



September 3, 2026

CALL AND NOTICE OF A SPECIAL MEETING
OF THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

NOTICE is hereby given that a special meeting of the Burbank-Glendale-Pasadena Airport Authority will be held on Tuesday, September 8, 2026, at 9:00 a.m., in the Skyroom of Hollywood Burbank Airport, 2627 N. Hollywood Way, Burbank, CA 91505.

You may also participate at the following address:

13 Sarmen Street
Yerevan, 0009
Armenia

In addition to attending the meeting in person, members of the public may observe the meeting telephonically and may offer comment in real time through the following number:

Dial in: (818) 862-3332

Terri Williams, Board Secretary
Burbank-Glendale-Pasadena Airport Authority

SPECIAL MEETING
OF THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

Tuesday, September 8, 2026
9:00 a.m.

The public comment period is the opportunity for members of the public to address the Committee on agenda items and on Airport-related non-agenda matters that are within the Committee's subject matter jurisdiction. At the discretion of the presiding officer, public comment on an agenda item may be presented when that item is reached.

When in-person attendance or participation at meetings of the Committee is allowed, members of the public are requested to observe the following rules of decorum:

- *Turn off cellular telephones and pagers.*
- *Refrain from disorderly or boisterous conduct, including loud, threatening, profane, or abusive language, clapping, whistling, stamping, or other acts that disrupt or otherwise render unfeasible the orderly conduct of the meeting.*
- *If you desire to address the Committee during the public comment period, fill out a speaker request card and present it to the Board Secretary.*
- *Confine remarks to agenda items or to airport-related non-agenda matters that are within the Committee's subject matter jurisdiction.*
- *Limit comments to three minutes or to such other period of time as may be specified by the presiding officer.*

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The following activities are prohibited:

- *Allocation of speaker time to another person.*
- *Video presentations requiring use of Authority equipment.*

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Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the Authority to the Committee less than 72 hours prior to that meeting are available for public inspection at Hollywood Burbank Airport (2627 N. Hollywood Way, Burbank) in the administrative office during normal business hours.

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In accordance with the Americans with Disabilities Act of 1990, if you require a disability-related modification or accommodation to attend or participate in this meeting, including auxiliary aids or services, please call the Board Secretary at (818) 840-8840 at least 48 hours prior to the meeting.

AGENDA

Tuesday, September 8, 2026

1. ROLL CALL
2. PLEDGE OF ALLEGIANCE
3. APPROVAL OF AGENDA
4. PUBLIC COMMENT (Public comment will be limited to a total of 20 minutes at the beginning of the meeting and will continue at the conclusion of the meeting, if necessary. Comments are limited to 3 minutes each, and the Authority President may limit this time if reasonable under the circumstances.)
5. CONSENT CALENDAR (Includes Minutes. Items on the Consent Calendar are generally routine in nature and may be acted upon by one motion unless removed for separate consideration.)
 - a. Consent to Assignment of Advertising Program and Internet Protocol Television Concession Agreement for Hollywood Burbank Airport - Clear Channel Outdoor, Airports Division **[See page 1]**
 - b. Approval of Amendment No. 2 Professional Services Agreement On-Call Architectural and Engineering Services **[See page 5]**
 - c. Brochure Rack Concession Agreement and Second Agreement to Concession and Lease Agreement – Certified Travel Media, LLC **[See page 7]**
 - d. Amendment No. 1 to Professional Services Agreement for Traffic Management Support **[See page 9]**
6. ITEMS FOR COMMISSION APPROVAL
 - a. Approval of Aid-in-Construction Deposit to City of Burbank Replacement Passenger Terminal Project **[See page 11]**
 - b. Approval of Amendment No. 4 to Professional Services Agreement with Allied Universal Security Services and Additional Approval of Mutual Termination of Inspection Services Reimbursement Agreement with MCS Burbank and HG Burbank; Approval of Inspection Services Reimbursement Agreement with MCS Burbank and MRG Burbank **[See page 16]**
 - c. Amendment to Lease Nos. LCA01775 & LCA02701 General Services Administration **[See page 21]**
 - d. Terminal Space Lease – General Services Administration **[See page 22]**
 - e. Replacement Passenger Terminal Day One Parking Program Step-Up Daily Rates, Employee Parking Rate, and Electric Vehicle Charging Rate **[See page 24]**

7. ITEMS FOR COMMISSION DISCUSSION
 - a. Airport History Book
8. ITEMS FOR COMMISSION INFORMATION
 - a. Replacement Passenger Terminal Concessions Update
9. EXECUTIVE DIRECTOR COMMENTS
10. COMMISSIONER COMMENTS
(Commissioners may make a brief announcement, make a brief report on their activities, and request an agenda item for a future meeting.)
11. PUBLIC COMMENT
12. ADJOURNMENT: To September 21, 2026, for the next regularly scheduled meeting of the Burbank-Glendale-Pasadena Airport Authority, 2627 N Hollywood Way, Skyroom

COMMISSION NEWSLETTER

Tuesday, September 8, 2026

[Regarding agenda items]

5. CONSENT CALENDAR

(Consent Calendar items may be enacted by one motion. There will be no separate discussion on these items unless a Commissioner so requests, in which event the item will be removed from the Consent Calendar and considered in its normal sequence on the agenda.)

- a. **CONSENT TO ASSIGNMENT OF ADVERTISING PROGRAM AND INTERNET PROTOCOL TELEVISION CONCESSION AGREEMENT FOR HOLLYWOOD BURBANK AIRPORT – CLEAR CHANNEL OUTDOOR, AIRPORTS DIVISION.** A staff report is included in the agenda packet. At its meeting on July 20, 2026, the Finance and Administration Committee voted (2–0, 1 absent) to recommend that the Commission approve a Protocol Television Concession Agreement with Clear Channel Airports, Inc. dba Clear Channel Outdoor, Airports Division (“Clear Channel”). The Consent is necessary because of a change in ownership of Clear Channel’s parent company.
- b. **APPROVAL OF AMENDMENT NO. 2 PROFESSIONAL SERVICES AGREEMENT – ON-CALL ARCHITECTURAL AND ENGINEERING SERVICES.** A staff report is included in the agenda packet. At its meeting on September 2, 2026, the Executive Committee voted unanimously (3–0) to recommend that the Commission approve Amendment No. 2 to the Professional Services Agreement with HNTB Corporation. The Amendment proposes to: 1) Exercise the first of the two available one-year extension options and extend the contract to December 17, 2027; and 2) Increase the amount of the PSA by \$500,000 to provide for continued on-call architectural and engineering services resulting in a revised not-to-exceed amount of \$1,175,000.
- c. **BROCHURE RACK CONCESSION AGREEMENT AND SECOND AGREEMENT TO CONCESSION AND LEASE AGREEMENT – CERTIFIED TRAVEL MEDIA, LLC.** A staff report is included in the agenda packet. At its meeting on September 2, 2026, the Executive Committee voted unanimously (3–0) to recommend that the Commission approve a Second Amendment to the Concession and Lease Agreement and a new Brochure Rack Concession Agreement with Certified Travel Media, LLC. Certified Travel Media formerly was known as Certified Folder Display, Inc.
- d. **AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT FOR TRAFFIC MANAGEMENT SUPPORT.** A staff report is included in the agenda packet. At its meeting on September 2, 2026, the Executive Committee voted unanimously (3–0) to recommend that the Commission approve: 1) Amendment No. 1 to the Professional Services Agreement with LAZ Parking California, LLC. The Amendment will increase the original contract value of \$74,368.29 by \$55,341, resulting in a not-to-exceed amount of \$129,709.29.; and 2) approve a contingency of \$20,000, approximately 15% , of the total contract value to cover any other unforeseen changes.

6. ITEMS FOR COMMISSION APPROVAL

- a. APPROVAL OF AID-IN-CONSTRUCTION DEPOSIT TO CITY OF BURBANK – REPLACEMENT PASSENGER TERMINAL PROJECT. A staff report is included in the agenda packet. At its meeting on September 2, 2026, the Executive Committee voted unanimously (3–0) to recommend that the Commission approve an Aid-in-Construction deposit request from the City of Burbank on behalf of Burbank Water and Power for the Replacement Passenger Terminal electrical power infrastructure.
- b. APPROVAL OF AMENDMENT NO. 4 TO PROFESSIONAL SERVICES AGREEMENT WITH ALLIED UNIVERSAL SECURITY SERVICES AND ADDITIONAL APPROVAL OF MUTUAL TERMINATION OF INSPECTION SERVICES REIMBURSEMENT AGREEMENT WITH MCS BURBANK AND HG BURBANK; APPROVAL OF INSPECTION SERVICES REIMBURSEMENT AGREEMENT WITH MCS BURBANK AND MRG BURBANK. A staff report is included in the agenda packet. At its meeting on August 17, 2026, the Operations and Development Committee voted (2–0, 1 absent) to recommend that the Commission approve Amendment No. 4 (“Amendment”) to the Professional Services Agreement (“Agreement”) with Universal Protection Service LP dba Allied Universal Security Services. The Agreement is for airport security and traffic control services, as well as for consumer item inspection services that are reimbursed by food service and retail concessionaires. The Amendment exercises the second of two one-year extension options of the Agreement, adjusts the fee schedule for the November 2026 - October 2027 contract year, updates the federal requirements exhibit, and provides an opportunity for Allied to receive a revocable, no-fee license to use Replacement Passenger Terminal office space at the sole discretion of the Authority. Staff further seeks Commission approval of three items to facilitate the transition of consumer item inspection services from the existing terminal to the Replacement Passenger Terminal (“RPT”): 1) a proposed Mutual Termination of Inspection Services Reimbursement Agreement (“Mutual Termination”) with MCS Burbank LLC (“MCS”) and HG Burbank JV. The Mutual Termination will end a 2018 Inspection Reimbursement Services Agreement between the Authority, MCS, and Hudson that addresses payment for consumer item inspection services in the existing passenger terminal; 2) a proposed Inspection Services Reimbursement Agreement (“2026 Reimbursement Agreement”) with MCS and MRG Burbank LLC. The 2026 Reimbursement Agreement addresses payment for consumer item inspection services in the RPT.
- c. AMENDMENT TO LEASE NOS. LCA01775 & LCA02701 – GENERAL SERVICES ADMINISTRATION. A staff report is included in the agenda packet. At its meeting on July 20, 2026, the Finance and Administration Committee voted (2–0, 1 absent) to recommend that the Commission approve Lease Amendments with the General Services Administration (“GSA”) to comply with the language modification mandated under Executive Order No. 14398. The Lease Amend-ments are for the 2011 Hangar Lease and the 2023 Terminal Space Lease executed by the Authority and GSA.
- d. TERMINAL SPACE LEASE – GENERAL SERVICES ADMINISTRATION. A staff report is included in the agenda packet. At its meeting on August 17, 2026, the Finance and Administration Committee voted (2–0, 1 absent) to recommend that the Commission approve a new Terminal Space Lease with the United States of America, acting through the General Services Administration on behalf of the

Transportation Security Administration for 4,379 square feet of exclusive office space at the Replacement Passenger Terminal.

- e. REPLACEMENT PASSENGER TERMINAL DAY ONE PARKING PROGRAM. A staff report is included in the agenda packet. At its meeting on July 20, 2026, the Commission considered parking rates for the Replacement Passenger Terminal ("RPT") Day One parking configuration and directed Staff to return with an analysis of a "step-up" rate structure for the RPT Parking Structure's Self-Park and Valet operations. As directed, Staff has evaluated opening the RPT Parking Structure at daily rates of \$49 for Self-Park and \$59 for Valet, which would be effective from October 13, 2026, through June 30, 2027, with rates stepping up to the originally recommended \$54 for Self-Park and \$68 for Valet effective July 1, 2027. The remote Lots F and G would remain at \$28 and \$24 per day, respectively, as originally presented. Staff recommends that the Commission approve this step-up rate structure along with the originally presented rates for remote Lots F and G.

7. ITEMS FOR COMMISSION DISCUSSION

- a. AIRPORT HISTORY BOOK

8. ITEMS FOR COMMISSION INFORMATION

- a. REPLACEMENT PASSENGER TERMINAL CONCESSIONS UPDATE. No staff report attached. Staff will provide an update on the progress of the concession programs in the Replacement Passenger Terminal Project.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
SEPTEMBER 8, 2026**

**CONSENT TO ASSIGNMENT OF ADVERTISING PROGRAM AND INTERNET PROTOCOL
TELEVISION CONCESSION AGREEMENT FOR
HOLLYWOOD BURBANK AIRPORT**

CLEAR CHANNEL OUTDOOR, AIRPORTS DIVISION

Prepared by Derrick Cheng
Manager, Business & Properties

SUMMARY

At its meeting on August 17, 2026, the Finance and Administration Committee ("Committee") voted (2–0, 1 absent) to recommend that the Commission approve a proposed Consent to Assignment, copy attached, of the Advertising Program and Internet Protocol Television Concession Agreement ("Concession Agreement") with Clear Channel Airports, Inc. dba Clear Channel Outdoor, Airports Division ("Clear Channel"). The Consent is necessary because of a change in ownership of Clear Channel's parent company.

BACKGROUND

On November 17, 2025, the Commission awarded the Concession Agreement to Clear Channel for the development, management, and operation of an advertising program and internet protocol television system in the Replacement Passenger Terminal to provide curated content that includes live television and digital advertising.

The Concession Agreement prohibits Clear Channel from assigning or transferring this Agreement without the consent of the Authority.

On June 8, 2026, staff was informed that Clear Channel's parent company, Clear Channel Outdoor Holdings, Inc. entered into an Agreement and Plan of Merger ("Merger Agreement") with Madison Parent Inc. The proposed Merger Agreement will result in Clear Channel being a wholly owned subsidiary of Madison Parent Inc.

Consenting to the assignment of the Concession Agreement that will result from the completion of the merger does not amend the Concession Agreement which will continue in full force and effect in accordance with its terms.

IMPACT ON REVENUE

The proposed Consent to Assignment is revenue neutral to the Authority.

RECOMMENDATION

At its meeting on August 17, 2026, the Committee voted (2–0, 1 absent) to recommend that the Commission approve the proposed Consent to Assignment for the Concession Agreement with Clear Channel and authorize the President to execute the same.

**CONSENT TO ASSIGNMENT OF
ADVERTISING PROGRAM AND INTERNET PROTOCOL TELEVISION
CONCESSION AGREEMENT**

This Consent to Assignment of Advertising Program and Internet Protocol Television Concession Agreement (“Consent”) is dated _____, 2026 and is executed by the Burbank-Glendale-Pasadena Airport Authority (“Authority”), a California joint powers agency, in favor of Clear Channel Airports, Inc. (“Concessionaire”), a Pennsylvania corporation doing business as Clear Channel Outdoor, Airports Division.

R E C I T A L S

- A. The Authority and Concessionaire are parties to a November 17, 2025 Advertising Program and Internet Protocol Television Concession Agreement (“Concession Agreement”).
- B. The Concession Agreement prohibits Concessionaire from assigning, hypothecating, encumbering, or transferring the contract or any Concessionaire’s rights, duties, or obligations under the contract without the Authority’s prior written consent.
- C. On June 8, 2026, the Authority received a letter from Concessionaire giving notice that Concessionaire’s parent company, Clear Channel Outdoor Holdings, Inc., entered into an Agreement and Plan of Merger (“Merger Agreement”) with Madison Parent Inc. and Madison Merger Sub Inc. on February 9, 2026. The proposed merger will result in Clear Channel Outdoor Holdings, Inc. being a wholly-owned subsidiary of Madison Parent Inc. and Concessionaire has requested the Authority’s consent to the associated assignment of the Concession Agreement.

NOW, THEREFORE, the Authority declares as follows:

- 1. Consent.** The Authority consents to the assignment of the Concession Agreement that will result from the completion of the merger provided for in the Merger Agreement. This Consent does not amend the Concession Agreement, which shall remain in full force and effect without any modification following the completion of the merger provided for in the Merger Agreement.
- 2. Reservation of Rights.** Neither the assignment provided for in the Merger Agreement nor the Authority’s consent thereto shall release Concessionaire from any liabilities or obligations arising under the Concession Agreement. Nothing in this Consent waives any defaults by the Concessionaire that may exist under the Concession Agreement, and the Authority reserves all of its rights and remedies with respect to any such defaults.

EXECUTED:

Burbank-Glendale-Pasadena Airport Authority

Tyron Hampton, President

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
SEPTEMBER 8, 2026**

**APPROVAL OF AMENDMENT NO. 2
PROFESSIONAL SERVICES AGREEMENT
ON-CALL ARCHITECTURAL AND ENGINEERING SERVICES**

Prepared by Vincent Nguyen
Director of Engineering

SUMMARY

At its meeting on September 2, 2026, the Executive Committee (“Committee”) voted unanimously (3–0) to recommend that the Commission approve a proposed Amendment No. 2 (“Amendment”), copy attached, to the Professional Services Agreement (“PSA”) with HNTB Corporation (“HNTB”). The Amendment proposes to:

1. Exercise the first of the two available one-year extension options and extend the contract to December 17, 2027.
2. Increase the amount of the PSA by \$500,000 to provide for continued on-call architectural and engineering services (“A/E Services”), resulting in a revised not-to-exceed amount of \$1,175,000.

BACKGROUND

On December 18, 2023, the Commission awarded a three-year contract with two one-year extension options to HNTB for on-call A/E Services with a not-to-exceed contract limit of \$375,000. On October 20, 2025, the Commission approved Amendment No.1 which increased the contract value by \$300,000. The original contract amount authorized under the PSA was intentionally established at a modest level to allow for time to assess the level of on-call A/E Services that would be needed to supplement staff in addressing a wide range of airport projects and operational needs.

To date, fourteen task orders have been issued under the PSA totaling \$672,288.25. These tasks generally provided support for projects ranging from structural condition assessment of existing structures, electrical design for shuttle EV chargers, tenant improvement project, pavement rehabilitation design, construction management for the Replacement Parking Structure elevator and the Southeast Quadrant Reconfiguration, as well as the pavement condition rating analysis for Federal Aviation Administration compliance.

For the past two years, HNTB has provided responsive, high-quality services and has remained in good standing with the Authority. HNTB has the technical breadth, understanding of aviation, and specialized expertise needed to efficiently support the Authority’s ongoing engineering needs.

The proposed Amendment will provide the flexibility for the Authority to continue addressing time-sensitive and critical engineering tasks, including limited design on electrical infrastructure upgrades, Regional Intermodal Transportation Center detention

basin improvements, project support for minor pavement improvements, quality assurance testing, and other unforeseen needs. While staff continues to provide project leadership and oversight, the current overall workload exceeds available internal resources. Design services also require specialized technical expertise that must be maintained through dedicated practice areas. Utilizing on-call services allows the Authority to efficiently supplement staff capacity and access specialized expertise when needed.

