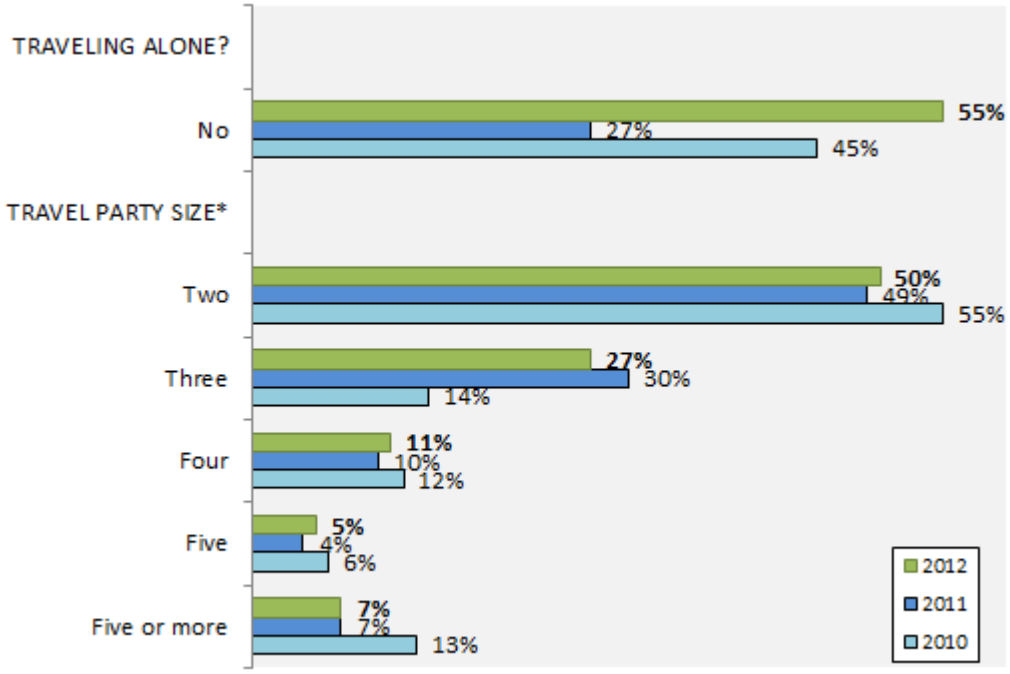


TRIP CHARACTERISTICS

NOTABLE FINDINGS:

- This year there was a large increase in the proportion of passengers traveling in groups, up to 55% from 27% in 2011. This shift is likely due to the time of year the survey was conducted; the August survey coincides with summer vacations, when many families are more likely to travel.
- Of those passengers traveling in groups in 2012, half are traveling in a party of two, 27% in a party of three, 11% in a party of four, and the remaining 12% had a travel party of five people or more.

Size of Travel Party



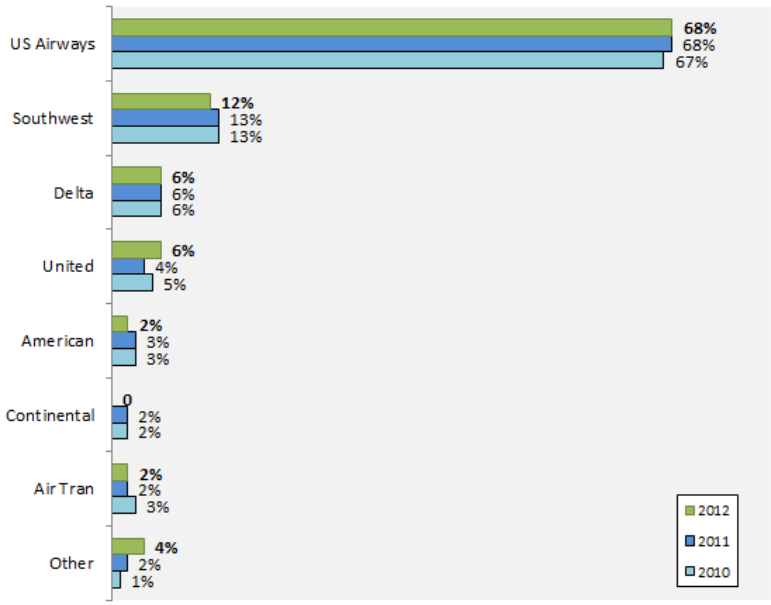
*Party size of those passengers not traveling alone.

TRIP CHARACTERISTICS

NOTABLE FINDINGS:

- The airline share of survey respondents has changed minimally since the last survey: 68% were flying with U.S. Airways, 12% with Southwest, and 6% with Delta. Another 6% are flying with United, and 2% each are flying with American or Air Tran.
- Passengers were asked to list their final destination, of which 86% are in the United States. Chicago O'Hare, Orlando, and Atlanta top the list, followed by Raleigh-Durham and Tampa.

Airline Used



Top 10 Destinations of Respondents

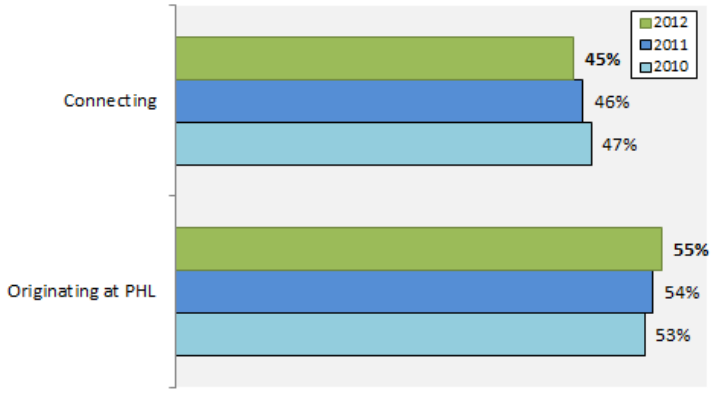
	2012	2011	2010
#1	Chicago O'Hare	Boston	Chicago O'Hare
#2	Orlando	Orlando	Orlando
#3	Atlanta	Chicago O'Hare	Atlanta
#4	Raleigh-Durham	Atlanta	Tampa
#5	Tampa	Fort Lauderdale	Detroit
#6	San Francisco	Providence	Boston
#7	Boston	Denver	Raleigh-Durham
#8	La Guardia	Los Angeles	Pittsburgh
#9	Detroit Metro	Manchester	Fort Lauderdale
#10	Pittsburgh	Raleigh-Durham	Providence

TRIP CHARACTERISTICS

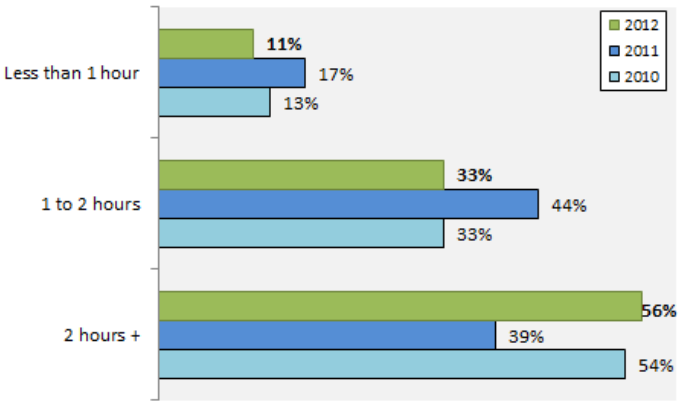
NOTABLE FINDINGS:

- The share of connecting traffic at PHL has remained fairly consistent with the last survey: 45% of passengers in 2012 said they are connecting flights at PHL.
- Layover times of connecting passengers are significantly longer in 2012 than in 2011. Fifty-six percent report having layovers over two hours, up 17 percentage points from last year's survey. Thirty-three percent this year report layovers between one to two hours compared to 44% of connecting passengers last year. Only 11% of passengers this year report layovers of less than one hour, down six percentage points since last year.

Type of Passenger



Length of Layover at PHL

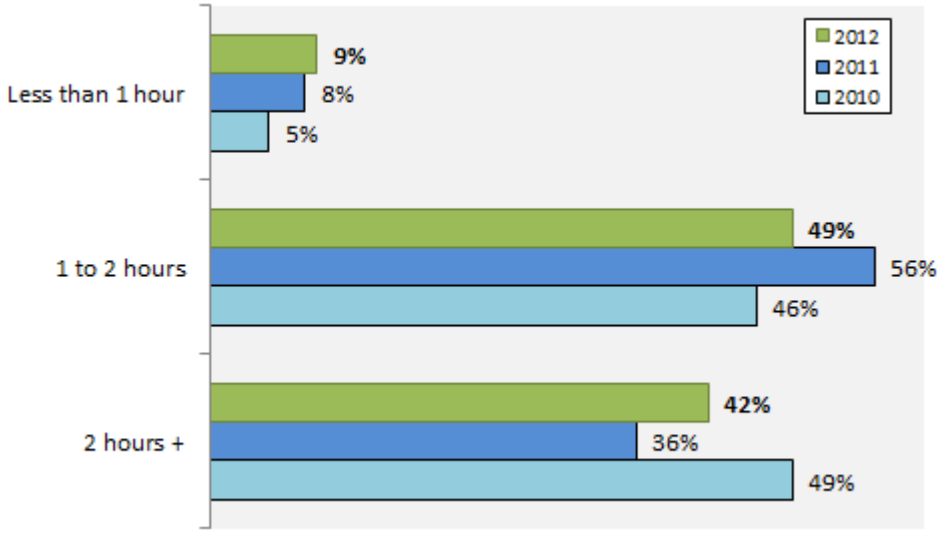


ORIGINATING PASSENGERS

NOTABLE FINDINGS: (Originating Passengers Only)

- Passenger dwell times are defined as the amount of time passengers spend at the airport before their scheduled flight. According to past studies, dwell time impacts passenger behavior and satisfaction at the Airport.
- The survey results indicate passenger dwell times in 2012 have increased compared to the 2011 survey. Forty-two percent of originating passengers report dwell times over two hours compared to 36% last year, up six percentage points.
- This year, 49% of originating passengers report dwell times at PHL between one to two hours compared to 56% last year. And 9% of passengers report dwell times of less than one hour, which is similar to our findings last year.

Dwell Time – Originating Passengers

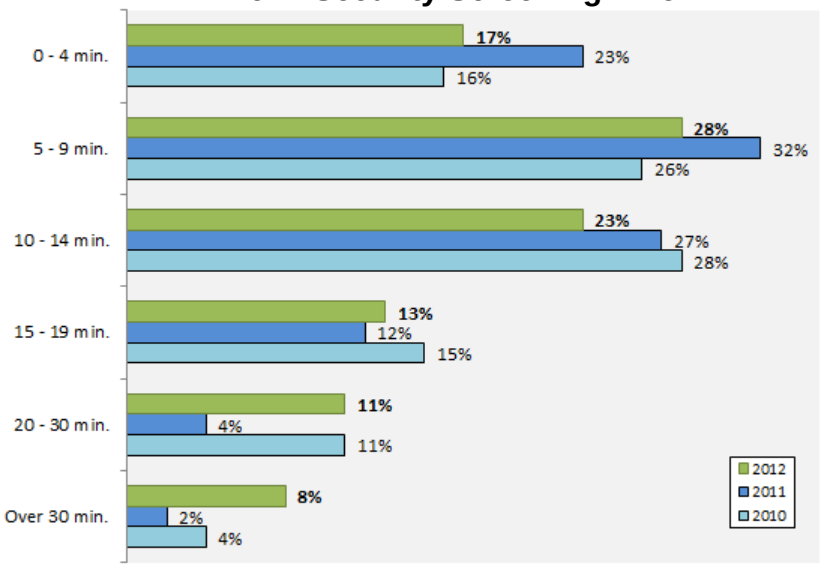


SECURITY SCREENING WAIT TIME

NOTABLE FINDINGS: (Originating Passengers Only)

- Reported processing times for security screening has increased in 2012. Eight percent of originating passengers report waiting more than 30 minutes in line compared to 2% last year, an increase of six percentage points.
- Eleven percent report wait times between 20 to 30 minutes in the security line, compared to 4% last year. And 13% this year compared to 12% last year report wait times between 15 to 19 minutes.
- In this survey, 68% of originating passengers report wait times in the security screening line of less than 15 minutes compared to 82% last year.
- Because there is a greater volume of passengers traveling in the summer months, passengers experience more congestion at the airport which could account for the reported increase in wait times. Although the actual wait times (as reported by the TSA) may not be as long as those reported by passengers, it is important to note passengers' perceived wait time in security screening lines times affects satisfaction, according to cross tabulation results.

Time in Security Screening Line

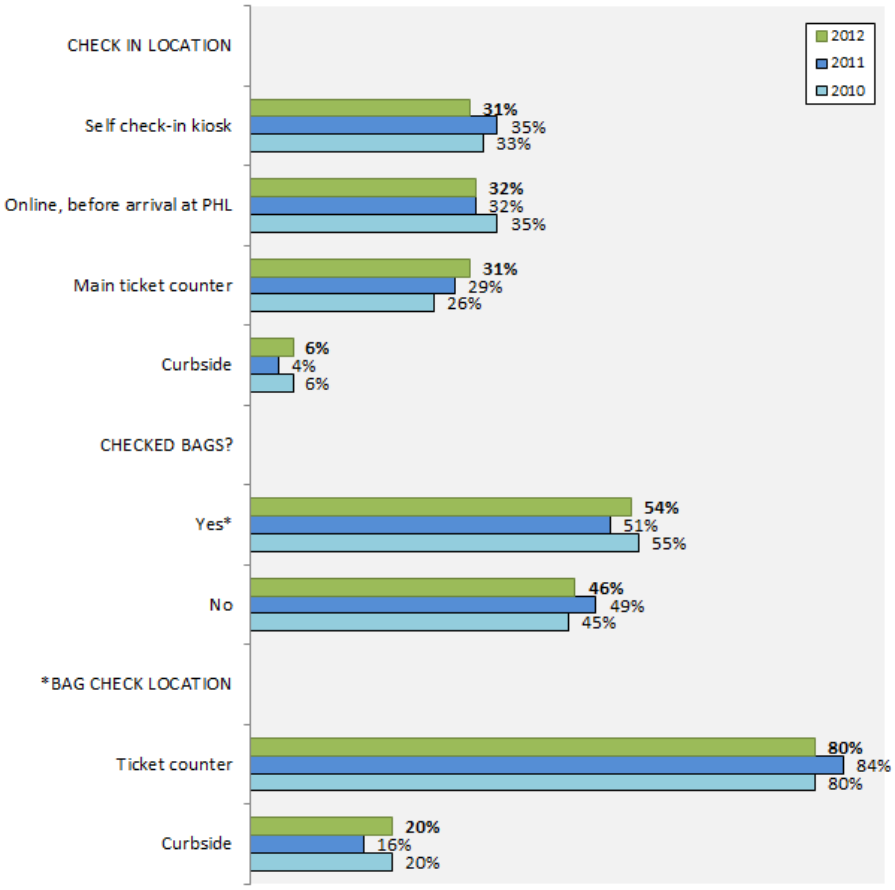


FLIGHT CHECK-IN

NOTABLE FINDINGS: (Originating Passengers Only)

- Fifty-four percent of passengers this year compared to 51% last year check-in bags. Of those that do so, 80% use the main ticket counter. The remaining 20% check-in bags curbside, an increase of four percentage points from last year.
- With more passengers checking in bags in 2012, it is not surprising that the percentage of passengers using the main ticket counter or curbside to check-in has increased since the last survey. This year, 31% of passengers use the main ticket counter to check-in compared to 29% in 2011. Also, the percentage of passengers checking-in curbside increased by two percentage points from 4% last year to 6% this year.

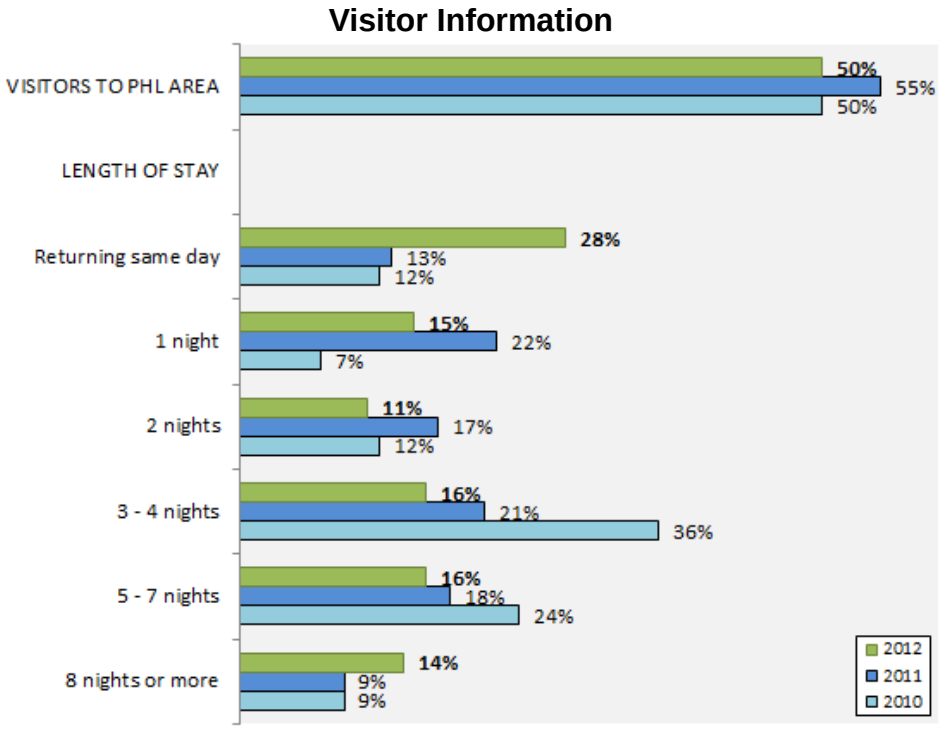
Check-in Location



VISITORS

NOTABLE FINDINGS: (Originating Passengers Only)

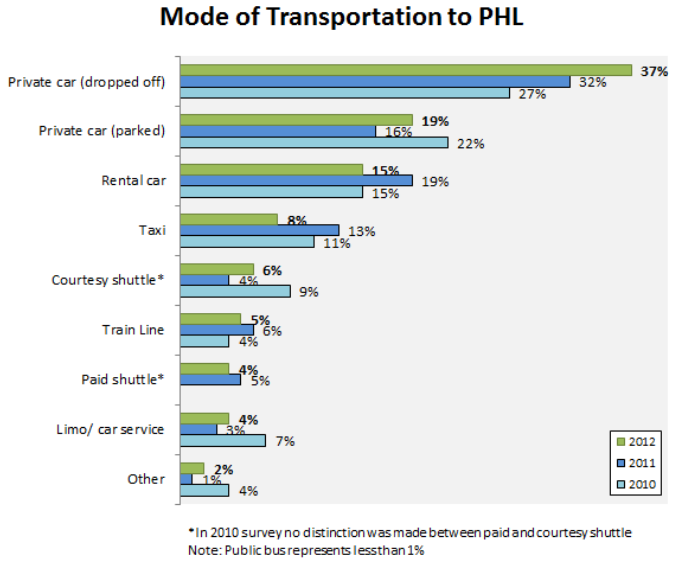
- Fifty percent of originating passengers using the airport are visitors, a drop of five percentage points since last year.
- Of those visitors, 28% returned home the same day and did not stay in Philadelphia overnight, which is a dramatic increase since last year: only 13% of passengers in 2011 made a day trip to the Philadelphia area.
- However, the percentage of visitors staying in the area for more than a week has increased. Fourteen percent of visitors stayed in the Philadelphia area for more than one week compared to 9% last year, an increase of five percentage points.

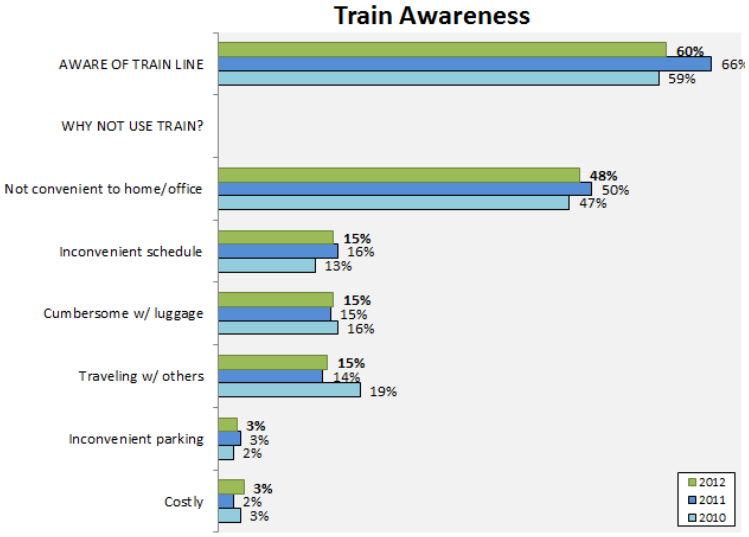


MODE OF TRANSPORTATION

NOTABLE FINDINGS: (Originating Passengers Only)

- Thirty-seven percent of originating departing passengers are dropped off at PHL by someone they know and 19% drive themselves and park. Private car usage has increased compared to the 2011 survey. Meanwhile, a smaller percentage of passengers are using a rental car (15% in 2012 versus 19% in 2011) or taxi (8% in 2012 versus 13% in 2011).
- The majority of passengers are aware of the train line. However, only 5% use the train line to travel to the airport. The most common reason passengers are not using it is because it is not convenient to their home or office.

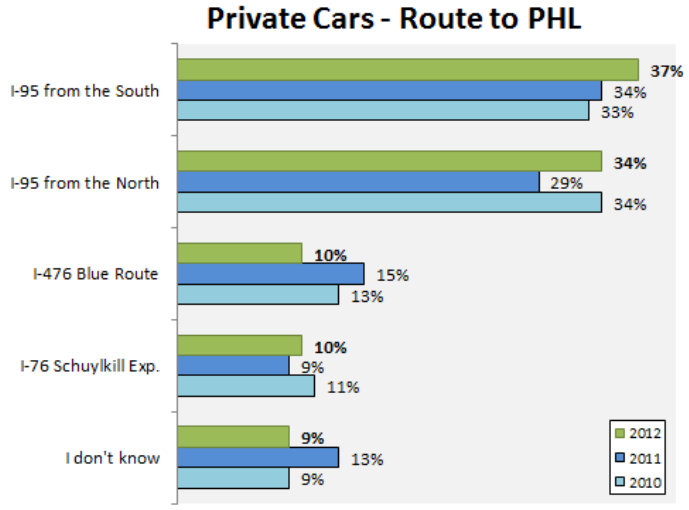


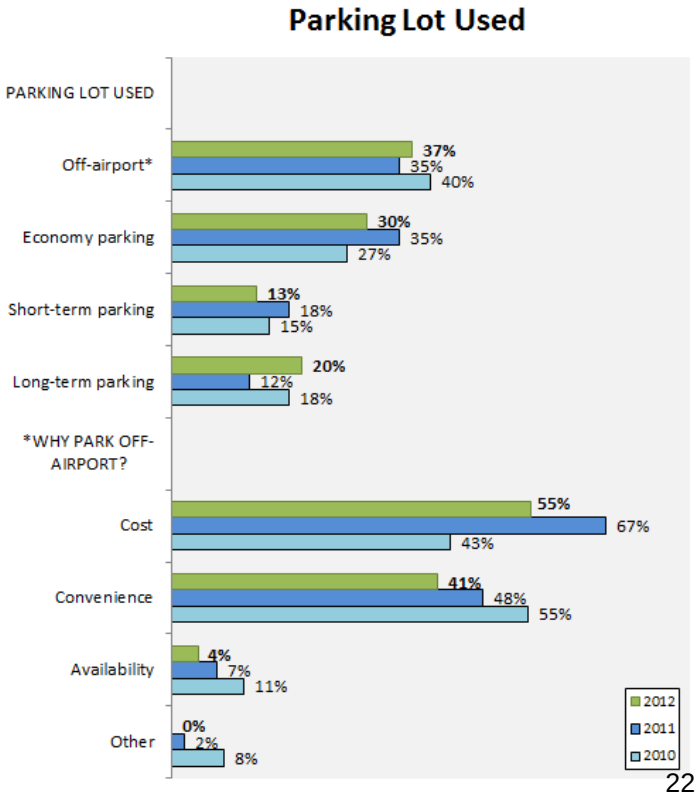


PARKING AT THE AIRPORT

NOTABLE FINDINGS: (Originating Passengers Only)

- Passengers who arrived at PHL in a private car or rental car were asked which route they took to the airport. Seventy-one percent arrived via I-95, with 37% coming from the south and 34% coming from the north. Fewer passengers are using the I-476 (10% this year versus 15% in 2011) and 10% are using the I-76 Schuylkill Expressway.
- Of originating passengers who parked, 37% are using off-airport lots, citing cost and convenience as the primary reasons to do so. A smaller percentage of passengers are using the economy and short term lots but the percentage using long-term parking has increased from 12% in 2011 to 20% this year.





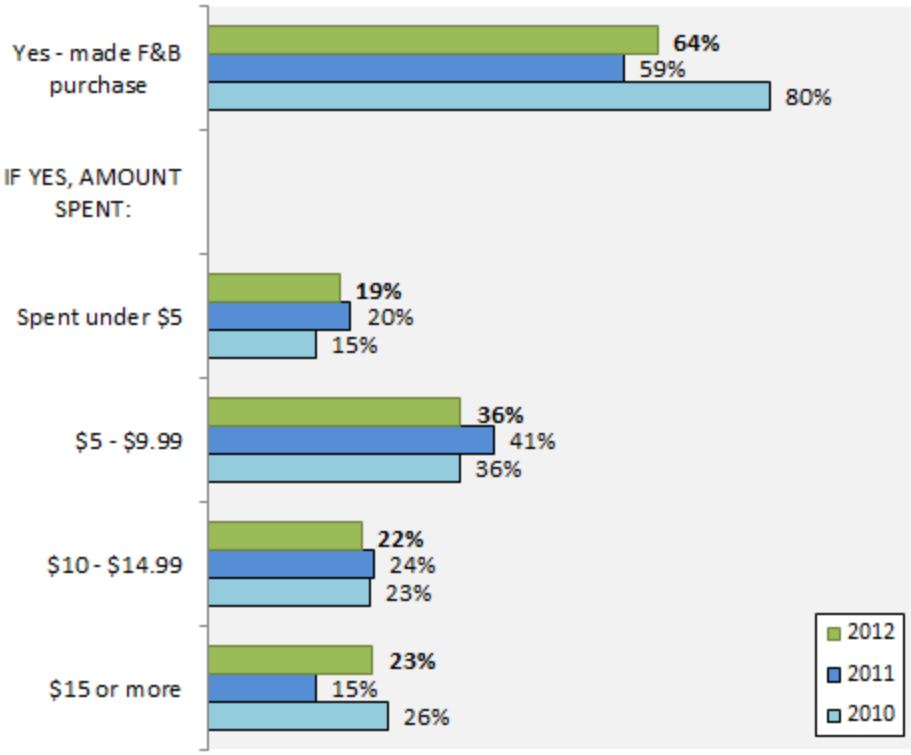
FOOD & BEVERAGE SPENDING

FOOD & BEVERAGE SPENDING

NOTABLE FINDINGS:

- The percentage of passengers making a food and beverage purchase has increased. In 2012, 64% of passengers report making a food and beverage purchase compared to 59% in 2011.
- This year passengers are reportedly spending more for their food and beverage purchase: 23% of passengers who purchased food and beverages report spending $15.00 or more compared to 15% last year, an increase of eight percentage points.
- Seventy-seven percent of passengers who purchased food and beverages this year report spending less than $15.00 compared to 85% last year.

Food & Beverage Purchases

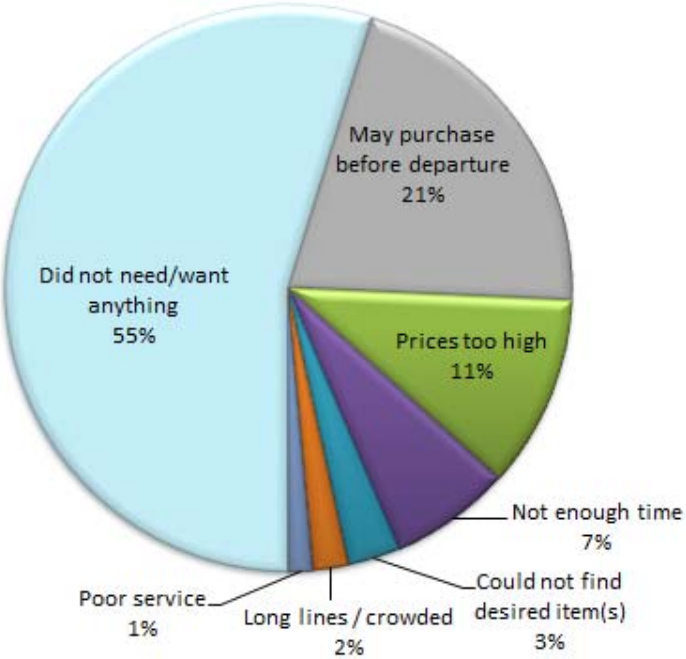


FOOD & BEVERAGE SPENDING

NOTABLE FINDINGS:

- Thirty-six percent of departing passengers did not make a food or beverage purchase while at the airport. These passengers were asked why they chose not to make a purchase at PHL.
- Twenty-one percent of passengers who had not made a purchase said there was still a chance they would make a purchase before their departure.
- Fifty-five percent of passengers who did not purchase said they did not need or want anything while at the airport. Eleven percent stated that the prices were too high. Seven percent of passengers said they did not have enough time, 3% could not find what they wanted, 2% said the lines were too long, and 1% stated poor service as the reason they did not purchase.