BUDGET IMPACT

Appropriations for the on-call A/E Services in the amount of \$250,000 were included in the FY 2027 adopted budget. Funding appropriations from July 2027 to December 2027 will be included in the FY 2028 budget request. Unless otherwise authorized, task orders requiring funding greater than \$75,000 will be presented to the Commission for its consideration and approval.

RECOMMENDATION

At its meeting on September 2, 2026, the Committee voted unanimously (3–0) to recommend that the Commission approve the proposed Amendment for continued on-call A/E Services and authorize the President to execute the same.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
SEPTEMBER 8, 2026**

**BROCHURE RACK CONCESSION AGREEMENT AND
SECOND AMENDMENT TO CONCESSION AND LEASE AGREEMENT
CERTIFIED TRAVEL MEDIA, LLC**

Prepared by Derrick Cheng
Manager, Business & Properties

SUMMARY

At its meeting on September 2, 2026, the Executive Committee (“Committee”) voted unanimously (3–0) to recommend that the Commission approve a proposed Second Amendment to Concession and Lease Agreement (“Second Amendment”) and a new Brochure Rack Concession Agreement (“New Agreement”) with Certified Travel Media, LLC (“Certified Travel Media”), copies attached. Certified Travel Media formerly was known as Certified Folder Display, Inc. (“Certified Folder”).

The proposed Second Amendment will: (1) consent to Certified Folder’s transfer of interest to Certified Travel Media resulting from Certified Travel Media’s parent company, CTM Media Group, Inc. (“CTM”) acquiring Certified Folder; and (2) terminate the current contract on the existing terminal’s closing date scheduled to be October 12, 2026. The proposed new Agreement will provide for Certified Travel Media’s continued placement of brochure display racks in the Customer Service Building of the Regional Intermodal Transportation Center (“RITC”) once the Replacement Passenger Terminal (“RPT”) has opened.

BACKGROUND

On November 12, 2015, the Commission awarded a Concession and Lease Agreement (“Original Agreement”) to Certified Folder for the installation, maintenance and operation of five brochure display racks providing information on activities and attractions in the Burbank/Los Angeles local area and the Southern California region.

The brochure display racks are located in Terminal A and B Baggage Claim, Terminal A main entrance and in the Customer Service Building on the second floor of the RITC.

The First Amendment to the Original Agreement extended the term of the contract through December 31, 2026.

In July 2026, Staff was informed that Certified Folder was acquired by CTM on January 5, 2026. CTM desires to continue its operations under the Original Agreement as Certified Travel Media.

The proposed Second Amendment will: (1) consent to Certified Folder’s transfer of interest resulting from the change in ownership; and (2) terminate the Original Agreement as of

October 12, 2026. Upon termination, Certified Travel Media will be required to remove its brochure display racks from the existing terminal.

Neither the change in ownership nor the Authority's consent releases Certified Folder, CTM or Certified Travel Media from any of the liabilities and obligations arising under the Original Agreement.

Concurrently, Certified Travel Media desires to enter into the proposed New Agreement to continue its operation in the Customer Service Building located on the second floor of the RITC. Certified Travel Media will remove and replace the two existing brochure display racks with two upgraded brochure display racks as well as add two additional brochure display racks.

The proposed New Agreement is for an initial term of three years and allows the Executive Director to approve two additional one-year extension options. Monthly rent will be 25% of the monthly gross revenue which is the current rent under the Original Agreement.

DETAILS

Key components of the proposed New Agreement are:

<u>Premises:</u>	4 brochure display racks in the Customer Service Building located on the second floor of the RITC
<u>Term:</u>	Three years (October 13, 2026, through October 12, 2029)
<u>Extension Options:</u>	Two, one-year extension options
<u>Termination:</u>	Sixty days' prior written notice by either party
<u>Rent:</u>	25% Gross Revenue
<u>Other:</u>	Executive Director authorized to approve the one-year extension requests

REVENUE IMPACT

The proposed New Agreement will generate revenue for the Authority in the amount of 25% of Certified Travel Media's gross revenue. Staff estimates this to be approximately \$1,316.73 per month or \$15,800.76 per year, based on Certified Travel Media's gross revenue from Fiscal Year 2025-2026.

RECOMMENDATION

At its meeting on September 2, 2026, the Committee voted (3-0) to recommend that the Commission approve the proposed Second Amendment and the proposed New Agreement, and to authorize the President to execute the same.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
SEPTEMBER 8, 2026**

**AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT
FOR TRAFFIC MANAGEMENT SUPPORT**

Prepared by Stephanie Gunawan-Piraner
Deputy Executive Director, Planning and Development

SUMMARY

At its meeting on September 2, 2026, the Executive Committee ("Committee") voted unanimously (3–0) to recommend that the Commission:

- 1.) Approve a proposed Amendment No. 1 ("Amendment"), copy attached, to the Professional Services Agreement ("PSA") with LAZ Parking California, LLC ("LAZ"). The proposed Amendment will increase the original contract value of \$74,368.29 by \$55,341, resulting in a not-to-exceed amount of \$129,709.29.
- 2.) Approve a contingency of \$20,000, or approximately 15%, of the total contract value to cover any other unforeseen changes.

BACKGROUND

On July 7, 2026, pursuant to the Authority Expenditure Policy, the Executive Director executed a PSA with LAZ to support the traffic management activities in relation to the Replacement Passenger Terminal ("RPT") project construction along Hollywood Way, from Winona Avenue to Thornton Avenue. This off-site RPT work is required as part of the Authority's Development Agreement with the City of Burbank ("City"). The construction work reconfigures Hollywood Way to modify turn lanes and to include bikeways and bioswales.

Due to the nature of the work, traffic closure implementations along Hollywood Way and adjacent streets are required. In discussion with the City of Burbank Traffic division, deploying traffic officers/directors was highly recommended to ensure impacts to the public's access to the terminal could be addressed and mitigated. Outside of the City Police Department and the Airport Police Department, LAZ is the only entity that the City allows to direct traffic on public streets.

Currently, the PSA with LAZ has a not-to-exceed amount of \$74,368.29 providing approximately 900 hours of as-needed service. It was difficult to anticipate the level of effort and the hours that would be required due to the absence of information on the severity of anticipated traffic impacts. In addition, the contractor has revised the construction schedule to accelerate work and meet schedule. To date, approximately 800 hours of available time have been utilized. While there has been no significant impact on the passengers due to construction, Staff believes it is necessary to amend the PSA to increase the contract limit to provide 700 additional hours to ensure impacts remain minimal.

FUNDING

The adopted FY 2027 budget includes appropriations for the RPT Project which will accommodate these traffic management support expenditures.

RECOMMENDATION

At its meeting on September 2, 2026, the Committee voted unanimously (3–0) to recommend that the Commission approve the Amendment with LAZ for additional traffic management support services and a contingency to address any unforeseen requirements.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
SEPTEMBER 8, 2026**

**APPROVAL OF AID-IN-CONSTRUCTION DEPOSIT
TO CITY OF BURBANK
REPLACEMENT PASSENGER TERMINAL PROJECT**

Presented by Perry Martin
Jacobs - Sr. Program Manager

SUMMARY

At its meeting on September 2, 2026, the Executive Committee ("Committee") voted unanimously (3–0) to recommend that the Commission approve an Aid-In-Construction ("AIC") deposit request, copy attached, from the City of Burbank ("City") on behalf of Burbank Water and Power ("BWP") for the Replacement Passenger Terminal ("RPT") electrical power infrastructure.

1. **\$19,670,093** – Design Builder Contract

BACKGROUND

On December 19, 2022, the Commission awarded Holder, Pankow, TEC – A Joint Venture ("HPTJV") a design-build agreement for the RPT Project. Construction is progressing well with the October 13, 2026, opening in sight. The project team, including airport staff, Jacobs Project Management staff and members of the HPTJV design-build team, continues to coordinate with BWP representatives to implement permanent power to the RPT and ancillary facilities.

The power implementation sequence for the RPT is as follows:

- **Phase 1:** 3.5 MVA temporary power for construction trailers and equipment, distributed through existing infrastructure built as part of the Avion development. Energization was completed in July 2025.
- **Phase 2:** 17 MVA temporary power for commissioning and opening the RPT to the public. Two additional feeders from the Ontario substation are required. Energization was completed in December 2025.
- **Phase 3:** Permanent power that will feed the RPT on a long-term basis. BWP will decommission the Clybourn substation and will use its existing infrastructure to transmit power to the location of the new substation. The substation is expected to be completed and energized by 2028/2029. Power from Phase 2 will be deenergized once the substation is operational.

The City expects to execute a contract with a design-builder by the end of the year for construction of the community substation that will provide permanent power to the RPT.

The estimated cost for the design-builder scope of work is estimated at \$19,670,093, bringing the total projected cost to date for both the temporary power and the new community substation to \$70,253,937.

Date	Amount	Purpose
Sep-26	\$19,670,093	AIC - Design-Builder Contract
Nov-25	\$17,689,970	AIC - 69kV Sub-transmission lines (substructure & cable install, inspections, Clybourn conversion)
Oct-25	\$1,130,334	Task Order Amendment - Additional scope for BWP switch yard that will serve the new community substation
Aug. 2025	\$6,000,000	AIC - Phase 3 – Convert sub transmission electrical lines only from overhead to underground, on Clybourn Ave and Sherman Way to replace 4kV distribution overhead lines with 12kV distribution lines. (Taken from Owner Contingency)
Aug-25	\$712,570	AIC - Phase 1 & 2 - 17 MVA temporary power, engineering, substructure inspection and Clybourn substation 12kV conversion (engineering, labor, material and equipment).
Aug-25	\$2,050,000	AIC - Phase 3 (permanent power) substation engineering, procurement, construction (EPC) contract award deposit.
Jun-25	\$225,000	AIC - Phase 3 engineering of community substation
Oct-24	\$3,228,200	AIC - Temporary Terminal Power Phase 2 - 12kV
Oct-24	\$7,110,070	AIC - 17 MVA Distribution Substructure and Phase 2 Inspections
Sept-24	\$9,257,700	AIC - Phase 3 (Permanent Power) to order long-lead time items for the proposed new 12kV community substation
Sept-24	\$200,000	AIC - Phase 3 (Permanent Power) transmission and distribution engineering for the substation.
Aug-24	\$860,000	AIC - Phase 1 & 2 engineering and balance of 12kV distribution materials and labor to bring construction power.
Aug-24	\$100,000	AIC - Phase 2 engineering to bring temporary 17MVA power.
Jun-24	\$40,000	AIC - BWP site inspector for the electrical substructure installation, manholes, conduit placement, concrete encasement, slurry backfill, compaction, mandrelling conduit, etc. for temporary Phase 1 power.
Sept-23	\$1,411,000	AIC - Additional material and labor cost to bring temp Phase 2 power.
Jun-23	\$494,000	AIC - Procurement and installation of cabling and switches for the feeder lines for Phase 1, construction power.
Mar-23	\$50,000	AIC - Electrical power requirement feasibility study.
Sep-22	\$25,000	AIC - Electrical power requirement feasibility study.
Total to date	\$70,253,937	

BWP will charge against the AIC deposits for the actual costs and quantities. Any remaining funds will either be refunded or credited to future work.

Based on evaluations conducted by the project management team, BWP's feasibility study, and an independent review by the retired General Manager and Chief Engineer of the Los Angeles Department of Water and Power, the project team concluded that a community substation is the most practical and beneficial power solution for the RPT Project.

This approach allows power to be shared between the City and the Authority, offering significant operational and infrastructure benefits to both parties. The Electrical Service Agreement ("ESA") between the City and the Authority has been fully executed, formalizing the arrangement and enabling implementation of the new community substation.

BWP intends to commence procurement of a design-builder in Q4 2026 to design and construct the new community substation, which is expected to be completed in 2028/2029.

This request is based on the previous BWP procurements of substations of similar size in Burbank. The finalized scope with the selected design-builder will be coordinated with the Authority to ensure alignment with the ESA and overall project funding strategy.

FUNDING

The proposed AIC deposit will be funded by the Owner's Contingency budget.

To date, \$30,544,793 has been executed through Task Order Amendments, leaving a current balance of \$25,455,207. However, after accounting for this AIC deposit, projected future drawdowns and credits, the remaining contingency balance is estimated at \$1,859,051.

Original Budget	Authorized to Date	Current Balance	Projected Draw Downs	Estimate at Completion	Remaining Balance
\$56,000,000	\$30,544,793	\$25,455,207	\$23,596,156	\$54,140,949	\$1,859,051

RECOMMENDATION

At its meeting on September 2, 2026, the Committee voted unanimously (3–0) to recommend that the Commission approve the proposed AIC deposit to the City in the amount of \$19,670,093 and authorize staff to remit payment.



**WATER AND
POWER**

September 16, 2025

Hollywood Burbank Airport
2627 N Hollywood Way
Burbank, CA 91505
Attn: Stephanie Gunawan-Piraner

Re: Phase 3 (Permanent Power) Substation Design-Build for Hollywood Burbank Airport Replacement Terminal

Dear Ms. Gunawan-Piraner:

Burbank Water and Power (BWP) requires the payment of an aid-in-construction deposit, in accordance with the rules and regulations, to recover costs incurred by the Department for providing electric service as part of Burbank-Glendale-Pasadena Airport Authority's ("Burbank Airport") BUR Replacement Passenger Terminal Project ("Project") at 2761 N. Hollywood Way. The aid-in-construction deposit for substation build will allow BWP to align with the Burbank Airport's proposed construction schedule while Burbank Airport and BWP negotiate agreements for a substation agreement (together with all amendments, restatements or modifications, the "Agreement"). If the Agreement is executed, this AIC deposit will then be accounted for within the Agreement. This AIC payment due date shall be in accordance with the payment milestones in the Agreement. By paying this deposit, Burbank Airport acknowledges the terms of this letter and that the Agreement must be executed before the award of the Design-Build contract for the substation. This AIC letter does not constitute the City of Burbank's approval of the Project or the Agreement. The estimated cost related to the above project is as follows:

Substation Design-Build \$19,670,093

TOTAL amount to be paid by the customer **\$19,670,093**

The \$19,670,093 is a deposit that will be credited toward the actual charges for this project. Payment of the above amount must be received before work is started by our Department.

The check should be made payable to the City of Burbank. If mailed, please address the envelope to Burbank Water and Power, ATTN: Jessica Chen, 164 W. Magnolia Blvd., Burbank, CA 91502. Payments by check must match the customer account previously created by BWP with the bill-to information provided. BWP will not accept any payments nor refund any accounts that do not match the customer account. Please verify that the name addressed on this letter matches the check you intend to make payment with. Please include the cashier's receipt checklist with your mailed payment to ensure proper payment processing.

Should you have any further questions, or identify any discrepancies, please call Jessica Chen of our Engineering Department at 818-238-3549.

Sincerely,

Bobola Akerson
Principal Electrical Engineer



October 17, 2025

Ms. Mandip Kaur Samra
General Manager
Burbank Water And Power
164 West Magnolia Boulevard
Burbank, CA 91502

Via Email; Original via U.S. Mail

Subject: Electric Service Agreement

Dear Ms. Samra:

I write on behalf of the Burbank-Glendale-Pasadena Airport Authority ("Authority") with reference to its August 15, 2025 Electrical Services Agreement with the City of Burbank ("City"). Specifically, I am writing in connection with Section 5(a), which sets estimated due dates for the Authority's payments subject to the City's good faith diligent efforts to complete the community substation work under the contract. As currently listed, the estimated due date for AIC Payment #6 (\$19,670,093) is shown as November 2025.

Per discussions with your staff and Jacobs Project Management, it is my understating that AIC Payment #6 is for the contract between the City and the community substation design-builder expected to be awarded between Quarter 2 and 3 of Calendar Year 2027. Based on these discussions, and timing of anticipated award of contract, the Authority respectfully requests the City defer issuance of an invoice for AIC Payment #6 until September 2026. Such a deferral will allow the Authority to remit this payment in October 2026 and better manage its cash flow for the Replacement Passenger Terminal Project.

Please advise if this proposed revised submittal date for AIC Payment #6 is acceptable at your earliest convenience. Your consideration is appreciated.

Sincerely,



John T. Hatanaka
Executive Director

cc: V. Akerson, BWP
K. David, BGPAA
D. Kwon, BGPAA
R. Johnson, Jacobs Project Management Co.
P. Martin, Jacobs Project Management Co.

NOV 12 8:37AM

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
SEPTEMBER 8, 2026**

**APPROVAL OF AMENDMENT NO. 4 TO PROFESSIONAL SERVICES AGREEMENT WITH
ALLIED UNIVERSAL SECURITY SERVICES AND ADDITIONAL APPROVAL OF MUTUAL
TERMINATION OF INSPECTION SERVICES REIMBURSEMENT AGREEMENT WITH MCS
BURBANK AND HG BURBANK; APPROVAL OF INSPECTION SERVICES
REIMBURSEMENT AGREEMENT WITH MCS BURBANK AND MRG BURBANK**

Presented by Ray Hunting
Manager, Security and Badging

SUMMARY

Staff seeks Commission approval of three items to facilitate the transition of consumer item inspection services from the existing terminal to the Replacement Passenger Terminal ("RPT"):

- i) a proposed Amendment No. 4 ("Amendment") to the Professional Services Agreement ("PSA") with Universal Protection Service LP dba Allied Universal Security Services ("Allied") for airport security, traffic control and consumer item inspection services. The Amendment exercises the second of two one-year extension options, adjusts the fee schedule for the November 2026 - October 2027 contract year, updates the federal requirements exhibit, and provides an opportunity for Allied to receive a revocable, no-fee license to use RPT office space at the sole discretion of the Authority.
- ii) a proposed Mutual Termination of Inspection Services Reimbursement Agreement ("Mutual Termination") with MCS Burbank LLC ("MCS") and HG Burbank JV ("Hudson"). The Mutual Termination will end a 2018 Inspection Reimbursement Services Agreement ("2018 Reimbursement Agreement") between the Authority, MCS, and Hudson that addresses payment for consumer item inspection services in the existing passenger terminal.
- iii) a proposed Inspection Services Reimbursement Agreement ("2026 Reimbursement Agreement") with MCS and MRG Burbank LLC ("MRG"). The 2026 Reimbursement Agreement addresses payment for consumer item inspection services in the RPT.

At its meeting on August 17, 2026, the Operations and Development Committee ("Committee") voted unanimously (2-0) to recommend that the Commission approve the proposed Amendment. However, due to the change in retail concessionaire, the scheduled relocation of goods and materials into the RPT by both food service and retail concessionaires, security inspections requirement of such items into the RPT, the proposed Mutual Termination and the proposed 2026 Reimbursement Agreement were prepared after that meeting and were not presented to the Committee. As the Amendment with Allied covers concessionaire inspection services and reimbursements, these two agreements are being presented directly to the Commission for its consideration.

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BACKGROUND

MCS and Hudson respectively are the food service concessionaire and the retail concessionaire in the existing passenger terminal. Historically, the Transportation Security Administration ("TSA") provided the inspection screening of consumer item authorized employees at the terminal's security checkpoints. As passenger traffic increased, TSA had less time available to screen the concessionaires' goods and the result was detrimental to the concessionaires' operations. There were shortages of merchandise and consumables, as well as delays in passengers obtaining merchandise and services from MCS and Hudson.

The Commission addressed this matter in October 2018 by approving a contract with Allied for consumer item inspection services. Concurrently, the Commission approved the 2018 Reimbursement Agreement to ensure that MCS and Hudson fully reimbursed the Authority for the cost of Allied's consumer item inspection services. The concessionaires are separately invoiced on a monthly basis for 50% of shared services and for any additional services that they have requested be performed for their particular concession.

Currently, in addition to consumer item inspections, Allied performs airport security and traffic control services. These services are provided under the PSA, which was approved by the Commission in October 2022. The PSA has a three-year base term from November 1, 2022, through October 31, 2025, with two one-year extension options. The Commission exercised the first extension option and the PSA is set to expire on October 31, 2026. The scope of airport security, traffic control, and consumer item inspection services under the PSA are:

- (i) **Perimeter Security:** Per the security directives issued by TSA, the Authority is required to provide "positive control" and identification of each person that has access to the Secured Area of the Airport. Part of this positive control requires staffing by security personnel at checkpoints on the airfield to verify the identity of each person physically and if that person is authorized to enter the Secured Area. Additional airport security services may be authorized on an as-needed basis.
- (ii) **Aviation Workers Screening:** Per the National Amendment by TSA, the Authority is required to provide random screening of employees going from the public areas of the terminal to Security Identification Display Areas or Sterile Areas. Employees are being screened for explosives, weapons, and incendiary devices
- (iii) **Traffic Control:** To ensure vehicular flow and pedestrian safety from the congestion generated by the increasing vehicle activity on the airport loop roadway, traffic control personnel are stationed starting from the crosswalk located next to the short-term parking structure to past Terminal B. Traffic control personnel also manage vehicle activity along the terminal curb front and at the rideshare pickup location as needed.
- (iv) **Airport Consumer Item Inspection:** Inspection of commercial merchandise and consumables by screened individuals within the Sterile Area of the terminal for any prohibited item as well as allowing entry in this area by approved Security Identification Display Area badge holders. This specific service is fully reimbursable by the food service and retail concessionaires.

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PROPOSED MUTUAL TERMINATION

The proposed Mutual Termination will be executed by the Authority, MCS, and Hudson. This document will end the 2018 Reimbursement Agreement as of October 13, 2026. However, MCS and Hudson will be invoiced for reimbursement of the Authority's final payment to Allied for airport consumer item inspection services performed in the existing passenger terminal. The concessionaires will have 30 days to remit the payment.

PROPOSED 2026 REIMBURSEMENT AGREEMENT

The proposed 2026 Reimbursement Agreement will be executed by the Authority, MCS, and MRG. This contract essentially is the same as the 2018 Reimbursement Agreement. MCS and MRG will be separately invoiced on a monthly basis for 50% of shared consumer item inspection services in the RPT and for any additional services that they have requested be performed for their particular concession.

PROPOSED AMENDMENT

The proposed Amendment will be executed by the Authority and Allied. This document exercises the second extension option so that the PSA will expire on October 31, 2027. The proposed Amendment also will approve a 2027 fee schedule in which the hourly rates for Airport Security Supervisors, Consumer Item Inspection Officers, Employee Screening Officers, RPT Officers, and TNC Lot Officers would increase from \$39.33 to \$40.96 (4.14%). The hourly rates for SIDA Checkpoint Officers and Vehicle Traffic Control Officers would increase from \$33.08 to \$34.70 (4.90%). The associated holiday/overtime bill rates would increase by the same percentages.

Although the proposed fee increases exceed the Consumer Price Index (CPI) by 0.84% or 1.6% based on the type of position, staff believes approval is in the Authority's best interest. Allied has consistently met the Authority's operational requirements, and maintaining the current contractor will provide continuity of operations during the Authority's transition to the RPT. The extension also will provide Staff the time to (i) evaluate a potential revision to the scope of services necessary to support the operation of the RPT and (ii) issue a Request for Proposals for these services.

The proposed revisions are listed below.

Position	2026 Rate	2027 Rate	% Increase
Airport Security Supervisor, Consumer Item Inspection, Employee Screening Officer, RPT, TNC Lot	\$39.33	\$40.96	4.14%
SIDA Checkpoint Officer, Vehicle Traffic Control Officer, Vehicle Traffic Control Officer (TNC)	\$33.08	\$34.70	4.90%

The proposed Amendment includes the addition of a new provision to the Agreement to allow Allied to obtain office space in the RPT to support the security, traffic control, and consumer item inspection services at the Airport. The new provision allows such space to be granted on a revocable, no fee license basis at the sole discretion of the Authority pursuant to operating

memoranda executed by the Executive Director. Under the new provision, the Executive Director will be authorized to execute, modify, or cancel such operating memoranda without additional Commission action.

BUDGET IMPACT

During the extension term, the Agreement's authorized not-to-exceed amount for Allied will remain limited to the appropriations included in the Authority's adopted budget. The appropriations in the adopted FY27 budget includes the request for an above-CPI rate increase. Airport consumer item inspection services are activity-based and fully reimbursable by the in-terminal concessionaires throughout the fiscal year.

RECOMMENDATION

Staff seeks Commission approval of the proposed Mutual Termination with MCS and Hudson, the proposed 2026 Reimbursement Agreement with MCS and MRG, and the proposed Amendment with Allied, and authorization for the President to execute the same.

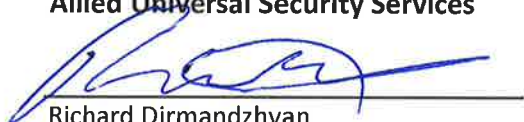


Hollywood Burbank Airport
2027 Security Fee Schedule
7/13/2026

2026 Security Bill Rate Schedule (Effective 11/1/2025 thru 10/31/2026)		
Post Description	Regular Hourly Rate	Holiday/Overtime Bill Rate
Airport Security Supervisor(s)	\$39.33	\$59.00
Consumer Items Inspections	\$39.33	\$59.00
Employee Screening Officer	\$39.33	\$59.00
RPT	\$39.33	\$59.00
TNC Lot	\$39.33	\$59.00
SIDA Checkpoint Officer	\$33.08	\$49.62
Vehicle Traffic Control Officer	\$33.08	\$49.62
Vehicle Traffic Control Officer TNC	\$33.08	\$49.62

2027 Security Bill Rate Schedule (Effective 11/1/2026 thru 10/31/2027)		
Post Description	Regular Hourly Rate	Holiday/Overtime Bill Rate
Airport Security Supervisor(s)	\$40.96	\$61.44
Consumer Items Inspections	\$40.96	\$61.44
Employee Screening Officer	\$40.96	\$61.44
RPT	\$40.96	\$61.44
TNC Lot	\$40.96	\$61.44
SIDA Checkpoint Officer	\$34.70	\$52.05
Vehicle Traffic Control Officer	\$34.70	\$52.05
Vehicle Traffic Control Officer TNC	\$34.70	\$52.05

Allied Universal Security Services


Richard Dirmandzhyan
General Manager

8-11-2026
Dated

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
SEPTEMBER 8, 2026**

**AMENDMENT TO LEASE NOS. LCA01775 & LCA02701
GENERAL SERVICES ADMINISTRATION**

Presented by Thomas J. Henderson
Director, Business & Properties

SUMMARY

At its meeting on July 20, 2026, the Finance and Administration Committee ("Committee") voted (3-0) to recommend that the Commission approve proposed Lease Amendments ("Amendments") with the General Services Administration ("GSA") to comply with the language modification mandated under Executive Order No. 14398. The Lease Amendments are for the 2011 Hangar Lease and the 2023 Terminal Space Lease executed by the Authority and GSA.

BACKGROUND

On May 16, 2011, GSA was awarded a fifteen-year Hangar Lease for Hangar 34 for the purpose of housing a modular office unit. Hangar 34 is located in the northwest quadrant of the Airport and is comprised of 40,344 square feet of hangar space. The Hangar Lease has been amended to extend the term through May 25, 2027, to allow staff additional time for the completion of the new long-term contract and to accommodate GSA's internal procedures for approval.

On May 15, 2023, the Commission approved a Terminal Space Lease with GSA on behalf of the Transportation Security Administration ("TSA") for 3,500 square feet of exclusive use office space in the east concourse of the Airport. This contract will expire upon the opening of the Replacement Passenger Terminal and closure of the existing Terminal.

On June 12, 2026, Staff received Lease Amendments from GSA which incorporate language required under Executive Order 14398 regarding contractual requirements involving Diversity, Equity and Inclusion practices by federal contractors.

REVENUE IMPACT

The proposed Lease Amendments do not have an impact on the terms of the contracts or the rental revenue derived from them which is currently \$930,955 per year for the Hangar Lease and \$147,770 per year for the Terminal Space Lease.

RECOMMENDATION

At its meeting on July 20, 2026, the Committee voted (3-0) to recommend that the Commission approve the proposed Lease Amendments with GSA and authorize the President to execute the same.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
SEPTEMBER 8, 2026**

**TERMINAL SPACE LEASE
GENERAL SERVICES ADMINISTRATION**

Presented by
Thomas J. Henderson
Director, Business & Properties

SUMMARY

At its meeting on August 17, 2026, the Finance and Administration Committee ("Committee") voted (2–0, 1 absent) to recommend that the Commission approve a new Terminal Space Lease ("Lease") with the United States of America ("USA"), acting through the General Services Administration ("GSA") on behalf of the Transportation Security Administration ("TSA") for 4,379 square feet of exclusive office space at the Replacement Passenger Terminal ("RPT").

BACKGROUND

On May 15, 2023, the Authority awarded a Lease to the GSA on behalf of the TSA for 3,500 square feet of exclusive office space located in the East Concourse of the existing terminal.

On June 23, 2025, the Lease was amended so that the expiration date would be the opening of the RPT.

TSA reached out to Staff requesting a Lease for 4,379 square feet of exclusive office space at the RPT.

The proposed new Lease is for a term of ten years. Under the terms of the proposed Lease, the first five years of the Lease are a firm commitment. During the second five-year period, the GSA reserves the right to terminate the agreement upon 30 days' prior written notice should the TSA no longer oversee security measures at the Airport.

The rental rate for the proposed Lease is \$916,130.59 per year for years 1 through 5 and \$1,207,771.99 per year for years 6 through 10. The rental rate was developed by the Authority's Airport Consultant, Ricondo & Associates, and is based on a weighted average of the Authority's projected rate increase at the RPT over a 10-year period.

The GSA is currently a tenant in good standing and has met all its obligations under its current Lease.

DETAILS

Key components of the proposed Lease are:

Premises:	4,379 square feet of exclusive office space within the RPT
Term:	10 years commencing on October 13, 2026
Year 1-5 Rent:	\$916,130.59 per year or \$76,344.22 per month
Year 5-10 Rent:	\$1,207,771.99 per year or \$100,647.67 per month
Termination:	GSA reserves the right to terminate the lease with 30 days' prior written notice if (i) regularly scheduled commercial air services cease, (ii) the Authority opts to replace TSA screeners with private contractors, (iii) the checkpoint supported by the leased space is closed, or (iv) TSA reduces its presence at the airport due to a reduction in enplanements
<u>Other:</u>	Lessor is responsible for utilities and maintenance of the leased spaces

REVENUE IMPACT

The proposed Lease will address the TSA's space requirement in the RPT.

RECOMMENDATION

At its meeting on August 17, 2026, the Committee voted (2-0, 1 absent) to recommend that the Commission approve the proposed new Lease with the GSA and authorize the President to execute the same.

**STAFF REPORT PRESENTED TO THE
BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY
SEPTEMBER 8, 2026**

**REPLACEMENT PASSENGER TERMINAL
DAY ONE PARKING PROGRAM –
STEP-UP DAILY RATES, EMPLOYEE PARKING RATE,
AND ELECTRIC VEHICLE CHARGING RATE**

Presented by Scott Kimball
Deputy Executive Director, Business Development

SUMMARY

At its meeting on July 20, 2026, the Commission considered parking rates for the Replacement Passenger Terminal (“RPT”) Day One parking configuration and directed Staff to return with an analysis of a “step-up” rate structure for the RPT Parking Structure’s Self-Park and Valet operations. As directed, Staff has evaluated opening the RPT Parking Structure at daily rates of \$49 for Self-Park and \$59 for Valet, which would be effective from October 13, 2026, through June 30, 2027, with rates stepping up to the originally recommended \$54 for Self-Park and \$68 for Valet effective July 1, 2027. The remote Lots F and G would remain at \$28 and \$24 per day, respectively, as originally presented. Staff recommends that the Commission approve this step-up rate structure along with the originally presented rates for remote Lots F and G.

Additionally, Staff evaluated the current monthly employee parking rate of \$17 per month for tenant employees at the Airport, which has not changed since the early 1990s. In consideration of additional costs incurred to convert Lot C into the new Employee Lot, and increases in operations and maintenance costs (“O&M”) for the Employee Lot over the past three decades, Staff recommends that the Commission approve an Employee Lot monthly rate increase to \$30 per month.

Lastly, after the Commission’s approval of the Blink Network, LLC (“Blink”) agreement and discussions provided at its August 17, 2026 meeting, Staff performed additional analysis on the market rates of commercial electric vehicle (“EV”) charging stations throughout the Cities of Burbank, Glendale, and Pasadena and projected operating costs for the Authority’s EV chargers. Based on this analysis Staff recommends the Commission approve an initial EV charging rate of \$0.50 per kilowatt-hour (“kWh”), with no session or occupancy fees, for the Self-Park EV charging stalls and a flat \$20.00 handling fee for Valet EV charging.

RPT DAY ONE PARKING RATES: STEP-UP RATE ANALYSIS

At the Commission’s meeting on July 20, 2026, Staff presented the results of the parking rate analysis prepared by the Airport Consultant, Ricondo & Associates, Inc. (“Ricondo”), in support of the RPT Day One parking configuration. Ricondo’s recommended daily rates were \$68 for the RPT Structure Valet operation, \$54 for the RPT Structure Self-Park operation, \$28 for remote Lot F, and \$24 for remote Lot G. These rates were developed to allow the Authority to support the debt service associated with the RPT Parking Structure — approximately \$5.4 million in Fiscal Year (“FY”) 2027 and \$16.8 million annually thereafter — along with the increased shuttle O&M costs to serve to Southeast Quadrant remote lots.

-1-

The initially proposed RPT Day One parking rates were established to be competitive with other Southern California airports and approximately 10% to 31% below Los Angeles International Airport (“LAX”) parking rates for equivalent parking products.

Following discussion, the Commission directed Staff to explore a step-up approach that would open the RPT Parking Structure at reduced Self-Park and Valet rates through the remainder of FY 2027 and transition to the originally recommended rates at the start of FY 2028. The proposed daily rate structure is presented below:

	October 13, 2026 – June 30, 2027	Effective July 1, 2027
RPT Structure – Valet	\$59	\$68
RPT Structure - Self-Park	\$49	\$54
Remote Lot F	\$28	\$28
Remote Lot G	\$24	\$24

The step-up rate structure would moderate the increase experienced by customers relative to existing parking rates, which are currently \$42 for the Short Term Parking Structure and \$40 per day for Valet, and would support a smoother transition during the RPT opening period when the new parking products are unfamiliar to the traveling public. It would also allow Staff to collect actual parking demand and utilization data before the full rates take effect. The trade-offs are the reduction in FY 2027 parking revenue described below and the need to administer a second rate change on July 1, 2027, which will require advance public notice, updated signage, and reprogramming of the parking access and revenue control system (“PARCS”) by the RPT PARCS vendor, Flash Parking.

As the reduced rates would be in effect during the first eight-and-a-half months of RPT operation, a period falling entirely within FY 2027, Staff requested that Jacobs Project Management (“Jacobs”) perform a supplemental analysis to determine whether the step-up rate structure would still allow the Authority to meet FY 2027 budgeted parking revenues. This analysis is in addition to Ricondo’s original rate analysis, which remains the basis for the recommended rates in this report.

Jacobs modeled the step-up rate structure using actual Airport parking transaction and revenue data through June 2026, together with benchmarked price elasticity assumptions drawn from comparable airport parking markets. The model held the remote Lot F and Lot G rates constant and evaluated the effect of the reduced RPT Structure rates on both revenue per transaction and the distribution of demand across the Day One parking products.

Jacobs’ analysis indicates that the step-up rate structure would generate approximately \$1.0 million less in FY 2027 parking revenue than implementation of the originally recommended rates on the opening day of the RPT. The gross rate reduction is partially, but not fully, offset by higher projected retention of demand within the RPT Parking Structure at the lower price points. Notwithstanding this variance, the projections indicate a high likelihood that the adopted FY

2027 budgeted parking revenues of \$35,504,000 would still be met under the step-up rate structure.

This conclusion carries an important caveat: it assumes that passenger activity performs in line with the assumptions underlying the FY 2027 adopted budget, which is premised on 6,375,000 total passengers. A material shortfall in passenger activity, or slower-than-projected utilization of the RPT Parking Structure during the opening ramp-up period, could reduce the likelihood of meeting budgeted parking revenues.

Staff will continually monitor actual parking activity and may update how the ramp up to the maximum daily rate will be implemented to help address supply and demand. Staff plans to implement the following ramp up on Day One, which may be updated based on operational needs or to help stimulate demand if the Authority sees decreased parking activity that may reduce the likelihood of meeting budgeted parking revenues:

	First 1 hour	Each Additional 30 minutes	Maximum Daily Rate Reached	Proposed Daily Rate - Day One
RPT Structure - Valet	\$59	N/A	Immediately	\$59
RPT Structure - Self-Park	\$9	\$5	5 Hours	\$49
Remote Lot F	\$5	\$3	4.5 Hours	\$28
Remote Lot G	\$5	\$3	4 Hours	\$24

This ramp up to the maximum daily rate for all Self-Park options is comparable to other Southern California airports such as LAX, ONT, and LGB. These airports ramp up to their maximum daily rates anywhere between 2 to 7 hours. Additionally, this allows for short-term parkers of the RPT Structure to have a more affordable pricing option.

For Valet operations, there are 400 available spaces out of 2,000 in the RPT Structure. This parking product is considered the most premium at BUR from a convenience and walkability standpoint. However, the Authority also incurs the highest labor costs for Valet compared to Self-Park options, and much of the Valet handling costs are incurred regardless of whether a customer parks short-term or long-term.

EMPLOYEE PARKING MONTHLY RATE

In addition to the public parking pricing, Staff also evaluated the current tenant employee parking rate charged by the Authority. As part of the RPT parking reconfiguration, the Authority is converting its remote Lot C into the new Employee Lot and the current Employee Lot (Lot B) will be closed as required under the Development Agreement with the City of Burbank. There are approximately 1,200 active tenant parkers who utilize the Employee Lot, which is priced at \$17 per month. The current tenant employee parking rate of \$17 per month has remained unchanged since the 1990s. Over that period, the costs associated with operating and maintaining employee parking facilities—including security, lighting, pavement maintenance, access control, administration, shuttle services, and capital improvements—have increased substantially. As a result, the existing rate no longer represents a reasonable contribution toward the cost of providing this service.