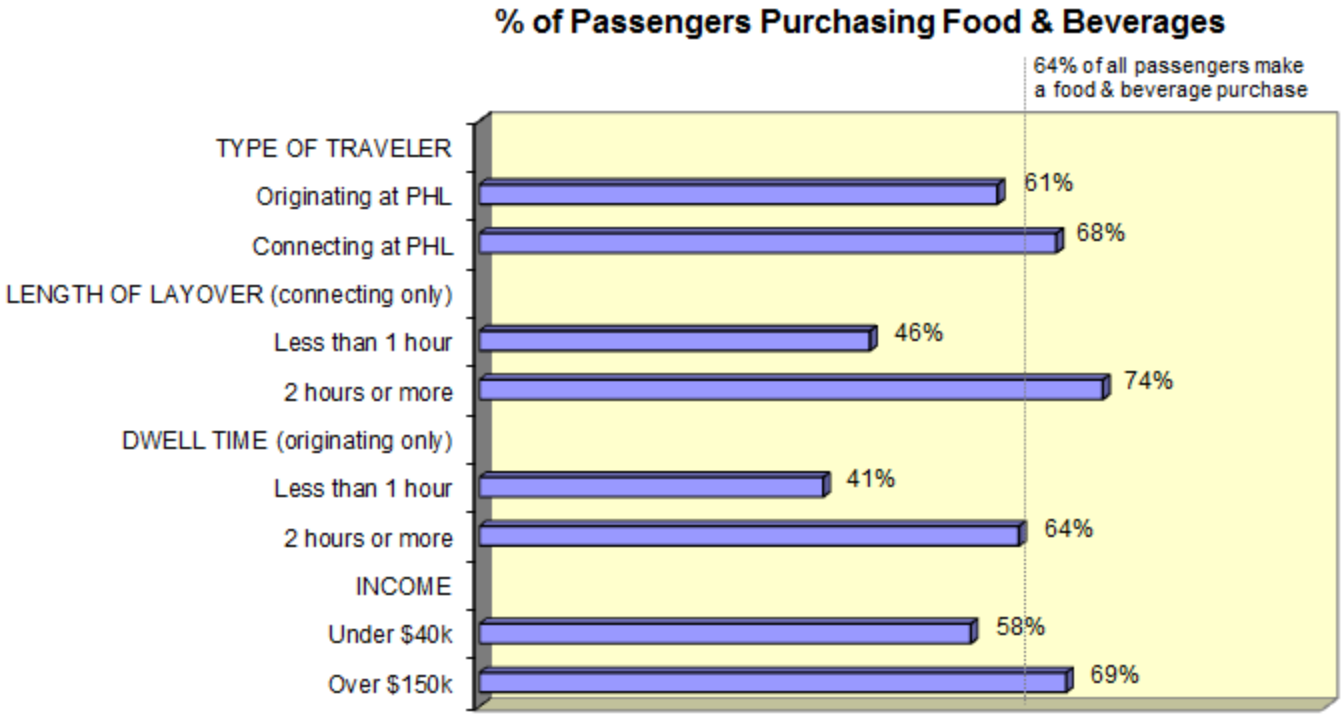
Reason For Not Making Food & Beverage Purchase



FACTORS IMPACTING FOOD & BEVERAGE SPENDING

NOTABLE FINDINGS:

- To determine the factors that impact food & beverage spending, cross-tabulation analysis was conducted among various passenger groups: dwell/ layover time, type of traveler, and income were reviewed.
- Connecting passengers are more likely to purchase food and beverages at the Airport than originating passengers.
- Connecting passengers who spend the most time at the Airport are most likely to buy food & beverages. Of connecting passengers with layover times of two hours or more, 74% purchase food & beverages at PHL.
- Originating passengers with dwell times of two hours or more are more likely than passengers with shorter dwell times to make purchases.
- Passengers with high incomes are also more likely to buy food & beverages.



FOOD & BEVERAGE SPENDING BY TERMINAL

NOTABLE FINDINGS:

- The percentage of passengers purchasing food & beverage concessions varied by terminal: passengers in Terminal D and E are more likely to purchase food and beverages at the Airport.
- Similar to our findings from the previous surveys, Terminal A East passengers report making fewer food and beverage purchases. These results are not surprising considering there are fewer options in this terminal.

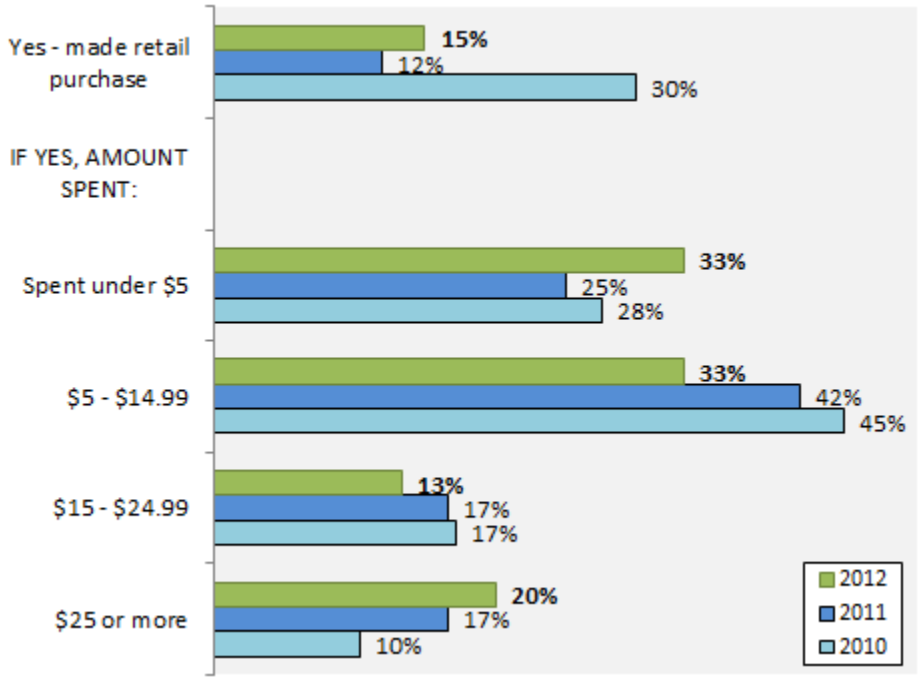
RETAIL SPENDING

RETAIL SPENDING

NOTABLE FINDINGS:

- Similar to our findings with food and beverage purchases, the percentage of passengers making a retail purchase at PHL has increased since 2011.
- Fifteen percent of passengers report making a retail purchase while at PHL compared to 12% last year.
- The majority of passengers spend less than $15.00 on retail purchases: 33% who purchased retail concessions spend less than $5.00 and another 33% spend between $5.00 to $14.99. Thirteen percent spend between $15.00 to $24.99 on retail purchases.
- The proportion of passengers spending $25.00 or more on retail concessions increased this year: 20% of passengers in 2012 spend $25.00 or more for retail concessions compared to 17% in 2011.

Retail Purchases

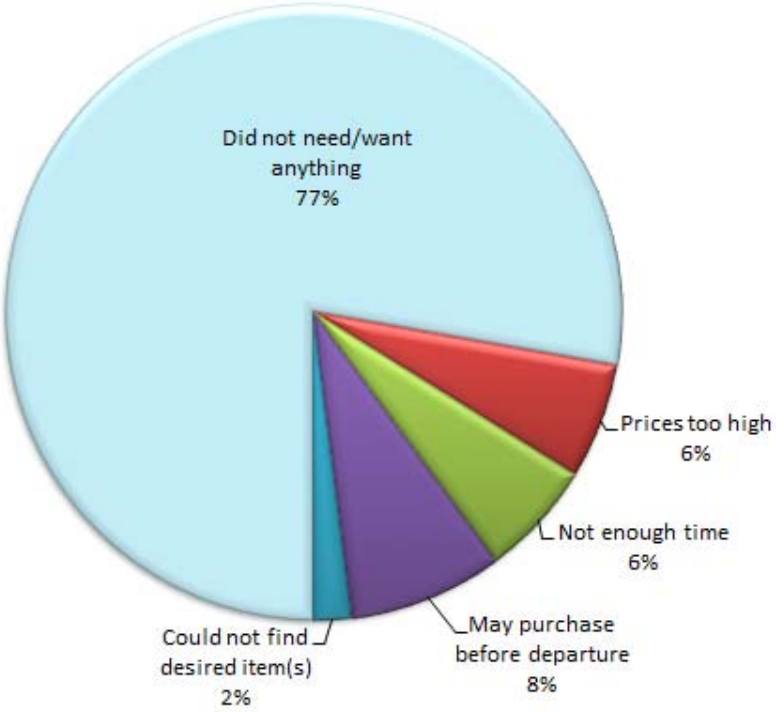


RETAIL SPENDING

NOTABLE FINDINGS:

- Generally, the stated reason passengers are not purchasing retail items is they do not need or want anything while at the airport: 77% of passengers who did not make a retail purchase selected this as their primary reason.
- Six percent of non-purchasers said that they did not make a purchase because the prices were too high, and another 6% said they did not have enough time.
- Eight percent said that although they had not yet made a retail purchase, they still may make one before departing. Two percent said they could not find what they wanted at PHL.

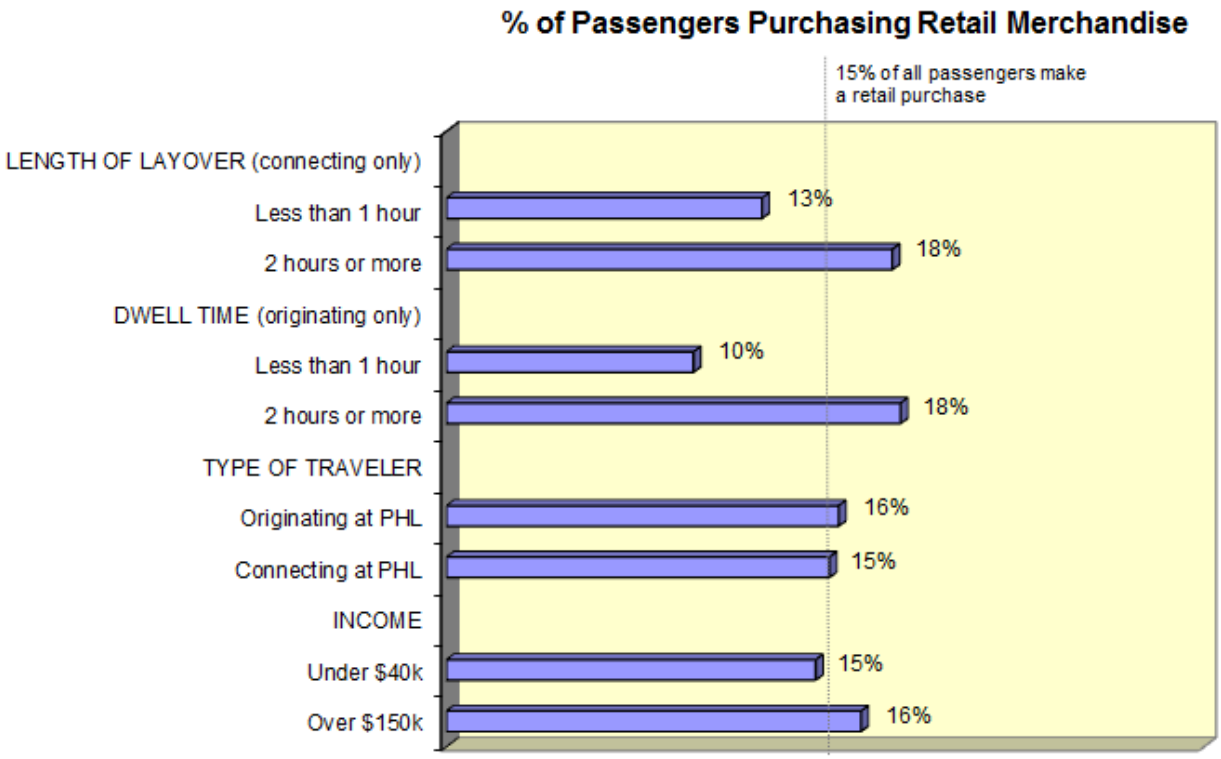
Reason For Not Making Retail Purchase



FACTORS IMPACTING RETAIL SPENDING

NOTABLE FINDINGS:

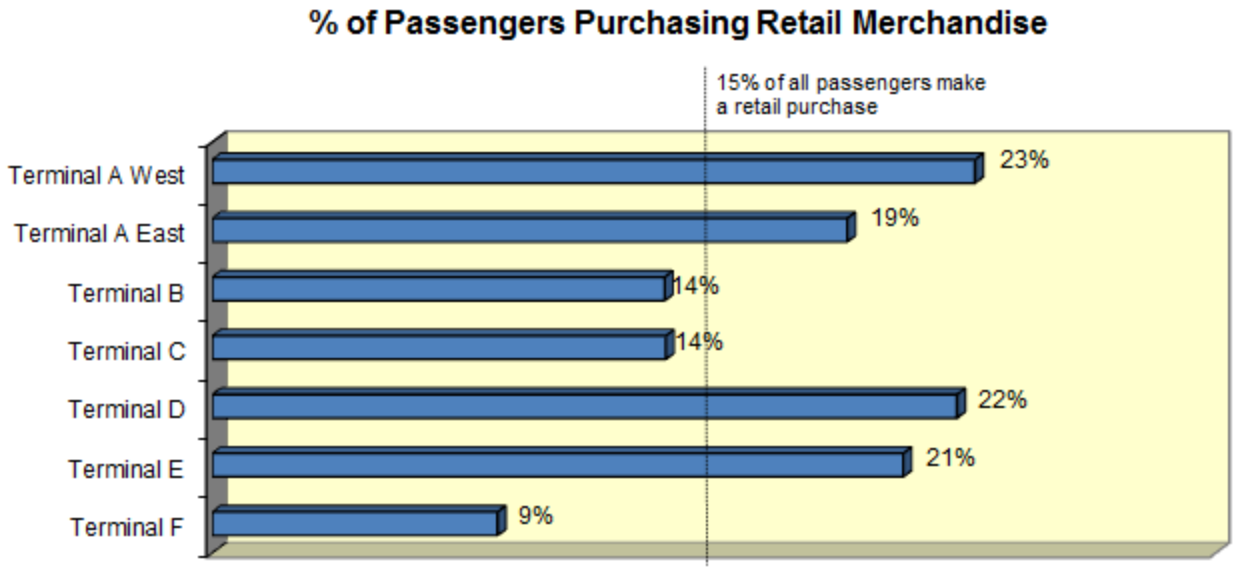
- According to the survey results, passengers who spend the most time at the Airport are more likely to buy retail merchandise. Eighteen percent of passengers with dwell/ layover times of two hours or more purchase retail concessions.
- Income or type of traveler (i.e. connecting or originating) does not appear to have large impact on retail purchasing behavior. Passengers with low incomes and passengers with high incomes had similar purchasing behavior. Further, retail purchases among originating and connecting passengers were relatively the same.



RETAIL SPENDING BY TERMINAL

NOTABLE FINDINGS:

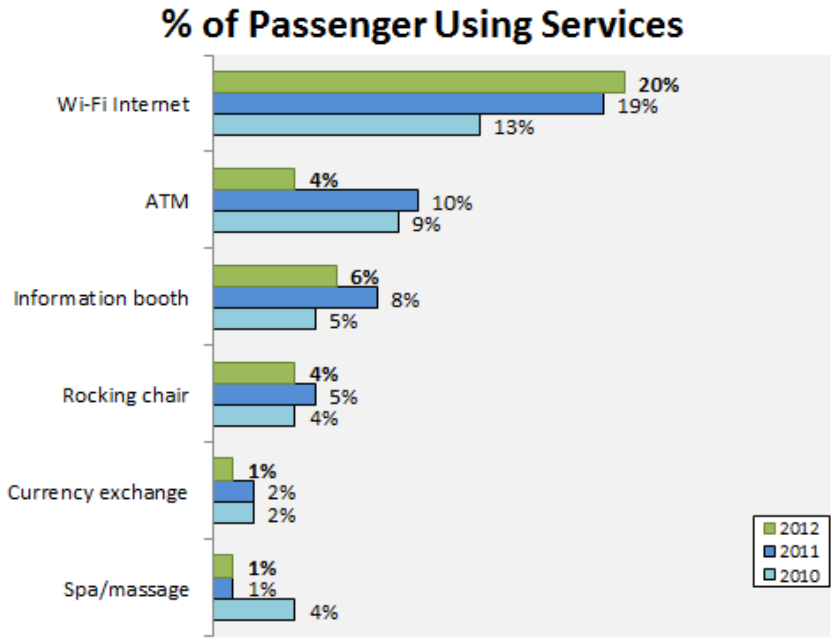
- The percentage of passengers purchasing retail concessions varied widely by terminal.
- A larger percent of Terminal A West passengers bought retail merchandise (23%) compared to other passengers. Passengers on this concourse have longer dwell times and layover times. As discussed above, passengers who spend more time at the airport are more likely to purchase retail items. Another factor that may contribute to retail purchases is the proportion of international passengers on this terminal buying duty free merchandise.
- In contrast, Terminal F has the fewest percentage of passengers making retail purchases: 9% of Terminal F passengers made a purchase. According to cross tabulation data, these passengers spend the least amount of time at the airport and thus are less likely to make purchases. For example, only 27% of connecting passengers on this terminal have layover times of more than two hours compared to 60% of passengers on Terminal A West.



SERVICES USED

NOTABLE FINDINGS:

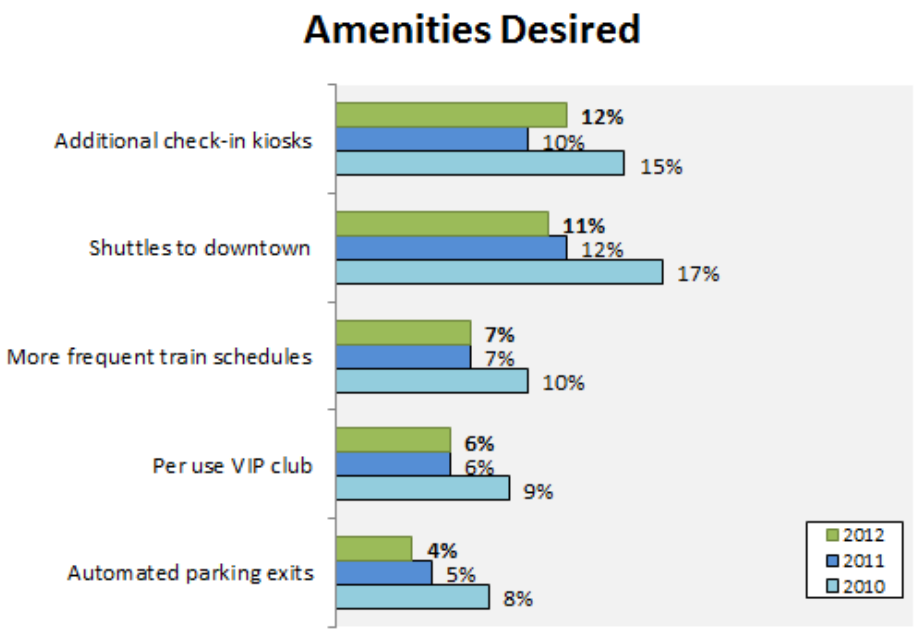
- Passengers were asked to indicate the services they used while at PHL.
- The majority of passengers did not use any services at the airport.
- Wi-Fi internet access is the most widely used service with 20% of passengers accessing the internet while at the airport. This percentage is relatively the same last year.
- The percentage of passengers using an ATM at PHL has dropped six percentage points since last year: 4% of passengers use an ATM compared to 10% last year.
- Six percent utilize the information booths, 4% use the rocking chairs, 1% utilize the currency exchange, and 1% use spa or massage services.



AMENITIES DESIRED

NOTABLE FINDINGS:

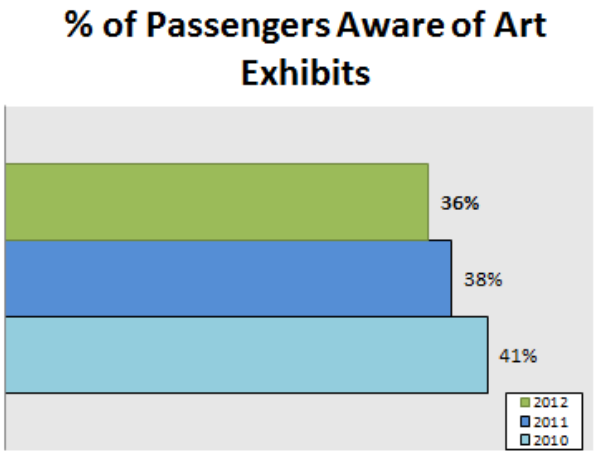
- Passengers were asked to indicate the amenities they would like to see at the Airport.
- Twelve percent of departing passengers stated a desire for shuttles from the Airport to downtown Philadelphia.
- Eleven percent would like to see additional check-in kiosks. Seven percent would like more frequent train schedules, 6% would like a pay-per-use VIP club, and 4% would appreciate automated parking exits.

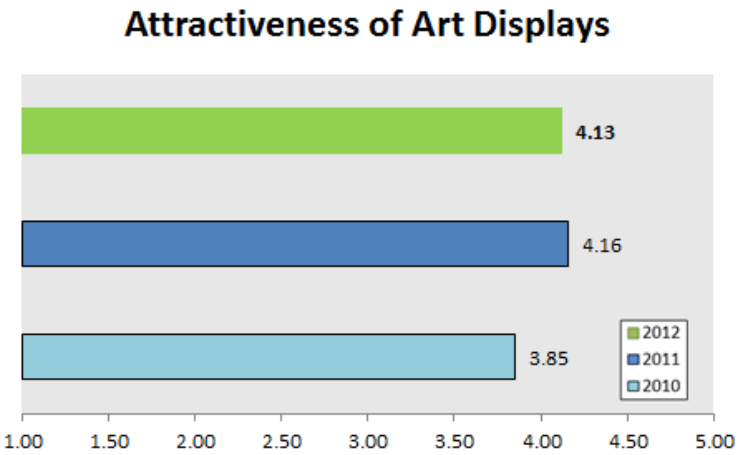


ART EXHIBITS

NOTABLE FINDINGS:

- Slightly fewer passengers state they are aware of airport art exhibits in 2012 compared to 2011: 36% are aware of the airport art displays compared to 38% last year.
- Passengers who were aware of the art displays were asked to rate the attractiveness of the art displays on a scale of 1 (unacceptable) to 5 (very satisfied). Passengers gave the art displays a satisfaction rating of 4.13 in 2012 compared to 4.16 in 2011. Specifically, 50% indicate being satisfied and another 32% are very satisfied with the art displays.





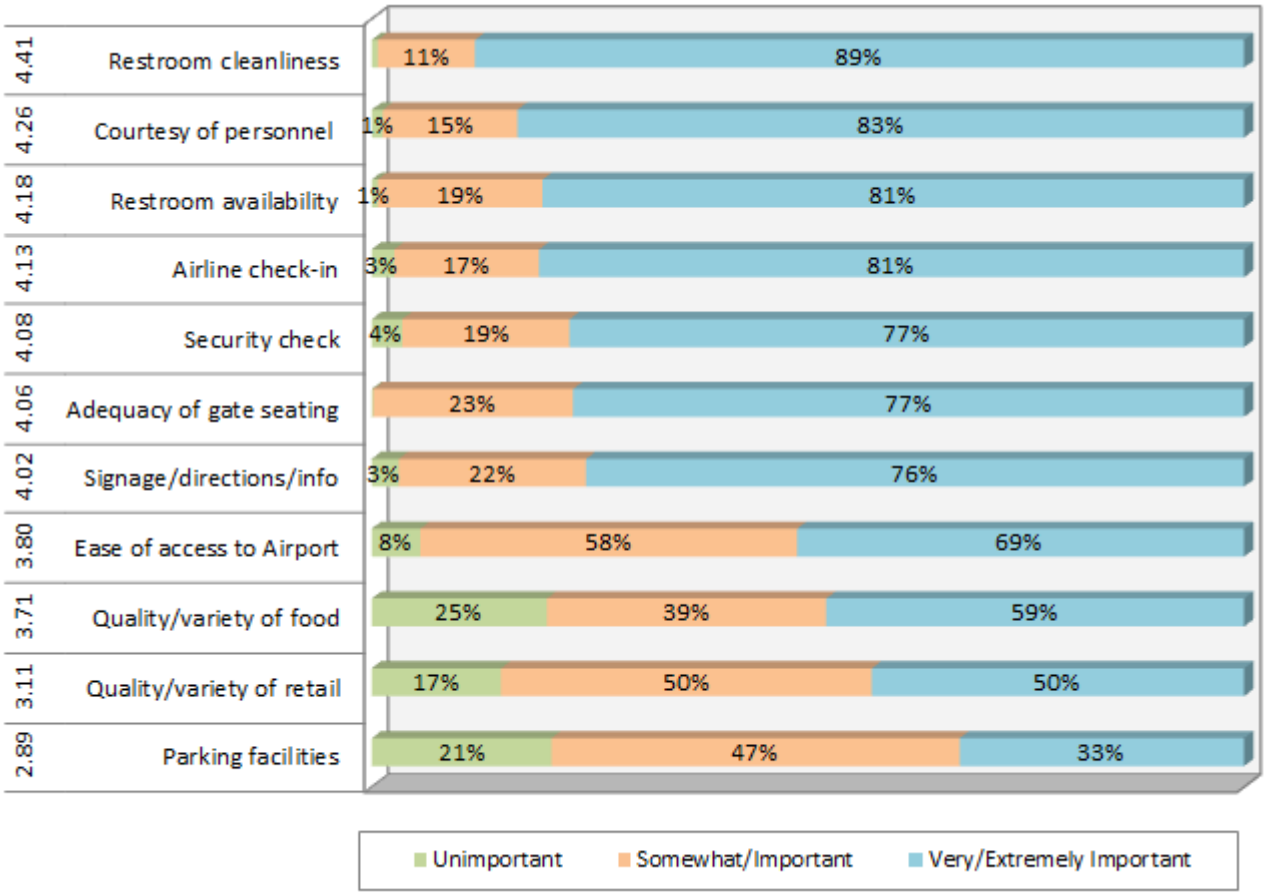
FACTORS IMPORTANT TO OVERALL EXPERIENCE

FACTORS IMPORTANT TO OVERALL EXPERIENCE

NOTABLE FINDINGS:

- Passengers were asked to rate on a scale of 1 (unimportant) to 5 (extremely important) the importance of various aspects of their travel experience to their overall experience at PHL.
- Restroom cleanliness is the most important component of a passenger's experience at the Airport, with 89% indicating this is very important or extremely important.
- Passengers also indicate courtesy of personnel and restroom availability as being important to their experience at the Airport. Less important to passengers is quality/ variety of food or retail concessions.

Importance Factors

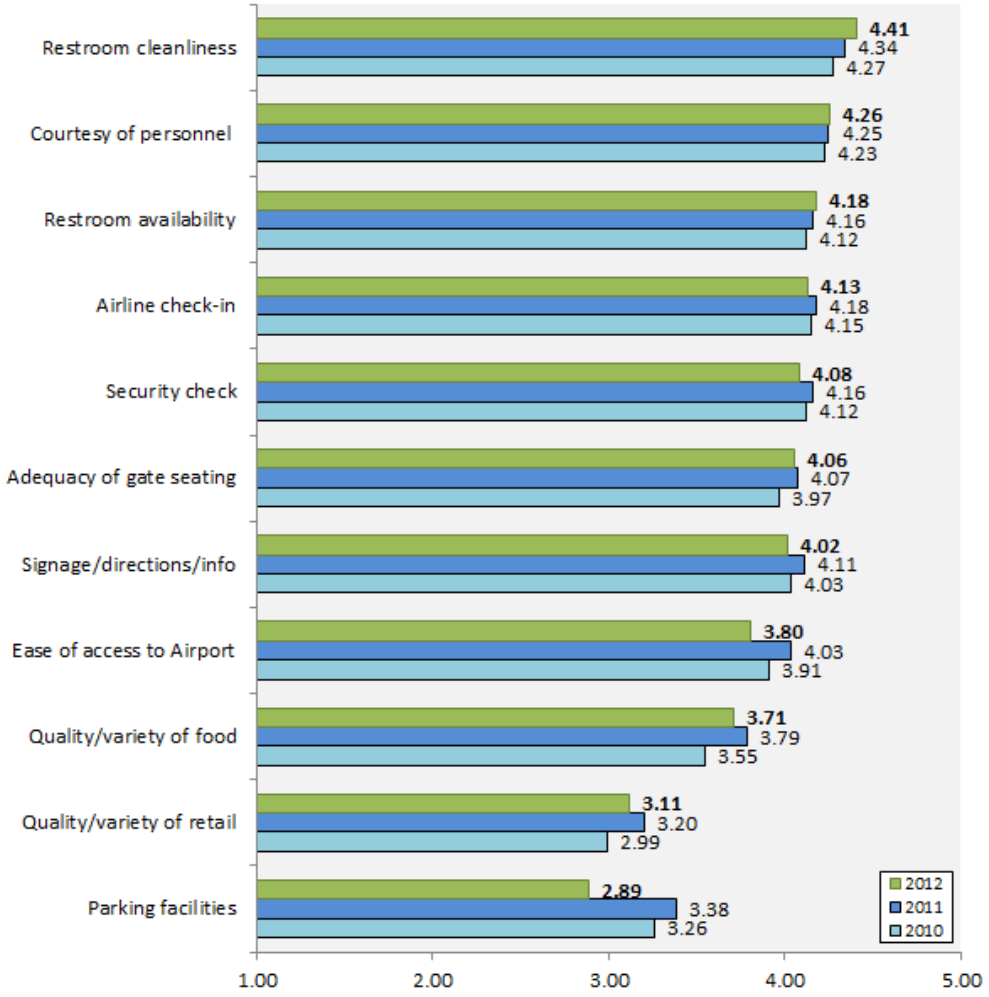


FACTORS IMPORTANT TO OVERALL EXPERIENCE

NOTABLE FINDINGS:

- The most important components to passengers are consistently the same. Passengers find restroom cleanliness, courtesy of personnel, restroom availability, airline check-in, and security check the most important factors of their travel experience.
- Similar to past surveys, passengers view parking facilities and quality/ variety of food and retail concessions less important to their experience at the airport.

Changes in Importance Factors

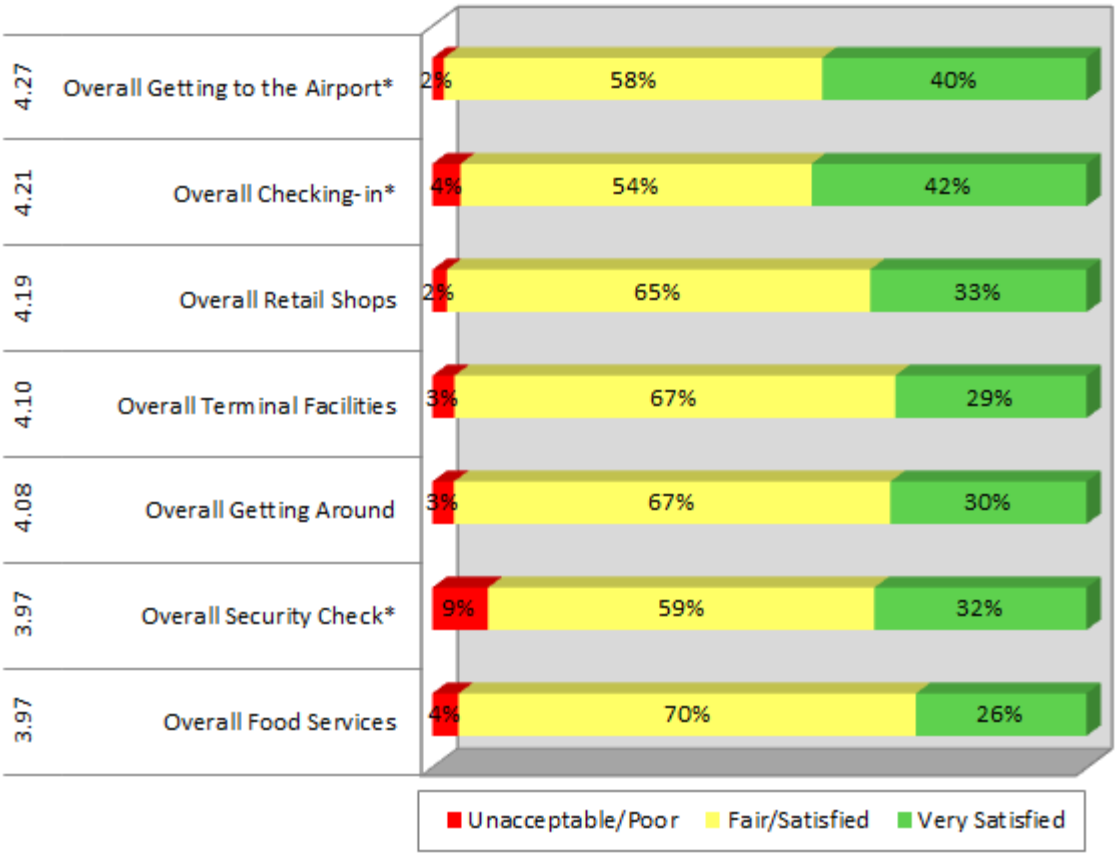


PASSENGER SATISFACTION

OVERALL SATISFACTION

NOTABLE FINDINGS:

- Departing passengers were asked to rate their experience within seven major categories using a scale from 1 (unacceptable) to 5 (very satisfied).
- Survey results indicate passengers are most satisfied with their experience getting to the airport, with a high rating of 4.27 out of 5.00.
- Passengers are least satisfied with food & beverage and the security check process. These are the only two overall categories to receive a rating below 4.00 out of 5.00.



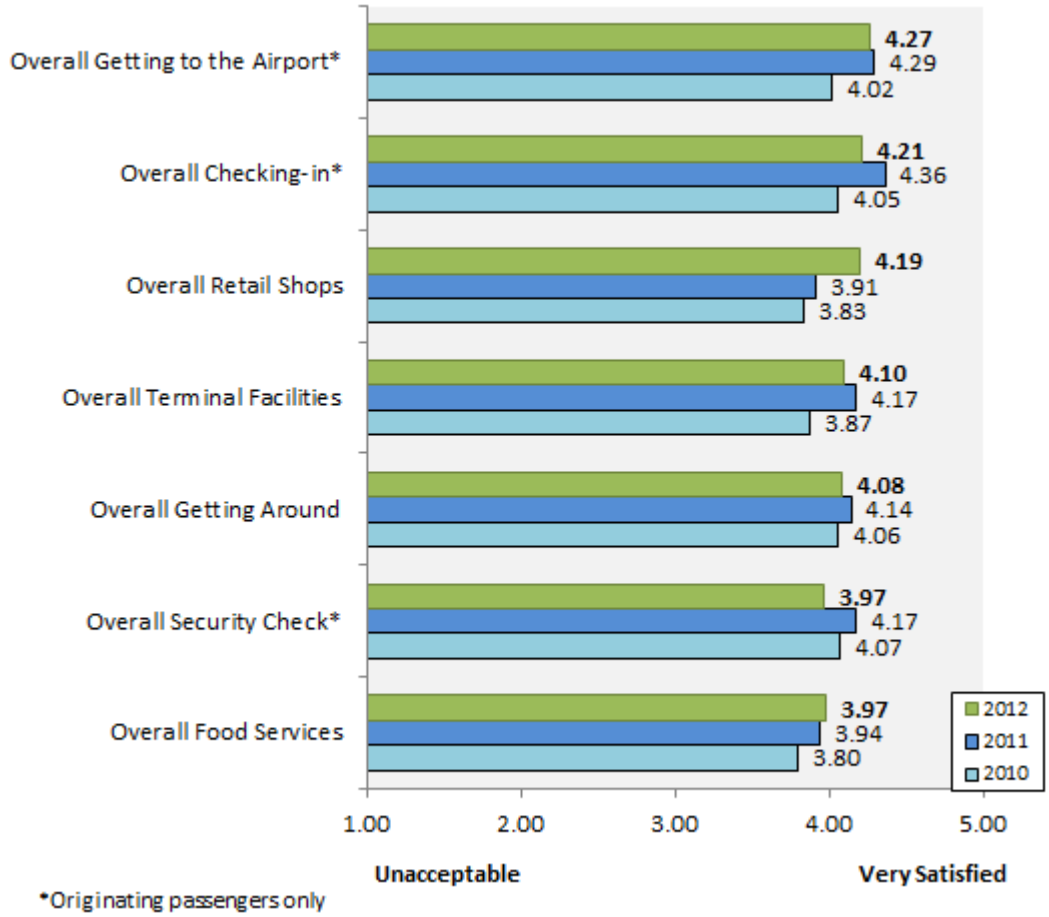
*Originating passengers only

OVERALL SATISFACTION

NOTABLE FINDINGS:

- In comparison to last year, satisfaction improved in only two areas: retail shops and food services. Satisfaction with retail shops increased from 3.91 last year to 4.19 this year. Satisfaction with food concessions increased to 3.97 this year from 3.94 last year.
- Satisfaction in all other areas declined from 2011 to 2012.

Changes in Overall Satisfaction



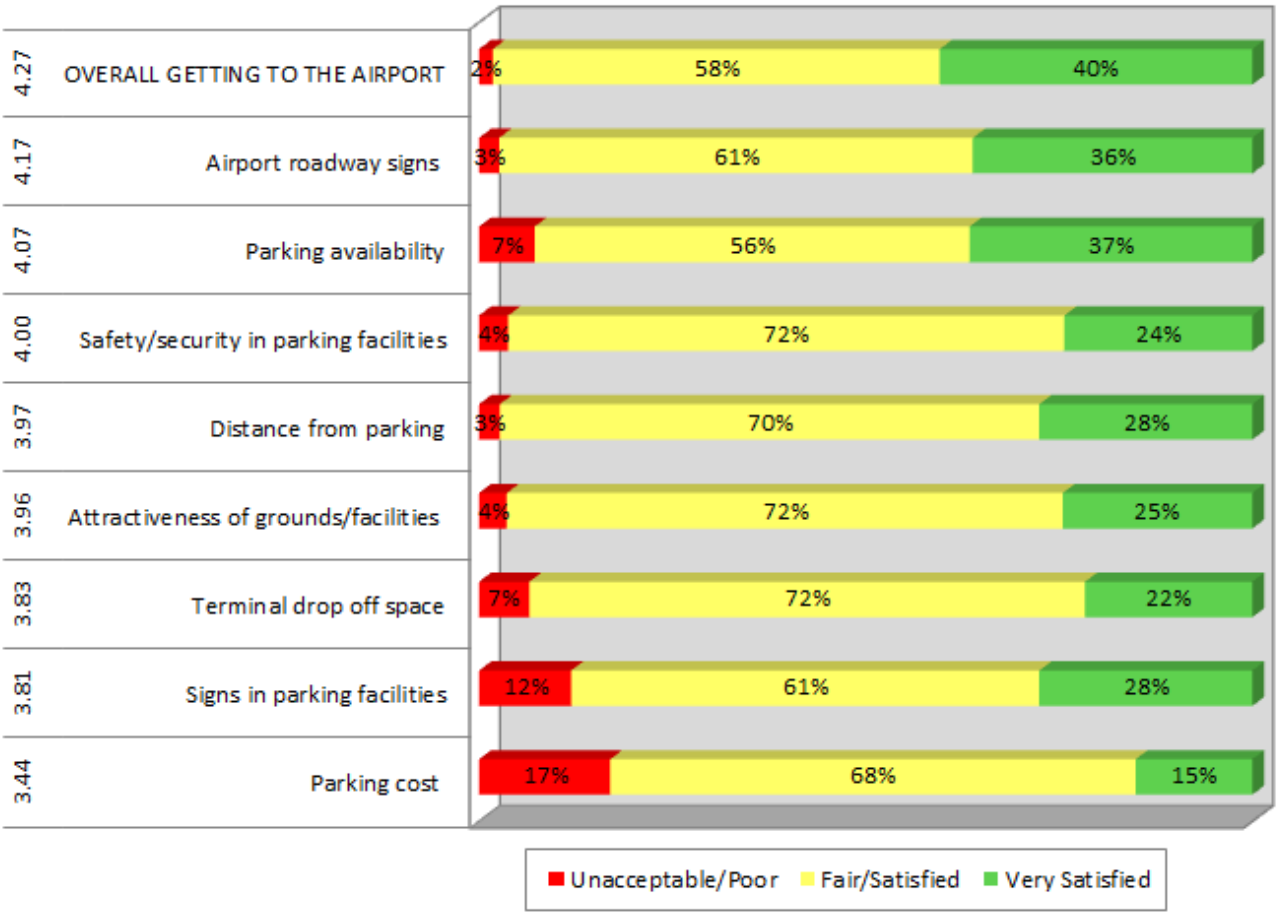
*Originating passengers only

SATISFACTION WITH GETTING TO THE AIRPORT

SATISFACTION WITH GETTING TO THE AIRPORT

NOTABLE FINDINGS: (Originating Passengers Only)

- Forty percent of originating passengers are very satisfied with their overall experience getting to the Airport. Fifty-eight percent rate this category fair or satisfactory, and 2% rate it unacceptable or poor. Of the eight individual criteria of this category, passengers rated airport roadway signs most favorable with a satisfaction rating of 4.17.
- Only originating passengers who parked on-airport were asked about satisfaction regarding the parking facilities. These passengers gave availability of parking and safety/ security in parking facilities ratings above 4.00. Passengers rated parking cost least favorably.

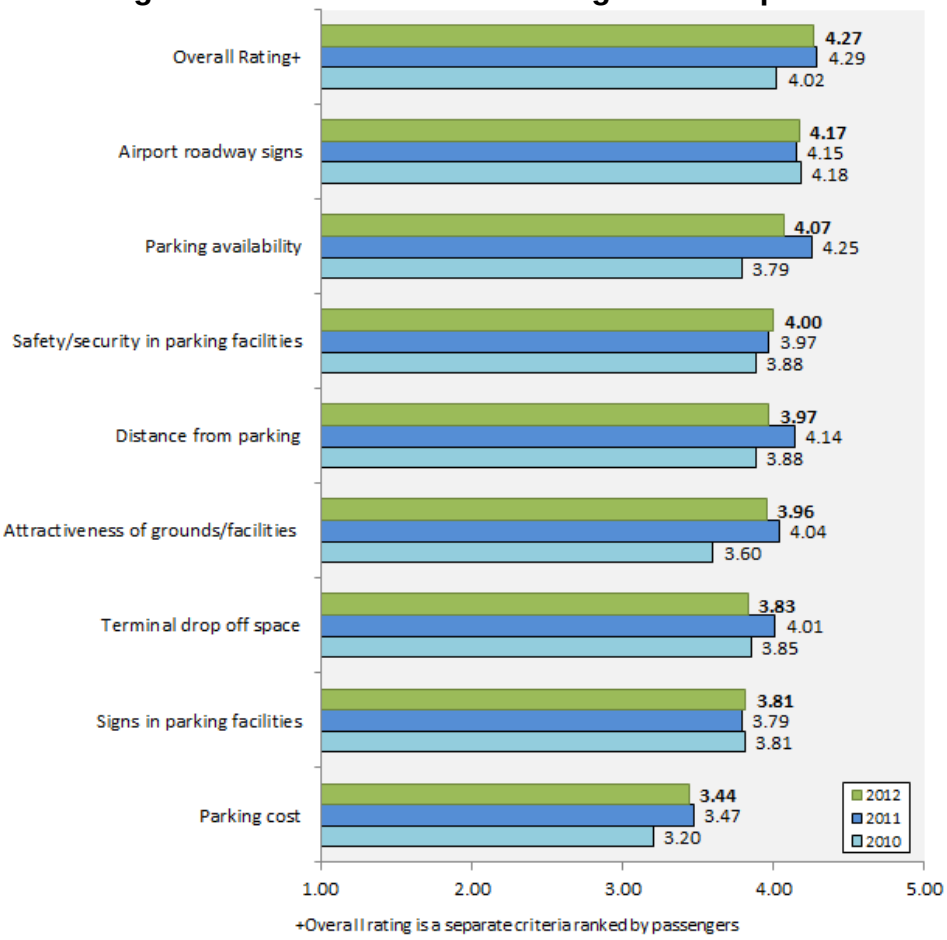


SATISFACTION WITH GETTING TO THE AIRPORT

NOTABLE FINDINGS: (Originating Passengers Only)

- The overall satisfaction rating with getting to the airport was relatively the same as last year. However with respect to individual criterion, satisfaction stayed the same or declined. Although satisfaction with parking availability is rated relatively high compared to other criteria, the decline in satisfaction from 4.25 last year to 4.07 this year is notable. With more passengers using the long-term lots (eight percentage points higher than last year), parking lots are likely more congested, resulting in lower satisfaction ratings in these areas.
- Also notable is the decline in satisfaction with terminal drop off space this year.

Changes in Satisfaction with Getting to the Airport



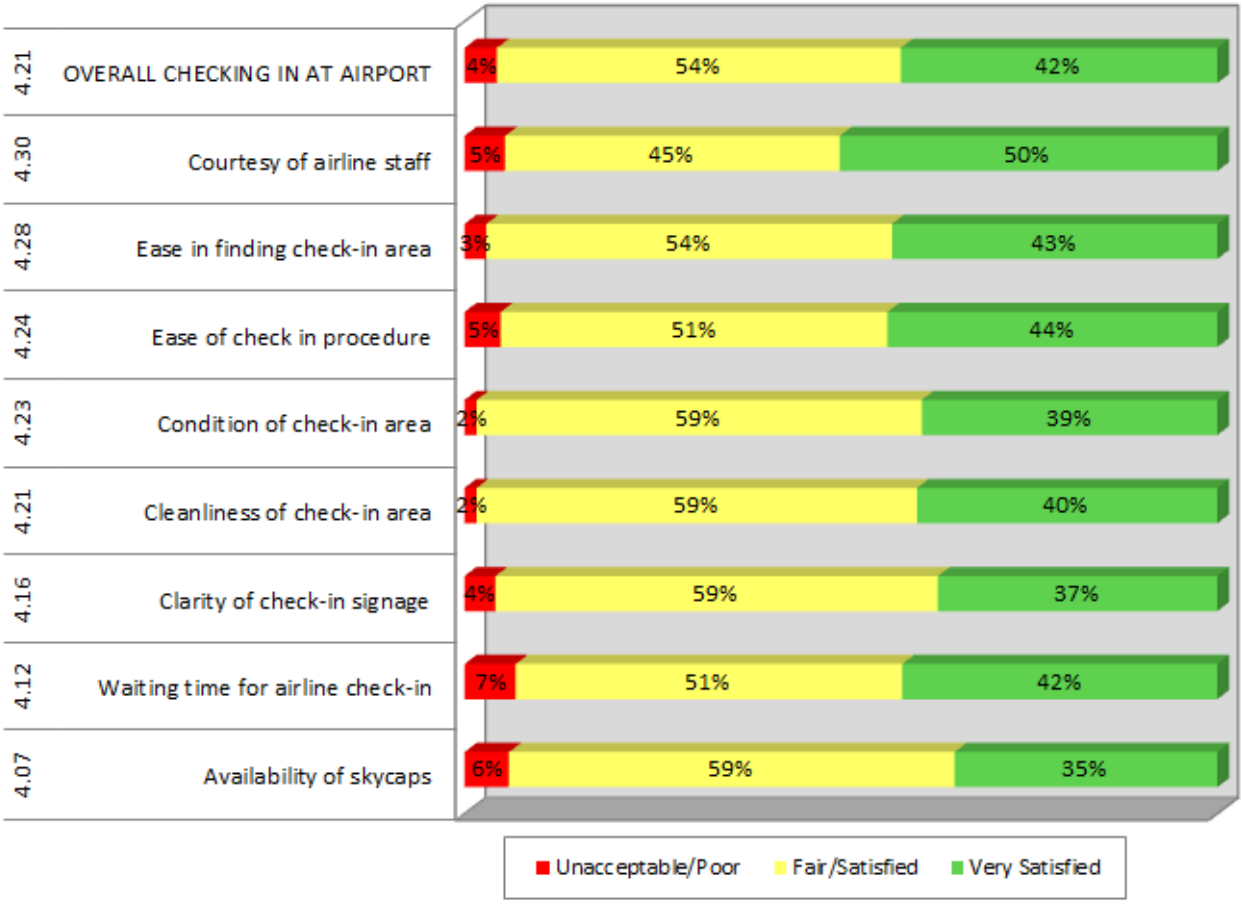
+Overall rating is a separate criteria ranked by passengers

SATISFACTION WITH AIRLINE CHECK-IN

SATISFACTION WITH AIRLINE CHECK-IN

NOTABLE FINDINGS: (Originating Passengers Only)

- Forty-two percent of originating passengers say they are very satisfied with the overall check-in process at PHL. Fifty-four percent consider their check-in experience fair or satisfactory, and only 4% rate it poor or unacceptable.
- In general, passengers are pleased with all aspects of the check-in process, giving each criteria a high satisfaction rating over 4.00.
- Passengers are most pleased with courtesy of airline staff, ease of finding the check-in areas, and ease of check-in procedure. Satisfaction with availability of skycaps and wait time for airline check-in was relatively lower compared to other criteria.

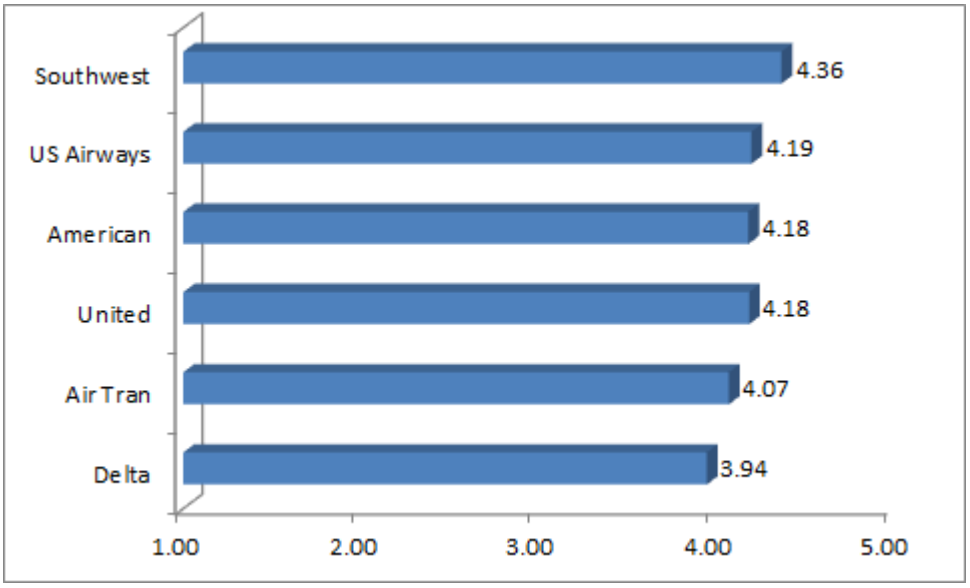


SATISFACTION WITH AIRLINE CHECK-IN

NOTABLE FINDINGS: (Originating Passengers Only)

- Cross-tabulation analysis was performed to further explore satisfaction with airline check-in. According to our data, satisfaction by airline varied considerably.
- Similar to last year's survey, Southwest passengers were most satisfied: an overwhelming 88% of Southwest passengers reported being satisfied or very satisfied with their overall check-in experience. This level of satisfaction exceeds all other airlines. Southwest passengers gave airline check-in an overall satisfaction rating of 4.36
- Satisfaction among Delta passengers is relatively low in comparison to other airline passengers. Delta passengers gave their overall check-in experience a satisfaction rating of 3.94, the only airline that received a rating below 4.00.

% of Passengers Satisfied or Very Satisfied with Airline Check-In

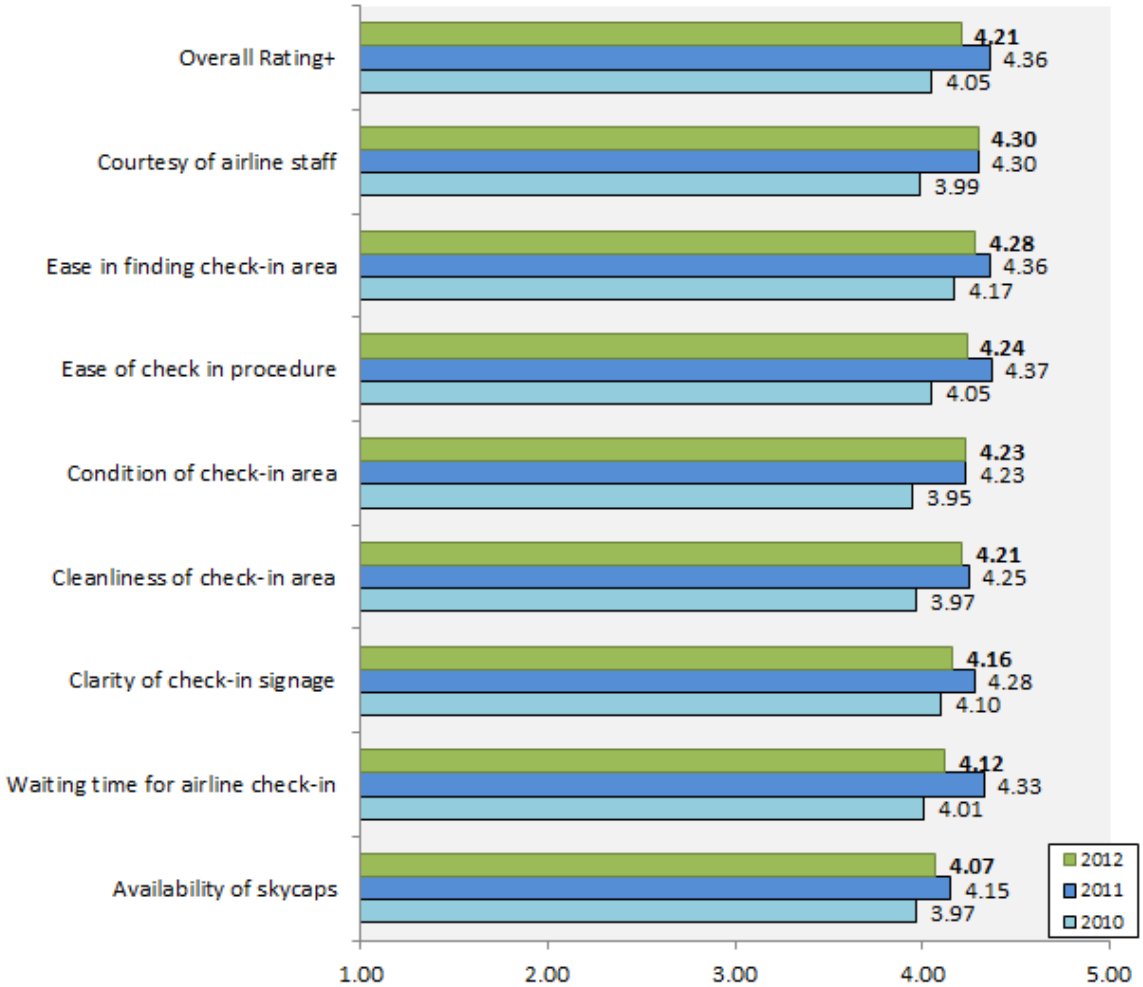


SATISFACTION WITH AIRLINE CHECK-IN

NOTABLE FINDINGS: (Originating Passengers Only)

- All areas in this category have stayed the same or show a decrease in satisfaction when compared to 2011 results.
- Notable is the decrease in satisfaction with respect to waiting time for airline check-in from 4.33 last year to 4.12 this year. As mentioned above, slightly more passengers are using the main ticket counter or sky caps to check in this year, which may result in longer wait times to check-in and consequently impact satisfaction.

Changes in Satisfaction with Airline Check-In



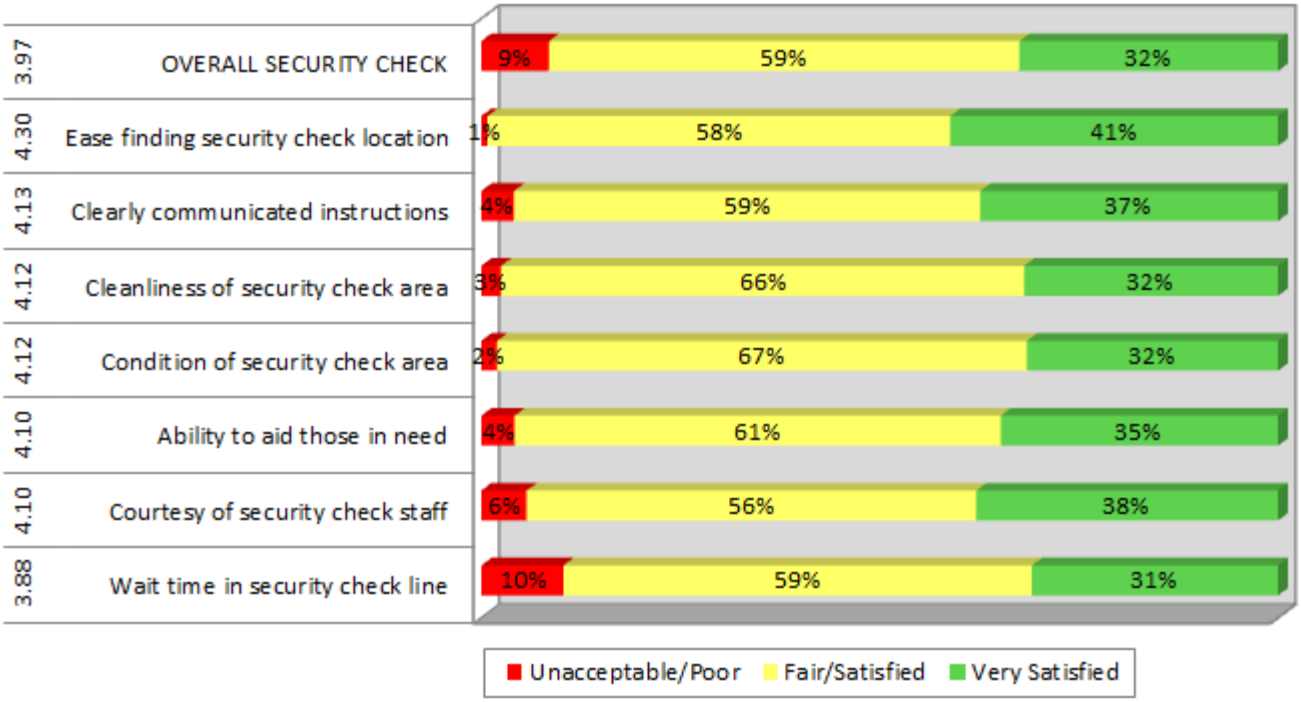
+Overall rating is a separate criteria ranked by passengers

SATISFACTION WITH SECURITY PROCESS

SATISFACTION WITH SECURITY PROCESS

NOTABLE FINDINGS: (Originating Passengers Only)

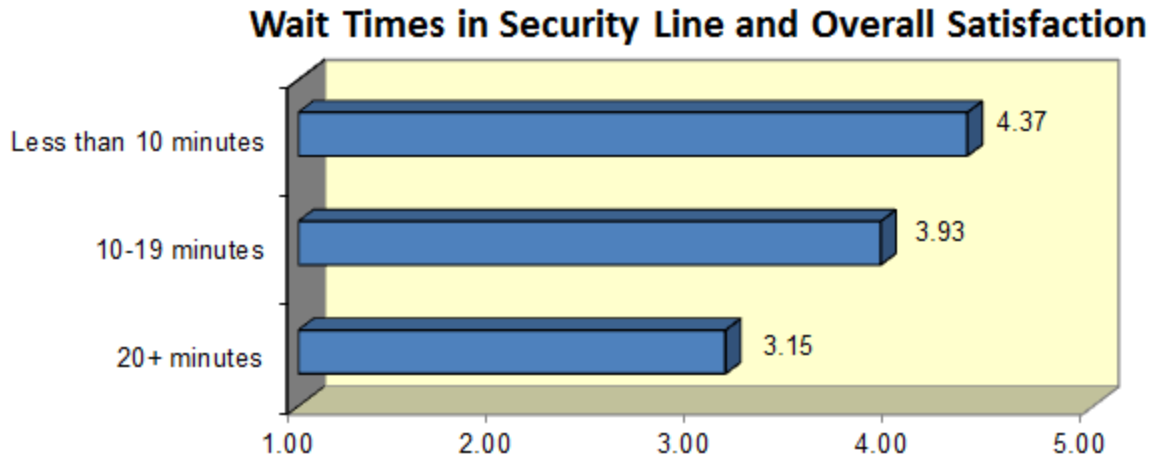
- Thirty-two percent of originating passengers are very satisfied with their overall experience in the security check process. Fifty-nine percent rate their experience as fair or satisfactory, and 9% say it was unacceptable or poor.
- Passengers are generally satisfied with many aspects of the security screening process: all criteria other than wait time received a high satisfaction over 4.00. Satisfaction with ease of finding security check location was particularly high with a satisfaction rating of 4.30.
- However, satisfaction with wait time in the security line is much less favorable and is the only criterion that received a rating less than 4.00. Wait time in security check line received a satisfaction rating of 3.88 with 10% of originating passenger indicating wait time was unacceptable or poor.