Staff evaluated the monthly employee parking rates that are publicly published at other Southern California airports, and determined an increase to a \$30 per month rate would be appropriate as the Authority transitions to the RPT and moves employee parking:

	Monthly Employee Parking Rates
BUR – Proposed	\$30
ONT	\$50
LGB	\$20/50*
LAX	\$60

*LGB has 2 employee lot options (remote & structure)

Increasing the monthly tenant employee parking rate to \$30 would establish a more appropriate level of cost recovery while continuing to provide tenant employees with parking at a substantially discounted rate. At \$30 per month, the cost remains less than approximately \$1 per day for the employee. The proposed adjustment therefore represents a measured modernization of a rate that has remained unchanged for over three decades, while maintaining affordability for tenant employees and providing additional revenue to support the ongoing operation, maintenance, and improvement of the Authority's employee parking program.

ELECTRIC VEHICLE CHARGING RATE

At its meeting on August 17, 2026, the Commission approved an agreement with Blink for access to Blink's EV charging platform for its 299 charging ports in the RPT Parking Structure. Staff has since determined a recommended initial rate of \$0.50 per kWh for Self-Park EV charging, with no session fee and no occupancy fee, as an appropriate initial rate to cover Burbank Water and Power electricity costs of approximately \$0.30 per kWh and other ongoing O&M costs. Staff also benchmarked this rate against a sample of public chargers (includes Blink, ChargePoint, Electrify America, Tesla, EVgo) not owned and subsidized by the Cities of Burbank, Glendale, and Pasadena, as summarized below:

	Proposed RPT Rate	Sampled Commercial Chargers - Burbank, Glendale, Pasadena
Energy Rate	\$0.50 per kWh	\$0.48 - \$0.72 per kWh
Session Fee	None	Up to \$0.49 per session
Occupancy Fee	None	Up to \$5.00 per hour

The proposed rate places the Authority at the low end of the surveyed range on energy price and below the surveyed operators on ancillary fees, consistent with the approach of remaining competitive within the regional market.

For Valet parkers requesting EV charging services, Staff recommends a flat handling fee of \$20 instead of a per kWh rate. While Self-park customers would charge their vehicle through the use of the Blink app on their mobile devices, a Valet customer would not have this option as one of

the Valet runners would have to utilize a RFID keycard to provide EV charging to the vehicles. Additionally, a flat \$20 fee would cover the majority of the electricity cost of charging a typical EV battery (approximately 75 kWh) from 10% to 100% and should offset some of the labor costs of the valet runner's additional time needed to charge these vehicles. Also, because the Valet EV chargers will not have a programmed kWh rate, the Authority will receive 100% of the \$20 fee that will be charged through the new PARCS instead of through the Blink platform. All Self-Park EV charging sessions are processed through the Blink platform where 10% of the revenues are shared with Blink pursuant to the Blink agreement.

As all the EV chargers will be under warranty with first year software subscription fees being covered by the Design-Builder, Staff recommends implementing this competitive EV charger pricing structure for RPT Day One operations while Staff monitors charger utilization, dwell times, and cost recovery following the RPT opening. Staff will return to the Commission if adjustments are warranted once enough EV charging activity data has been obtained.

FISCAL IMPACT

Adoption of the step-up rate structure is projected to reduce FY 2027 parking revenue by approximately \$1.0 million relative to implementation of the originally recommended rates on the opening day of the RPT. Based on the Jacobs analysis, FY 2027 budgeted parking revenues are still projected to be met, provided that passenger activity performs in line with budgeted assumptions. Parking revenue is subject to the City of Burbank's 12% parking tax, and the reduction in gross parking revenue would produce a corresponding reduction in the associated tax remittance. The step-up to the full recommended rates effective July 1, 2027, aligns those rate levels with the FY 2028 budget cycle and with the increase in annual RPT Parking Structure debt service to approximately \$16.8 million beginning in FY 2028.

Tenant employee parking currently generates approximately \$20,000 per month or \$240,000 per year and, assuming the same number of active tenant parkers, would increase to \$36,000 per month or \$432,000 per year if the Commission approves the recommended rate increase. This additional increase in revenues would also help offset the projected \$1.0 million decrease in Self-Park and Valet revenues from the step-up rate structure for the RPT Parking Structure in FY 2027.

EV charging is a new service the Authority is required to provide under the Burbank ordinance, so no data is available to project the fiscal impact during FY 2027. However, Staff does not expect EV charging revenue to be materially significant in FY 2027.

RECOMMENDATION

Staff recommends that the Commission approve the following, effective October 13, 2026:

1. Day One parking rates for the RPT Parking Structure of \$59 per day for Valet and \$49 per day for Self-Park, effective October 13, 2026 through June 30, 2027;
2. A step-up to \$68 per day for Valet and \$54 per day for Self-Park, effective July 1, 2027;
3. Daily parking rates of \$28 for remote Lot F and \$24 for remote Lot G;
4. Monthly employee parking rate of \$30 effective November 1, 2026; and

5. An initial Self-Park EV charging rate of \$0.50 per kWh, with no session fee and no occupancy fee, and a flat \$20 handling fee for Valet EV charging sessions.

**AMENDMENT NO. 1 TO
PROFESSIONAL SERVICES AGREEMENT**
(Burbank-Glendale-Pasadena Airport Authority / HNTB Corporation)

This Amendment No. 1 ("First Amendment") to the December 18, 2023 Professional Services Agreement ("Agreement") executed by the Burbank-Glendale-Pasadena Airport Authority ("Authority"), a California joint powers agency, and HNTB Corporation ("Consultant"), a Delaware Corporation, is dated October 20, 2025 for reference purposes.

RECITALS

- A. The parties executed the Agreement to provide for the Authority's retention of Contractor as an independent contractor to provide on-call architectural and engineering consulting services.
- B. The parties desire to amend the Agreement to: (i) increase the contract limit; and (ii) update the federal requirements exhibit.

NOW, THEREFORE, the parties agree as follows:

1. **Amendment of Section 1.** Paragraph (E) of Section 1 (Definitions) of the Agreement is amended to read as follows:

"E. "Contract Limit": 675,000.00"

2. **Substitution of Exhibit E-1.** The attached Exhibit E-1 is substituted for Exhibit E of the Agreement. All references in the Agreement to Exhibit E shall be deemed to refer to the attached Exhibit E-1.

3. **Counterparts.** This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same document.

4. **Preservation of Agreement.** Except as expressly modified by this First Amendment, all of the provisions of the Agreement shall remain unaltered and in full force and effect. In the event of a conflict between the provisions of this First Amendment and the provisions of the Agreement, the provisions of this First Amendment shall control.

[SIGNATURES ON FOLLOWING PAGE]

EXHIBIT E-1
AIP Project Federal Requirements

References in this Exhibit to "Contractor" shall be deemed to refer to Consultant. Consultant shall: (i) insert these provisions in each lower tier contract; (ii) incorporate the requirements of these provisions by reference for work done under any purchase orders, rental agreements, and other agreements for supplies or services; and (iii) be responsible for compliance with these provisions by any subcontractor, lower-tier subcontractor, or service provider.

1. Access to Records and Reports

Consultant must maintain an acceptable cost accounting system. Consultant agrees to provide the Authority, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers and records of Consultant which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. Consultant agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

2. Breach of Contract Terms

A. Any violation or breach of terms of this contract on the part of Consultant or its subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement.

B. The Authority will provide Consultant written notice that describes the nature of the breach and corrective actions Consultant must undertake in order to avoid termination of the contract. The Authority reserves the right to withhold payments to Consultant until such time Consultant corrects the breach or the Authority elects to terminate the contract. The Authority's notice will identify a specific date by which Consultant must correct the breach. The Authority may proceed with termination of the contract if Consultant fails to correct the breach by the deadline indicated in the Authority's notice.

C. The duties and obligations imposed by the contract documents and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

3. General Civil Rights Provisions

A. In all its activities within the scope of its airport program, the Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

B. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

C. The above provision binds the Contractor and subcontractors from the bid solicitation period through the completion of the contract.

4. Civil Rights – Title VI Assurance

A. During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor") agrees to comply with the following non-discrimination statutes and authorities: including but not limited to:

1. Title VI of the Civil Rights Act of 1964 (42 USC § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
2. 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
3. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
4. Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
5. The Age Discrimination Act of 1975, as amended (42 USC § 6101 et seq.) (prohibits discrimination on the basis of age);
6. Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
7. The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
8. Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, et seq) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
9. The Federal Aviation Administration's Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
10. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination

includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [70 Fed. Reg. 74087 (2005)]:

11. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 1681, et seq).

B. During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor"), agrees as follows:

1. Compliance with Regulations: The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

2. Nondiscrimination: The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex, age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

3. Solicitations for Subcontracts, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the contractor's obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

4. Information and Reports: The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance: In the event of a Contractor's noncompliance with the non-discrimination provisions of this contract, the Sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

a. Withholding payments to the Contractor under the contract until the Contractor complies; and/or

b. Cancelling, terminating, or suspending a contract, in whole or in part.

6. Incorporation of Provisions: The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the Sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the Sponsor to enter into any litigation to protect the interests of the Sponsor. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

5. Clean Air and Water Pollution Control

A. Consultant agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Clean Air Act (42 USC §§ 7401-7671q) and the Federal Water Pollution Control Act as amended (33 USC §§ 1251-1387). Consultant agrees to report any violation to the Authority immediately upon discovery. The Authority assumes responsibility for notifying the Environmental Protection Agency (EPA) and the Federal Aviation Administration.

B. Consultant must include this requirement in all subcontracts that exceed \$150,000.

6. Certification of Offeror/Bidder Regarding Debarment

A. By submitting a bid/proposal under this solicitation, the offeror certifies that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.

B. The successful offeror, by administering each lower tier subcontract that exceeds \$25,000 as a "covered transaction", must confirm each lower tier participant of a "covered transaction" under the project is not presently debarred or otherwise disqualified from participation in this federally-assisted project. The successful offeror will accomplish this by:

1. Checking the System for Award Management at website:
<http://www.sam.gov>.

2. Collecting a certification statement similar to the Certification of Offeror/Bidder Regarding Debarment, above.

3. Inserting a clause or condition in the covered transaction with the lower tier contract.

C. If the Federal Aviation Administration later determines that a lower tier participant failed to disclose to a higher tier participant that it was excluded or disqualified at the time it

entered the covered transaction, the FAA may pursue any available remedies, including suspension and debarment of the non-compliant participant.

7. **Disadvantaged Business Enterprises**

A. **Contract Assurance (49 CFR § 26.13)** – The Contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

1. Withholding monthly progress payments;
2. Assessing sanctions;
3. Liquidated damages; and/or
4. Disqualifying the Contractor from future bidding as non-responsible.

B. **Prompt Payment (49 CFR § 26.29)** – The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contractor receives from the Authority. The prime contractor agrees further to return retainage payments to each subcontractor within 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Authority. This clause applies to both DBE and non-DBE subcontractors.

C. **Termination of DBE Subcontracts (49 CFR § 26.53(f))** –

1. The prime contractor must not terminate a DBE subcontractor listed in response to the Disadvantaged Business Enterprises section of the solicitation for this Agreement (or an approved substitute DBE firm) without prior written consent of the Authority. This includes, but is not limited to, instances in which the prime contractor seeks to perform work originally designated for a DBE subcontractor with its own forces or those of an affiliate, a non-DBE firm, or with another DBE firm.

2. The prime contractor shall utilize the specific DBEs listed to perform the work and supply the materials for which each is listed unless the contractor obtains written consent the Authority. Unless the Authority's consent is provided, the prime contractor shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE.

3. The Authority may provide such written consent only if the Authority agrees, for reasons stated in the concurrence document, that the prime contractor has good cause to terminate the DBE firm. For purposes of this paragraph, good cause includes the circumstances listed in 49 CFR §26.53.

4. Before transmitting to the Authority its request to terminate and/or substitute a DBE subcontractor, the prime contractor must give notice in writing to the DBE subcontractor, with a copy to the Authority, of its intent to request to terminate and/or substitute, and the reason for the request.

5. The prime contractor must give the DBE five days to respond to the prime contractor's notice and advise the Authority and the contractor of the reasons, if any, why it objects to the proposed termination of its subcontract and why the Authority should not approve the prime contractor's action. If required in a particular case as a matter of public necessity (e.g., safety), the Authority may provide a response period shorter than five days.

6. In addition to post-award terminations, the provisions of this section apply to preaward deletions of or substitutions for DBE firms put forward by offerors in negotiated procurements.

8. Distracted Driving

A. In accordance with Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving", (10/1/2009) and DOT Order 3902.10, "Text Messaging While Driving", (12/30/2009), the Federal Aviation Administration encourages recipients of Federal grant funds to adopt and enforce safety policies that decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing work related to a grant or subgrant.

B. In support of this initiative, the Authority encourages Consultant to promote policies and initiatives for its employees and other work personnel that decrease crashes by distracted drivers, including policies that ban text messaging while driving motor vehicles while performing work activities associated with the project. Consultant must include the substance of this clause in all sub-tier contracts exceeding \$10,000 that involve driving a motor vehicle in performance of work activities associated with the project.

9. Domestic Preferences for Procurements

The offeror certifies by signing and submitting this proposal that, to the greatest extent practicable, the offeror has provided a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including, but not limited to, iron, aluminum, steel, cement, and other manufactured products) in compliance with 2 CFR § 200.322.

10. Federal Fair Labor Standards Act

A. All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, et seq. the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part-time workers.

B. Consultant has full responsibility to monitor compliance to the referenced statute or regulation. Consultant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

11. Certification Regarding Lobbying

A. The Bidder or Offeror certifies by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Bidder or Offeror, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

B. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

12. Occupational Safety and Health Act

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

13. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment.

Consultant and subcontractor agree to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or equipment in compliance with the National Defense Authorization Act [Public Law 115-232 § 889(f)(1)].

14. Termination of Contract

A. Termination for Convenience.

1. The Authority may, by written notice to the Consultant, terminate this Agreement for its convenience and without cause or default on the part of Consultant. Upon receipt of the notice of termination, except as explicitly directed by the Authority, Consultant must immediately discontinue all services affected.

2. Upon termination of the Agreement, Consultant must deliver to the Authority all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

3. The Authority agrees to make just and equitable compensation to Consultant for satisfactory work completed up through the date Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

4. The Authority further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

B. Termination for Cause.

1. Either party may terminate this Agreement for cause if the other party fails to fulfill its obligations that are essential to the completion of the work per the terms and conditions of the Agreement. The party initiating the termination action must allow the breaching party an opportunity to dispute or cure the breach.

2. The terminating party must provide the breaching party seven days advance written notice of its intent to terminate the Agreement. The notice must specify the nature and extent of the breach, the conditions necessary to cure the breach, and the effective date of the termination action. The rights and remedies in this clause are in addition to any other rights and remedies provided by law or under this agreement.

a. Termination by Authority: The Authority may terminate this Agreement for cause in whole or in part, for the failure of Consultant to:

1. Perform the services within the time specified in this contract or by the Authority approved extension;

2. Make adequate progress so as to endanger satisfactory performance of the services; or

3. Fulfill the obligations of the Agreement that are essential to the completion of the services.

Upon receipt of the notice of termination, Consultant must immediately discontinue all services affected unless the notice directs otherwise. Upon termination of the Agreement, Consultant must deliver to the Authority all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

The Authority agrees to make just and equitable compensation to Consultant for satisfactory work completed up through the date Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

The Authority further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

If, after finalization of the termination action, the Authority determines Consultant was not in default of the Agreement, the rights and obligations of the parties shall be the same as if the Authority issued the termination for the convenience of the Authority.

b. Termination by Consultant: Consultant may terminate this Agreement for cause in whole or in part, if the Authority:

1. Defaults on its obligations under this Agreement;
2. Fails to make payment to Consultant in accordance with the terms of this Agreement;
3. Suspends the project for more than 180 days due to reasons beyond the control of Consultant.

Upon receipt of a notice of termination from Consultant, the Authority agrees to cooperate with Consultant for the purpose of terminating the agreement or portion thereof, by mutual consent. If the Authority and Consultant cannot reach mutual agreement on the termination settlement, Consultant may, without prejudice to any rights and remedies it may have, proceed with terminating all or parts of this Agreement based upon the Authority's breach of the contract.

In the event of termination due to Authority breach, Consultant is entitled to invoice the Authority and to receive full payment for all services performed or furnished in accordance with this Agreement and all justified reimbursable expenses incurred by Consultant

through the effective date of termination action. The Authority agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

15. Veteran's Preference

In the employment of labor (excluding executive, administrative, and supervisory positions). Consultant and all sub-tier contractors must give preference to covered veterans as defined within Title 49 United States Code Section 47112. Covered veterans include Vietnam-era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns (as defined by 15 USC § 632) owned and controlled by disabled veterans. This preference only applies when there are covered veterans readily available and qualified to perform the work to which the employment relates.

**AMENDMENT NO. 2 TO
PROFESSIONAL SERVICES AGREEMENT**
(Burbank-Glendale-Pasadena Airport Authority / HNTB Corporation)

This Amendment No. 2 (“Second Amendment”) to the December 18, 2023 Professional Services Agreement (“Agreement”) executed by the Burbank-Glendale-Pasadena Airport Authority (“Authority”), a California joint powers agency, and HNTB Corporation (“Consultant”), a Delaware Corporation, is dated September 8, 2026 for reference purposes.

R E C I T A L S

- A. The parties executed the Agreement to provide for the Authority’s retention of Contractor as an independent contractor to provide on-call architectural and engineering consulting services.
- B. The parties executed an October 20, 2025 Amendment No. 1 (“First Amendment”) to the Agreement to: (i) increase the contract limit; and (ii) update the federal requirements exhibit.
- C. The parties desire to amend the Agreement to: (i) extend the term; (ii) increase the contract limit; and (ii) update the federal requirements exhibit.

NOW, THEREFORE, the parties agree as follows:

- 1. Amendment of Section 1.** Paragraphs (E), (F), and (G) of Section 1 (Definitions) of the Agreement are amended to read as follows:

“E. ‘Contract Limit’: 1,175,000.

F. ‘Executive Director’: John T. Hatanaka or a duly authorized designee or successor.

G. ‘Expiration Date’: December 17, 2027 unless extended as provided below.”

- 2. Amendment of Section 3.** Paragraph B of Section 3 (Term) of the Agreement is amended to read as follows:

“B. The parties acknowledge that the Authority has exercised its first extension option. The Authority shall have one additional extension option by which it may extend the term of this Agreement by one year in its sole discretion. To exercise the extension option, the Authority shall give written notice to Consultant on or before November 17, 2027.”

- 3. Substitution of Exhibit E-2.** The attached Exhibit E-2 is substituted for Exhibit E-1 of the Agreement. All references in the Agreement to Exhibit E shall be deemed to refer to the attached Exhibit E-2.

- 4. Counterparts.** This Second Amendment may be executed in any number of counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same document.

EXHIBIT E-2

AIP Project Federal Requirements

References in this Exhibit to “Contractor” shall be deemed to refer to Consultant. References in this Exhibit to “Sponsor” shall be deemed to refer to the Authority. Consultant shall: (i) insert these provisions in each lower tier contract; (ii) incorporate the requirements of these provisions by reference for work done under any purchase orders, rental agreements, and other agreements for supplies or services; and (iii) be responsible for compliance with these provisions by any subcontractor, lower-tier subcontractor, or service provider.

1. Access to Records and Reports

Consultant must maintain an acceptable cost accounting system. Consultant agrees to provide the Authority, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers and records of Consultant which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. Consultant agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

2. Breach of Contract Terms

A. Any violation or breach of terms of this contract on the part of Consultant or its subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement.

B. The Authority will provide Consultant written notice that describes the nature of the breach and corrective actions Consultant must undertake in order to avoid termination of the contract. The Authority reserves the right to withhold payments to Consultant until such time Consultant corrects the breach or the Authority elects to terminate the contract. The Authority’s notice will identify a specific date by which Consultant must correct the breach. The Authority may proceed with termination of the contract if Consultant fails to correct the breach by the deadline indicated in the Authority’s notice.

C. The duties and obligations imposed by the contract documents and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

3. General Civil Rights Provisions

A. In all its activities within the scope of its airport program, the Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin, creed, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

B. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

C. The above provision binds the Contractor and subcontractors from the bid solicitation period through the completion of the contract.

4. Civil Rights – Title VI Assurance

A. During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

1. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);

2. 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964) including amendments thereto;

3. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

4. Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);

5. The Age Discrimination Act of 1975, as amended (42 U.S.C. § 6101 et seq.) (prohibits discrimination on the basis of age);

6. Airport and Airway Improvement Act of 1982 (49 U.S.C. § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);

7. The Civil Rights Restoration Act of 1987 (P.L. 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

8. Titles II and III of the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101, et seq) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;

9. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. § 1681, et seq).

B. During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”), agrees as follows:

1. Compliance with Regulations: The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

2. Nondiscrimination: The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin, creed, sex, age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21 including amendments thereto.

3. Solicitations for Subcontracts, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the Contractor’s obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

4. Information and Reports: The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance: In the event of a Contractor’s noncompliance with the non-discrimination provisions of this contract, the Sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

a. Withholding payments to the Contractor under the contract until the Contractor complies; and/or

b. Cancelling, terminating, or suspending a contract, in whole or in part.

6. Incorporation of Provisions: The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the Sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the Sponsor to enter into any litigation to protect the interests of the Sponsor. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

5. Clean Air and Water Pollution Control

A. Consultant agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Clean Air Act (42 U.S.C. §§ 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. §§ 1251-1387). Consultant agrees to report any violation to the Authority immediately upon discovery. The Authority assumes responsibility for notifying the Environmental Protection Agency (EPA) and the Federal Aviation Administration.

B. Consultant must include this requirement in all subcontracts that exceed \$150,000.

6. Certification of Offeror/Bidder Regarding Debarment

A. By submitting a bid/proposal under this solicitation, the offeror certifies that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.

B. The successful offeror, by administering each lower tier subcontract that exceeds \$25,000 as a “covered transaction”, must confirm each lower tier participant of a “covered transaction” under the project is not presently debarred or otherwise disqualified from participation in this federally-assisted project. The successful offeror will accomplish this by:

1. Checking the System for Award Management at website: <http://www.sam.gov>.

2. Collecting a certification statement similar to the Certification of Offeror/Bidder Regarding Debarment, above.

3. Inserting a clause or condition in the covered transaction with the lower tier contract.

C. If the Federal Aviation Administration later determines that a lower tier participant failed to disclose to a higher tier participant that it was excluded or disqualified at the time it

entered the covered transaction, the FAA may pursue any available remedies, including suspension and debarment of the non-compliant participant.

7. Disadvantaged Business Enterprises

A. Contract Assurance (49 CFR § 26.13) – The Contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Contractor shall carry out applicable requirements of 49 CFR Part 26, including any amendments thereto, in the award and administration of DOT-assisted contracts. Failure by the Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

1. Withholding monthly progress payments;
2. Assessing sanctions;
3. Liquidated damages; and/or
4. Disqualifying the Contractor from future bidding as non-responsible.

B. Prompt Payment (49 CFR § 26.29) – The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contractor receives from the Authority. The prime contractor agrees further to return retainage payments to each subcontractor within 30 days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Authority. This clause applies to both DBE and non-DBE subcontractors.

C. Termination of DBE Subcontracts (49 CFR § 26.53(f)) –

1. The prime contractor must not terminate a DBE subcontractor listed in response to the Disadvantaged Business Enterprises section of the solicitation for this Agreement (or an approved substitute DBE firm) without prior written consent of the Authority. This includes, but is not limited to, instances in which the prime contractor seeks to perform work originally designated for a DBE subcontractor with its own forces or those of an affiliate, a non-DBE firm, or with another DBE firm.

2. The prime contractor shall utilize the specific DBEs listed to perform the work and supply the materials for which each is listed unless the contractor obtains written consent of the Authority. Unless the Authority's consent is provided, the prime contractor shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE.

3. The Authority may provide such written consent only if the Authority agrees, for reasons stated in the concurrence document, that the prime contractor has good cause to terminate the DBE firm. For purposes of this paragraph, good cause includes the circumstances listed in 49 CFR §26.53.

4. Before transmitting to the Authority its request to terminate and/or substitute a DBE subcontractor, the prime contractor must give notice in writing to the DBE subcontractor, with a copy to the Authority, of its intent to request to terminate and/or substitute, and the reason for the request.

5. The prime contractor must give the DBE five days to respond to the prime contractor's notice and advise the Authority and the contractor of the reasons, if any, why it objects to the proposed termination of its subcontract and why the Authority should not approve the prime contractor's action. If required in a particular case as a matter of public necessity (e.g., safety), the Authority may provide a response period shorter than five days.

6. In addition to post-award terminations, the provisions of this section apply to pre-award deletions of or substitutions for DBE firms put forward by offerors in negotiated procurements.

8. Distracted Driving

A. In accordance with Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving", (10/1/2009) and DOT Order 3902.10, "Text Messaging While Driving", (12/30/2009), the Federal Aviation Administration encourages recipients of Federal grant funds to adopt and enforce safety policies that decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing work related to a grant or subgrant.

B. In support of this initiative, the Authority encourages Consultant to promote policies and initiatives for its employees and other work personnel that decrease crashes by distracted drivers, including policies that ban text messaging while driving motor vehicles while performing work activities associated with the project. Consultant must include the substance of this clause in all sub-tier contracts exceeding \$10,000 that involve driving a motor vehicle in performance of work activities associated with the project.

9. Domestic Preferences for Procurements

The offeror certifies by signing and submitting this proposal that, to the greatest extent practicable, the offeror has provided a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including, but not limited to, iron, aluminum, steel, cement, and other manufactured products) in compliance with 2 CFR § 200.322.

10. Federal Fair Labor Standards Act

A. All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR Part 201, et seq, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part-time workers.

B. Consultant has full responsibility to monitor compliance to the referenced statute or regulation. Consultant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

11. Certification Regarding Lobbying

A. The Bidder or Offeror certifies by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Bidder or Offeror, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

B. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 31 U.S.C. § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

12. Occupational Safety and Health Act

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. The

employer must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The employer retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR Part 1910). The employer must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

13. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment.

Consultant and subcontractor agree to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or equipment in compliance with the National Defense Authorization Act P.L. 115-232 § 889(f)(1).

14. Prohibition of Covered Unmanned Aircraft Systems (UAS).

A. The offeror certifies that they are aware of and comply with relevant Federal statutes and regulations, including those from the Federal Aviation Administration (FAA), for operating unmanned aircraft systems (UAS) in accordance, and in compliance with all related requirements in the FAA Reauthorization Act of 2024 (Public Law 118-63), section 936 (49 U.S.C. § 44801 note).

B. Consultant warrants that all UAS operations will be conducted in full compliance with all applicable FAA regulations, including but not limited to 14 CFR Part 107, and any other applicable local, state, or Federal laws and regulations.

C. Sponsors and subgrant recipients cannot use AIP grant funds to enter into, extend, or renew a contract related to covered UAS. This includes both procurement and operational contracts, as well as contracts with entities that operate such systems.

15. Termination of Contract

A. Termination for Convenience.

1. The Authority may, by written notice to Consultant, terminate this Agreement for its convenience and without cause or default on the part of Consultant. Upon receipt of the notice of termination, except as explicitly directed by the Authority, Consultant must immediately discontinue all services affected.

2. Upon termination of the Agreement, Consultant must deliver to the Authority all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

3. The Authority agrees to make just and equitable compensation to Consultant for satisfactory work completed up through the date Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

4. The Authority further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

B. Termination for Cause.

1. Either party may terminate this Agreement for cause if the other party fails to fulfill its obligations that are essential to the completion of the work per the terms and conditions of the Agreement. The party initiating the termination action must allow the breaching party an opportunity to dispute or cure the breach.

2. The terminating party must provide the breaching party seven days advance written notice of its intent to terminate the Agreement. The notice must specify the nature and extent of the breach, the conditions necessary to cure the breach, and the effective date of the termination action. The rights and remedies in this clause are in addition to any other rights and remedies provided by law or under this agreement.

a. Termination by Authority: The Authority may terminate this Agreement for cause in whole or in part, for the failure of Consultant to:

1. Perform the services within the time specified in this contract or by the Authority approved extension;

2. Make adequate progress so as to endanger satisfactory performance of the services; or

3. Fulfill the obligations of the Agreement that are essential to the completion of the services.

Upon receipt of the notice of termination, Consultant must immediately discontinue all services affected unless the notice directs otherwise. Upon termination of the Agreement, Consultant must deliver to the Authority all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

The Authority agrees to make just and equitable compensation to Consultant for satisfactory work completed up through the date Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

The Authority further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

If, after finalization of the termination action, the Authority determines Consultant was not in default of the Agreement, the rights and obligations of the parties shall be the same as if the Authority issued the termination for the convenience of the Authority.

b. Termination by Consultant: Consultant may terminate this Agreement for cause in whole or in part, if the Authority:

1. Defaults on its obligations under this Agreement;
2. Fails to make payment to Consultant in accordance with the terms of this Agreement;
3. Suspends the project for more than 180 days due to reasons beyond the control of Consultant.

Upon receipt of a notice of termination from Consultant, the Authority agrees to cooperate with Consultant for the purpose of terminating the agreement or portion thereof, by mutual consent. If the Authority and Consultant cannot reach mutual agreement on the termination settlement, Consultant may, without prejudice to any rights and remedies it may have, proceed with terminating all or parts of this Agreement based upon the Authority's breach of the contract.

In the event of termination due to Authority breach, Consultant is entitled to invoice the Authority and to receive full payment for all services performed or furnished in accordance with this Agreement and all justified reimbursable expenses incurred by Consultant through the effective date of termination action. The Authority agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

16. Veteran's Preference

In the employment of labor (excluding executive, administrative, and supervisory positions), Consultant and all sub-tier contractors must give preference to covered veterans as defined within 49 U.S.C. § 47112. Covered veterans include Vietnam-era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns (as defined by 15 U.S.C. § 632) owned and controlled by disabled veterans. This preference only applies when there are covered veterans readily available and qualified to perform the work to which the employment relates.

PROFESSIONAL SERVICES AGREEMENT

(Burbank-Glendale-Pasadena Airport Authority / HNTB Corporation)

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is dated December 18, 2023, for reference purposes and is executed by the Burbank-Glendale-Pasadena Airport Authority ("Authority"), a California joint powers agency, and HNTB Corporation ("Consultant"), a Delaware corporation.

RECITALS

A. The Authority owns and operates the Bob Hope Airport (commonly known as Hollywood Burbank Airport) ("Airport") and desires to retain Consultant as an independent contractor to provide the following professional services: on-call architectural and engineering consulting services.

B. Consultant represents that it is fully qualified to perform such work by virtue of the training and experience of its personnel.

NOW, THEREFORE, the parties agree as follows:

1. Definitions. In addition to the terms defined above, the following definitions shall apply for purposes of this Agreement:

A. "Account Manager": .

B. "Airport Rules and Regulations": July 1, 2023, Airport Rules and Regulations or any successor adopted by the Authority Commission.

C. "Commencement Date": December 18, 2023.

D. "Contract Administrator": Stephanie Gunawan-Piraner or a duly authorized designee.

E. "Contract Limit": \$375,000.00

F. "Executive Director": Frank R. Miller or a duly authorized designee.

G. "Expiration Date": December 17, 2026, unless extended as provided below.

H. "Federal Requirements" the federal requirements set forth in the attached Exhibit E, which requirements are applicable to projects funded by an Airport Improvement Program grant from the Federal Aviation Administration.

I. "Fee Schedule": the fee schedule set forth in the attached Exhibit B.

J. "Indemnitees": the Authority, TBI, the Cities of Burbank, Glendale and Pasadena, and the respective officers, agents, employees and volunteers of each such entity.

K. "Insurance Requirements": the insurance requirements set forth in the attached Exhibit D.

L. "Services": the tasks set forth in the attached Exhibit A.

M. "Task Order": a written work order, in the form set forth in the attached Exhibit C, that specifies an architectural or engineering assignment to be performed by Consultant.

N. "TBI": TBI Airport Management, Inc.

2. Services.

A. Consultant shall perform the Services in a timely, regular basis in accordance with the Federal Requirements and applicable laws. Time is of the essence in the performance of this Agreement.

B. Consultant shall perform the Services on a Task Order basis. Each Task Order shall be executed and dated, by the Contractor Administrator on the Authority's behalf and by the Account Manager on Consultant's behalf, prior to Consultant's commencement of work on the project. Task Orders shall be numbered sequentially and shall be subject to all terms and conditions of this Agreement.

C. Consultant shall perform all work to the highest professional standards and in a manner reasonably satisfactory to the Authority. Consultant shall consult the Contract Administrator for any decisions that must be made by the Authority. Consultant shall promptly notify the Contract Administrator of any unsafe condition that Consultant discovers at the Airport.

D. In the event any claim is brought against the Authority relating to Consultant's performance of the Services, Consultant shall provide any reasonable assistance and cooperation that the Authority might require.

3. Term.

A. The base term of this Agreement shall be three years commencing on the Commencement Date and expiring on the Expiration Date, unless earlier terminated as provided below.

B. The Authority shall have two options by which it may extend the term of this Agreement by one year at a time in its sole discretion. The extension options may be exercised sequentially or concurrently. To exercise an extension option, the Authority shall give written notice to Consultant at least 30 days prior to the then-scheduled expiration date.

C. If Consultant breaches this Agreement and fails to cure such breach within seven days of written notice from the Contract Administrator, then the Authority may immediately

terminate this Agreement for cause. Either party may terminate this Agreement for convenience upon 15 days prior written notice to the other party.

4. Compensation.

A. The Authority shall compensate Consultant for performance of the Services, and Consultant agrees to accept as full satisfaction for such work, payment according to the Fee Schedule. In no event shall the compensation payable to Consultant under this Agreement exceed the Contract Limit.

B. Consultant shall submit monthly invoices to the Authority for the Services. Each invoice shall itemize the work performed during the billing period and the amount due. Within 10 business days of receipt of each invoice, the Authority shall notify Consultant in writing of any disputed amounts on the invoice. Within 30 calendar days of receipt of each invoice, the Authority shall pay all undisputed amounts on the invoice. The Authority shall not withhold applicable taxes or other authorized deductions from the payments, and Consultant shall pay all required taxes on the payments.

5. Independent Contractor Status. Consultant is, and shall at all times remain as to the Authority, an independent contractor. Consultant shall have no power to incur any debt, obligation, or liability on behalf of the Authority or to act otherwise on behalf of the Authority as an agent. Neither the Authority nor any of its officers, employees, agents or volunteers shall have control over the conduct of Consultant except as set forth in this Agreement.

6. Airport Rules and Regulations. Consultant shall comply with the Airport Rules and Regulations. Consultant acknowledges that the Airport Rules and Regulations are available on the Authority's webpage (hollywoodburbankairport.com), and Consultant may obtain a hard copy from the Authority upon request. Violations of the Airport Rules and Regulations by Consultant or its personnel shall be punishable as stated in the Airport Rules and Regulations including by administrative fines.

7. COVID-19 Exposure Notice. If Consultant learns that any Authority or TBI employee has a potential COVID-19 exposure from contact at the Airport with a qualifying individual (as defined in Labor Code Section 6409.6) employed by Consultant in the performance of the Services, then Consultant shall notify the Authority of that fact within one business day. Consultant's obligation under this section shall survive expiration or termination of this Agreement.

8. Work Product Ownership. All reports, documents, or other written material developed by Consultant in the performance of this Agreement shall be and remain the property of the Authority without limitation upon use or dissemination by the Authority.

9. Confidentiality. Consultant shall preserve the confidentiality of all nonpublic data, documents, discussion or other information that is developed or received by it in connection with this Agreement. Consultant shall not disclose such information without the prior written authorization of the Executive Director. Upon request, all Authority data shall be returned to the

Authority at expiration or termination of this Agreement. Consultant's obligations under this section shall survive expiration or termination of this Agreement.

10. Conflict of Interest. Consultant shall not maintain or acquire any financial interest that may be affected by the Services. Consultant shall avoid the appearance of having any financial interest that would conflict in any manner with the Services.

11. Indemnification.

A. Indemnity for Design Professional Services. To the fullest extent permitted by law, Consultant shall indemnify and hold harmless the Indemnitees from and against any and all claims, demands, damages, liabilities, losses, costs or expenses, including reimbursement of reasonable attorneys' fees and costs of defense (collectively "Claims"), whether actual, alleged or threatened, which arise out of, pertain to, or relate to, in whole or in part, the negligence, recklessness or willful misconduct of Consultant, its officers, employees, subcontractors or agents (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of design professional services under this Agreement by a "design professional" as the term is defined under Civil Code Section 2782.8(c)(2).

B. Other Indemnities. Other than in the performance of design professional services, and to the fullest extent permitted by law, Consultant shall defend, hold harmless and indemnify the Indemnitees from and against any and all claims, demands, damages, liabilities, losses, costs or expenses, including reasonable attorneys' fees and costs of defense (collectively, "Damages"), in law or equity, which arise out of, pertain to, or relate to the acts or omissions of Consultant, its officers, employees, subcontractors, or agents (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of this Agreement, including the payment of all consequential damages, except for such loss or damage arising from the sole negligence or willful misconduct of the Authority, as determined by final arbitration or court decision or by the agreement of the parties. Consultant shall defend Indemnitees in any action or actions filed in connection with any such Damages with counsel reasonably acceptable to the Authority, and shall pay all costs and expenses, including all attorneys' fees and experts' costs actually incurred in connection with such defense. Consultant shall reimburse Indemnitees for any and all legal expenses and costs incurred by Indemnitees in connection therewith or in enforcing the indemnity herein provided. Consultant's duty to defend pursuant to this section shall apply independent of any prior, concurrent or subsequent misconduct, negligent acts, errors or omissions of Indemnitees.