SECURITY WAIT TIME AND OVERALL SATISFACTION

NOTABLE FINDINGS: (Originating Passengers Only)

- According to cross-tabulation analysis, the length of wait time in the security line has an impact on overall satisfaction with the security process.
- As wait time in the security line increases, overall passenger satisfaction decreases. For example, passengers who report waiting less than 10 minutes are most satisfied, giving their overall security check experience a satisfaction rating of 4.37. Passengers who waited between 10 to 19 minutes in the security check line gave their overall experience with the overall security check process a satisfaction rating of 3.93. However, passengers who reported wait times over 20 minutes were least satisfied with their overall experience with the security check process with a satisfaction rating of 3.15.

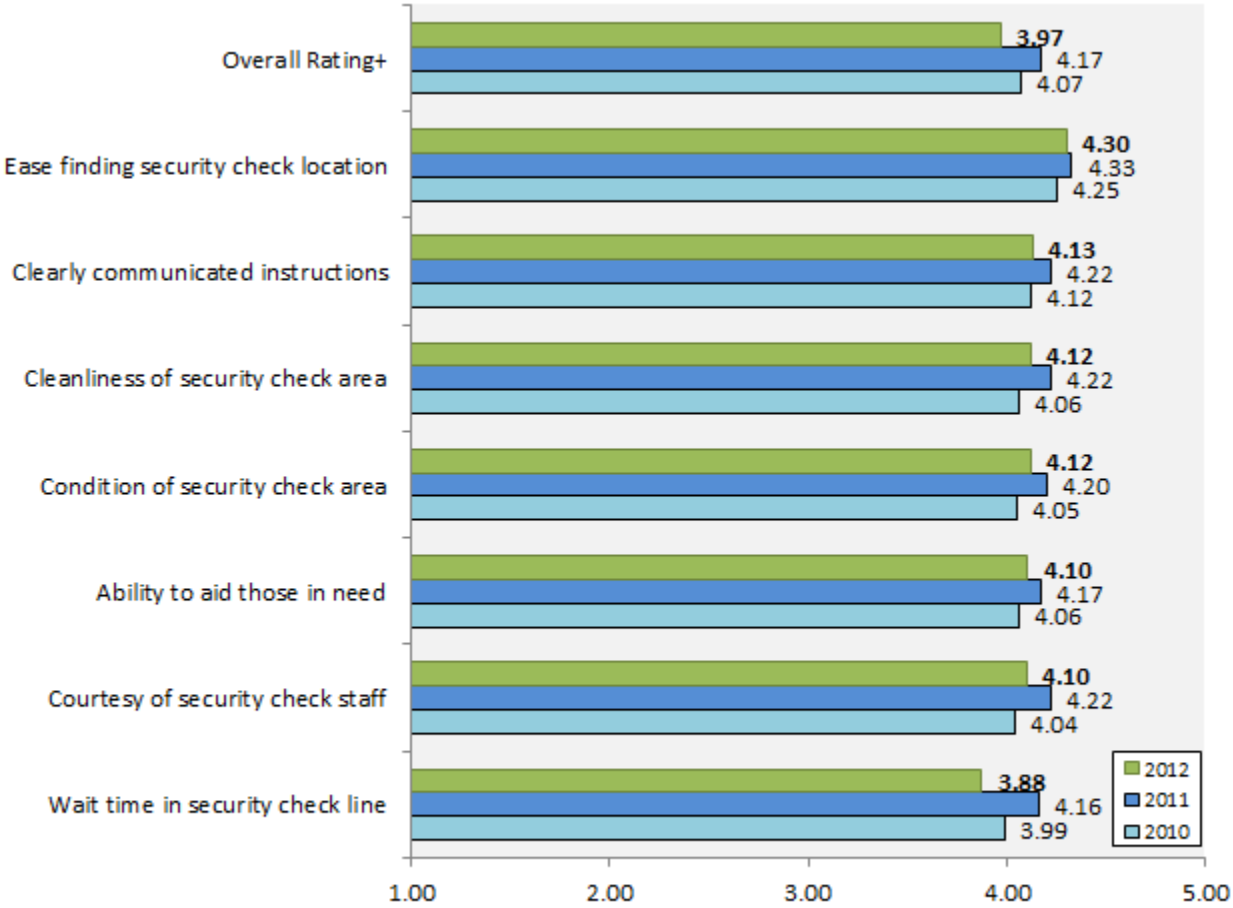


SATISFACTION WITH SECURITY PROCESS

NOTABLE FINDINGS: (Originating Passengers Only)

- In comparison to last year, originating passenger rate their overall experience with the security check process less favorably: overall satisfaction declined from a rating of 4.17 last year to 3.97 this year.
- Most notable is the decline in satisfaction with respect to wait time in security check line from 4.16 last year to 3.88 this year. As discussed above, passengers reported lower wait times for security screening, which appears to also impact satisfaction with the overall security check process.

Changes in Satisfaction with Security Check Process



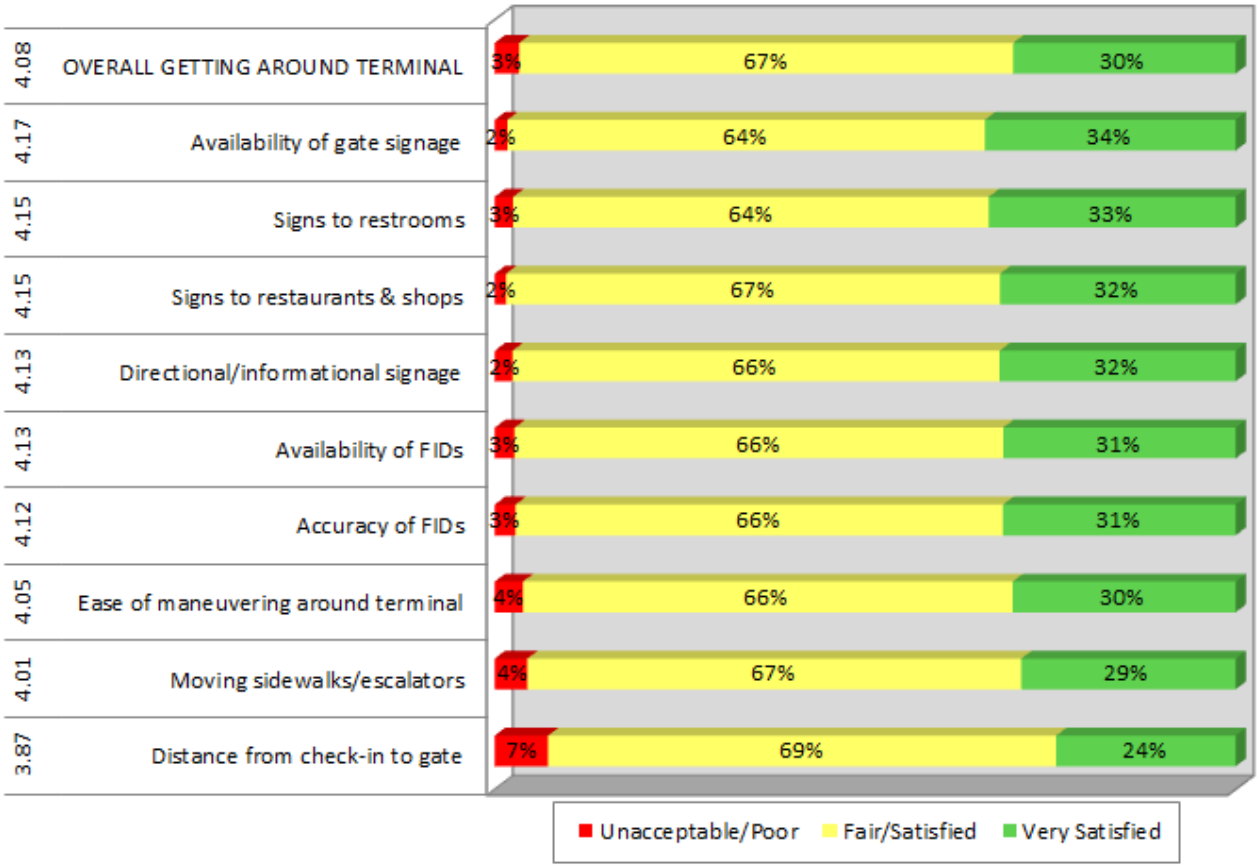
+Overall rating is a separate criteria ranked by passengers

SATISFACTION WITH GETTING AROUND THE AIRPORT

SATISFACTION WITH GETTING AROUND THE AIRPORT

NOTABLE FINDINGS:

- Thirty percent of departing passengers are very satisfied with their overall experience of getting around the airport, 67% rate it fair or satisfactory, and 3% rate this category as unacceptable or poor.
- Passengers are satisfied with the signage at the Airport. The top rated areas include signs to restrooms, availability of gate signage, signs to restaurants and shops, and directional/informational signage.
- Satisfaction is lowest in regards to the distance from check-in to gate (3.87), the only area that received a rating below 4.00. Seven percent of passengers rate this as unacceptable or poor, 69% rate it fair or satisfactory, and 24% are very satisfied with the distance from check-in to gate.

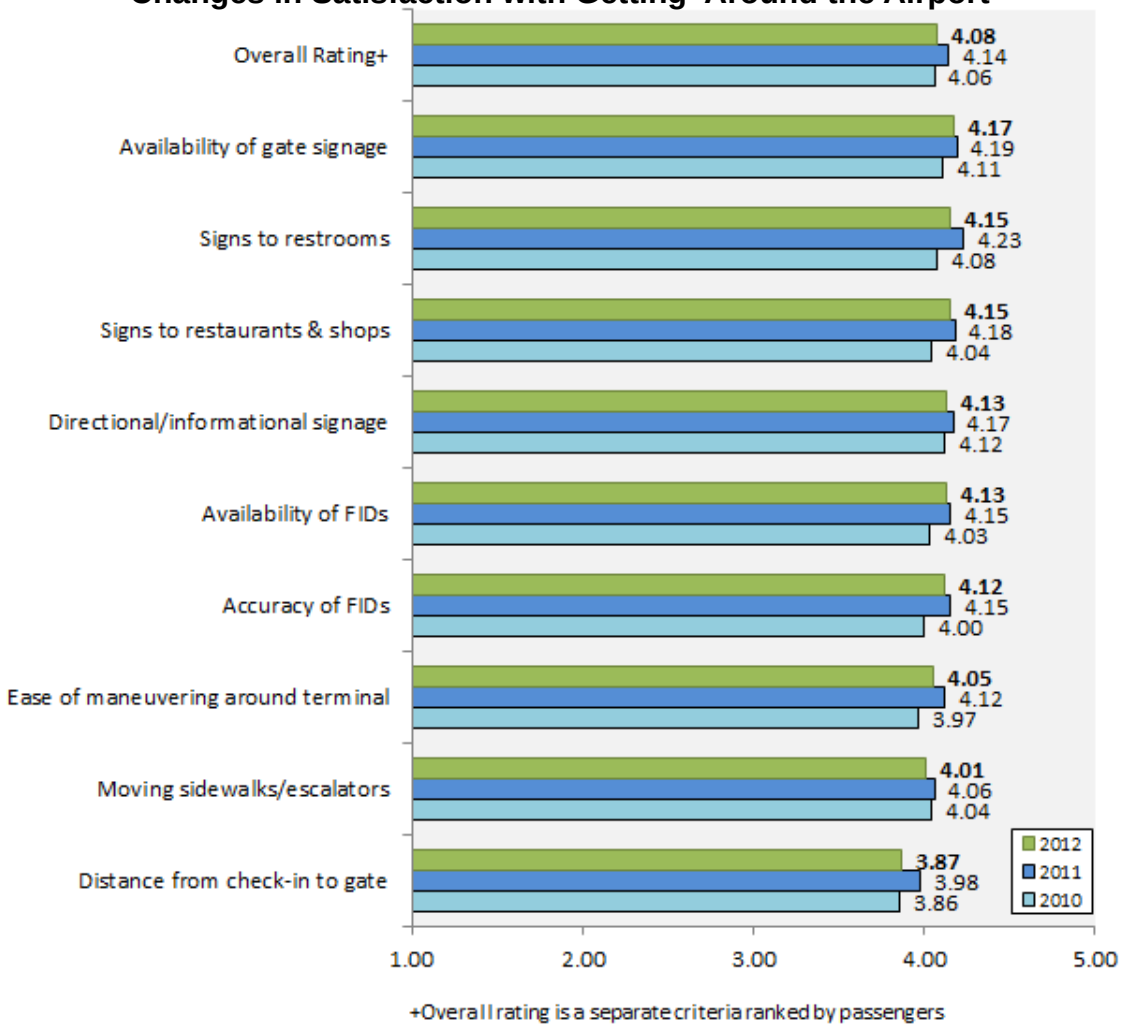


SATISFACTION WITH GETTING AROUND THE AIRPORT

NOTABLE FINDINGS:

- Each area in this category stayed the same or declined in satisfaction when compared to 2011 results. However for the most part satisfaction this year is higher than the 2010 levels.
- Overall satisfaction with getting around the airport decreased from 4.14 in 2011 to 4.08 this year.
- Distance from check-in to gate remains the lowest rated area in this category and also declined significantly from 3.98 in 2011 to 3.87 this year.

Changes in Satisfaction with Getting Around the Airport

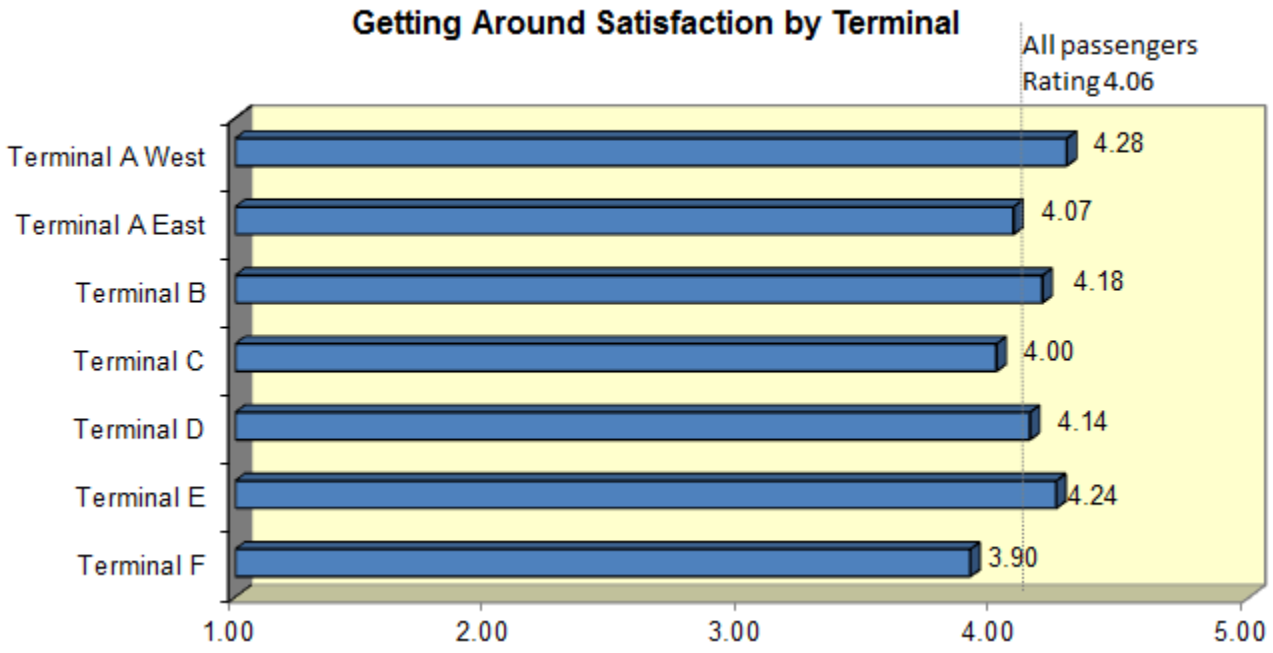


+Overall rating is a separate criteria ranked by passengers

SATISFACTION WITH GETTING AROUND THE AIRPORT

NOTABLE FINDINGS (Originating Passengers Only):

- Cross-tabulation analysis was performed to determine differences in satisfaction by terminal passengers.
- Terminal A West and Terminal E received the highest satisfaction rating in regard to getting around the Airport, 4.28 and 4.24 out of 5.00, respectively. Similar to last year, Terminal F passengers report relatively low satisfaction with getting around the Airport, giving this category an overall rating of 3.90. It is important to note the on-going construction in this terminal, which may impact passenger satisfaction.

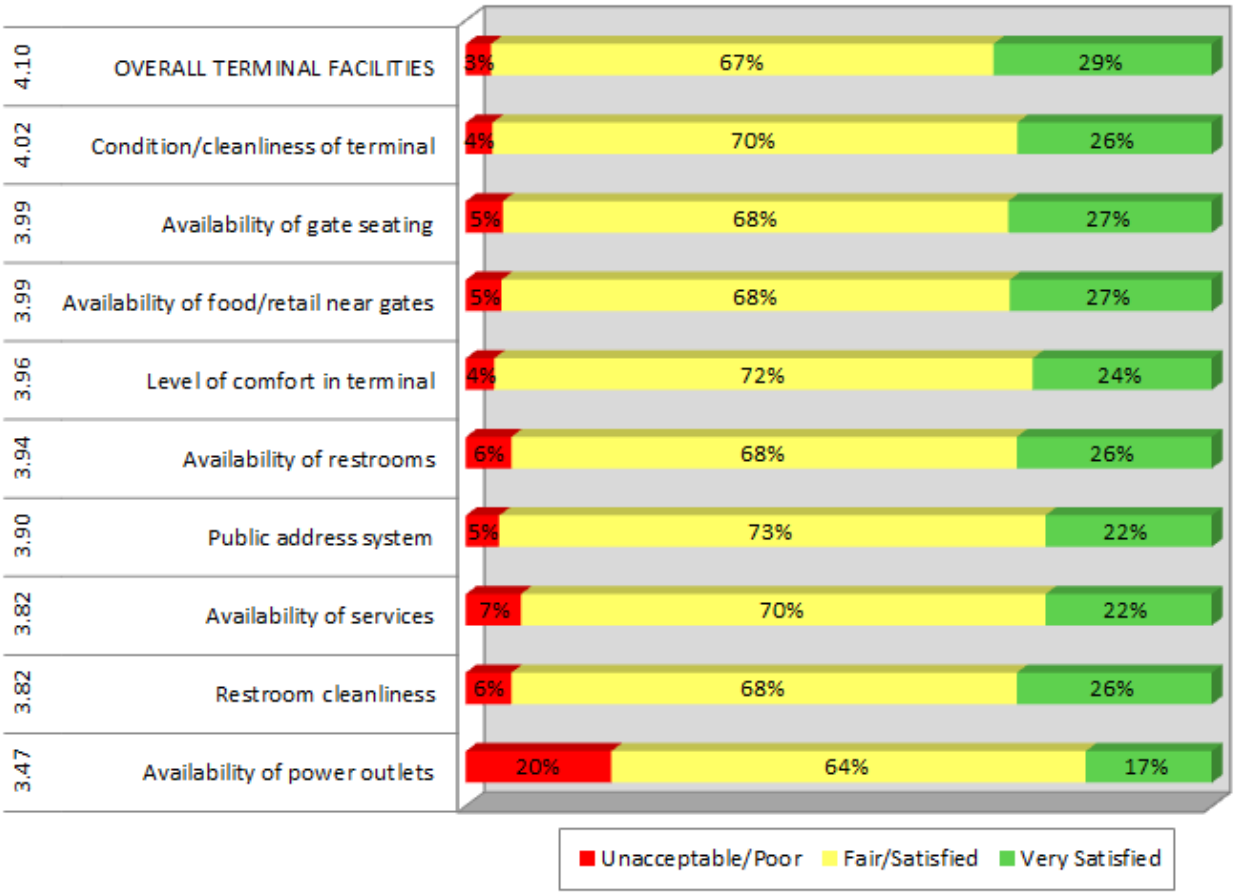


SATISFACTION WITH AIRPORT TERMINAL FACILITIES

SATISFACTION WITH AIRPORT TERMINAL FACILITIES

NOTABLE FINDINGS:

- Twenty-nine percent of departing passengers are very satisfied with overall airport terminal facilities. Sixty-seven percent rate them fair or satisfactory, and 3% consider them poor or unacceptable.
- With respect to individual criteria, condition and cleanliness of terminal is the only item that received a satisfaction rating over 4.00. Availability of gate seating and food/retail near gates also received relatively high ratings.
- Similar to last year's findings, passengers show dissatisfaction with the availability of power outlets: 20% rating this unacceptable or poor, giving this criteria an satisfaction rating of 3.47. Cleanliness of restrooms and availability of services also received relatively low ratings.

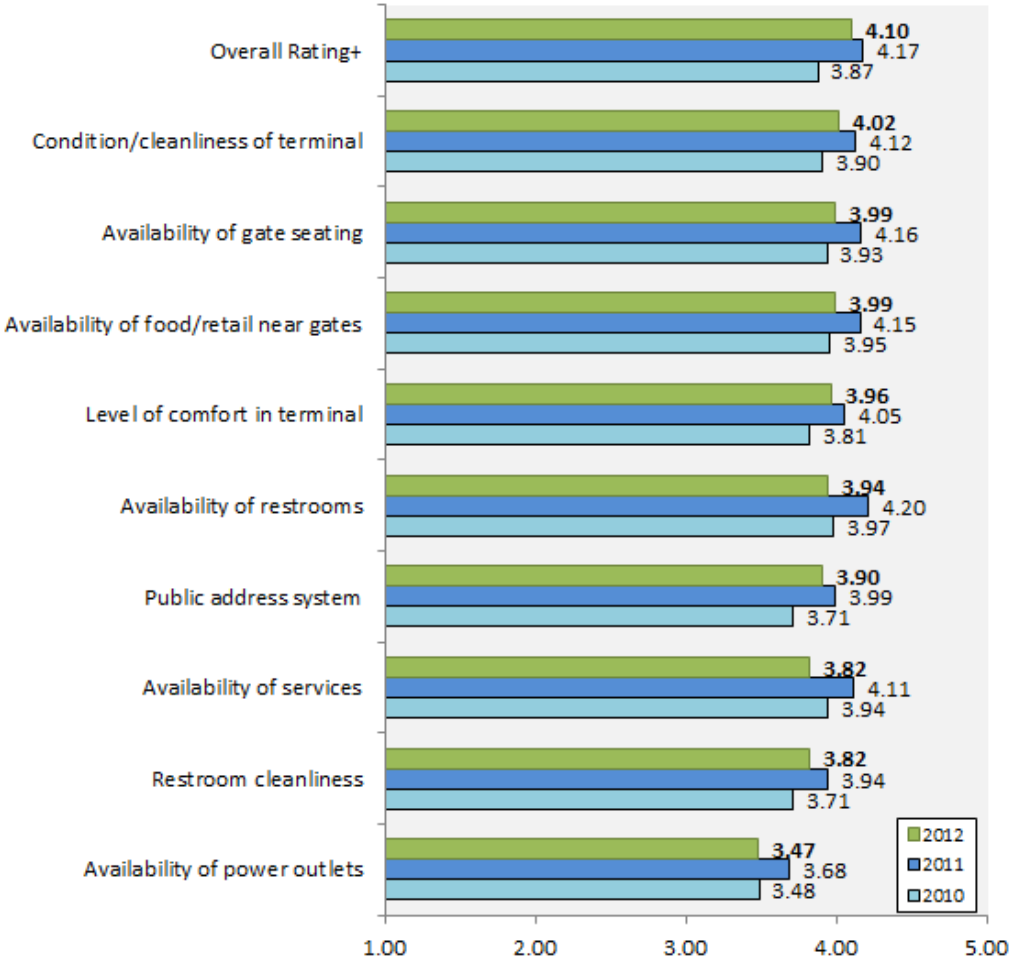


SATISFACTION WITH AIRPORT FACILITIES

NOTABLE FINDINGS:

- Satisfaction decreased in all areas compared to the 2011 survey.
- Notable is the decline in satisfaction with availability of restrooms and restroom cleanliness, considering these are areas of particular importance to passengers. Satisfaction with availability of restrooms declined from 4.20 in 2011 to 3.94 this year. Satisfaction with restroom cleanliness declined from 3.94 to 3.82 this year.
- The drop in satisfaction with availability of power outlets and services from last year to this year is also significant.

Changes in Satisfaction with Airport Facilities

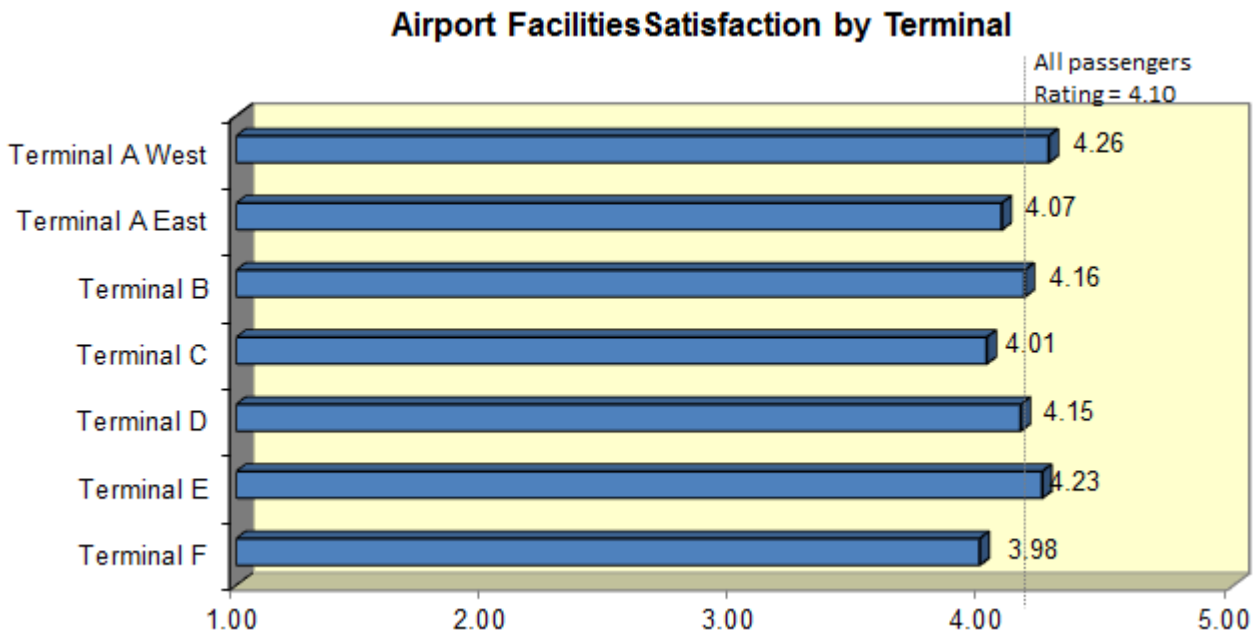


+Overall rating is a separate criteria ranked by passengers

SATISFACTION WITH AIRPORT FACILITIES

NOTABLE FINDINGS (Originating Passengers Only):

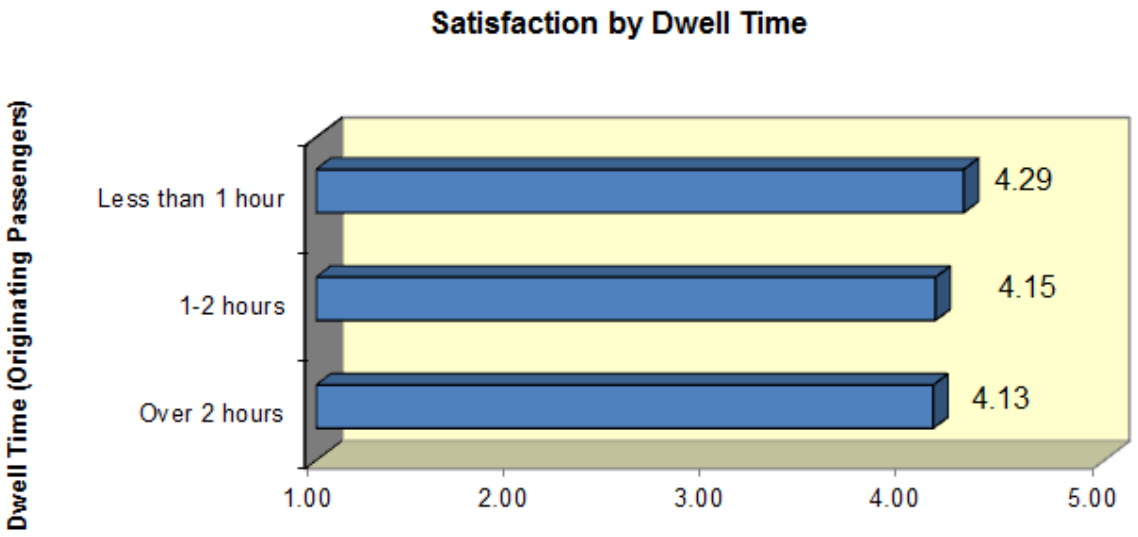
- Overall satisfaction with Airport facilities was compared by terminal passengers.
- Satisfaction with facilities was rated particularly high by Terminal A West and Terminal E passengers, giving this category a rating of 4.26 and 4.23, respectively.
- Again, Terminal F passengers rated satisfaction with Airport facilities lower than the other terminal passengers. As mentioned previously, the on-going construction in this terminal may impact satisfaction. For example, Terminal F passengers had significantly low satisfaction ratings with respect to availability of gate seating, food and retail near gates, and services. Terminal F passengers also gave particularly low ratings with availability of power outlets.



SATISFACTION WITH AIRPORT FACILITIES

NOTABLE FINDINGS:

- Cross-tabulation analysis was performed with respect to dwell time (originating passengers) to measure its effect on overall satisfaction with Airport facilities.
- Passengers with the shortest dwell time are more satisfied with the airport facilities than passengers with longer dwell times. Passengers with dwell times of less than one hours gave airport facilities a satisfaction rating of 4.29, while passengers with dwell times of more than two hours gave airport facilities a rating of 4.13. Considering originating passengers typically check-in then go through security screening, passengers with the shortest dwell times have less time to experience the facilities, and thus may have greater satisfaction levels than passengers with more discretionary time to utilize the facilities.