C. Consultant's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Consultant or Indemnitees.

D. All duties of Consultant under this section shall survive termination or expiration of this Agreement.

12. Insurance. Without limiting Consultant's defense, hold harmless, and indemnification obligations under this Agreement, Consultant shall maintain policies of insurance as specified in the Insurance Requirements.

13. Suspension. The Contract Administrator may suspend all or any part of the Services for the Authority's convenience or for work stoppages beyond the control of the parties. Written notice of a suspension shall be given to Consultant.

14. Notices. Any notices, invoices, or other documents related to this Agreement shall be deemed received on: (a) the day of delivery, if delivered by hand during the receiving party's regular business hours or by e-mail before or during the receiving party's regular business hours; (b) the business day after delivery, if delivered by e-mail after the receiving party's regular business hours; or (c) on the second business day following deposit in the United States mail, postage prepaid, to the addresses listed below, or to such other addresses as the parties may, from time to time, designate in writing. Any notice delivered by e-mail that concerns breach or termination of this Agreement shall concurrently be sent by deposit in the United States mail, postage prepaid but such notice shall be deemed received on the day of e-mail delivery.

Authority
Burbank-Glendale-Pasadena Airport Authority
2627 Hollywood Way
Burbank, CA 91505
Attn: Stephanie Gunawan-Piraner
E-mail: SGunawan-Piraner@bur.org

Consultant
HNTB Corporation
6033 W. Century Blvd. Suite 1050
Los Angeles, CA 90045
Attn: Tony Fermelia
E-mail: tfermelia@hntb.com

15. Assignability. Consultant shall not assign, transfer or subcontract any interest in this Agreement or the performance of any of its obligations without the Executive Director's prior written consent. This prohibition is not intended to preclude, and shall not be interpreted as precluding, Consultant from utilizing subcontractors identified in Consultant's proposal for the Services. Any attempt by Consultant to assign, transfer or subcontract any rights, duties or obligations in violation of this prohibition shall be void.

16. Litigation. In the event that either party shall commence legal action to enforce or interpret this Agreement, the prevailing party shall be entitled to recover its costs of suit including reasonable attorneys' fees. The venue for litigation shall be Los Angeles County, California. The interpretation of this Agreement shall not be resolved by any rules of construction providing for interpretation against the party who causes the uncertainty to exist or against the party who drafted the disputed language.

17. Exhibits. Exhibits A through E are incorporated into this Agreement by reference. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of Exhibits A through D, the provisions of this Agreement shall prevail. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of Exhibit E, the provisions of Exhibit E shall prevail.

18. Incorporation of Mandatory Language. Each and every provision required by law to be inserted in this Agreement shall be deemed to be inserted and this Agreement shall be read and enforced as though such provision were included. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon request of either party this Agreement shall promptly be amended to make such insertion or correction.

19. Incorporation of Task Orders. Executed Task Orders are incorporated into this Agreement by reference. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of a Task Order, the provisions of this Agreement shall prevail.

20. Entire Agreement. This Agreement (and the attached Exhibits) represents the entire and integrated contract between the parties regarding the Services. This Agreement supersedes all prior oral or written negotiations, representations and contracts related to the Services. This Agreement may not be amended, nor any provision or breach waived, except in a writing that is signed by the parties and that expressly refers to this Agreement.

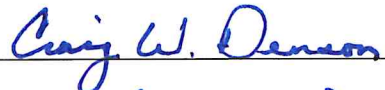
[SIGNATURES ON FOLLOWING PAGE]

TO EXECUTE THIS AGREEMENT, the parties have caused their authorized representatives to sign below.

HNTB Corporation

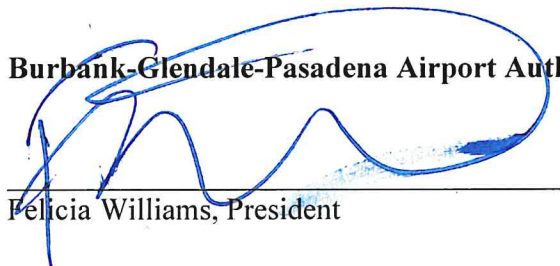
By: 
Print Name: C. YOLA CHANDRAN

☐ Chairperson ☐ President ☒ Vice President

By: 
Print Name: Craig W. Denson

☐ Secretary ☐ Asst. Secretary
☒ Chief Finance Officer ☐ Asst. Treasurer

Burbank-Glendale-Pasadena Airport Authority


Felicia Williams, President

Approved as to form:


Richards, Watson & Gershon
A Professional Corporation

EXHIBIT A
Scope of Services

EXHIBIT A SCOPE OF SERVICES

The scope of services sought will fall into three specific categories:

CATEGORY 1: Site Investigations and Analyses, Planning and Engineering Studies, Land Surveys

CATEGORY 2: Conceptual, preliminary, and Final Design and Analyses

CATEGORY 3: Construction Management and Construction Administration

All work shall be in accordance with each task assignment and the applicable portions of this Scope of Services. When required, the Consultant shall prepare and provide, as part of these categories of services, all documents such as drawings, specifications, construction cost estimates, renderings, reports, logs, measurements, models, lab analyses, material samples, calculations, etc. All work is to be performed in accordance with the latest edition of the applicable FAA Advisory Circulars and local, state, and federal codes.

CATEGORY 1: Site Investigations and Analyses, Planning and Engineering Studies, Land Surveys

Category I services include, but are not limited to:

- Airport and highway planning and transportation studies.
- Specialized FAA Aviation Studies and airspace analysis.
- Civil, Architectural, Structural, Mechanical and Electrical systems evaluations.
- NEPA/CEQA studies in accordance with state and federal guidelines.
- Particular expertise in materials (concrete, asphalt, etc.) and airfield electrical systems.
- Property line, ALTA (American Land Title Association), topographic, photogrammetric, facility and utility measurements, mapping and land surveying, including aerial photography and photogrammetry, ground positioning satellite surveys and horizontal control "blue book" data conversions and transformations, e.g. NAD 83/27.
- Geotechnical, including field and laboratory work.
- Site selections and transportation studies (e.g., traffic impact due to road changes).
- Feasibility studies.
- Investigative studies and reports.
- Airport development schedules and cost estimates
- Airport project benefit and life cycle cost analysis
- GIS data collection and processing and other graphical/mapping efforts

CATEGORY 2: Conceptual, Preliminary and Final Design, and Analyses

Category 2 services include basic Engineering services normally required for airport projects including, but not be limited to, Civil, Structural, Mechanical, Electrical (expertise in airfield electrical systems), Architectural, and Transportation engineering design.

The services include, but are not limited to:

- Defining scope of the project and establishing primary requirements.

- Consulting with Airport staff on project requirements and coordination with other pertinent agencies, including FAA, City of Burbank, City of Los Angeles, etc.
- Preparing and conducting necessary surveys, geotechnical investigations, and other engineering and architectural studies used in design development.
- Developing necessary schematics or exhibits, environmental considerations, and early project considerations.
- Preparing detailed reports, plans and specifications, cost estimates, design schedules, and anticipated construction schedules.
- Preparing Construction Safety and Phasing Plans (CSPP).
- Preparing Independent Fee Estimates for the Authority's use in design or construction negotiations.
- Assisting the Authority with advertising, securing bids, negotiating for services, analyzing bid results, and preparing contract documents.

CATEGORY 3: Construction and Close Out Support

Category 3 services include, but are not limited to:

- Civil, Structural, Mechanical, and Electrical engineering design analyses, including the modifications of existing drawings and specifications, and the preparation of supplemental drawings and specifications.
- Responding to contractor's request for information and substitution requests.
- Analysis of contractor submittals, e.g., schedules, shop drawings, manufacturer's data, samples, etc.
- Analysis of construction documents for compliance with applicable codes.
- Construction surveying, if needed.
- Periodic inspection for work in progress to determine compliance with contract documents.
- Proposal and Change Order analyses.
- Construction cost estimating and constructability review.
- Observing/reviewing performance tests required by specifications.
- Reviewing and approving test results for materials and equipment.
- Assisting the Authority with creating punch lists and performing final inspections
- Assisting the Authority with preparation of Final Construction Report and other required project close out reports.
- Reviewing Operations and Maintenance Manuals.
- Providing record drawings.

EXHIBIT B
Fee Schedule

HNTB Corporation
The HNTB Companies
Infrastructure Solutions

6033 West Century Boulevard
Suite 1050
Los Angeles, CA 90045

Telephone (310) 417-8777
Facsimile (310) 417-5369
www.hntb.com



October 5, 2023

Attn: Semijia Bolton
Senior Procurement Specialist
Burbank-Glendale-Pasadena Airport Authority
2627 N Hollywood Way Burbank, CA 91505

**Re: On-Call Architectural and Engineering Consulting Services RFP # E23-04
Fee Schedule**

Below are HNTB's 2023 professional billing rates. Also attached are billing rates for our proposed subconsultants.

Engineer I	\$128.25	Associate Architect I	\$94.85
Engineer II	\$142.50	Associate Architect II	\$116.96
Engineer III	\$153.22	Project Manager - Architecture	\$178.30
Project Engineer	\$198.22	Sr Project Architect	\$221.62
Senior Engineer	\$235.32	Lead Architect	\$263.57
Preliminary & Final Design Lead	\$289.07		
Construction & Close Out Lead	\$293.15		
Project Manager	\$360.96		
Planner I	\$88.17	Project Analyst	\$85.50
Planner II	\$102.45	Sr Project Analyst	\$142.50
Planner III	\$115.98		
Planner IV	\$191.25		
Planner V	\$269.70	Cadd Tech	\$99.75
Sr Technical Writer/Editor	\$151.20	Cadd Manager	\$151.05
QC Lead	\$257.45		
NEPA/CEQA Lead	\$305.18		
Group Director - Planning	\$372.86		

Note: All rates subject to change at end of each year based on a 3.5% annual inflation and cost of living adjustment.

Sincerely,

A handwritten signature in black ink that reads "Tony Fermelia". The signature is written in a cursive, flowing style.

Tony Fermelia PE
HNTB Project Manager

EXHIBIT C
Task Order Form

EXHIBIT C



Procurement Department
2627 N. Hollywood Way
Burbank, CA 91505
P: 818-840-8840 E: purchasing@bur.org
Burbank-Glendale-Pasadena Airport Authority

TASK ORDER (TO)

To Firm:	
SA/P.O. No:	Account No.:
T.O. Order No:	Effective Date:
T.O. Revision No:	Revision Date:
Originator:	Phone No:

This Task Order (TO) is issued pursuant to the applicable Services Agreement (SA) between the Burbank-Glendale-Pasadena Airport Authority (Authority), owner/operator of Hollywood Burbank Airport and your Firm, pursuant to terms and conditions of the SA indicated, for the services described below.

Additional sheet(s) attached? ☐ Yes ☐ No

Emergency? ☐ Yes ☐ No

Please check if applicable: ☐ Statement of Work attached ☐ Specification attached ☐ Other attachment

DESCRIPTION / SERVICE CATEGORY:

Task Order Pricing Basis

Time & Materials, Fee Schedule/Rates:	☐
Estimated not-to-exceed amount:	\$ _____
Estimated revision amount:	\$ _____
Total of previous revisions:	\$ _____
Current estimated not-to-exceed amount:	\$ _____

This Task Order is also a Notice to Proceed immediately with the services described, with final completion on _____. **Time shall be of the essence in the performance of this Task Order.**

All services are subject to acceptance by the Authority. All required supporting documentation to be included with Invoice Applications for Payment including a copy of the fully executed Task Order.

Except as may be modified herein, all other contract terms and conditions are unchanged.

This Task Order is accepted and agreed by authorized representatives of the parties as indicated below:

Company Name

Burbank-Glendale-Pasadena Airport Authority
Company Name

Authorized Signature

Authorized Signature

Name

Name

Title

Title

Date

Date

EXHIBIT D
Insurance Requirements

1. Consultant shall obtain, provide, and maintain policies of insurance as specified below.
 - A. General Liability Insurance. Consultant shall maintain commercial general liability insurance in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage.
 - B. Automobile Liability Insurance. Consultant shall maintain automobile insurance covering bodily injury and property damage for all activities of Consultant arising out of or in connection with the Services, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.
 - C. Professional Liability (Errors and Omissions) Insurance. Consultant shall maintain professional liability insurance that covers the Services in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the Commencement Date and Consultant shall maintain continuous coverage through a period of no less than three years after expiration or termination of this Agreement.
 - D. Workers' Compensation/Employer's Liability Insurance. Consultant shall maintain workers' compensation insurance (statutory limits) and employer's liability insurance with limits of at least \$1,000,000.
2. The insurance policy or policies shall contain, or shall be endorsed to contain, the following provisions:
 - A. General liability policies shall provide or be endorsed to provide: (i) that the Indemnitees shall be additional insureds; and (ii) a waiver of subrogation in favor of additional insureds. This provision shall also apply to any excess/umbrella liability policies.
 - B. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.
 - C. The coverage shall contain no special limitations on the scope of protection afforded to the Indemnitees.
 - D. For any claims related to this Agreement, Consultant's insurance coverage shall be primary insurance as respects the Indemnitees. Any insurance or self-insurance maintained by the Indemnitees shall be excess of Consultant's insurance and shall not contribute with it.

E. The limits of insurance may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of each Indemnatee before the Indemnatee's own insurance or self-insurance shall be called upon to protect it as a named insured.

F. Any failure to comply with reporting or other provisions of the policy, including breaches of warranties, shall not affect coverage provided to the Indemnitees.

G. Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

H. The policy shall be endorsed to state that coverage shall not be suspended, voided, cancelled by either party, or reduced in coverage or in limits except after 30 calendar days (10 calendar days in the event of non-payment of premium) prior written notice by certified mail, return receipt requested, has been given to the Authority.

I. Insurance is to be placed with insurers authorized to conduct business in the State of California with a minimum current A.M. Best's rating of no less than A:X, unless waived by the Contract Administrator. An exception to this standard will be made for the State Compensation Insurance Fund when not specifically rated.

J. Any deductibles or self-insured retentions must be declared to and approved by the Contract Administrator. At the option of the Contract Administrator, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Indemnitees, or Consultant shall provide a financial guarantee satisfactory to the Contract Administrator guaranteeing payment of losses and related investigations, claim administration and defense expenses.

K. The workers' compensation insurer agrees to waive all rights of subrogation against the Authority for injuries to employees of Consultant resulting from work for the Authority or use of the Airport.

3. Requirements of specific coverage features or limits are not intended as a limitation on coverage, limits, or other requirements, or as a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for clarification purposes only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If Consultant maintains higher limits than the minimum specified above, the Authority requires and shall be entitled to coverage for the higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the Authority.

4. Consultant shall furnish to the Authority an original certificate or certificates of insurance and amendatory endorsements showing that required policies are in effect in the required amounts and, as to the workers' compensation insurance, with the required waiver of

subrogation. The certificates and endorsements must be received and approved by the Contract Administrator prior to commencement of work. The Authority reserves the right to require complete, certified copies of all required insurance policies at any time.

5. Consultant shall ensure that its subcontractors provide the same minimum insurance coverage and endorsements required of Consultant. Consultant shall monitor and review all such coverage, and Consultant assumes all responsibility for ensuring that such coverage is provided. Upon request, Consultant shall submit all subcontractor agreements to the Authority for review.

6. In the event any policy of insurance does not comply with these requirements or is cancelled and not replaced, the Authority has the right but not the duty to obtain the insurance it deems necessary. Any premium paid by the Authority in such event shall be promptly reimbursed by Consultant or the Authority shall withhold from its payments to Consultant an amount sufficient to pay that premium.

7. The Authority reserves the right at any time to change the amounts and types of required insurance by giving Consultant 90 days notice of such change. If such change results in substantial additional cost to Consultant, then the parties shall renegotiate Consultant's compensation.

EXHIBIT E
AIP Project Federal Requirements

References in this Exhibit to “Contractor” shall be deemed to refer to Consultant. Consultant shall: (i) insert these provisions in each lower tier contract; (ii) incorporate the requirements of these provisions by reference for work done under any purchase orders, rental agreements, and other agreements for supplies or services; and (iii) be responsible for compliance with these provisions by any subcontractor, lower-tier subcontractor, or service provider.

1. Access to Records and Reports

Consultant must maintain an acceptable cost accounting system. Consultant agrees to provide the Authority, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers and records of Consultant which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. Consultant agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

2. Breach of Contract Terms

A. Any violation or breach of terms of this contract on the part of Consultant or its subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement.

B. The Authority will provide Consultant written notice that describes the nature of the breach and corrective actions Consultant must undertake in order to avoid termination of the contract. The Authority reserves the right to withhold payments to Consultant until such time Consultant corrects the breach or the Authority elects to terminate the contract. The Authority’s notice will identify a specific date by which Consultant must correct the breach. The Authority may proceed with termination of the contract if Consultant fails to correct the breach by the deadline indicated in the Authority’s notice.

C. The duties and obligations imposed by the contract documents and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

3. General Civil Rights Provisions

A. In all its activities within the scope of its airport program, the Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

B. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

C. The above provision binds the Contractor and subcontractors from the bid solicitation period through the completion of the contract.

4. Civil Rights – Title VI Assurance

A. During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

1. Title VI of the Civil Rights Act of 1964 (42 USC § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);

2. 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);

3. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

4. Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);

5. The Age Discrimination Act of 1975, as amended (42 USC § 6101 et seq.) (prohibits discrimination on the basis of age);

6. Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);

7. The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

8. Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, et seq) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;

9. The Federal Aviation Administration's Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

10. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);

11. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [70 Fed. Reg. 74087 (2005)];

12. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 1681, et seq).

B. During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor"), agrees as follows:

1. Compliance with Regulations: The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

2. Nondiscrimination: The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

3. Solicitations for Subcontracts, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the contractor's obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

4. Information and Reports: The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as

may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance: In the event of a Contractor's noncompliance with the non-discrimination provisions of this contract, the Sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

a. Withholding payments to the Contractor under the contract until the Contractor complies; and/or

b. Cancelling, terminating, or suspending a contract, in whole or in part.

6. Incorporation of Provisions: The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the Sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the Sponsor to enter into any litigation to protect the interests of the Sponsor. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

5. Clean Air and Water Pollution Control

A. Consultant agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Clean Air Act (42 USC §§ 7401-7671q) and the Federal Water Pollution Control Act as amended (33 USC §§ 1251-1387). Consultant agrees to report any violation to the Authority immediately upon discovery. The Authority assumes responsibility for notifying the Environmental Protection Agency (EPA) and the Federal Aviation Administration.