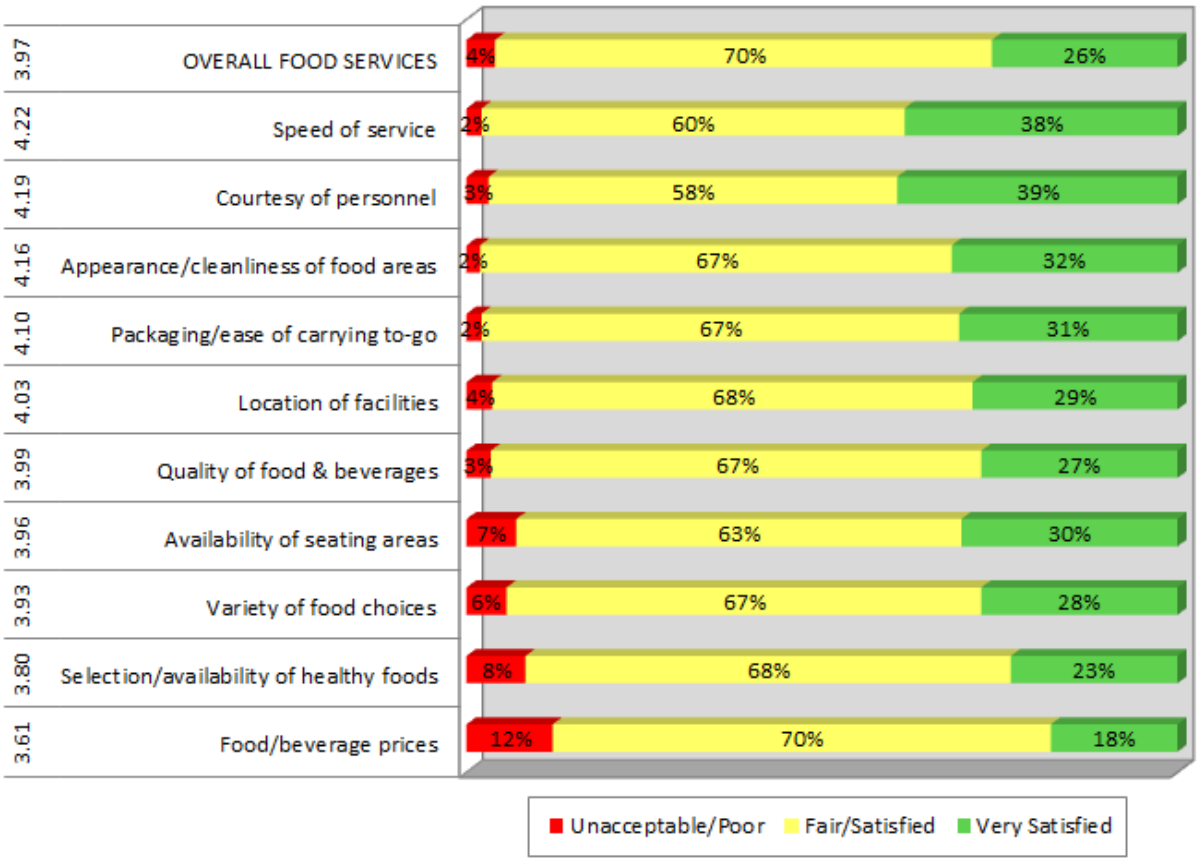


SATISFACTION WITH FOOD & BEVERAGES

SATISFACTION WITH FOOD & BEVERAGES

NOTABLE FINDINGS:

- It is important to note that only passengers who made a purchase were asked to rate their satisfaction with food and beverage facilities. Overall food services received an average rating of 3.97 out of 5.00, with 26% stating they are very satisfied, 70% considering them fair or satisfactory, and 4% reporting that the food services at PHL are poor or unacceptable.
- Several individual areas received high satisfaction ratings over 4.00: speed of service, courtesy of personnel, appearance/ cleanliness of food areas, packaging/ ease of carrying to-go, and location of facilities. Similar to past surveys, satisfaction with food and beverage prices and selection/ availability of healthy foods is low.

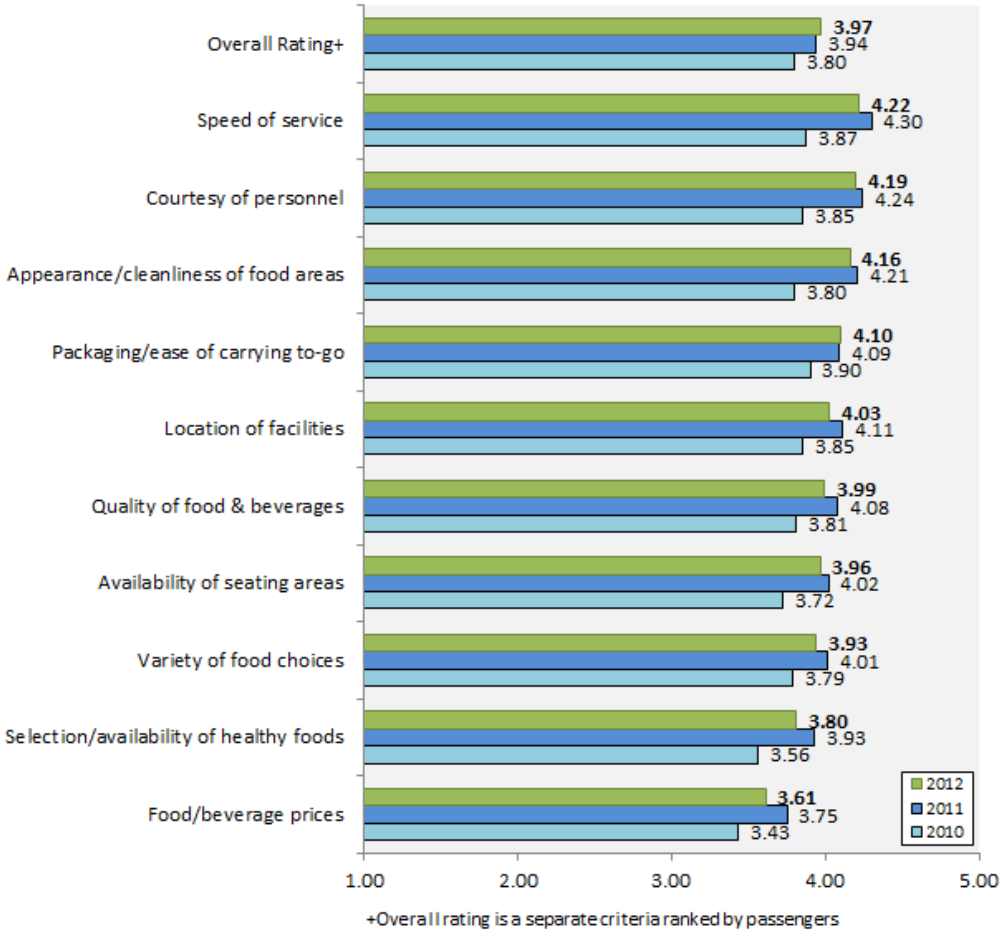


SATISFACTION WITH FOOD & BEVERAGES

NOTABLE FINDINGS:

- 2010 satisfaction levels were recalculated to include only passengers who made a food and beverage purchase for consistency with the 2011 and 2012 survey methodology.
- While the overall satisfaction rating with food and beverages was relatively the same, satisfaction with several individual areas has declined since last year. Considering the survey results indicate a greater percentage of passengers are making food and beverage purchases this year, the decline in satisfaction with variety of food choices and selection of healthy options is noteworthy.

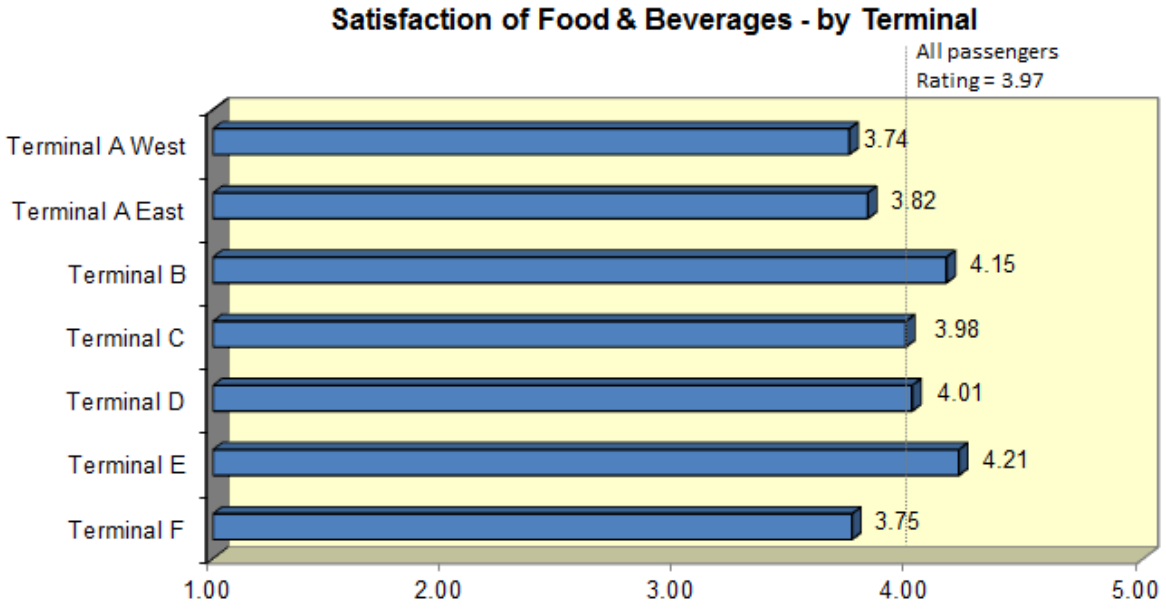
Changes in Satisfaction with Food & Beverages



SATISFACTION WITH FOOD & BEVERAGES

NOTABLE FINDINGS:

- Cross-tabulation data reveal satisfaction with food & beverages varies widely among terminals.
- The highest satisfaction rating is given by passengers departing from Terminal B and Terminal E. In particular, these passengers are pleased with courtesy of personnel, speed of service, and appearance/ cleanliness of food facilities.
- Similar to our findings from last year, Terminal F passengers rate their satisfaction with food & beverage facilities relatively low. These passengers had relatively low ratings with respect to location of facilities, variety of food choices, and quality of food offerings.
- All passengers rated satisfaction with food and beverage prices low.

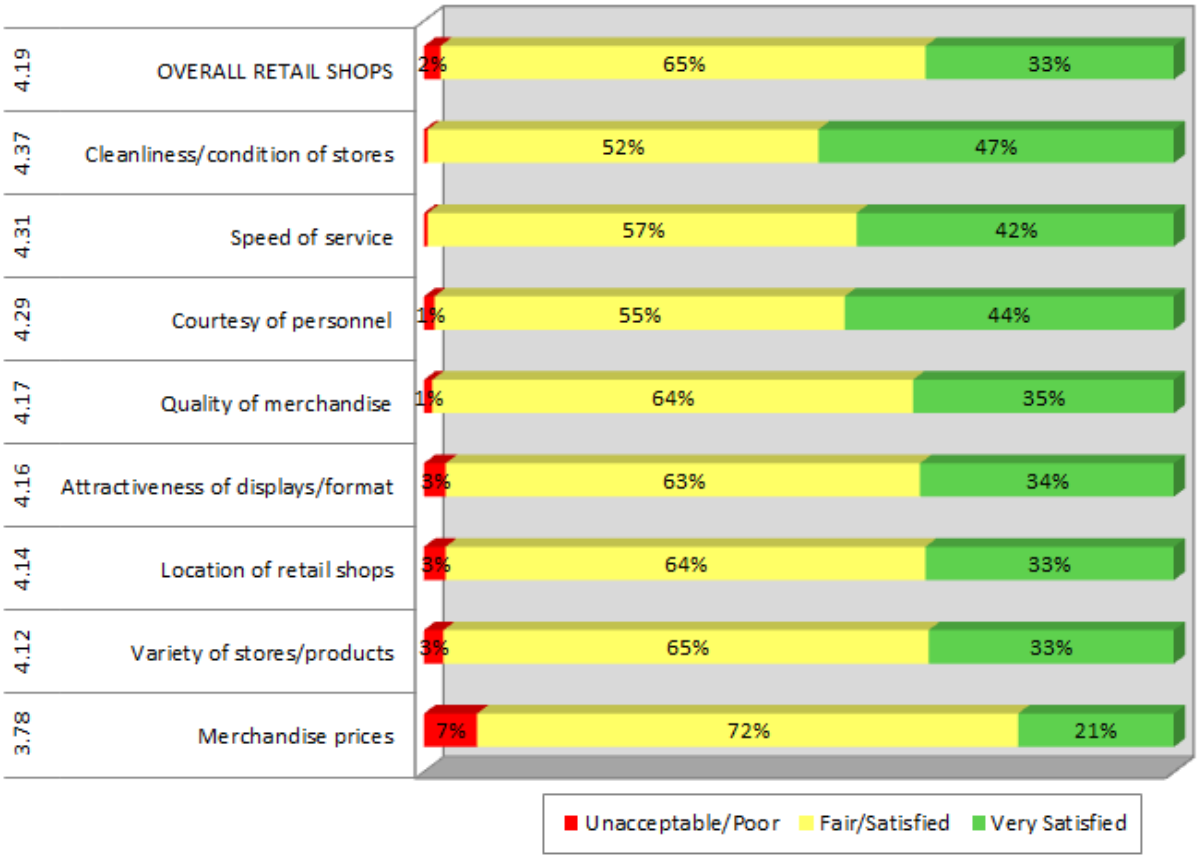


SATISFACTION WITH RETAIL CONCESSIONS

SATISFACTION WITH RETAIL CONCESSIONS

NOTABLE FINDINGS:

- As with food and beverages, satisfaction questions were asked only to passengers who made a purchase at a retail shop while at the airport.
- Thirty-three percent of departing passengers are very satisfied with the retail shops at PHL. Sixty-five percent rate the retail shops overall as fair or satisfactory, and 2% consider them poor or unacceptable.
- Cleanliness/ condition of stores, speed of service, and courtesy of personnel received high satisfaction ratings.
- Merchandise prices received the lowest satisfaction rating in this category, with an average rating of 3.78 out of 5.00. Seven percent of passengers who made a purchase said that the merchandise prices were poor or unacceptable.

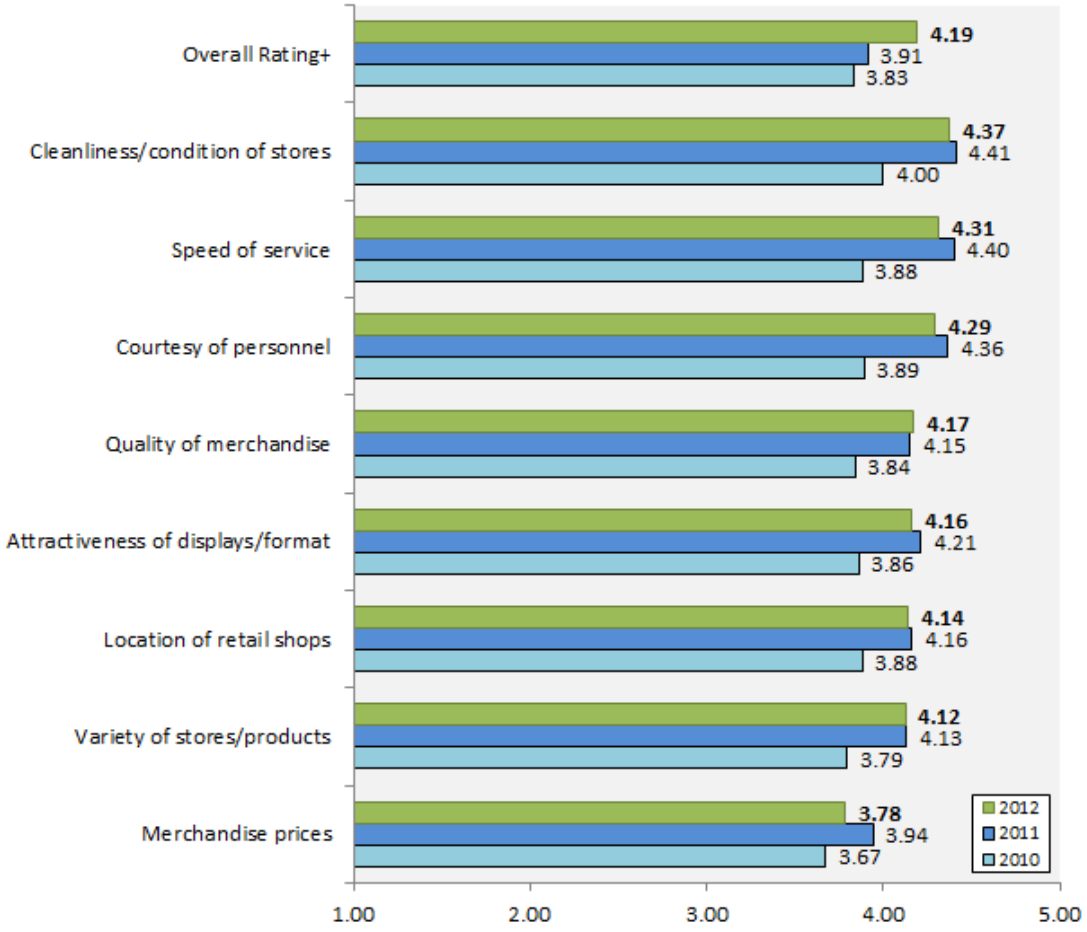


SATISFACTION WITH RETAIL CONCESSIONS

NOTABLE FINDINGS:

- For consistency with 2011 and 2012 survey methodology, 2010 satisfaction levels were recalculated to include only passengers who made a retail purchase.
- The overall satisfaction with retail shops at the airport is significantly higher at 4.19 compared to 3.91 last year. However, with respect to individual characteristics of retail concessions, satisfaction has stayed the same or declined. Notable is the drop in satisfaction with respect to merchandise prices: satisfaction dropped from 3.94 in 2011 to 3.78 this year.

Changes in Satisfaction with Retail Concessions



+Overall rating is a separate criteria ranked by passengers

SATISFACTION WITH RETAIL CONCESSIONS

NOTABLE FINDINGS:

- Cross tabulation analysis shows consistent findings in this survey compared to the last survey conducted.
- Similar to our findings last year, Terminal E passengers had the highest satisfaction levels. In particular, Terminal E passengers show high satisfaction with respect to location of shops, courtesy of personnel, and speed of service.
- In contrast, Terminal A East passengers had different opinions and gave overall retail concessions a relatively low rating of 3.87. In particular, these passengers gave courtesy of personnel, location of shops, and variety of stores relatively low ratings.

SUMMARY OF FINDINGS AND CONCLUSIONS

CHANGES IN PASSENGER PROFILE

NOTABLE:

- It is not surprising to see some differences in the passenger profile between the 2012 and 2011 surveys, since survey administration took place during different times of the year: in the summer (August 2012) versus late fall/ early winter (December 20110.
- For example, many more passengers were traveling in groups this year. This is typically because the summer months are a popular time for family vacations, so this finding is consistent with the change of seasons.
- The amount of time departing passengers are spending at PHL has increased compared to last year. In 2012, 42% of originating passengers spent over two hours at PHL before departure compared to 36% in 2011.
- Originating passengers report longer wait times in security screening lines in 2012. Fifty-five percent of passengers report wait times of 10 minutes or more this year compared to only 45% in 2011. This change has a negative effect on satisfaction. Cross-tabulation analysis shows that passengers with longer wait times in security screening are less satisfied than passengers with short wait times.
- Connecting passengers are also spending more time at PHL. In 2012, 56% of connecting passengers spend two hours or more in comparison to 39% in 2011.

SUMMARY OF CONCESSIONS

NOTABLE:

Food & Beverage Concessions:

- The proportion of passengers making food & beverage purchases increased by five percentage points: 64% in 2012 compared to 59% in 2011.
- Passengers with long dwell/ layover times are most likely to make purchases as well as passengers with high incomes.
- The percentage of passengers purchasing food & beverage concessions varies by terminal, with passengers in Terminals D and E most likely to purchase food and beverages at the Airport.

Retail Concessions:

- Retail purchasing has increased slightly when compared to the prior survey: 15% of passengers reported making a retail purchase at PHL in 2012, compared to 12% in 2011.
- As with food & beverage purchases, cross-tabulation analysis shows that passengers with long dwell/layover times are more likely to make a purchase. There was little difference in spending among passengers with high incomes or those with low incomes.
- The percentage of passengers purchasing retail concessions varies widely by terminal. A larger percent of Terminal A West passengers bought retail merchandise (23%) compared to other passengers. Passengers on this concourse have long dwell times and layover times, and as discussed above, passengers who spend more time at the airport are more likely to purchase retail items.

SUMMARY OF PASSENGER SATISFACTION

NOTABLE:

- Of the seven categories that make up the passenger experience, satisfaction improved in only two areas this year: retail shops and food services. Satisfaction in all other areas stayed the same or declined from 2011 to 2012.
- Satisfaction levels have slightly improved or stayed the same for six out of the 66 individual criteria since the 2011 survey. Satisfaction tables on the following pages summarize the improvement in satisfaction ratings compared to the previous survey, as well as show a ranking of current satisfaction levels.
- Departing passengers who made purchases are pleased with retail concessions, with a large percentage of passengers being satisfied with cleanliness/ condition of retail stores, speed of service, and courtesy of personnel.
- Passengers are pleased with several aspects of the airline check-in process such as courtesy of airline staff, ease of finding check-in area, ease of check-in procedure, and condition of check-in area.
- Similar to our findings from previous surveys, passengers show relatively low satisfaction with parking costs and concession prices. Passengers also indicate lower levels of satisfaction with respect to availability of power outlets.
- It is important to note that longer wait times in security screening lines had an effect on satisfaction: as the length of wait time increased, overall satisfaction with the security process decreased. Satisfaction with wait time in security screening dropped significantly from 2011 to 2012.
- Satisfaction was relatively high for Terminal E passengers while satisfaction was low for Terminal F passengers. Due to on-going construction in Terminal F, passengers show lower levels of satisfaction with respect to getting around the airport, availability of gate seating, and availability of restrooms.

PHL PHILADELPHIA INTERNATIONAL AIRPORT

SUMMARY OF PASSENGER SATISFACTION

Rank	Satisfaction Criterion	Category	2012 Rating
1	Cleanliness/condition of stores	Retail concessions	4.37
2	Speed of service	Retail concessions	4.31
3	Ease finding security check location	Security check process	4.30
4	Courtesy of airline staff	Airline check-in	4.30
5	Courtesy of personnel	Retail concessions	4.29
6	Ease in finding check-in area	Airline check-in	4.28
7	Ease of check in procedure	Airline check-in	4.24
8	Condition of check-in area	Airline check-in	4.23
9	Speed of service	Food & beverage concessions	4.22
10	Cleanliness of check-in area	Airline check-in	4.21
11	Courtesy of personnel	Food & beverage concessions	4.19
12	Airport roadway signs	Airport access	4.17
13	Quality of merchandise	Retail concessions	4.17
14	Availability of gate signage	Getting around PHL	4.17
15	Clarity of check-in signage	Airline check-in	4.16
16	Attractiveness of displays/format	Retail concessions	4.16
17	Appearance/cleanliness of food areas	Food & beverage concessions	4.16
18	Signs to restrooms	Getting around PHL	4.15
19	Signs to restaurants & shops	Getting around PHL	4.15
20	Location of retail shops	Retail concessions	4.14
21	Directional/informational signage	Getting around PHL	4.13
22	Clearly communicated instructions	Security check process	4.13
23	Availability of FIDs	Getting around PHL	4.13
24	Attractiveness of art displays	Art displays	4.13
25	Variety of stores/products	Retail concessions	4.12
26	Cleanliness of security check area	Security check process	4.12
27	Accuracy of FIDs	Getting around PHL	4.12
28	Condition of security check area	Security check process	4.12
29	Waiting time for airline check-in	Airline check-in	4.12
30	Ability to aid those in need	Security check process	4.10
31	Packaging/ease of carrying to-go	Food & beverage concessions	4.10
32	Courtesy of security check staff	Security check process	4.10
33	Availability of skycaps	Airline check-in	4.07
34	Parking availability	Airport access	4.07
35	Ease of maneuvering around terminal	Getting around PHL	4.05
36	Location of facilities	Food & beverage concessions	4.03
37	Condition/cleanliness of terminal	Airport facilities	4.02
38	Moving sidewalks/escalators	Getting around PHL	4.01
39	Safety/security in parking facilities	Airport access	4.00
40	Availability of food/retail near gates	Airport facilities	3.99
41	Quality of food & beverages	Food & beverage concessions	3.99
42	Availability of gate seating	Airport facilities	3.99
43	Distance from parking	Airport access	3.97
44	Availability of seating areas	Food & beverage concessions	3.96
45	Level of comfort in terminal	Airport facilities	3.96
46	Attractiveness of grounds/facilities	Airport access	3.96
47	Availability of restrooms	Airport facilities	3.94
48	Variety of food choices	Food & beverage concessions	3.93
49	Public address system	Airport facilities	3.90
50	Wait time in security check line	Security check process	3.88
51	Distance from check-in to gate	Getting around PHL	3.87
52	Terminal drop off space	Airport access	3.83
53	Restroom cleanliness	Airport facilities	3.82
54	Availability of services	Airport facilities	3.82
55	Signs in parking facilities	Airport access	3.81
56	Selection/availability of healthy foods	Food & beverage concessions	3.80
57	Merchandise prices	Retail concessions	3.78
58	Food/beverage prices	Food & beverage concessions	3.61
59	Availability of power outlets	Airport facilities	3.47
60	Parking cost	Airport access	3.44

PHL PHILADELPHIA INTERNATIONAL AIRPORT

SUMMARY OF PASSENGER SATISFACTION

Satisfaction Criterion	Category	Improvement 2012 vs 2011	2012 Rating	2011 Rating	2010 Rating
Safety/security in parking facilities	Airport access	0.8%	4.00	3.97	3.88
Signs in parking facilities	Airport access	0.6%	3.81	3.79	3.81
Airport roadway signs	Airport access	0.6%	4.17	4.15	4.18
Quality of merchandise	Retail concessions	0.5%	4.17	4.15	3.84
Packaging/ease of carrying to-go	Food & beverage concessions	0.2%	4.10	4.09	3.90
Condition of check-in area	Airline check-in	0.0%	4.23	4.23	3.95
Courtesy of airline staff	Airline check-in	-0.1%	4.30	4.30	3.99
Variety of stores/products	Retail concessions	-0.2%	4.12	4.13	3.79
Location of retail shops	Retail concessions	-0.4%	4.14	4.16	3.88
Availability of gate signage	Getting around PHL	-0.5%	4.17	4.19	4.11
Availability of FIDs	Getting around PHL	-0.5%	4.13	4.15	4.03
Ease finding security check location	Security check process	-0.6%	4.30	4.33	4.25
Accuracy of FIDs	Getting around PHL	-0.7%	4.12	4.15	4.00
Signs to restaurants & shops	Getting around PHL	-0.7%	4.15	4.18	4.04
Attractiveness of art displays	Art displays	-0.8%	4.13	4.16	3.85
Cleanliness of check-in area	Airline check-in	-0.9%	4.21	4.25	3.97
Cleanliness/condition of stores	Retail concessions	-0.9%	4.37	4.41	4.00
Directional/informational signage	Getting around PHL	-0.9%	4.13	4.17	4.12
Parking cost	Airport access	-1.0%	3.44	3.47	3.20
Courtesy of personnel	Food & beverage concessions	-1.1%	4.19	4.24	3.85
Attractiveness of displays/format	Retail concessions	-1.2%	4.16	4.21	3.86
Appearance/cleanliness of food areas	Food & beverage concessions	-1.2%	4.16	4.21	3.80
Moving sidewalks/escalators	Getting around PHL	-1.3%	4.01	4.06	4.04
Availability of seating areas	Food & beverage concessions	-1.4%	3.96	4.02	3.72
Ability to aid those in need	Security check process	-1.6%	4.10	4.17	4.06
Courtesy of personnel	Retail concessions	-1.6%	4.29	4.36	3.89
Ease of maneuvering around terminal	Getting around PHL	-1.7%	4.05	4.12	3.97
Signs to restrooms	Getting around PHL	-1.8%	4.15	4.23	4.08
Ease in finding check-in area	Airline check-in	-1.8%	4.28	4.36	4.17
Speed of service	Food & beverage concessions	-1.9%	4.22	4.30	3.87
Variety of food choices	Food & beverage concessions	-1.9%	3.93	4.01	3.79
Condition of security check area	Security check process	-1.9%	4.12	4.20	4.05
Availability of skycaps	Airline check-in	-2.0%	4.07	4.15	3.97
Location of facilities	Food & beverage concessions	-2.0%	4.03	4.11	3.85
Speed of service	Retail concessions	-2.0%	4.31	4.40	3.88
Attractiveness of grounds/facilities	Airport access	-2.1%	3.96	4.04	3.60
Clearly communicated instructions	Security check process	-2.1%	4.13	4.22	4.12
Quality of food & beverages	Food & beverage concessions	-2.2%	3.99	4.08	3.81
Public address system	Airport facilities	-2.3%	3.90	3.99	3.71
Level of comfort in terminal	Airport facilities	-2.3%	3.96	4.05	3.81
Cleanliness of security check area	Security check process	-2.3%	4.12	4.22	4.06
Condition/cleanliness of terminal	Airport facilities	-2.5%	4.02	4.12	3.90
Clarity of check-in signage	Airline check-in	-2.8%	4.16	4.28	4.10
Distance from check-in to gate	Getting around PHL	-2.9%	3.87	3.98	3.86
Courtesy of security check staff	Security check process	-2.9%	4.10	4.22	4.04
Ease of check in procedure	Airline check-in	-3.1%	4.24	4.37	4.05
Restroom cleanliness	Airport facilities	-3.1%	3.82	3.94	3.71
Selection/availability of healthy foods	Food & beverage concessions	-3.2%	3.80	3.93	3.56
Food/beverage prices	Food & beverage concessions	-3.8%	3.61	3.75	3.43
Availability of food/retail near gates	Airport facilities	-3.9%	3.99	4.15	3.95
Merchandise prices	Retail concessions	-4.0%	3.78	3.94	3.67
Distance from parking	Airport access	-4.1%	3.97	4.14	3.88
Availability of gate seating	Airport facilities	-4.2%	3.99	4.16	3.93
Parking availability	Airport access	-4.4%	4.07	4.25	3.79
Terminal drop off space	Airport access	-4.5%	3.83	4.01	3.85
Waiting time for airline check-in	Airline check-in	-4.9%	4.12	4.33	4.01
Availability of power outlets	Airport facilities	-5.6%	3.47	3.68	3.48
Availability of restrooms	Airport facilities	-6.2%	3.94	4.20	3.97
Wait time in security check line	Security check process	-6.9%	3.88	4.16	3.99
Availability of services	Airport facilities	-7.1%	3.82	4.11	3.94

ARRIVING PASSENGERS

ARRIVING PASSENGER SURVEY OVERVIEW

Four Surveys Conducted Over Last Six Years:

- November 2006
- June 2010
- December 2011
- August 2012

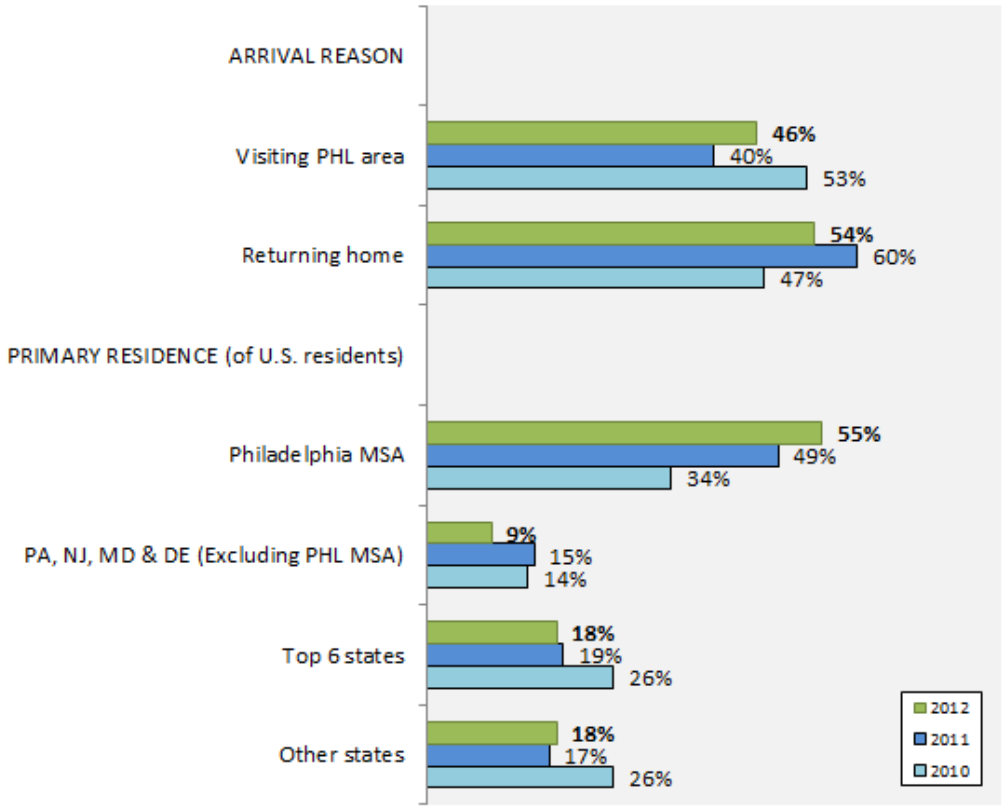
2012 Survey Methodology:

- Random sampling approach of arriving passengers was used.
- Questionnaire included 11 basic questions regarding travel profile and satisfaction.
- Total sample includes responses from 720 arriving passengers, which corresponds to a margin of error of ±2% at a 95% confidence level.
- Arriving passengers were intercepted in the baggage claim and ground transportation areas to answer some basic questions about their trip profile and their arrival experience at PHL.
- Due to the location of survey administration, responses are generally limited to arriving passengers who either a) checked luggage or b) used ground transportation.
- As with the departing passenger survey, because the surveys were conducted during different times of the year - the 2011 survey was conducted in December while the 2012 survey was conducted in August - caution should be exercised when comparing survey results. Passengers are likely to report higher satisfaction in off-peak travel times (such as the December 2011 survey), when there are fewer passengers utilizing the Airport's facilities and services.

TRIP CHARACTERISTICS

NOTABLE FINDINGS:

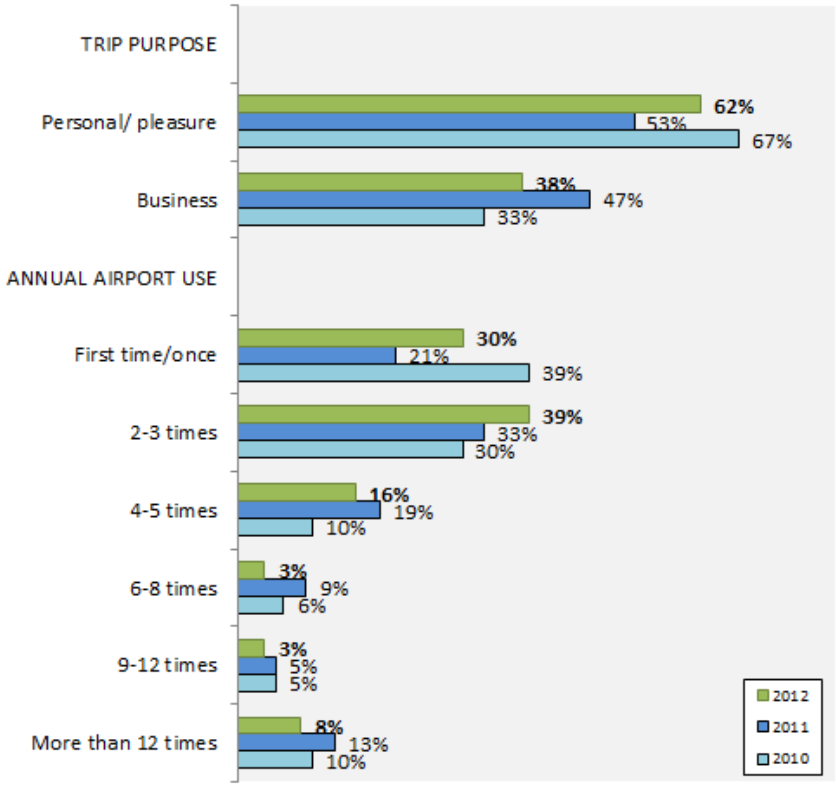
- Fifty-four percent of arriving passengers are arriving home to the Philadelphia area, and the remaining 46% are visitors.
- Fifty-five percent of the U.S. residents live within the PHL MSA, and an additional 9% live outside the MSA but in the states of PA, NJ, MD or DE.
- Eighteen percent reside in one of the following six states: California, Florida, Texas, Illinois, North Carolina, or Maine. The remaining 18% reside in another state.



TRIP CHARACTERISTICS

NOTABLE FINDINGS:

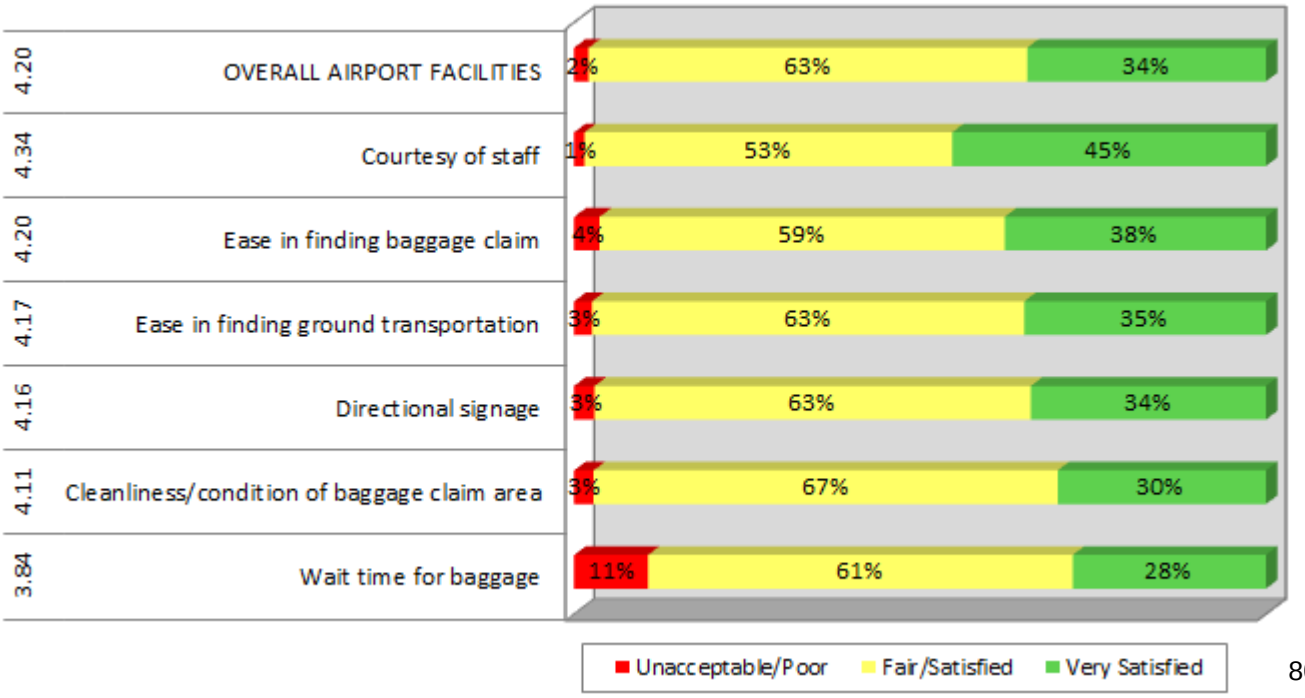
- The percentage of arriving passengers traveling for personal/ pleasure increased from 53% in 2011 to 62% in 2012. Consequently, the percentage of business passengers decreased from 47% in 2011 to 38% in 2012. Considering the 2011 survey was conducted in December and the 2012 survey conducted in August, when more passengers are traveling for vacations, the shift from business to pleasure/ personal travel in the 2012 survey is not unusual.
- Since the 2012 arriving passenger survey indicates a smaller proportion of local residents using the airport than the 2011 survey, it is not surprising that the respondents use PHL less frequently than in the 2012 survey. Visitors to the area are less likely to use PHL as often as local residents. In this survey 30% of passengers are using PHL for the first time this year, compared to only 21% in 2011.



ARRIVING PASSENGER SATISFACTION

NOTABLE FINDINGS:

- Arriving passengers were asked to rate the following seven components of their arrival experience using a scale of 1 (unacceptable) to 5 (very satisfied).
- When asked to rate the overall Airport facilities, 34% of arriving passengers stated they were very satisfied. This category received an overall rating of 4.20 out of 5.00.
- The highest rated category was courtesy of staff, with nearly half of arriving passengers stating they were very satisfied with this component. In addition to courtesy of staff, arriving passengers were also particularly satisfied with ease in finding baggage claim and finding ground transportation.
- Wait time for baggage is the area of lowest satisfaction, with 11% of passengers claiming it was unacceptable or poor. Wait time received an overall rating of 3.84 out of 5.00, and is the only area to receive a rating below 4.00 out of 5.00.

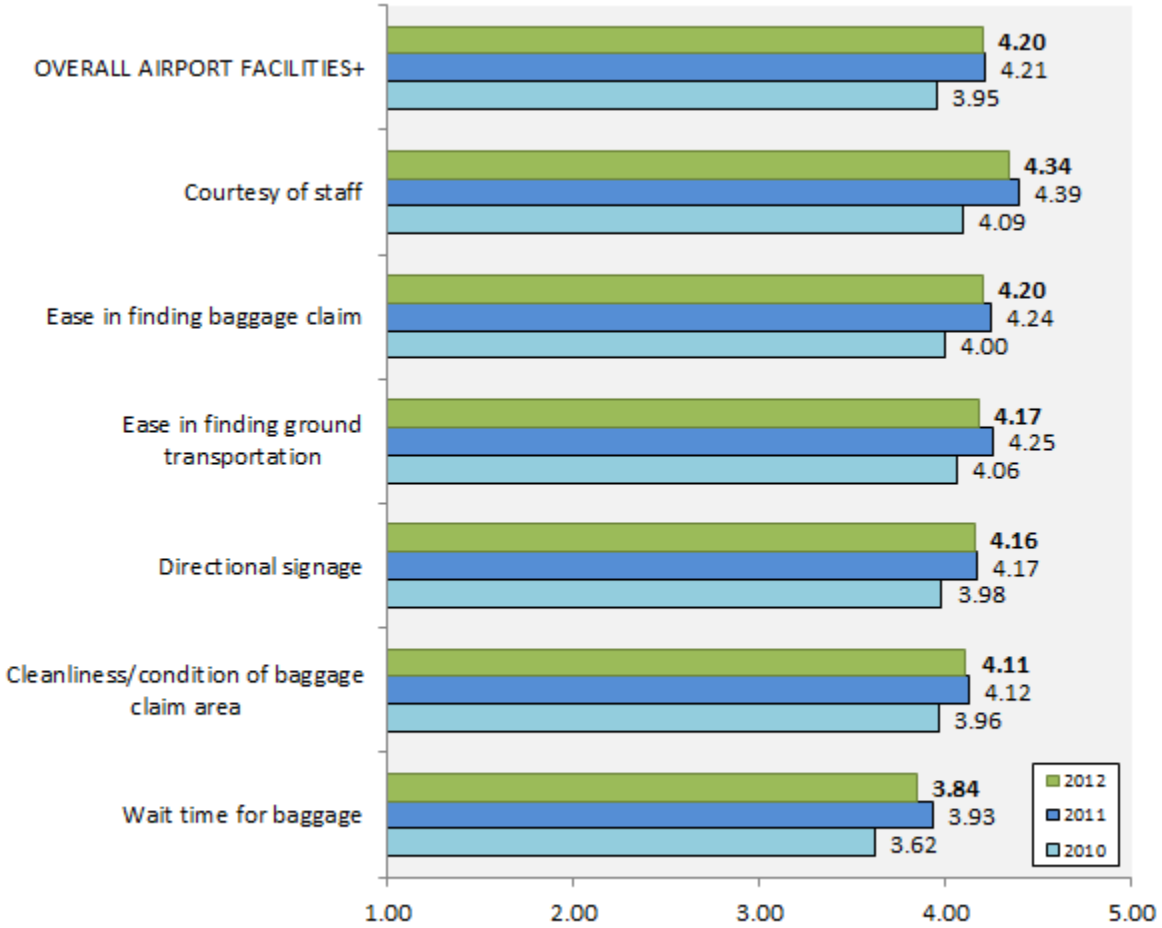


ARRIVING PASSENGER SATISFACTION

NOTABLE FINDINGS:

- Satisfaction has declined in every category of the arriving passenger experience when compared to results of the 2011 survey, but remains well above the 2010 levels.
- Although courtesy of staff is rated high compared to other criterion, satisfaction dropped to 4.34 this year compared to 4.39 last year.
- Similar to last year's findings, baggage remains the lowest rated category, receiving a satisfaction rating of 3.84.

Changes in Arrival Passenger Satisfaction



+Overall rating is a separate criteria ranked by passengers

SUMMARY OF ARRIVING PASSENGERS

NOTABLE:

- Of arriving passengers surveyed in 2012, 64% were visitors to the Philadelphia area and 46% were returning home to Philadelphia. This passenger mix is essentially converse of findings from the December 2011 survey.
- The share of passengers traveling for personal/pleasure purposes is higher this year, which not surprising considering the survey was conducted in August, which is a popular time for leisure travel. Sixty-two percent of arriving passengers are traveling for personal/ pleasure in 2012, and 38% are traveling for business.
- Compared to last year's survey, there are a greater percentage of infrequent users of the Airport. Generally, visitors are using the airport infrequently. Therefore, the increase in visitors compared to the prior survey explains the simultaneous increase in infrequent Airport users.
- Arriving passengers are especially satisfied with the courtesy of staff at PHL, with an average satisfaction rating of 4.20.
- Wait time for baggage remains the lowest rated category.

PHL PHILADELPHIA INTERNATIONAL AIRPORT

APPENDIX A
FREQUENCY TABULATION TABLES

PHL PASSENGER SURVEY RESULTS
DEMOGRAPHIC & TRIP CHARACTERISTICS

DEMOGRAPHIC CHARACTERISTICS:		2010	2011	2012
GENDER	Male	47%	56%	51%
	Female	53%	44%	49%
MARITAL STATUS	Married	53%	52%	49%
	Single	39%	39%	43%
	Divorced or widowed	8%	9%	8%
ANNUAL HOUSEHOLD INCOME	Under $20,000	8%	11%	7%
	$20,000-39,999	12%	12%	13%
	$40,000-59,999	13%	18%	16%
	$60,000-79,999	15%	12%	12%
	$80,000-99,999	13%	10%	12%
	$100,000-149,999	19%	16%	18%
	$150,000-199,999	9%	11%	11%
	$200,000 or more	11%	10%	11%
EDUCATION LEVEL	High school or less	14%	9%	12%
	Some college/ AA	18%	29%	30%
	Bachelors degree	35%	34%	32%
	Post graduate degree	33%	28%	26%
AGE	Under 25	20%	15%	22%
	25 to 34	20%	23%	20%
	35 to 44	18%	21%	19%
	45 to 54	21%	23%	19%
	55 to 65	14%	13%	14%
	Over 65	7%	5%	6%
OCCUPATION	Professional/ technical	32%	31%	31%
	Executive/ manager	15%	17%	14%
	Student	15%	12%	17%
	Self-employed	8%	9%	9%
	Sales/ marketing	9%	8%	9%
	Retired or unemployed	7%	8%	6%
	Government/ military	6%	6%	7%
	Clerical/ secretarial	4%	3%	3%
	Homemaker	2%	3%	2%
	Craftsman	2%	3%	2%
PRIMARY RESIDENCE	United States	91%	86%	89%
	Outside U.S.	9%	14%	11%
If in U.S., where?	Philadelphia Metropolitan	30%	28%	35%
	PA, NJ, MD & DE (w/o MSA)	15%	14%	10%
	Top six states†	24%	26%	28%
	Other states	31%	32%	27%

	2010	2011	2012
TOP SIX STATES†	FL	NY	CA
	CA	VA	FL
	NY	MA	NY
	OH	FL	NC
	MA	OH	TX
	NC / IL	CA	VA

TRIP CHARACTERISTICS:		2010	2011	2012
FREQUENCY OF AIRPORT USE IN PAST 12 MONTHS	First time/ once	39%	36%	43%
	2 to 3 times	30%	36%	34%
	4 to 5 times	12%	10%	10%
	6 to 8 times	7%	5%	4%
	9 to 12 times	6%	5%	4%
	More than 12 times	6%	8%	5%
PRIMARY PURPOSE OF TRIP	Personal/ pleasure	53%	50%	73%
	Business	47%	50%	27%
AIRLINE USED	US Airways	67%	68%	68%
	Southwest	13%	13%	12%
	Delta	6%	6%	6%
	United	5%	4%	6%
	American	3%	3%	2%
	Air Tran	3%	2%	2%
	Virgin America	--	--	1%
	Air Canada	--	--	1%
	Continental	2%	2%	--
	Other	1%	2%	2%
ARE YOU TRAVELING ALONE?	Yes	55%	73%	45%
	No	45%	27%	55%
IF NOT, NUMBER OF PASSENGERS IN PARTY	Two	55%	49%	50%
	Three	14%	30%	27%
	Four	12%	10%	11%
	Five	6%	4%	5%
	More than five	13%	7%	7%
CONNECTING TO ANOTHER AIRPLANE AT PHL	Yes	47%	46%	45%
	No	53%	54%	55%
LENGTH OF LAYOVER AT PHL (CONNECTING PAX ONLY)	Less than 30 minutes	5%	3%	2%
	30 to 59 minutes	8%	14%	9%
	1 to 1 1/2 hours	21%	25%	16%
	1 1/2 to 2 hours	12%	19%	17%
	2 to 2 1/2 hours	15%	12%	17%
	2 1/2 hours or more	39%	27%	39%

FINAL AIRPORT DESTINATION (top responses)	2010	2011	2012
	ORD	BOS	ORD
	MCO	MCO	MCO
	ATL	ORD	ATL
	TPA	ATL	RDU
	DTW	FLL	TPA
	BOS	PVD	SFO
	RDU	DEN	BOS

PHL PASSENGER SURVEY RESULTS
ORIGINATING PASSENGERS ONLY

		2010	2011	2012
ARE YOU A VISITOR TO PHILADELPHIA	Yes	50%	55%	50%
	No	50%	45%	50%
LENGTH OF STAY IN PHILADELPHIA (VISITORS ONLY)	Returning same day	12%	13%	28%
	1 night	7%	22%	15%
	2 nights	12%	17%	11%
	3 - 4 nights	36%	21%	16%
	5 - 7 nights	24%	18%	16%
	8 nights or more	9%	9%	14%
AREA CHECKED-IN AT THE AIRPORT	Self check-in kiosk	33%	35%	31%
	Online, before arrival at PHL	35%	32%	32%
	Main ticket counter	26%	29%	31%
	Curbside	6%	4%	6%
CHECKED IN BAGGAGE	Yes+	55%	51%	54%
	No	45%	49%	46%
+IF YES, WHERE?	At airline ticket counter	80%	84%	80%
	At the curb	20%	16%	20%
LENGTH OF TIME AT AIRPORT BEFORE FLIGHT	Less than 30 minutes	1%	1%	1%
	30 to 59 minutes	4%	7%	8%
	1 to 1 1/2 hours	27%	27%	23%
	Over 1 1/2 to 2 hours	19%	29%	26%
	Over 2 to 2 /12 hours	31%	18%	23%
	2 1/2 hours or more	18%	18%	19%
DID ANYONE ACCOMPANY YOU INSIDE THE TERMINAL?	No - came to airport alone	93%	95%	85%
	Yes+	7%	5%	15%
+IF YES, HOW MANY WELL-WISHERS ACCOMPANIED YOU?	One	65%	58%	56%
	Two	26%	42%	27%
	Three or more	9%	0%	17%

		2010	2011	2012
LENGTH OF TIME TO GET THROUGH SECURITY LINE/ SCREENING	0 to 4 minutes	16%	23%	17%
	5 to 9 minutes	26%	32%	28%
	10 to 14 minutes	28%	27%	23%
	15 to 20 minutes	15%	12%	13%
	20 to 30 minutes	11%	4%	11%
	Over 30 minutes	4%	2%	8%
MODE OF TRANSPORTATION TO AIRPORT	Private car - dropped off	27%	32%	37%
	Rental car	15%	19%	15%
	Private car - parked	22%	16%	19%
	Taxi	11%	13%	8%
	Train Line	4%	6%	5%
	Paid shuttle	N/A	5%	4%
	Courtesy shuttle	9%	4%	6%
	Limo/ car service	7%	3%	4%
	Public bus (< 1% in 2012)	1%	1%	--
	Other	4%	1%	2%
AWARE OF TRAIN LINE TO AIRPORT	Yes	59%	66%	60%
	No	41%	34%	40%
IF YES, WHY DIDN'T YOU USE IT?	Not convenient to home/office	47%	50%	48%
	Inconvenient schedule	13%	16%	15%
	Cumbersome w/ luggage	16%	15%	15%
	Traveling w/ others	19%	14%	15%
	Inconvenient parking	2%	3%	3%
	Costly	3%	2%	3%
IF YOU DROVE, WHAT ROUTE DID YOU USE?	I-95 from the South	33%	34%	37%
	I-95 from the North	34%	29%	34%
	I-476 Blue Route	13%	15%	10%
	I don't know	9%	13%	9%
	I-76 Schuylkill Exp.	11%	9%	10%
IF YOU DROVE, WHERE DID YOU PARK?	Off-airport	40%	35%	37%
	Economy parking	27%	35%	30%
	Short-term parking	15%	18%	13%
	Long-term parking	18%	12%	20%
IF YOU PARKED OFF-AIRPORT, WHY? *(multiple responses ≠ 100%)*	Cost	43%	67%	55%
	Convenience	55%	48%	41%
	Availability	11%	7%	4%
	Other	8%	2%	--

PHL PASSENGER SURVEY RESULTS
CONCESSIONS AND SERVICES

		2010	2011	2012
AMOUNT SPENT ON FOOD/ DRINKS	Nothing*	20%	41%	36%
	Under $5	12%	12%	12%
	$5-9.99	28%	24%	23%
	$10-14.99	18%	14%	14%
	$15 or more	20%	9%	15%
	Don't remember	2%	--	--
*REASON FOR NOT PURCHASING FOOD/ DRINKS *(includes only passengers who did not make a purchase)*	Did not need/want anything		60%	55%
	May purchase before departure		17%	21%
	Prices too high		9%	11%
	Not enough time		7%	7%
	Could not find desired item(s)		4%	3%
	Long lines / crowded		2%	2%
	Poor service		1%	1%
SERVICES USED *(represents only passengers who selected each answer ≠ 100%)*	Wi-Fi	13%	19%	20%
	ATM	9%	10%	4%
	Information booth	5%	8%	6%
	Rocking chair	4%	5%	4%
	Currency exchange	2%	2%	1%
	Spa/ massage	4%	1%	1%
	Minute Suites	--	1%	--

		2010	2011	2012
AMOUNT SPENT ON RETAIL MERCHANDISE	Nothing*	70%	88%	85%
	Under $5	8%	3%	5%
	$5-14.99	13%	5%	5%
	$15-24.99	5%	2%	2%
	$25 or more	3%	2%	3%
	Don't remember	1%	--	--
*REASON FOR NOT PURCHASING MERCHANDISE *(includes only passengers who did not make a purchase)*	Did not need/want anything		75%	77%
	Not enough time		8%	6%
	Prices too high		8%	6%
	May purchase before departure		5%	8%
	Could not find desired item(s)		3%	2%
	Long lines / crowded		1%	--
	Poor service		--	1%
WHAT AMENITIES WOULD YOU LIKE TO SEE AT PHL? *(represents only passengers who selected each answer ≠ 100%)*	Shuttles to Downtown	17%	12%	11%
	Additional check-in kiosks	15%	10%	12%
	More frequent train schedule	10%	7%	7%
	Per use VIP club	9%	6%	6%
	Automated parking exits	8%	5%	4%
	Other	5%	--	--

PHL PASSENGER SURVEY RESULTS
ART EXHIBITS

		2010	2011	2012
ARE YOU AWARE OF THE ART EXHIBITS?	Yes	41%	38%	36%
	No	59%	62%	64%

		2010	2011	2012
IF YES, HOW WOULD YOU RATE THE EXHIBITS?*	Unacceptable	5%	0%	1%
	Poor	5%	1%	2%
	Okay/ fair	19%	10%	16%
	Satisfied	42%	61%	50%
	Very satisfied	29%	28%	32%
	AVERAGE SATISFACTION RATING:	**3.85**	**4.16**	**4.13**

*Due to rounding, percentage totals will not always equal 100% when calculated manually

PHL PASSENGER SURVEY RESULTS
FACTORS IMPORTANT TO OVERALL EXPERIENCE*

		2010	2011	2012
EASE OF ACCESS TO AIRPORT	Unimportant	7%	4%	8%
	Somewhat important	4%	2%	4%
	Important	18%	17%	20%
	Very Important	33%	41%	39%
	Extremely Important	38%	36%	30%
	AVERAGE IMPORTANCE RATING:	**3.91**	**4.03**	**3.80**
PARKING FACILITIES	Unimportant	22%	17%	21%
	Somewhat important	8%	7%	27%
	Important	17%	20%	20%
	Very Important	28%	33%	9%
	Extremely Important	25%	23%	24%
	AVERAGE IMPORTANCE RATING:	**3.26**	**3.38**	**2.89**
SIGNAGE/ DIRECTIONS	Unimportant	5%	2%	3%
	Somewhat important	4%	2%	3%
	Important	16%	18%	19%
	Very Important	33%	39%	41%
	Extremely Important	42%	39%	34%
	AVERAGE IMPORTANCE RATING:	**4.03**	**4.11**	**4.02**
CHECKING-IN W/ AIRLINES	Unimportant	4%	2%	3%
	Somewhat important	2%	2%	2%
	Important	14%	14%	15%
	Very Important	35%	40%	42%
	Extremely Important	45%	42%	39%
	AVERAGE IMPORTANCE RATING:	**4.15**	**4.18**	**4.13**
SECURITY CHECK	Unimportant	4%	2%	4%
	Somewhat important	3%	3%	2%
	Important	16%	15%	17%
	Very Important	31%	37%	37%
	Extremely Important	46%	43%	40%
	AVERAGE IMPORTANCE RATING:	**4.12**	**4.16**	**4.08**
COURTESY OF PERSONNEL	Unimportant	2%	1%	1%
	Somewhat important	2%	1%	1%
	Important	14%	14%	15%
	Very Important	35%	40%	38%
	Extremely Important	47%	44%	46%
	AVERAGE IMPORTANCE RATING:	**4.23**	**4.25**	**4.26**

		2010	2011	2012
AVAILABILITY OF RESTROOMS	Unimportant	1%	0%	0%
	Somewhat important	3%	1%	2%
	Important	19%	18%	17%
	Very Important	37%	45%	42%
	Extremely Important	40%	36%	39%
	AVERAGE IMPORTANCE RATING:	**4.12**	**4.16**	**4.18**
CLEANLINESS OF RESTROOMS	Unimportant	2%	0%	1%
	Somewhat important	2%	1%	1%
	Important	13%	12%	10%
	Very Important	33%	39%	35%
	Extremely Important	50%	48%	53%
	AVERAGE IMPORTANCE RATING:	**4.27**	**4.34**	**4.41**
ADEQUACY OF GATE SEATING	Unimportant	2%	0%	0%
	Somewhat important	5%	2%	2%
	Important	21%	20%	21%
	Very Important	38%	47%	46%
	Extremely Important	34%	31%	31%
	AVERAGE IMPORTANCE RATING:	**3.97**	**4.07**	**4.06**
QUALITY/ VARIETY OF FOOD	Unimportant	5%	1%	2%
	Somewhat important	11%	6%	9%
	Important	30%	30%	30%
	Very Important	32%	39%	34%
	Extremely Important	22%	24%	25%
	AVERAGE IMPORTANCE RATING:	**3.55**	**3.79**	**3.71**
QUALITY/ VARIETY OF RETAIL	Unimportant	17%	11%	12%
	Somewhat important	19%	19%	20%
	Important	27%	26%	30%
	Very Important	22%	27%	21%
	Extremely Important	15%	17%	17%
	AVERAGE IMPORTANCE RATING:	**2.99**	**3.20**	**3.11**

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PHL PASSENGER SURVEY RESULTS
(ORIGINATING PASSENGERS ONLY)
PASSENGER SATISFACTION - AIRPORT ACCESS*

Using a scale of 1 - being unacceptable to 5 - being very satisfied, how would you rate the following Airport criteria?