B. Consultant must include this requirement in all subcontracts that exceed \$150,000.

6. Certification of Offeror/Bidder Regarding Debarment

A. By submitting a bid/proposal under this solicitation, the offeror certifies that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.

B. The successful offeror, by administering each lower tier subcontract that exceeds \$25,000 as a “covered transaction”, must confirm each lower tier participant of a “covered transaction” under the project is not presently debarred or otherwise disqualified from participation in this federally-assisted project. The successful offeror will accomplish this by:

1. Checking the System for Award Management at website: <http://www.sam.gov>.

2. Collecting a certification statement similar to the Certification of Offeror /Bidder Regarding Debarment, above.

3. Inserting a clause or condition in the covered transaction with the lower tier contract.

C. If the Federal Aviation Administration later determines that a lower tier participant failed to disclose to a higher tier participant that it was excluded or disqualified at the time it entered the covered transaction, the FAA may pursue any available remedies, including suspension and debarment of the non-compliant participant.

7. Disadvantaged Business Enterprises

A. Contract Assurance (49 CFR § 26.13) – The Contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The Contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of DOT-assisted contracts. Failure by the Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:

1. Withholding monthly progress payments;
2. Assessing sanctions;
3. Liquidated damages; and/or
4. Disqualifying the Contractor from future bidding as non-responsible.

B. Prompt Payment (49 CFR § 26.29) – The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than 30 days from the receipt of each payment the prime contractor receives from the Authority. The prime contractor agrees further to return retainage payments to each subcontractor within 30 days after the subcontractor’s work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Authority. This clause applies to both DBE and non-DBE subcontractors.

C. Termination of DBE Subcontracts (49 CFR § 26.53(f)) –

1. The prime contractor must not terminate a DBE subcontractor listed in response to the Disadvantaged Business Enterprises section of the solicitation for this Agreement (or an approved substitute DBE firm) without prior written consent of the Authority. This includes, but is not limited to, instances in which the prime contractor seeks to perform work originally designated for a DBE subcontractor with its own forces or those of an affiliate, a non-DBE firm, or with another DBE firm.

2. The prime contractor shall utilize the specific DBEs listed to perform the work and supply the materials for which each is listed unless the contractor obtains written consent the Authority. Unless the Authority's consent is provided, the prime contractor shall not be entitled to any payment for work or material unless it is performed or supplied by the listed DBE.

3. The Authority may provide such written consent only if the Authority agrees, for reasons stated in the concurrence document, that the prime contractor has good cause to terminate the DBE firm. For purposes of this paragraph, good cause includes the circumstances listed in 49 CFR §26.53.

4. Before transmitting to the Authority its request to terminate and/or substitute a DBE subcontractor, the prime contractor must give notice in writing to the DBE subcontractor, with a copy to the Authority, of its intent to request to terminate and/or substitute, and the reason for the request.

5. The prime contractor must give the DBE five days to respond to the prime contractor's notice and advise the Authority and the contractor of the reasons, if any, why it objects to the proposed termination of its subcontract and why the Authority should not approve the prime contractor's action. If required in a particular case as a matter of public necessity (e.g., safety), the Authority may provide a response period shorter than five days.

6. In addition to post-award terminations, the provisions of this section apply to preaward deletions of or substitutions for DBE firms put forward by offerors in negotiated procurements.

8. Distracted Driving

A. In accordance with Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving", (10/1/2009) and DOT Order 3902.10, "Text Messaging While Driving", (12/30/2009), the Federal Aviation Administration encourages recipients of Federal grant funds to adopt and enforce safety policies that decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing work related to a grant or subgrant.

B. In support of this initiative, the Authority encourages Consultant to promote policies and initiatives for its employees and other work personnel that decrease crashes by

distracted drivers, including policies that ban text messaging while driving motor vehicles while performing work activities associated with the project. Consultant must include the substance of this clause in all sub-tier contracts exceeding \$10,000 that involve driving a motor vehicle in performance of work activities associated with the project.

9. Domestic Preferences for Procurements

The offeror certifies by signing and submitting this proposal that, to the greatest extent practicable, the offeror has provided a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including, but not limited to, iron, aluminum, steel, cement, and other manufactured products) in compliance with 2 CFR § 200.322.

10. Federal Fair Labor Standards Act

A. All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, et seq, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part-time workers.

B. Consultant has full responsibility to monitor compliance to the referenced statute or regulation. Consultant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

11. Certification Regarding Lobbying

A. The Bidder or Offeror certifies by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Bidder or Offeror, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts,

subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

B. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

12. Occupational Safety and Health Act

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

13. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment.

Consultant and subcontractor agree to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or equipment in compliance with the National Defense Authorization Act [Public Law 115-232 § 889(f)(1)].

14. Termination of Contract

A. Termination for Convenience.

1. The Authority may, by written notice to the Consultant, terminate this Agreement for its convenience and without cause or default on the part of Consultant. Upon receipt of the notice of termination, except as explicitly directed by the Authority, Consultant must immediately discontinue all services affected.

2. Upon termination of the Agreement, Consultant must deliver to the Authority all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

3. The Authority agrees to make just and equitable compensation to Consultant for satisfactory work completed up through the date Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

4. The Authority further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

B. Termination for Cause.

1. Either party may terminate this Agreement for cause if the other party fails to fulfill its obligations that are essential to the completion of the work per the terms and conditions of the Agreement. The party initiating the termination action must allow the breaching party an opportunity to dispute or cure the breach.

2. The terminating party must provide the breaching party seven days advance written notice of its intent to terminate the Agreement. The notice must specify the nature and extent of the breach, the conditions necessary to cure the breach, and the effective date of the termination action. The rights and remedies in this clause are in addition to any other rights and remedies provided by law or under this agreement.

a. Termination by Authority: The Authority may terminate this Agreement for cause in whole or in part, for the failure of Consultant to:

1. Perform the services within the time specified in this contract or by the Authority approved extension;
2. Make adequate progress so as to endanger satisfactory performance of the services; or
3. Fulfill the obligations of the Agreement that are essential to the completion of the services.

Upon receipt of the notice of termination, Consultant must immediately discontinue all services affected unless the notice directs otherwise. Upon termination of the Agreement, Consultant must deliver to the Authority all data, surveys, models, drawings, specifications, reports, maps, photographs, estimates, summaries, and other documents and materials prepared by the Engineer under this contract, whether complete or partially complete.

The Authority agrees to make just and equitable compensation to Consultant for satisfactory work completed up through the date Consultant receives the termination notice. Compensation will not include anticipated profit on non-performed services.

The Authority further agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

If, after finalization of the termination action, the Authority determines Consultant was not in default of the Agreement, the rights and obligations of the

parties shall be the same as if the Authority issued the termination for the convenience of the Authority.

b. Termination by Consultant: Consultant may terminate this Agreement for cause in whole or in part, if the Authority:

1. Defaults on its obligations under this Agreement;
2. Fails to make payment to Consultant in accordance with the terms of this Agreement;
3. Suspends the project for more than 180 days due to reasons beyond the control of Consultant.

Upon receipt of a notice of termination from Consultant, the Authority agrees to cooperate with Consultant for the purpose of terminating the agreement or portion thereof, by mutual consent. If the Authority and Consultant cannot reach mutual agreement on the termination settlement, Consultant may, without prejudice to any rights and remedies it may have, proceed with terminating all or parts of this Agreement based upon the Authority's breach of the contract.

In the event of termination due to Authority breach, Consultant is entitled to invoice the Authority and to receive full payment for all services performed or furnished in accordance with this Agreement and all justified reimbursable expenses incurred by Consultant through the effective date of termination action. The Authority agrees to hold Consultant harmless for errors or omissions in documents that are incomplete as a result of the termination action under this clause.

15. Veteran's Preference

In the employment of labor (excluding executive, administrative, and supervisory positions), Consultant and all sub-tier contractors must give preference to covered veterans as defined within Title 49 United States Code Section 47112. Covered veterans include Vietnam-era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns (as defined by 15 USC § 632) owned and controlled by disabled veterans. This preference only applies when there are covered veterans readily available and qualified to perform the work to which the employment relates.

BROCHURE RACK CONCESSION AGREEMENT

FOR

HOLLYWOOD BURBANK AIRPORT

BETWEEN

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

AND

CERTIFIED TRAVEL MEDIA, LLC

KEY CONCESSION AGREEMENT TERMS

(The table below is for convenience only. In case of conflict between the table below and the provisions of this Agreement, the provisions in this Agreement shall govern. Capitalized terms below have the meanings ascribed in Article 1.)

Agreement Date:	[Authority Commission Approval Date] - _____, 2026	
Authority:	Burbank-Glendale-Pasadena Airport Authority <i>after RPT Opening Date</i> 2827 N. Hollywood Way Burbank, CA 91505	
Concessionaire:	Certified Travel Media, LLC 1120 Joshua Way Vista, CA 92801	
Brochure Rack Locations	As depicted in Exhibit A	Exhibit A
Expiration Date:	Initial Expiration Date shall be the third anniversary of the Commencement Date; provided that upon the Executive Director's approval of Concessionaire's request, the term of Concession Period may be extended twice, each for a one-year period.	Section 2.2
Concession Period:	Commencement Date (which is the RPT Opening Date, currently anticipated to be October 13, 2026) to 11:59 p.m. on the Expiration Date or any earlier termination date	Section 2.3
Base Fee During Concession Period:	25% of Gross Revenues	Section 5.2
Base Fee Due Date:	The 15 th of each calendar month	Section 5.2
Due date for monthly Base Fee report:	The 15 th of each month, for the prior calendar month	Section 5.2; Section 5.5
Payment Method:	Automated Clearing House (ACH) or Electronic Fund Transfer (EFT) or other method designated by the Authority	Section 5.5
Performance Guarantee:	\$3,000.00	Section 6.2
Exhibits:	A – BROCHURE RACK LOCATIONS B – DESCRIPTION OF BROCHURE RACK INSTALLATIONS C – ADVERTISEMENT GUIDELINES D – TENANT IMPROVEMENT FORM E – FEDERAL REQUIREMENTS	

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BROCHURE RACK CONCESSION AGREEMENT

THIS BROCHURE RACK CONCESSION AGREEMENT ("Agreement") is dated _____, 2026, for reference purposes and is executed by the Burbank-Glendale-Pasadena Airport Authority ("Authority"), a California joint powers agency, and Certified Travel Media, LLC ("Concessionaire"), a Delaware limited liability company.

RECITALS

A. The Authority is the owner and operator of Hollywood Burbank Airport (officially known as the Bob Hope Airport) ("Airport"), a public land airport primarily located in Burbank, California.

B. Concessionaire engages in the business of travel brochure distribution, through the placement of brochure racks at locations that are trafficked by visitors and travelers.

C. Concessionaire desires to install and operate brochure racks at the Airport to distribute printed materials, in the form of brochures and magazines, about activities and attractions in areas around the Airport, the Los Angeles County area and the Southern California region.

D. The Authority desires to grant Concessionaire the right to install and operate such brochure racks at designated locations at the Airport subject to the terms of this Agreement.

E. The Authority Commission has determined the necessity for this Agreement to further the policies and objectives stated in Public Utilities Code Section 21690.5 et seq., and has considered the factors specified in Section 21690.9.

NOW THEREFORE, the parties agree as follows:

ARTICLE 1 DEFINITIONS

As used in this Agreement, unless a different meaning is clearly required, the following terms shall have the meanings set forth below. These definitions shall apply regardless of whether the term is capitalized.

Additional Brochure Rack Location	As defined in Section 14.1.
Additional Fees	Any amount owed to the Authority pursuant to this Agreement, other than Base Fee.
Airport	Hollywood Burbank Airport (officially known as Bob Hope Airport).

Airport Manager	Person engaged by the Authority to function as the manager of the Airport. As of the execution of this Agreement, the Airport Manager is TBI Airport Management, Inc., a Delaware corporation.
Airport Representative	An officer, employee, contractor, or consultant of the Authority or the Airport Manager acting in a professional capacity.
Airport Rules and Regulations	July 1, 2023 Airport Rules and Regulations (including any revisions), or successor, adopted by the Authority Commission.
Alterations	As defined in Section 16.1.
Authority	Burbank-Glendale-Pasadena Airport Authority.
Authority Commission	Burbank-Glendale-Pasadena Airport Authority Commission.
Authority Indemnitees	The Authority, the Airport Manager, the Cities of Burbank, Glendale, and Pasadena, and their respective officers, officials, directors, employees, agents, representatives, and volunteers.
Base Fee	As defined in Section 5.2.
Brochure Rack	A shelving unit and floor display rack that enables Concessionaire to distribute Permitted Brochures.
Brochure Rack Concession	Collectively, all parts and elements (including hardware and software, if applicable) of Concessionaire's enterprise to install and maintain Brochure Racks at the Airport to distribute Permitted Brochures pursuant to this Agreement.
Brochure Rack Installation	Any equipment, hardware, structure, or other installation placed by Concessionaire at a Brochure Rack Location to operate the Brochure Rack Concession.
Brochure Rack Location	A location at the Airport where Concessionaire has a revocable license to install a Brochure Rack as specified in <u>Exhibit A</u> .
Commencement Date	RPT Opening Date.
Concession Fee	Collectively, Base Fee and Additional Fees.
Concession Period	As defined in Section 2.3.
Concessionaire	Certified Travel Media, LLC
Concessionaire Agent	An employee, consultant, Subcontractor, licensee, vendor, affiliate, invitee, serviceperson, designer, architect, contractor, or other person who is performing services on behalf of or for the benefit of Concessionaire, regardless of location.
Concession Improvements	As defined in Section 16.1.
Default Event	As defined in Section 12.1.

Executive Director	Burbank-Glendale-Pasadena Airport Authority Executive Director (or, in the absence of the Executive Director, such other Authority officer designated by the Authority Commission) or such person's designee.
Expiration Date	As defined in Section 2.2.
FAA	Federal Aviation Administration.
Federal Requirements	The federal requirements set forth in <u>Exhibit E</u> , which requirements are applicable to contracts not funded by an Airport Improvement Program grant from the FAA.
Fiscal Year	July 1 through June 30.
Gross Revenue Share	As defined in Section 5.2(a).

Gross Revenues	All monies and other consideration of any nature paid or payable to or generated or earned by Concessionaire for the conduct of its business at the Airport pursuant to this Agreement. Gross Revenues include all charges, fees or other revenues charged by Concessionaire for all services and advertising at or relating to the Brochure Rack Concession, including deposits received and not refunded to customers. Charges and fees include all revenues received or realized by or accruing to Concessionaire and the value of all “in kind” goods or services received from all sales, for cash or credit, or all goods and services provided including all fees received by Concessionaire from subcontractors or agents, regardless of when or where the order therefore is received or delivered, whether on a cash basis or credit. Amounts received for any transaction on a deferred or periodic payment basis shall be treated as Gross Revenues upon the earlier of: (a) the due date for the payment of such amount to Concessionaire under the underlying agreement, whether or not such amounts are paid on or before such due date, or (b) the actual receipt of such amount by Concessionaire. In the event that any amounts due on a deferred or periodic basis are determined by the Authority not to be payable on a reasonable pro rata basis over the term of the underlying agreement, the total amounts due under the underlying agreement shall be deemed to be Gross Revenues at the time the underlying agreement is entered into. The following shall be excluded from Gross Revenues: (1) the amounts of any federal, state or municipal sales taxes or other similar taxes separately stated and collected from customers now or hereafter levied or imposed and paid to the taxing authorities by Concessionaire; and (2) any amounts payable under any contract between Concessionaire or any of its customers after the termination of such contract, except to the extent any such amounts are received by Concessionaire after such termination.
Monthly Concession Fee Report	The monthly report due pursuant to Section 5.2(b).
Notice for Additional Location	As defined in Section 14.1.
Performance Guarantee	As defined in Article 6.
Permitted Brochures	As defined in Section 10.3(b).

Removable Fixtures	Trade fixtures or equipment installed by Concessionaire at a Brochure Rack Location, but excluding those that have become such a part of the Airport property that they cannot be removed without causing substantial damage to the property.
RPT Opening Date	The first date on which the Airport's Replacement Passenger Terminal (under construction as of the execution of this Agreement in the northeast quadrant of the Airport) is opened to the travelling public and serves commercial flights. As of the execution of this Agreement, the RPT Opening Date is anticipated to be October 13, 2026.
Subcontract	Contract between Concessionaire and a Subcontractor for the subcontractor's undertaking of a portion of Concessionaire's tasks relating to the Brochure Rack Concession.
Subcontractor	The counterparty to Concessionaire under a Subcontract.
Sustainability Program	The Authority's program pertaining to environmental sustainability for operations at the Airport.
TSA	Transportation Security Administration.

ARTICLE 2 CONCESSION PERIOD; EARLY TERMINATION

2.1 Effective Date. This Agreement shall be effective and binding on the parties upon execution by all parties.

2.2 Expiration Date; Extensions. The initial Expiration Date shall be the third anniversary of the Commencement Date. Upon the Executive Director's approval of Concessionaire's request (such request to be at least 90 days before the then-scheduled Expiration Date), the term of this Agreement may be extended twice, each for a one-year period.

2.3 Concession Period. The Concession Period shall begin on the Commencement Date and shall expire at 11:59 p.m. on the Expiration Date or any earlier termination date.

2.4 Early Termination.

(a) Concessionaire may terminate this Agreement upon 60 days' notice to the Authority, subject to the following: (i) Concessionaire is not then in default of its obligations to the Authority; and (ii) on or before the termination date, Concessionaire shall remit all unpaid amounts (including late charges and interest) payable by Concessionaire under this Agreement which have accrued to the termination date.

(b) The Authority may terminate this Agreement upon 60 days' notice to Concessionaire.

(c) Concessionaire acknowledges that the provisions of this Section are reasonable. In the event the Authority exercises its early termination right, Concessionaire shall

not be entitled to payment for any loss of goodwill, or any other amount measured by Concessionaire's loss upon termination or reduction of its business following termination of this Agreement.

ARTICLE 3 RIGHTS GRANTED

3.1 Concession Period Rights. During the Concession Period, subject to this Agreement:

(a) Concessionaire shall have the right to manage and operate the Brochure Rack Concession at the Brochure Rack Locations.

(b) Concessionaire is granted a revocable license to use the Brochure Rack Locations for Brochure Rack Installations.

(c) Concessionaire shall have the rights of ingress to and egress from the Brochure Rack Locations via the public areas of the Airport, Airport roadways, and common-use roadways, exercised in a reasonable manner. Concessionaire shall obtain the Authority's prior approval before accessing other areas of the Airport for any purpose.

3.2 No Real Property Interest. None of the rights granted shall be construed as a conveyance of real property interest. This Agreement is not a lease. In no instance shall Concessionaire be deemed to have acquired possessory rights of any real property at or about the Airport. No easement shall be created pursuant to the privileges granted under this Agreement.

3.3 Nonexclusive Rights. Nothing in this Agreement shall be construed to grant or authorize the granting of any exclusive right or privilege of any activity at the Airport. The Authority reserves the right to enter into other agreements, including concession agreements, with third parties for all or a portion of the services or concessions set forth in this Agreement.