GETTING TO THE AIRPORT		2010	2011	2012
AIRPORT ROADWAY SIGNS[1]	Unacceptable	1%	0%	1%
	Poor	1%	3%	2%
	Okay/ fair	17%	11%	12%
	Satisfied	41%	54%	49%
	Very satisfied	40%	32%	36%
	AVERAGE SATISFACTION RATING:	**4.18**	**4.15**	**4.17**
DROP OFF SPACE IN FRONT OF TERMINAL[2]	Unacceptable	2%	1%	2%
	Poor	5%	2%	5%
	Okay/ fair	26%	19%	24%
	Satisfied	40%	51%	48%
	Very satisfied	27%	27%	22%
	AVERAGE SATISFACTION RATING:	**3.85**	**4.01**	**3.83**
SIGNS IN PARKING FACILITIES[3]	Unacceptable	2%	0%	6%
	Poor	6%	5%	6%
	Okay/ fair	29%	33%	17%
	Satisfied	35%	40%	44%
	Very satisfied	28%	22%	28%
	AVERAGE SATISFACTION RATING:	**3.81**	**3.79**	**3.81**
SAFETY/ SECURITY IN PARKING FACILITIES[3]	Unacceptable	1%	0%	2%
	Poor	4%	2%	2%
	Okay/ fair	28%	27%	15%
	Satisfied	40%	43%	57%
	Very satisfied	27%	28%	24%
	AVERAGE SATISFACTION RATING:	**3.88**	**3.97**	**4.00**
AVAILABILITY OF PARKING[3]	Unacceptable	4%	0%	2%
	Poor	10%	0%	5%
	Okay/ fair	20%	19%	14%
	Satisfied	35%	37%	42%
	Very satisfied	31%	44%	37%
	AVERAGE SATISFACTION RATING:	**3.79**	**4.25**	**4.07**

		2010	2011	2012
DISTANCE FROM PARKING[3]	Unacceptable	4%	0%	2%
	Poor	5%	1%	1%
	Okay/ fair	20%	22%	23%
	Satisfied	41%	39%	47%
	Very satisfied	30%	38%	28%
	AVERAGE SATISFACTION RATING:	**3.88**	**4.14**	**3.97**
PARKING COST[3]	Unacceptable	9%	2%	4%
	Poor	21%	12%	13%
	Okay/ fair	31%	39%	34%
	Satisfied	19%	31%	34%
	Very satisfied	20%	16%	15%
	AVERAGE SATISFACTION RATING:	**3.20**	**3.47**	**3.44**
ATTRACTIVENESS OF GROUNDS/ FACILITIES	Unacceptable	3%	0%	1%
	Poor	7%	2%	3%
	Okay/ fair	35%	18%	21%
	Satisfied	37%	54%	51%
	Very satisfied	18%	26%	25%
	AVERAGE SATISFACTION RATING:	**3.60**	**4.04**	**3.96**
OVERALL GETTING TO THE AIRPORT	Unacceptable	1%	0%	1%
	Poor	1%	2%	1%
	Okay/ fair	19%	9%	9%
	Satisfied	53%	47%	49%
	Very satisfied	26%	42%	40%
	AVERAGE SATISFACTION RATING:	**4.02**	**4.29**	**4.27**

who arrived to PHL in a car (private or rental). 2010 data has been

[2]Includes only O&D passengers who did not park or arrive via the train. 2010 data has been recalculated to reflect this specific respondent base, and will differ from previous reports.

[3]Includes only O&D passengers who parked on-airport. 2010 data has been recalculated to reflect this specific respondent base, and will differ from previous reports.

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PHL PASSENGER SURVEY RESULTS
(ORIGINATING PASSENGERS ONLY)
PASSENGER SATISFACTION - AIRPORT CHECK-IN*

CHECKING-IN AT AIRPORT		2010	2011	2012
AVAILABILITY OF SKYCAPS	Unacceptable	4%	0%	2%
	Poor	3%	1%	4%
	Okay/ fair	21%	16%	14%
	Satisfied	36%	50%	45%
	Very satisfied	36%	33%	35%
	AVERAGE SATISFACTION RATING:	**3.97**	**4.15**	**4.07**
EASE OF FINDING CHECK-IN AREA	Unacceptable	1%	0%	1%
	Poor	3%	1%	2%
	Okay/ fair	13%	7%	8%
	Satisfied	44%	47%	46%
	Very satisfied	39%	45%	43%
	AVERAGE SATISFACTION RATING:	**4.17**	**4.36**	**4.28**
CLARITY OF CHECK-IN SIGNAGE/ PROCEDURE	Unacceptable	1%	1%	1%
	Poor	4%	1%	3%
	Okay/ fair	16%	10%	11%
	Satisfied	42%	45%	47%
	Very satisfied	37%	43%	37%
	AVERAGE SATISFACTION RATING:	**4.10**	**4.28**	**4.16**
EASE OF CHECK-IN PROCEDURE	Unacceptable	2%	0%	2%
	Poor	5%	1%	3%
	Okay/ fair	16%	8%	9%
	Satisfied	40%	44%	42%
	Very satisfied	37%	47%	44%
	AVERAGE SATISFACTION RATING:	**4.05**	**4.37**	**4.24**
WAITING TIME FOR AIRLINE CHECK-IN	Unacceptable	3%	1%	3%
	Poor	6%	1%	4%
	Okay/ fair	16%	8%	13%
	Satisfied	37%	44%	38%
	Very satisfied	38%	46%	42%
	AVERAGE SATISFACTION RATING:	**4.01**	**4.33**	**4.12**

		2010	2011	2012
COURTESY/ HELPFULNESS OF AIRLINE STAFF	Unacceptable	4%	0%	1%
	Poor	6%	2%	4%
	Okay/ fair	15%	10%	9%
	Satisfied	37%	44%	36%
	Very satisfied	38%	44%	50%
	AVERAGE SATISFACTION RATING:	**3.99**	**4.30**	**4.30**
CONDITION OF CHECK-IN AREA	Unacceptable	2%	0%	0%
	Poor	5%	1%	1%
	Okay/ fair	20%	10%	13%
	Satisfied	42%	54%	46%
	Very satisfied	31%	35%	39%
	AVERAGE SATISFACTION RATING:	**3.95**	**4.23**	**4.23**
CLEANLINESS OF CHECK-IN AREA	Unacceptable	2%	0%	0%
	Poor	4%	0%	2%
	Okay/ fair	20%	11%	15%
	Satisfied	43%	53%	43%
	Very satisfied	31%	36%	40%
	AVERAGE SATISFACTION RATING:	**3.97**	**4.25**	**4.21**
OVERALL CHECKING-IN AT AIRPORT	Unacceptable	2%	0%	2%
	Poor	3%	1%	3%
	Okay/ fair	17%	7%	11%
	Satisfied	44%	47%	43%
	Very satisfied	34%	45%	42%
	AVERAGE SATISFACTION RATING:	**4.05**	**4.36**	**4.21**

Note: 2010 data has been recalculated to match response categories in 2011 and 2012, and will differ from previous reports.

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PHL PASSENGER SURVEY RESULTS
(ORIGINATING PASSENGERS ONLY)
PASSENGER SATISFACTION - SECURITY CHECK*

		2010	2011	2012
EASE OF FINDING SECURITY CHECK AREA	Unacceptable	1%	0%	0%
	Poor	2%	1%	1%
	Okay/ fair	12%	8%	9%
	Satisfied	41%	48%	49%
	Very satisfied	44%	43%	41%
AVERAGE SATISFACTION RATING:		**4.25**	**4.33**	**4.30**
WAIT TIME IN SECURITY CHECK LINE	Unacceptable	3%	1%	4%
	Poor	6%	2%	6%
	Okay/ fair	17%	14%	19%
	Satisfied	37%	46%	40%
	Very satisfied	37%	37%	31%
AVERAGE SATISFACTION RATING:		**3.99**	**4.16**	**3.88**
CLEARLY COMMUNICATED INSTRUCTION	Unacceptable	1%	1%	1%
	Poor	4%	1%	4%
	Okay/ fair	16%	12%	15%
	Satisfied	40%	47%	43%
	Very satisfied	39%	39%	37%
AVERAGE SATISFACTION RATING:		**4.12**	**4.22**	**4.13**
ABILITY TO AID THOSE IN NEED AT SECURITY	Unacceptable	1%	1%	1%
	Poor	5%	1%	3%
	Okay/ fair	17%	13%	15%
	Satisfied	41%	50%	46%
	Very satisfied	36%	35%	35%
AVERAGE SATISFACTION RATING:		**4.06**	**4.17**	**4.10**

		2010	2011	2012
COURTESY OF SECURITY CHECK STAFF	Unacceptable	2%	1%	2%
	Poor	6%	2%	4%
	Okay/ fair	15%	11%	15%
	Satisfied	40%	46%	42%
	Very satisfied	37%	40%	38%
AVERAGE SATISFACTION RATING:		**4.04**	**4.22**	**4.10**
CONDITION OF SECURITY CHECK AREA	Unacceptable	2%	0%	0%
	Poor	3%	2%	2%
	Okay/ fair	17%	12%	15%
	Satisfied	44%	50%	51%
	Very satisfied	34%	36%	32%
AVERAGE SATISFACTION RATING:		**4.05**	**4.20**	**4.12**
CLEANLINESS OF SECURITY CHECK AREA	Unacceptable	2%	0%	0%
	Poor	2%	1%	2%
	Okay/ fair	18%	12%	15%
	Satisfied	44%	51%	50%
	Very satisfied	34%	36%	32%
AVERAGE SATISFACTION RATING:		**4.06**	**4.22**	**4.12**
OVERALL SECURITY CHECK	Unacceptable	1%	1%	3%
	Poor	4%	3%	5%
	Okay/ fair	16%	12%	15%
	Satisfied	45%	46%	44%
	Very satisfied	34%	38%	32%
AVERAGE SATISFACTION RATING:		**4.07**	**4.17**	**3.97**

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PHL PASSENGER SURVEY RESULTS
PASSENGER SATISFACTION - GETTING AROUND THE TERMINAL*

		2010	2011	2012
DIRECTIONAL/ INFO SIGNAGE	Unacceptable	1%	0%	0%
	Poor	2%	2%	2%
	Okay/ fair	16%	11%	13%
	Satisfied	46%	55%	53%
	Very satisfied	35%	32%	32%
	AVERAGE SATISFACTION RATING:	**4.12**	**4.17**	**4.13**
MOVING SIDEWALKS/ ESCALATORS	Unacceptable	2%	0%	1%
	Poor	3%	3%	4%
	Okay/ fair	18%	16%	18%
	Satisfied	43%	53%	48%
	Very satisfied	34%	28%	29%
	AVERAGE SATISFACTION RATING:	**4.04**	**4.06**	**4.01**
EASE OF MANEUVERING AROUND TERMINAL	Unacceptable	2%	0%	1%
	Poor	4%	3%	3%
	Okay/ fair	19%	13%	17%
	Satisfied	45%	53%	50%
	Very satisfied	30%	31%	30%
	AVERAGE SATISFACTION RATING:	**3.97**	**4.12**	**4.05**
DISTANCE FROM CHECK-IN TO GATE	Unacceptable	3%	1%	1%
	Poor	6%	3%	6%
	Okay/ fair	21%	20%	22%
	Satisfied	42%	49%	47%
	Very satisfied	28%	27%	24%
	AVERAGE SATISFACTION RATING:	**3.86**	**3.98**	**3.87**
AVAILABILITY OF FIDS	Unacceptable	2%	1%	0%
	Poor	4%	2%	2%
	Okay/ fair	17%	11%	13%
	Satisfied	43%	53%	53%
	Very satisfied	34%	33%	31%
	AVERAGE SATISFACTION RATING:	**4.03**	**4.15**	**4.13**

		2010	2011	2012
ACCURACY OF FIDS	Unacceptable	3%	1%	1%
	Poor	5%	3%	2%
	Okay/ fair	15%	10%	13%
	Satisfied	43%	52%	53%
	Very satisfied	34%	34%	31%
	AVERAGE SATISFACTION RATING:	**4.00**	**4.15**	**4.12**
SIGNS/ DIRECTORIES TO EATERIES & SHOPS	Unacceptable	1%	0%	0%
	Poor	3%	1%	1%
	Okay/ fair	19%	12%	14%
	Satisfied	45%	55%	53%
	Very satisfied	32%	32%	32%
	AVERAGE SATISFACTION RATING:	**4.04**	**4.18**	**4.15**
SIGNS TO RESTROOMS	Unacceptable	1%	0%	0%
	Poor	3%	1%	2%
	Okay/ fair	17%	9%	13%
	Satisfied	45%	56%	52%
	Very satisfied	34%	34%	33%
	AVERAGE SATISFACTION RATING:	**4.08**	**4.23**	**4.15**
AVAILABILITY OF GATE SIGNAGE	Unacceptable	1%	0%	1%
	Poor	2%	2%	1%
	Okay/ fair	16%	10%	12%
	Satisfied	47%	55%	52%
	Very satisfied	34%	33%	34%
	AVERAGE SATISFACTION RATING:	**4.11**	**4.19**	**4.17**
OVERALL GETTING AROUND THE TERMINAL	Unacceptable	1%	0%	1%
	Poor	2%	1%	3%
	Okay/ fair	18%	13%	15%
	Satisfied	48%	57%	52%
	Very satisfied	31%	29%	30%
	AVERAGE SATISFACTION RATING:	**4.06**	**4.14**	**4.08**

*Due to rounding, percentage totals will not always equal 100% when calculated manually

PHL PASSENGER SURVEY RESULTS
PASSENGER SATISFACTION - AIRPORT TERMINAL FACILITIES*

		2010	2011	2012
AVAILABILITY OF GATE SEATING	Unacceptable	2%	0%	1%
	Poor	6%	3%	5%
	Okay/ fair	20%	12%	19%
	Satisfied	41%	51%	49%
	Very satisfied	31%	34%	27%
	AVERAGE SATISFACTION RATING:	**3.93**	**4.16**	**3.99**
LEVEL OF COMFORT IN TERMINAL	Unacceptable	2%	0%	1%
	Poor	7%	2%	3%
	Okay/ fair	24%	18%	20%
	Satisfied	42%	53%	52%
	Very satisfied	25%	27%	24%
	AVERAGE SATISFACTION RATING:	**3.81**	**4.05**	**3.96**
CONDITION/ CLEANLINESS OF TERMINALS	Unacceptable	1%	0%	1%
	Poor	5%	1%	3%
	Okay/ fair	23%	15%	17%
	Satisfied	45%	55%	54%
	Very satisfied	26%	29%	26%
	AVERAGE SATISFACTION RATING:	**3.90**	**4.12**	**4.02**
RESTROOM CLEANLINESS	Unacceptable	3%	1%	2%
	Poor	9%	4%	7%
	Okay/ fair	25%	20%	21%
	Satisfied	40%	50%	46%
	Very satisfied	23%	25%	24%
	AVERAGE SATISFACTION RATING:	**3.71**	**3.94**	**3.82**
AVAILABILITY OF RESTROOMS	Unacceptable	1%	0%	2%
	Poor	4%	1%	5%
	Okay/ fair	20%	11%	18%
	Satisfied	47%	55%	50%
	Very satisfied	28%	33%	26%
	AVERAGE SATISFACTION RATING:	**3.97**	**4.20**	**3.94**

		2010	2011	2012
AVAILABILITY OF FOOD/ RETAIL NEAR GATES	Unacceptable	1%	0%	1%
	Poor	4%	1%	4%
	Okay/ fair	22%	14%	19%
	Satisfied	45%	54%	50%
	Very satisfied	28%	31%	27%
	AVERAGE SATISFACTION RATING:	**3.95**	**4.15**	**3.99**
AVAILABILITY OF SERVICES	Unacceptable	1%	0%	2%
	Poor	3%	1%	6%
	Okay/ fair	24%	14%	25%
	Satisfied	45%	58%	46%
	Very satisfied	27%	27%	22%
	AVERAGE SATISFACTION RATING:	**3.94**	**4.11**	**3.82**
AVAILABILITY OF POWER OUTLETS	Unacceptable	7%	3%	5%
	Poor	15%	12%	15%
	Okay/ fair	24%	21%	26%
	Satisfied	31%	42%	38%
	Very satisfied	23%	22%	17%
	AVERAGE SATISFACTION RATING:	**3.48**	**3.68**	**3.47**
PUBLIC ADDRESS SYSTEM	Unacceptable	3%	1%	1%
	Poor	8%	2%	4%
	Okay/ fair	27%	19%	23%
	Satisfied	39%	53%	51%
	Very satisfied	23%	25%	22%
	AVERAGE SATISFACTION RATING:	**3.71**	**3.99**	**3.90**
OVERALL AIRPORT TERMINAL FACILITIES	Unacceptable	1%	1%	1%
	Poor	4%	1%	2%
	Okay/ fair	25%	9%	12%
	Satisfied	47%	58%	56%
	Very satisfied	23%	31%	29%
	AVERAGE SATISFACTION RATING:	**3.87**	**4.17**	**4.10**

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PHL PASSENGER SURVEY RESULTS
PASSENGER SATISFACTION - FOOD & BEVERAGE CONCESSIONS*

		2010	2011	2012
VARIETY OF FOOD CHOICES	Unacceptable	1%	0%	1%
	Poor	7%	4%	5%
	Okay/ fair	27%	18%	23%
	Satisfied	42%	51%	44%
	Very satisfied	23%	27%	28%
	AVERAGE SATISFACTION RATING:	**3.79**	**4.01**	**3.93**
QUALITY OF FOOD/ BEVERAGE PRODUCTS	Unacceptable	1%	0%	1%
	Poor	6%	2%	3%
	Okay/ fair	27%	16%	21%
	Satisfied	43%	54%	49%
	Very satisfied	23%	28%	27%
	AVERAGE SATISFACTION RATING:	**3.81**	**4.08**	**3.99**
SELECTION/ AVAILABILITY OF HEALTHY FOODS	Unacceptable	4%	0%	1%
	Poor	12%	5%	8%
	Okay/ fair	28%	21%	25%
	Satisfied	36%	50%	43%
	Very satisfied	20%	24%	23%
	AVERAGE SATISFACTION RATING:	**3.56**	**3.93**	**3.80**
LOCATION OF FACILITIES	Unacceptable	1%	1%	1%
	Poor	5%	1%	3%
	Okay/ fair	25%	14%	18%
	Satisfied	46%	54%	50%
	Very satisfied	23%	30%	29%
	AVERAGE SATISFACTION RATING:	**3.85**	**4.11**	**4.03**
FOOD/ BEVERAGE PRICES	Unacceptable	5%	2%	3%
	Poor	13%	8%	9%
	Okay/ fair	32%	24%	30%
	Satisfied	34%	45%	40%
	Very satisfied	16%	21%	18%
	AVERAGE SATISFACTION RATING:	**3.43**	**3.75**	**3.61**
APPEARANCE/ CLEANLINESS OF FOOD AREAS	Unacceptable	1%	0%	0%
	Poor	6%	1%	2%
	Okay/ fair	27%	9%	13%
	Satisfied	44%	58%	54%
	Very satisfied	22%	32%	32%
	AVERAGE SATISFACTION RATING:	**3.80**	**4.21**	**4.16**

		2010	2011	2012
AVAILABILITY OF SEATING AREAS	Unacceptable	2%	1%	1%
	Poor	9%	6%	6%
	Okay/ fair	26%	15%	19%
	Satisfied	41%	46%	43%
	Very satisfied	22%	32%	30%
	AVERAGE SATISFACTION RATING:	**3.72**	**4.02**	**3.96**
COURTESY OF PERSONNEL	Unacceptable	2%	0%	1%
	Poor	6%	3%	2%
	Okay/ fair	23%	9%	13%
	Satisfied	43%	49%	44%
	Very satisfied	26%	39%	39%
	AVERAGE SATISFACTION RATING:	**3.85**	**4.24**	**4.19**
SPEED OF SERVICE	Unacceptable	1%	0%	0%
	Poor	6%	1%	2%
	Okay/ fair	23%	8%	12%
	Satisfied	45%	51%	47%
	Very satisfied	25%	40%	38%
	AVERAGE SATISFACTION RATING:	**3.87**	**4.30**	**4.22**
PACKAGING/ EASE OF CARRYING TO-GO ITEMS	Unacceptable	1%	1%	0%
	Poor	5%	2%	2%
	Okay/ fair	24%	13%	16%
	Satisfied	43%	55%	51%
	Very satisfied	27%	29%	31%
	AVERAGE SATISFACTION RATING:	**3.90**	**4.09**	**4.10**
OVERALL FOOD SERVICES	Unacceptable	1%	1%	1%
	Poor	4%	3%	4%
	Okay/ fair	30%	20%	20%
	Satisfied	44%	53%	50%
	Very satisfied	21%	23%	26%
	AVERAGE SATISFACTION RATING:	**3.80**	**3.94**	**3.97**

Note: Data includes only passengers who made a food & beverage purchase. 2010 data has been recalculated to reflect this specific respondent base, and will differ from previous reports

*Due to rounding, percentage totals will not always equal 100% when calculated manually

PHL PASSENGER SURVEY RESULTS
PASSENGER SATISFACTION - RETAIL SHOPS*

		2010	2011	2012
LOCATION OF SHOPS	Unacceptable	1%	1%	1%
	Poor	4%	1%	2%
	Okay/ fair	27%	8%	12%
	Satisfied	42%	61%	52%
	Very satisfied	26%	29%	33%
	AVERAGE SATISFACTION RATING:	**3.88**	**4.16**	**4.14**
VARIETY OF STORES	Unacceptable	1%	1%	1%
	Poor	7%	1%	2%
	Okay/ fair	29%	10%	15%
	Satisfied	38%	60%	50%
	Very satisfied	25%	28%	33%
	AVERAGE SATISFACTION RATING:	**3.79**	**4.13**	**4.12**
QUALITY OF MERCHANDISE	Unacceptable	1%	0%	0%
	Poor	4%	1%	1%
	Okay/ fair	29%	12%	15%
	Satisfied	42%	58%	49%
	Very satisfied	24%	29%	35%
	AVERAGE SATISFACTION RATING:	**3.84**	**4.15**	**4.17**
ATTRACTIVENESS OF STORE DISPLAYS/FORMAT	Unacceptable	1%	0%	1%
	Poor	4%	1%	2%
	Okay/ fair	26%	10%	11%
	Satisfied	46%	56%	52%
	Very satisfied	23%	33%	34%
	AVERAGE SATISFACTION RATING:	**3.86**	**4.21**	**4.16**
CLEANLINESS/ CONDITION OF STORES	Unacceptable	0%	0%	1%
	Poor	3%	0%	0%
	Okay/ fair	23%	4%	9%
	Satisfied	45%	51%	43%
	Very satisfied	29%	45%	47%
	AVERAGE SATISFACTION RATING:	**4.00**	**4.41**	**4.37**

		2010	2011	2012
MERCHANDISE PRICES	Unacceptable	3%	1%	1%
	Poor	7%	4%	6%
	Okay/ fair	31%	18%	27%
	Satisfied	38%	54%	45%
	Very satisfied	21%	23%	21%
	AVERAGE SATISFACTION RATING:	**3.67**	**3.94**	**3.78**
COURTESY OF PERSONNEL	Unacceptable	1%	0%	1%
	Poor	5%	1%	1%
	Okay/ fair	25%	5%	11%
	Satisfied	42%	51%	44%
	Very satisfied	27%	43%	44%
	AVERAGE SATISFACTION RATING:	**3.89**	**4.36**	**4.29**
SPEED OF SERVICE	Unacceptable	1%	0%	0%
	Poor	5%	0%	1%
	Okay/ fair	24%	4%	10%
	Satisfied	45%	52%	47%
	Very satisfied	25%	44%	42%
	AVERAGE SATISFACTION RATING:	**3.88**	**4.40**	**4.31**
OVERALL RETAIL SHOPS	Unacceptable	1%	1%	1%
	Poor	3%	1%	2%
	Okay/ fair	29%	23%	9%
	Satisfied	46%	56%	56%
	Very satisfied	21%	19%	33%
	AVERAGE SATISFACTION RATING:	**3.83**	**3.91**	**4.19**

*Note: Data includes only passengers who made a retail purchase, except for Overall Retail Shops, which includes all passengers. 2010 data has been recalculated to reflect this specific respondent base, and will differ from previous reports.

*Due to rounding, percentage totals will not always equal 100% when calculated manually

PHL PASSENGER SURVEY RESULTS
ARRIVING PASSENGERS

		2010	2011	2012
RETURNING HOME OR VISITING PHL?	Returning home	47%	60%	54%
	Visiting PHL	53%	40%	46%
PRIMARY RESIDENCE	Philadelphia Metropolitan	34%	49%	55%
	PA, NJ, MD & DE (w/o MSA)	14%	15%	9%
	Top six states†	26%	19%	18%
	Other states	26%	17%	18%
TOP SIX STATES†		FL	FL	CA
		IL	GA	FL
		CA	CA	TX
		GA	TX	IL
		VA	IL	NC
		OH	AZ	MA

		2010	2011	2012
FREQUENCY OF AIRPORT USE IN PAST 12 MONTHS	First time/once	39%	21%	30%
	2 to 3 times	30%	33%	39%
	4 to 5 times	10%	19%	16%
	6 to 8 times	6%	9%	3%
	9 to 12 times	5%	5%	3%
	More than 12 times	10%	13%	8%
PRIMARY PURPOSE OF TRIP	Personal/ pleasure	67%	53%	62%
	Business	33%	47%	38%

PHL PASSENGER SURVEY RESULTS
ARRIVING PASSENGER SATISFACTION

Using a scale of 1 - being unacceptable to 5 - being very satisfied, how would you rate the following Airport criteria?

		2010	2011	2012
COURTESY OF STAFF (AIRLINE AND AIRPORT)	Unacceptable	1%	1%	0%
	Poor	3%	1%	1%
	Okay/ fair	16%	8%	8%
	Satisfied	46%	38%	45%
	Very satisfied	34%	52%	45%
	AVERAGE SATISFACTION RATING:	**4.09**	**4.39**	**4.34**
DIRECTIONAL SIGNAGE	Unacceptable	4%	1%	0%
	Poor	5%	3%	3%
	Okay/ fair	16%	14%	12%
	Satisfied	39%	42%	52%
	Very satisfied	36%	40%	34%
	AVERAGE SATISFACTION RATING:	**3.98**	**4.17**	**4.16**
EASE IN FINDING BAGGAGE CLAIM/CAROUSEL	Unacceptable	3%	1%	1%
	Poor	7%	1%	3%
	Okay/ fair	15%	13%	10%
	Satisfied	37%	43%	49%
	Very satisfied	38%	42%	38%
	AVERAGE SATISFACTION RATING:	**4.00**	**4.24**	**4.20**
WAIT TIME FOR BAGGAGE	Unacceptable	8%	2%	4%
	Poor	12%	6%	7%
	Okay/ fair	20%	24%	19%
	Satisfied	30%	33%	43%
	Very satisfied	30%	35%	28%
	AVERAGE SATISFACTION RATING:	**3.62**	**3.93**	**3.84**

		2010	2011	2012
CLEANLINESS/CONDITION OF BAGGAGE CLAIM AREA	Unacceptable	1%	1%	1%
	Poor	5%	1%	2%
	Okay/ fair	21%	18%	13%
	Satisfied	43%	45%	54%
	Very satisfied	30%	35%	30%
	AVERAGE SATISFACTION RATING:	**3.96**	**4.12**	**4.11**
EASE IN FINDING GROUND TRANSPORTATION	Unacceptable	2%	0%	1%
	Poor	5%	2%	2%
	Okay/ fair	13%	13%	11%
	Satisfied	45%	43%	51%
	Very satisfied	35%	42%	35%
	AVERAGE SATISFACTION RATING:	**4.06**	**4.25**	**4.17**
OVERALL AIRPORT FACILITIES	Unacceptable	2%	1%	1%
	Poor	4%	1%	2%
	Okay/ fair	20%	11%	10%
	Satisfied	45%	50%	54%
	Very satisfied	29%	37%	34%
	AVERAGE SATISFACTION RATING:	**3.95**	**4.21**	**4.20**

*Due to rounding, percentage totals will not always equal 100% when calculated manually

Category	APPENDIX B - VERBATIM PASSENGER COMMENTS (un-edited)
Airline	airline assistance by us airways completely unacceptable- no departure info and lack of effective communication to customers
Airline	Baggage should be free up to 50lbs. I Love Southwest Airlines because they let your bags fly for free.
Airline	connection flight was severely delayed, 2.5 hours is too long.
Airline	During the process of checking in I,m quite sure that I was overcharged for my excess luggage.
Airline	flights were bumpy and a little scary haha
Airline	getting stuck because flight was cancelled. I've been here for 8 hours and had to keep spending my own money on food. please address the long layover issues.
Airline	great airline
Airline	I hate us airways the customer service personnel are extremely rude and not helpful in the slightest bit, even to their most frequent customers such as myself.
Airline	I think overall the staff here was good. I did have an issue with united airlines and flight delays. I understand you can't do any thing about weather but customers should be given an option to change flights if they will miss a connecting flight. I wasn't given this option, but I stood in line for 25minutes and suggested this. I was moved to us airways after my request, which I'm happy about. I feel united should have also given passengers food vouchers for their inconvenience, as some of our flights have been delayed over four hours or more. complementary vouchers like this have been given on american airlines....
Airline	I've be been here since yesterday, because I missed my flight of which is not my fault, I suggest such correction should be noted and corrected by US airways, in other to live up to their expectations.
Airline	long layovers!!!
Airline	More booths open for Int'l flight area.
Airline	Not enough flight choices. I will avoid any future connections at Phil. Airport.
Airline	our flight was cancelled and cut out an entire day of leisure in Chicago.
airline	phl airport is very easily accessible but certain airlines such as US AIRWAYS have poor flight reservation management.
Airline	probably you could share this with airlines ---usairways personnel were not pleasant. enough and did not respond properly.
Airline	the airlines should allow more time between connections.
Airline	there always seems to be delays
Airline	unhappy with cancellations on us airways part
Airline	united is pathetic
Airline	united was our original airline, they changed us to usairways. this forced us to break up a party of fifteenee into three seperate groups. very inconvenient because we had to check in our bags two times, and pày two different times. no lunch vouchers, no hotel vouches. usairways vey unhelpful and rude.
Airline	us airways could have moved my flight to an earlier time since I was here more than an hour before the next flight to st. Louis was scheduled to depart. us airways could have been more reactive, and supportive to my needs, considering that I asked to be moved.
Airline	us airways delayed the flight due to windshield that was broken, after waiting for half an hour we were told that the next flight was cancelled. due to all this meetings had to be changed, bookings had to be can yelled most of them costing me money and time. there is the possibility of loosing a client.
Airline	US AIRWAYS made me loose my flight and the service offered after that was not good enough. there is not a priority security line for people with no time enough to take an in-transit flight.
Airline	US Airways staff named Eric H. needs to be trained on how to deliver minimum customer service.
Airline	US Airways was absolutely fantastic in getting me where I had to go today. I needed assistance and they were very accommodating.
Airline	When a flight is cancelled, at least the passenger should be well taken care of, most especially, when it warrants the passenger to sleep over night.
Airport facilities	.the air conditioning is too high (its too cold). and I love the wifi!!!!!
Airport facilities	a bit uncomfortable due to construction. irritating USAir employee screaming announcements and flight info - tough enough with delays and then we had to listen to abrupt updates shouted at us
Airport facilities	additional power port like other hub airports such as DFW, ATL, etc would be great.
Airport facilities	airport should offer more power outlet options. DC and Atlanta airport are great models.
Airport facilities	airport starting to show its age despite significant upgrades since the first time I flew from here (35 years ago)
Airport facilities	b terminal hallways seem old and small
Airport facilities	bad outlets ,wi-fi sucks, delays suck
Airport facilities	bathroom should be sprayed frequently its cleaned but needs sprayed every so often

Category	APPENDIX B - VERBATIM PASSENGER COMMENTS (un-edited)
Airport facilities	bathroom was pretty much flooded, water all over the floor.
Airport facilities	Bathrooms could be nicer
Airport facilities	bathrooms need to be repaired as well as frequently cleaned
Airport facilities	bathrooms needed toilet paper. people in this airport are went out of their way to make rebook in easier appreciate the survey
Airport facilities	bathrooms were nasty and discusting
Airport facilities	being an interior designer, I can see the terminals have great space and shape, they are just lacking in character. a little color and signage could go a long way.
Airport facilities	canine relief area should be inside because they are used for persons with visibilities and cannot deal with added requirements of mobility!
Airport facilities	Carpet squares can be replaced when they get soiled or damaged. Also, TSA waiting are on BC concourse needs to be neater.
Airport facilities	closer restrooms
Airport facilities	comfortable n easy
Airport facilities	dust the place!!!!
Airport facilities	f needs help now
Airport facilities	f terminal could be made to be nicer like other terminals.
Airport facilities	f20 gate area is horrific
Airport facilities	floors need to be vacuumed u
Airport facilities	free a d better wifi would be a nice addition
Airport facilities	gate area had a lot of trash on the floor
Airport facilities	generally to small for the volume of activity
Airport facilities	I always fly through the f terminal . What a mess. The bus system is awful. in my opinion us air doesn't need to pay 50 people to give directions around the terminal. If us air needs to pay that many people. maybe a better layout needs to be created.
Airport facilities	I am looking forward to the construction in terminal f being finished
Airport facilities	I can't wait until the improvements to terminal F are completed!
Airport facilities	I couldn't get wifi to work, plus I wasn't sure which network was the one being provided by the airport. I also was challenged to find healthy choices in restaurants like Subway. Overall experience was positive, however.
Airport facilities	I increase restrooms
Airport facilities	I travel frequently. the Philadelphia airport is the least clean and terminal f is very difficult to navigate. understanding it is going through construction but there needs to be more seating etc. I dread she. I have to fly out of terminal f
Airport facilities	I was disappointed with the terminal I was in. I understand about the improvement protocols that are being undertaken, however, more accommodations could be made for the customers utilizing that area. More selections could be sectioned together and amenities, for example the restrooms could be arranged in closer clusters, so that customers do not have to wander in order to find appropriate facilities. There was a decided lack of food options available.
Airport facilities	I well recommend to improve the seating thank you
Airport facilities	I wish I was able to connect to the wifi signal. also, more outlets in terminal f would be great
Airport facilities	it is to cold
Airport facilities	its cold in here
Airport facilities	just need more outlets aside of that, pretty good..and maybe more food options
Airport facilities	just to have more bathrooms and more signs for them
Airport facilities	long line for bathrooms
Airport facilities	lounge chair for delays and such
Airport facilities	more charging and computer outlet.
Airport facilities	more electrical outlets in the gate areas
Airport facilities	more kid friendly we loved the please touch play area that was in terminal
Airport facilities	more outlets
Airport facilities	more outlets are needed but other then that everything else is fine
Airport facilities	more outlets at the the gates
Airport facilities	more power outlets in gate f24
Airport facilities	more power strips. the Omaha airport has power outlets on the wall about every two feet. that is really convenient, and your lack of power outlets here is frustrating.
Airport facilities	my only problem is with the mirrors in the men's room. they create an infinite reflect tion, and if you looking k back far enough, chances are someone is watching you pee. its creepy.

Category	APPENDIX B - VERBATIM PASSENGER COMMENTS (un-edited)
Airport facilities	need hooks in the bathroom and there was no water to wash my hands.
Airport facilities	need more power outlets and cleaner restrooms
Airport facilities	need more power outlets and good restaurants with better prices
Airport facilities	need more power outlets for phones
Airport facilities	need signs at the boarding gates to say there is free wifi. open more security screening gates. bathroom stall needs to be larger. have more outlets in the gate area.
Airport facilities	need to clean the restrooms very poor
Airport facilities	new seats in gate area or repairing the old ones would be nice. cleaning the windows, sills and carpets would be nice.
Airport facilities	outlets need more of them
Airport facilities	over all satisfied with internal areas except the restrooms and very high prices inside the concourse
Airport facilities	overall. satisfied cleaner screen age area's and facilities would be appreciated
Airport facilities	paper towel machine in men room was not working. one of the bathrooms were closed.
Airport facilities	philà does us proud"'
Airport facilities	please install sound absorbing materials.
Airport facilities	poor electrical outlets in F terminal
Airport facilities	Remolding: New Laminate Flooring (no carpet, due to allergies & safety for elderly and children), New Paint, Clean Air Duct Vents, Cleaner Bathrooms (Toilet Paper almost out in stall.)
Airport facilities	restrooms had no hand drying paper and the hand dryer did not work. restroom needed some attention.
Airport facilities	restrooms were not very functional or clean. because they are automatic' they spray everywhere.
Airport facilities	satisfied with wifi... but need more outlets in the airport
Airport facilities	should have a quiet, dim space. TV should be turned off when necessary
Airport facilities	smoking areas
Airport facilities	some vending machines and electric outlets would be nice to have in a-east-
Airport facilities	terminal d bathroom facilities need more custodial attention
Airport facilities	The gate area is way too cold. Wait to check in at Southwest was more than 1/2 hour, which is unacceptable. Many passengers missed their flights.
Airport facilities	the ladies room was closed and the women had to use the men's restroom... think you to the airport staff for doing that for the ladies and children
Airport facilities	THE ONLY CONCERN I HAVE IS THE TEMPERATURE. IT'S VERY COLD INSIDE THE AIRPORT!
Airport facilities	The restroom I visited is very dirty.
Airport facilities	the restrooms had a nasty odor
Airport facilities	the smell in terminal f bathroom's can kill an army. the terminal only offer ice cold stones as bagels.
Airport facilities	the temperature at the us airways terminal is very low. its freezing.
Airport facilities	toilets are dirty
Airport facilities	too cold in the terminal
Airport facilities	under construction
Airport facilities	very nice airport, need to brighten the lighting a little, dark in some spots
Airport facilities	way to cold while waiting for our flight !
Airport facilities	wi-fi cost is believed to be too high
Airport facilities	women's rooms are always dirty - they rarely seem to be cleaned.
Airport facilities	would like to see more comfortable facilities outside the security area
Baggage claim	Baggage claim here usually takes way too long
Baggage claim	I have never had a problem coming to or leaving from the airport. baggage claim could be a little quicker
Baggage claim	I never check luggage BC philly is the worst for having to wait at baggage claim.
Compliment	=)
Compliment	a lovely airport
Compliment	all good
Compliment	all is well
Compliment	as a whole it was fine. I especially enjoyed the wifi access more transportation cart
Compliment	Awsome
Compliment	cool airport
Compliment	everything is fine here.
Compliment	excellent storm hospitality group
Compliment	friendly staffs
Compliment	getting better
Compliment	go philly

Category	APPENDIX B - VERBATIM PASSENGER COMMENTS (un-edited)
Compliment	good
Compliment	good airport
Compliment	good airport but sometimes you get some attitude problems and unwillingness to go the extra mile to help customers . and we are customers not passengers
Compliment	good experience
Compliment	good job
Compliment	good place
Compliment	greaata todayà
Compliment	great
Compliment	Great airport!
Compliment	great facility
Compliment	great job
Compliment	great place good experience.
Compliment	great place to live and work and eñjoy life.
Compliment	great town
Compliment	happy with what I have seen for first time visit
Compliment	I am very satisfied with my stay
Compliment	I enjoy seating here and watching people go by
Compliment	I find PHl nice
Compliment	I have had a great experience
Compliment	I have no complaints about the airport. It's just fine to me.
Compliment	I I like what I seen so far.
Compliment	I like the new restrooms in terminal C - nice job!!!
Compliment	I like the prices of food
Compliment	I like the survey tablet
Compliment	I like using phl
Compliment	I like. this airport. it is better than many' . only shortcoming too long security line esp in middle of the day.
Compliment	I love it!!!! By far, my favorite airport, even being delayed!!!
Compliment	I love it.
Compliment	I love Philadelphia one of my favorite artists rports
Compliment	I love PHl
Compliment	I love this friggin place
Compliment	I travel several times a year from phl and never had a complaint.
Compliment	I was completely satisfied today
Compliment	I will be back!
Compliment	impressive
Compliment	it is a. great alrport.
Compliment	It is set up very well and it has a pleasant atmosphere.
Compliment	it the best place ever to go to different states I use it all the time
Compliment	it was great
Compliment	It's very satisfying.
Compliment	its a very nice and local airport
Compliment	its good city I was head about but today I m coming first time it's good experience
Compliment	keep it up
Compliment	keep up the good service, looking forward to being on board very soon
Compliment	keep up the good work
Compliment	love the airport
Compliment	nice airport
Compliment	OK!!
Compliment	okay
Compliment	overall good experience e
Compliment	overall had good experience,' satisfied'
Compliment	overall I always have a be great experience at Philly airport.
Compliment	overall I am satisfied with PHl. thank you
Compliment	overall it is satisfied place
Compliment	Patience is a sweet girl. One of the best airport employees I have seen in awhile.

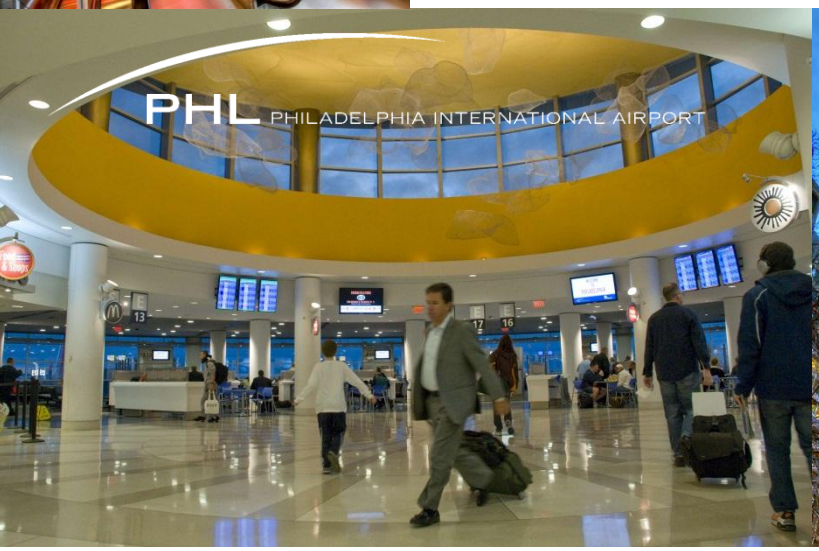
Category	APPENDIX B - VERBATIM PASSENGER COMMENTS (un-edited)
Compliment	patience was wonderful
Compliment	people are friendly and very helpful
Compliment	personal very professional and Friendly
Compliment	PHP is a beautiful place
Compliment	Pleasant experience
Compliment	Pleased with the customer service of the young man who is assisting me with wheel chair service. US Airway's ticket counter person changed my seat from the exit seat to a more suitable seat for me' a senior.
Compliment	Rad
Compliment	smashing
Compliment	So far so good, the airport is nice and OK.
Compliment	So far so good, the standard is not bad keep it up.
Compliment	survey lady Gwen was very nice!
Compliment	survey lady was very nice
Compliment	Thank to Karen very polite when asked to go Sergey.
Compliment	thank you
Compliment	the staff has been very helpful and friendly , specifically at the CNBC news stand.
Compliment	the survey is good because it shows that the airport is trying to figure out what people want
Compliment	the survey lady is very nice
Compliment	this is a beautiful facility.
Compliment	very clean
Compliment	very clean people are very polite
Compliment	very friendly attendants
Compliment	very much improved over the years
Compliment	very nice
Compliment	very nice airport
Compliment	very nice and clean
Compliment	very nice and easy to move around
Compliment	very nice and pleasant personell
Compliment	very poor unacceptable security wait
Compliment	very saatisfied
Compliment	very satisfied
Compliment	Very satisfied.
Compliment	very. satisfied
Compliment	was easy to get here
Compliment	was great
Compliment	yay
Compliment	zoraida was very helpful finding a charger.
Customer service	absolutely amazed with the poor services by the airline as I was misinformed by the uniformed employee of us airways which cauced me to miss my flight and lack of responsibility on there behalf and what I have found absolutely unacceptable is that the us airways at this airport refuses to page passengers and there reasoning is : the customer would come dependent on announcements : and to top it all there is no clock in this airport !!!!! like nobody expect people from other different part of the world who leave on different time zone would ever travel thru this airport
Customer service	all airport staff was great. us air staff are extremely rude and ruined my experience today
Customer service	Been here for 6hrs on a buddy pass and flight continues to get pushed back. There should be better communication with buddy pass traveling. The employees should be more courtesy to those traveling on z buddy pass.
Customer service	christian was very pleasant.
Customer service	customer service needs to improve
Customer service	customer service was extremely helpful
Customer service	for stand by passengers with health issues there should be special consideration made
Customer service	free stroller for luggage
Customer service	had to get to term animal f was given three different direction s. and by doing so missed flight yesterday and had to overnight
Customer service	Historically, one of the ugliest, least functional airports in the world especially with respect to baggage handling, ramp operations, and flight delays. there has been improvement in the last five years, but PHL still badly lags most domestic and foreign airports that I experience.

Category	APPENDIX B - VERBATIM PASSENGER COMMENTS (un-edited)
Customer service	international terminal is excellent. domestic is appalling. one of the worst in the country. terrible service rude people unreliable schedules awful road access. its like a third world facility. I travel weekly and hate it.
Customer service	love the people who work here, very curtious and friendly, the violation of our 4th Amendment rights is horrible
Customer service	Michael d Michael was very personable and displayed great customer service skills.
Customer service	Non working escalator, upset I had to carry bags up the stairs, The ticket agent at Gate D9 didn't have time to explain the reason for the delay of my flight, or answer my questions. It would be nice if u had an information kiosk to give us updated information when there is a flight change, i.e. customer service kiosk with full Time attendant who can answer passenger questions.
Customer service	overall the employees are the most rude and unhappy that I encounter in any of the airports I travel through. I joke about PHL being the most unhappy place on earth.
Customer service	PHP had a flight to take me directly to my destination'. very. convenient.
Customer service	representative at chicky n pete's was rude and impatient... should be more patient and curtious
Customer service	SMILE!
Customer service	some of the people that work here very rude
Customer service	staff at check in need briefing on online checkin - I was told to wait in that queue for 20 minutes Though I had already checked in. this significantly contributed to my seat being reassigned and losing several hours and funds from my scheduled flight.
Customer service	the employees are rude and very unprofessional. the use bad language, they have nasty attitudes and are extremely rude. I hate coming to this airport because of the sender employees
Customer service	very much to do but people are generally not amiable
Customer service	very rude....unhelpful....duls very rude unhelpful unkind and seem like they are just here for a paycheck and hate their jobs...I will completely avoid ever returning to this airport
Customer service	Yesterday my flight was canceled and I had to stay overnight. The staff who arranged hotel, Ms. Linda S was very polite and helpful. I also appreciated Corey from baggage claims personally checking on my bags for me and assistance to all who were in same situation. Never did he display attitude or frustration to anyone with all the questions that was asked of him. Finally my arrival to airport was greeted pleasantly by staff member who shook my hand and thanked me for my service....she made short stay in VIP line go smoothly and was very funny...wish I got her name. This makes a situation like mine easy.
Customer service	Your gate Agents and Ramp Agents could be a little more friendly to your guest. like the people asking to do the survey' great job.
Food & beverages	bagel
Food & beverages	beer
Food & beverages	each terminal needs a mcdonalds
Food & beverages	food choice poor
Food & beverages	healthy food options would be appreciated
Food & beverages	more asian food places, Chinese translators or more signs in her language,
Food & beverages	need to offer Philly cheesteaks in more locations
Food & beverages	prices at the restaurants could be less expensive.
Food & beverages	terminal f is a weak point. food. is good in other areas is excellent, but here, I got a tasteless sandwich at au bon pain' with two hours to enjoy it.
Food & beverages	would like to have Burger King
Food & beverages	Would like you to have people walking around selling water, etc, for those people who are wheel chair bond or otherwise hindered or have difficulty walking.
Getting around	simple and easy to navigate around
Getting around	coming into the terminal the signage was confusing to where I left the secure area to the insecure area and had to repeat the security screening process
Getting around	easy to get around
Getting around	gate transport can be improved
Getting around	hard r to navigate the airport because of the way it is played out. do you consider flight schedules and terminal layout
Getting around	I had no idea to expect such a hassle going from one terminal to the next
Getting around	I I like improve movements in process now
Getting around	I would like to see more TVs showing flight schedules in international airport
Getting around	I've seen improvements over the years, yet there's much more to be comparable to other major airports: internal can be confusing, food selection has improved. Staff seem happier. signage needs improvement both visually and clarity-wise.

Category	APPENDIX B - VERBATIM PASSENGER COMMENTS (un-edited)
Getting around	immigration has got to improve...as its taking more time
Getting around	its difficult to get to and from the f terminal. I hope that improves with the reno
Getting around	long lines at arrival to airport not enough time to reach flight. was here two hours prior to flight. checking of bags' lines to long. security time in line way to long.
Getting around	lots of walking
Getting around	must be a faster wat to get from terminal f to the main terminals
Getting around	need to be able to reach all terminals inside not have to go outside
Getting around	phl's layout is old fashioned. outmoded for today's traveler. not user friendly. not well maintained. it's shabby. having to take a shuttle across the field to change terminals is totally unacceptable.
Getting around	put a moving sidewalk in a east
Getting around	shuttle to gate f was different/strange.
Getting around	signs for the airlines on the outside were not very clear to me
Getting around	terminal A to other gates is terrible.
Getting around	terminal b gate 8 power outlet by pay phone does not work. long walk to other terminals.
Getting around	terminal f is inconvenient if you have to get to any of the other terminals in my experience
Getting around	the name of my destination airport was not consistent im flying to stewart international airport here it was listed as new windsor, it was announced as newburgh, and on the flight status screens it was listed as stewart field there needs to be consistency.
Getting around	the signage in the ticketing area for Air Canada is too small and in a bad location
Getting around	The system of the shuttle operations is very slow, we missed our flight just because of that. There should be an improvement.
Getting around	there was no signage fromthe shuttle no inform
Getting around	this place needs to invest in an underground rail system
Getting around	too far between gates. coming from terminal f 33.
Getting around	very long queues at immigration
Getting around	walkway to and from terminal F would be great.
Getting to PHL	finding PHL from Atlantic City has been rather challenging in the recent past. The construction and scant signage on the freeways makes locating the airport a bit challenging.
Getting to PHL	getting around the airport is difficult especially if you have kids. the signage is poor and it is no t intuitive. getting from parking to the international gates is very confusing. you need to go up and stairs, elevators etc which is a challenge with kids
Getting to PHL	I don't like the way the ramps were designed foe entrance and departure from the airport.
Getting to PHL	i like off site parking
Getting to PHL	I really like the signs that tell. e how many spots are in each aisle of the parking garage. so nice!
Getting to PHL	it is also difficult to get to via r the freeway if you have to return a rental car. people are not very customer service oriented.
Getting to PHL	parking space!
Getting to PHL	road from Sexton to PHP airport is very crowded due to the construction. detour would be of great help
Getting to PHL	The airport has improved over the years. I feel that security is set up to take your items and not to afford you a way to correct an oversight. Otherwise good improvements. Perhaps a dedicated lane for the airport traffic only on I95 (it could be tooled with a special pass for rental car returns) would help those coming from out of state.
Miscellaneous	1. a. becky at american airlines helped up get on another flight when our flight was delayed and we were going to miss our connecting flight. b. three ladies at the delta airlines counter helped us book the new flight and make it to our connecting fight in Alaska. 2. need better signage for economy parking, the trees hide the sign and need trimming. 3.expanded restroom facilities at end of d terminal. 4. the woman offering the survey is very nice, professional helpful and very good at her job.
Miscellaneous	acceptable
Miscellaneous	arrived at five am and our connecting flight was cancelled, so our possible next flight is around eight pm.
Miscellaneous	beautiful city
Miscellaneous	busy
Miscellaneous	closest airport to home so it's fine
Miscellaneous	completely unacceptable
Miscellaneous	first time, so don't have a lot of feed back
Miscellaneous	flite cncklld. I would use Newark if closer
Miscellaneous	good luck!
Miscellaneous	Good Luck!
Miscellaneous	horrible

Category	APPENDIX B - VERBATIM PASSENGER COMMENTS (un-edited)
Miscellaneous	huge compare to other
Miscellaneous	I think its wrong that a flight to our same destination schedule to leave AFTER us has departed and we are still here. We are missing Cornell orientation due to YOUR delay. Not feeling the brotherly love. Also please add Ithaca to you city list. One final thought is it's been very annoying to listen to alarms going off from employes failing to swipe there card. If the door was locked them swiping to get in would no longer be an issue and I would not have a headache.
Miscellaneous	I'm here to change planes. I,m hardly here.
Miscellaneous	it has improved but can still benefit from more improvements
Miscellaneous	its sucks
Miscellaneous	Long survey ...
Miscellaneous	My main complaints are a - no wifi; could not connect b - quite filthy restrooms c - very rude passport control worker, ordering us around bossily, system was very confusing/unclear. she acted as though we should just magically understand perfectly. d - ultra-loud alarms that sounded at our F gate. Not sure of its purpose, but it was deafening.
Miscellaneous	overall satisfied but need to rethink pricing for parking and food. longterm parking is too expensive. more days should pay less.
Miscellaneous	PHl is my home base. good overall experiences . I would not want to have to make connections through here.
Miscellaneous	service was extremely slow
Miscellaneous	survey too long
Miscellaneous	surveys are new and unexspected
Miscellaneous	thanks employ Muslim women with hijab .
Miscellaneous	the airport. could do better.
Miscellaneous	the inability to shop at the various shops in the airport unless you're flying out
Miscellaneous	this I too along
Miscellaneous	this is the first time I have been asked my opinion regarding travel, it make the whole air travel a bit tolerable. I would rather be on a train
Miscellaneous	very nice airport when traveling international v connection before rechecking would like choice to ask for sir stand by to another destination
Miscellaneous	We trasferred today on route from Tornonto to SLC so some of our experience is. incomplete. W
Miscellaneous	we'll be back
Miscellaneous	wish I had more time to stay and see more of the city. go eagles!
Miscellaneous	wish the Phillies were playing better
Miscellaneous	worst airport I fly to/from
Miscellaneous	would like to see more exits or a designated smoking area interviewer named Gwen was extremely sweet and helpful sweetand nelpful
Retail concessions	would like to have more shops
Security	Airport screen of laptops is, of course, a good thing that I strongly support. However, security people need to be trained to reclose laptop bags and cases so that expensive personal property is not destroyed.
Security Screening	absolutely need faster security lines..... the wait time is ridiculous and unacceptable
Security Screening	difficult to fly out of in summer because of storms. historically, security lines at PHL are horrible. whole airport could use a refurbishing. but, the personnel are uniformly friendly and helpful.
Security Screening	get better security check in we missed our flight thanks to security being so slow
Security Screening	hate the long lines
Security Screening	have all security scanners operating and add additional scanners so security lines can go faster. if necessary, separate gates e and d so there is less congestion. the wait time to get into terminal is unacceptable
Security Screening	improve security and restrooms. I tried to get an earlier flight and of took 45minutes.
Security Screening	more security personelles needed to help with screening
Security Screening	please improve first class security priority. it just does not work
Security Screening	pretty long waits, both in security and in and for the shuttle to gate f
Security Screening	Security check inn needs to be better organized. My husband and missed our flight as a result of the lack of order and other delays.
Security Screening	security is a pain to get through...too long of wait and they check for ridiculous things. I want to be able to BRI g a bottle of water through
Security Screening	security line wait way too long needs to be expanded or streamlined
Security Screening	security lines vary too widely. sometimes b is packed and c is empty, or just the opposite.

Category	APPENDIX B - VERBATIM PASSENGER COMMENTS (un-edited)
Security Screening	security sucks way too long had to use gate c when gate b had two people che king in people after waiting ten minutes
Security Screening	security was very slow an confusing to most people, I missed my conne ting flight because of the security check that was extremely slow. I felt that I was ordered about rather than given clear direction. there was no consideration or announcement f,or those that may have conne ting flights. the opportunity to take an airport sir eg is a positive.
Security Screening	terminal c security is a nightmare you need more space and a place to get yourself together after security.
Security Screening	terrible security lines, we arrived two hours early and missed our flight due to the lack of security lines
Security Screening	the change in security regulation should have been relayed to the traveling public ie the allotment of liquid items was reduced but the airline did not relay that information
Security Screening	the family line needs r to co tinue through the actual security so you are not holding others up and allows for additional time with unloading the children
Security Screening	the security when one is in transit as well as the organization of people clearing customs is poor lacking staff to direct the clientele. also no one cares if you are about to miss a flight ,because of excessive lines, and no option to go to front of lines if you are not 1st class passenger.
Security Screening	the TSA people need to be more friendlier especially to the handicapped children.
Security Screening	time at the security lines are unpredictable. one time it took me more than 2 hours in line. sometimes just 10 minutes. This unpredictability causes wasted/unnecessary time at the airport.
Security Screening	today's experience was complicated because there were insufficient or untrained personnel at customs and inadequate traffic control or signage or technology at security. as a result we missed our connecting flight. it seems that the airport facilities and layout needs to be updated and redesigned for efficiency. I'm sure there are efficiencies also that are possible with more accountability of the staff to perform at optimal capacity. no doubt meaningful incentives are required and all of this costs money. good luck. but I will avoid Philadelphia in the near future.
Security Screening	TSA agent was unprofessional, indifferent, unhelpful unconcerned about passenger concern with health risk using scanner US Airways rep was rude, unfriendly and unprofessional
Security Screening	TSA con
Security Screening	wait time at the security check point was unaccepable and the public address system is not loud enough
Security Screening	when I approached the line for the security checkpoint one of the TSA agents noticed my army bag and asked me if I was military. I replied 'yes' and she directed me to the front of the line. this was a wonderful gesture and I greatly appreciated it, especially since the line was kind of long. the next TSA agent who checked my I'd and boarding pass was courteous and thanked me for my service. everyone else I came into contact with has been polite. these gestures have made my travel today a great experience and I would recommend PHL to all my family and friends in the area.
Security Screening	worst security lines and very slow' that learn from hobby Houston,
Services	gym and shower facility
Services	movie. theater. for delayed. passengers
Services	need a prayer area
Services	need more children friendly areas. terminals tend to get. overcrowded. too. many cancelled and delayed. flights
Services	pleased with facility. would like to have some acti vity to do l.e. line dancing or light exercise by a recreation trained person when a flight has been delayed for an extended time. please include music as it soothes the nerves. thank you.


PHL PHILADELPHIA INTERNATIONAL AIRPORT

LOVE

Stellar Books

ATTACHMENT K

Mandatory Pre-Proposal Meeting Notice

MANDATORY PRE-PROPOSAL MEETING NOTICE

A mandatory pre-proposal conference concerning the Request for Proposals for the Master Lease And Concession Management Agreement at Philadelphia International Airport will be held on Tuesday, December 3, 2013 at 10:00 a.m. Eastern Daylight Time at the Philadelphia Airport Marriott in Terminal B at Philadelphia International Airport.

Please complete the information below and return via email to Robin Gibson at robin.gibson@phl.org by November 15, 2013.

Company Name: _____
Company Contact: _____
Telephone Number/Facsimile Number: _____/_____
Email Address: _____

Please complete the following to indicate attendance:

Names of individuals to attend pre-proposal meeting:

_____ _____ _____

_____ _____ _____

Indicate the full name, date of birth, & last four digits of the social security number for all individuals attending the Airport Tour (no more than 3 per company)

Name	D.O.B	S.S #
_____	_____	_____
_____	_____	_____
_____	_____	_____

Ms. Robin Gibson,
Airport Properties Executive Assistant
Division of Aviation
Philadelphia International Airport,Terminal D
Philadelphia, Pa. 19153-3275
Telephone: (215) 937-5484
FAX: (215) 937-6496
robin.gibson@phl.org