3.4 No Warranty by Authority.

(a) Concessionaire has conducted its own research and analysis to determine the feasibility of the Brochure Rack Concession at the Airport. The Authority is under no obligation to protect or defend Concessionaire from loss of any investments. Concessionaire assumes all risks regarding its installation and all other aspects of its business and operations in connection with this Agreement. Concessionaire has not relied on any information provided by the Authority regarding the Authority's business, revenue or operations or the suitability of any Brochure Rack Location. The Authority makes no warranty, promise, or representation regarding the economic viability or any other aspects of Concessionaire's operations at the Airport.

(b) The Authority makes no representation or warranty regarding the fitness of the Brochure Rack Locations for the Brochure Rack Installations. Concessionaire shall be responsible for determining the fitness and conditions of the Brochure Rack Locations. Concessionaire shall not be entitled to any adjustment or other payments on account of the condition of the Brochure Rack Locations, any failure of any improvements to be in working order, any necessity of Concessionaire to repair or take corrective actions concerning the Brochure Rack

Locations, or because of the inability or delay of obtaining any required approvals from any public agency.

(c) The Authority makes no warranty that the pattern of use of any Airport facility or its use by travelers, Airport tenants, or other Airport users will not change at any time. The Authority may refurbish or reconfigure or relocate any Airport facility to meet Airport needs. Concessionaire's obligations to pay the Concession Fee are absolute obligations and are not conditioned upon the number of travelers, Airport tenants or other persons using the Airport during any period of time.

ARTICLE 4

BROCHURE RACK LOCATIONS

4.1 Brochure Rack Locations.

(a) The Brochure Rack Locations shall consist of the Airport locations described and delineated in Exhibit A.

(b) The location and size of each Brochure Rack Location may change from time to time pursuant to the terms of this Agreement. Upon approval of the Executive Director, Exhibit A shall be revised and updated to reflect such changes.

(c) Acceptance of "As is" Conditions. Concessionaire accepts that all Brochure Rack Locations are made available in their "as is, where is, and with all faults" conditions for the Brochure Rack Concession without any Authority warranty.

4.2 Authority Access. Without limiting any other rights of the Authority as the property owner, Airport Representatives may access the Brochure Rack Locations at any reasonable time without prior notice to Concessionaire (but with reasonable effort to limit any interference with Concessionaire's operation) for the following purposes:

(a) To determine compliance with this Agreement.

(b) To gain access to the mechanical, electrical, utility, and structural systems of the Airport for the installation, construction, maintenance and repair of such systems.

(c) To perform maintenance and make repairs that Concessionaire is obligated, but fails, to make.

(d) To perform inspections, testing, reporting, surveys, environmental inspections, remediation, studies, and assessments during hours of Airport operation.

(e) To address public health or safety emergencies (as determined by the Authority).

ARTICLE 5 CONCESSION FEE

5.1 Obligation to Pay Concession Fee.

(a) Concessionaire shall pay a Concession Fee to the Authority in the amount and at the times prescribed below. The Concession Fee consists of Base Fee and Additional Fees.

(b) This Agreement will generally be administered financially on the basis of the Authority's Fiscal Year.

5.2 Concession Fee.

(a) Base Fee. Throughout the Concession Period, Concessionaire shall pay the Base Fee as follows:

(i) For any period of time, Base Fee shall equal Gross Revenue Share. Gross Revenue Share shall equal Gross Revenues for such period multiplied by 25%.

(ii) Except as provided below, Base Fee shall be remitted on a monthly basis, on or before the 15th of each calendar month, based on the Gross Revenues of the preceding calendar month.

(iii) If the Commencement Date is any day other than the first of a month, the first Base Fee remittance shall be due on the 15th of the second full calendar month of the Concession Period, based on the Gross Revenues of the initial partial month and the first full month of the Concession Period.

(b) Monthly Report. On or before the 15th of each calendar month, Concessionaire shall submit to the Authority a Monthly Concession Fee Report for the immediately preceding month (except that the first report shall be due on the 15th of the second full calendar month of the Concession Period and shall include information for the initial partial month of the Concession Period). The Monthly Concession Fee Report shall be in the format required by the Authority. It shall show Gross Revenues from every source (and with respect to each Brochure Rack Location, specify the Gross Revenues attributable to such Brochure Rack Location) and the Gross Revenue Shares for the reporting period.

5.3 Additional Fees. Additional Fees shall consist of the following:

(a) Employee Parking Fees. The Authority has no obligation to provide motor vehicle parking spaces to any Airport concessionaires including Concessionaire. Upon Concessionaire's request, the Authority has the discretion to make spaces available at locations in common with employees of other Airport concessionaires. To the extent that the Authority provides parking spaces, the Authority shall charge Concessionaire a monthly fee based on the then-current rate for such spaces. Employee parking fees shall be due upon receipt of invoice from the Authority.

(b) Services. If the Authority provides any services to Concessionaire (such as janitorial services), at Concessionaire's request (which the Authority is not obligated to provide), Concessionaire shall pay according to the Authority's invoice.

(c) Taxes and Charges Paid by Authority. Reimbursement for the Authority's payment for the paying, discharging, or adjustment of taxes and charges pursuant to Section 21.3 shall be due immediately upon written demand of the Authority.

(d) Other Amounts Owed under this Agreement. In addition to the foregoing, Additional Fees shall also include all other amounts owed to the Authority (except for the Base Fee) pursuant to this Agreement.

5.4 Annual Concession Fee Report and Reconciliation.

(a) Within 90 days after the conclusion of each Fiscal Year, Concessionaire shall provide a report ("Annual Concession Fee Report") to the Authority. The Annual Concession Fee Report shall include a written certification by an independent Certified Public Accountant confirming that the amounts of Gross Revenues reported and the amounts paid to the Authority as Concession Fee (in any form) for such Fiscal Year were calculated and made in accordance with this Agreement.

(b) The Annual Concession Fee Report shall also contain, in detail satisfactory to the Authority, a complete, itemized statement of the following for the subject Fiscal Year: (i) total Gross Revenues broken out monthly, as shown on the books and records of Concessionaire, that were used to compute the Gross Revenue Share during the period covered by the Annual Concession Fee Report; (ii) the total Concession Fee paid; and (iii) an attestation that the Concession Fee paid by Concessionaire during the preceding Fiscal Year was properly calculated and paid pursuant to this Agreement. Late submission of the Annual Concession Fee Report shall be subject to an administrative charge in the amount of \$50 per day.

(c) If Concessionaire believes that it underpaid or overpaid the Concession Fee, then Concessionaire shall notify the Authority contemporaneously with its submission of the Annual Concession Fee Report for such Fiscal Year. If the Authority determines that Concessionaire has underpaid, then Concessionaire shall remit the entire amount of the underpayment to the Authority within 30 days of the Authority's written demand. If the Authority determines that Concessionaire has overpaid, then the Authority will issue Concessionaire a credit against future Concession Fee payment obligations (or, following the expiration or earlier termination of this Agreement, issue Concessionaire a refund).

5.5 Form of Payment.

(a) All payments shall be paid in lawful money of the United States of America without presentment, abatement, setoff, or deduction. The Authority may accept payment without prejudice to its right to recover the balance of such amount due and to pursue any other available remedies.

(b) All payments or charges shall be made via Automated Clearing House (ACH) or Electronic Fund Transfer (EFT) or other method as designated in writing by the

Authority. Each payment from Concessionaire shall be accompanied with a detailed remittance advice, or clear instructions, outlining what charges are being paid. All payments shall be clearly reconcilable to their corresponding invoices or Monthly Concession Fee Reports. The Authority shall provide Concessionaire with the information necessary to send and receive such electronic payments.

(c) Concessionaire shall be responsible for any charges imposed by an intermediary financial institution for the transmission of a payment to the Authority. If the financial institution automatically deducts a dollar amount from the transmission for such charges, Concessionaire shall take that into consideration to ensure that the Authority's receipt equals the amount due. Any charges to the Authority or deduction from the payment by the financial institution (such that the Authority's receipt is less than the amount due) shall be invoiced to Concessionaire, and the invoiced amount shall be due upon receipt.

5.6 Place of Payment, Report, and Statement Submittal.

(a) Unless otherwise specified in this Agreement or directed by the Authority in writing, payment (or remittance advice, if payment made via ACH, EFT or similar method), reports, and statements required by this Agreement shall be delivered to the Authority's Accounting/Finance Department at the address set forth in Section 25.1, with an electronic copy to AR@bur.org.

(b) The designated place of submittal may be changed at any time by the Authority upon 10 days notice to Concessionaire. Payments shall be made payable to "Burbank-Glendale-Pasadena Airport Authority." Concessionaire assumes all risk, including assessment pursuant to Section 5.7, if a payment made by mail or delivery service is lost or not delivered to the Authority on time.

5.7 Late Payment.

(a) Any amount due from Concessionaire to the Authority pursuant to this Agreement which is not paid within 10 days of the due date shall bear interest from the due date until paid, at a rate equal to the primary discount rate established by the Federal Reserve Board in effect on the due date (provided that it shall not exceed the maximum rate permissible by law). The payment of any interest pursuant to this Section shall not excuse or cure any default by Concessionaire with respect to its obligations to pay any amount due from Concessionaire pursuant to this Agreement.

(b) If the due date for a payment is not a business day, such payment may be made on the next succeeding business day, with the same force and effect as if done on the actual due date.

ARTICLE 6 PERFORMANCE GUARANTEE

6.1 Purpose. The Performance Guarantee shall secure Concessionaire's full and faithful performance of this Agreement. The Performance Guarantee shall not be considered to be held in trust by the Authority for the benefit of Concessionaire and it shall not be considered an

advance payment of any component of Concession Fee. The Authority shall not be required to maintain the Performance Guarantee in any separate account. Concessionaire shall not be entitled to any interest earnings on the Performance Guarantee while held by the Authority.

6.2 Amount; Delivery.

(a) The Performance Guarantee shall be \$3,000.00 subject to adjustment prescribed in subsection (b). Concessionaire shall deliver the Performance Guarantee (in the form of an electronic payment or a cashier's check to be cashed by the Authority), upon execution of this Agreement.

(b) Without limiting any other rights or remedies, if Concessionaire is late in paying any component of the Concession Fee more than three times during any Fiscal Year, the Authority may increase the required amount of the Performance Guarantee to an amount deemed necessary by the Authority.

6.3 Use. If any amount payable to the Authority is 10 days past due, or if any other default on Concessionaire's part under this Agreement has occurred and is continuing (and Concessionaire has not promptly implemented an effective cure within 10 days of the Authority's notice of such past-due payment or other default), the Authority may apply all or any part of the Performance Guarantee to cure any default by Concessionaire including: (i) the payment of the Concession Fee and other fees and charges; (ii) repair of damages to the Brochure Rack Locations or any other Airport facilities caused by a Concessionaire Agent; (iii) cleaning the Brochure Rack Locations upon expiration or termination of this Agreement; and (iv) reimbursing the Authority for costs associated with Concessionaire's failure to perform any of its obligations under this Agreement. Further, the Authority may draw on the Performance Guarantee immediately, without notice to Concessionaire, upon commencement of a bankruptcy case or other insolvency proceeding by or against Concessionaire or upon receipt of a notice of non-renewal.

6.4 Replenishment. After any draw on the Performance Guarantee, Concessionaire shall, immediately upon the Authority's written demand, transmit the dollar amount necessary to restore the Performance Guarantee to the then-required amount.

6.5 Release. The Performance Guarantee or the remaining portion thereof shall be released to Concessionaire within 90 days after expiration or termination of this Agreement. Notwithstanding the preceding, if any question exists concerning Concessionaire's compliance with this Agreement, or if there is any remaining obligation under this Agreement after expiration or termination, the Authority may require that the Performance Guarantee remain in place until the Authority is satisfied that there has been no violation of this Agreement and all obligations due under this Agreement have been performed.

ARTICLE 7
ADDITIONAL REQUIREMENTS RELATING TO REPORTS

7.1 Method of Report Submission; Additional Reports.

(a) All reports shall be submitted to the Authority using the technology and procedures designated by the Authority. The Authority shall not be obligated to furnish

Concessionaire the equipment or systems necessary for such submittal. However, the Authority shall afford a reasonable time for Concessionaire to obtain the necessary technology or equipment and develop the necessary expertise to use the same. In the interim, Concessionaire may use an alternative Authority-approved method for such submittal.

(b) Upon 60 days notice, the Authority may change the form and frequency of submission of the reports and statements, and may require the submission of additional or different information about Gross Revenues or the Brochure Rack Concession. Concessionaire may withhold information about individual customers to the extent that disclosure is prohibited by law but Concessionaire shall inform the Authority about the withholding of such information and a reasonable explanation for the legal basis.

7.2 Late Reports/Documentation. In the event Concessionaire is delinquent for 10 business days or more in furnishing any report or other documentation, the Authority may provide written notice of such delinquency.

ARTICLE 8 RECORDKEEPING AND AUDITS

8.1 Maintenance of Records; Authority's Right to Inspect and Audit.

(a) Concessionaire shall maintain clear and accurate records that will enable the Authority to audit Concessionaire's performance of this Agreement. Concessionaire's record handling policies and procedures shall be subject to review and approval by the Authority upon request.

(b) The Authority may require Concessionaire to furnish copies of periodic tax returns covering the operations of the Brochure Rack Concession. All copies of such returns shall be certified by an officer of Concessionaire to be exact copies of the original documents. Concessionaire shall promptly notify the Authority of and furnish copies of any financial or tax audit reports covering concession operations as conducted by the California Franchise Tax Board, the United States Internal Revenue Service, or any other government entity.

(c) The Authority has the right to conduct multiple types of audits throughout the Concession Period as well as upon expiration or termination of this Agreement. This right includes examination of Concessionaire's books and records relevant to the determination of any matters concerning the performance of Concessionaire.

8.2 Concessionaire Internal Control System Requirements.

(a) Concessionaire shall maintain an internal control structure designed to provide reasonable assurance that Concessionaire's assets are safeguarded from loss or unauthorized use, transactions are executed according to management's authority, and that financial records are reliable for Brochure Rack Concession revenues or any other matter relevant to this Agreement. Concessionaire shall adhere to reliable, consistent cash and recordkeeping systems and procedures in accordance with reasonable written internal control policies and

procedures adopted by Concessionaire. The adherence to internal control policies and procedures shall be facilitated by the hiring, training, and supervision of qualified personnel, by an appropriate segregation of duties and by an understanding of all relevant policies and procedures.

(b) Concessionaire shall maintain clear and accurate books and records of Brochure Rack Concession revenues, in accordance with generally accepted accounting principles, in a physical location (provided such records may be digitally maintained) readily accessible by the Authority for at least six years after the end of the Fiscal Year to which they pertain or, in the event of a claim by the Authority, until such claim for payments shall have been resolved.

(c) This Section shall survive expiration or termination of this Agreement.

8.3 Production of Records.

(a) Upon request of the Authority, any and all books, records, and accounts pertaining to Concessionaire's operations or performance of this Agreement, including transaction level data, shall be produced or otherwise made accessible to Airport Representatives within 10 business days, for inspection, audit, or copying.

(b) Concessionaire may make requested records available to the Authority at a physical location other than Burbank, California, provided Concessionaire pays the full amount of the Airport Representative's expenses, including travel, lodging, and meals, to travel to the records' location for any inspection, audit, or copying. If the Airport Representative(s) are required to spend more than five business days examining the books or records due to a lack of organization of the records or searches for missing data, then, starting on the sixth business day, Concessionaire shall pay a daily fee of \$1,200 per Airport Representative per day or partial day. If upon examination or audit, the Airport Representative determines that sufficient documentation has not been maintained, retained, or made available to verify Concessionaire's actual Gross Revenues or any other matter relevant to this Agreement, the Authority shall be entitled to collect as an Additional Fee an amount equal to 5% of the Base Fee for the period in question.

(c) The Authority may require Concessionaire to reconstruct, at Concessionaire's sole expense, all records for the determination of Base Fee or any other matter relevant to this Agreement for any period being audited. Failure to reasonably reconstruct all records shall constitute a material default.

8.4 Under and Over Reporting of Amounts Due.

(a) If an audit discloses an underpayment, Concessionaire shall promptly pay the Authority the following: (i) the difference between the amount paid and the amount owed to the Authority, plus (ii) a late fee equal to 1.5% per month (subject to the maximum rate permitted under law) from the date on which the underpayment was originally due. If Concessionaire has understated the Gross Revenues by 1% or more, the entire expense of such audit shall be borne by Concessionaire. If the Authority deems it necessary to utilize the services of legal counsel in connection with collecting the reimbursement for such audit, then Concessionaire shall reimburse the Authority for reasonable attorneys' fees and litigation expenses as part of the costs incurred.

(b) If an audit discloses an overpayment, Concessionaire shall be granted credit toward future amounts due after first deducting the cost of the audit. In the event the cost of the audit exceeds the refund due, Concessionaire shall not be responsible for the balance of the cost of the audit, but shall also not be entitled to any refund or credit. If the audit is completed after the conclusion of this Agreement, and money is owed to Concessionaire, once all other payments owed to the Authority are satisfied, the remainder of the over-payment shall be paid to Concessionaire.

ARTICLE 9 PERMITTED USE; LIMITATIONS

9.1 General. The purpose of this Agreement is for the management and operation of the Brochure Rack Concession at the Brochure Rack Locations of the Airport. All rights granted under this Agreement are to serve such purpose, and shall not be read to grant Concessionaire any rights beyond that scope.

9.2 Permitted Use.

(a) Concessionaire shall have the right and duty to design, install, and maintain the Brochure Racks for the Brochure Rack Concession, and manage and operate the Brochure Rack Concession in accordance with this Agreement.

(b) Concessionaire shall use the Brochure Rack Locations and the Brochure Rack Installations solely to support the successful and efficient operation of the Brochure Rack Concession.

(c) Subject to the requirements set forth below, Concessionaire may retain qualified Subcontractors for any work under this Agreement.

(i) Upon the Authority's request at any time, Concessionaire shall within three business days furnish the Authority an up-to-date list of Subcontractors then engaged by Concessionaire to work on any part of the Brochure Rack Concession, and shall provide such other information about the Subcontractors and the related Subcontract as the Authority may reasonably request.

(ii) Each Subcontract shall include indemnification language specified in Section 18.2.

(iii) At all times, the Subcontractor's performance under the Subcontract at or around the Airport (or in connection with the Brochure Rack Concession) shall be deemed to be under Concessionaire's supervision. Concessionaire shall remain responsible for Concessionaire's duties under this Agreement in all respects.

(iv) All acts or omissions of a Subcontractor at or concerning the Airport shall be deemed to be those of Concessionaire. The Authority shall have the right to enforce any violation by a Subcontractor as if the violation was committed by Concessionaire, and accordingly exercise remedies against Concessionaire pursuant to this Agreement. In that regard, the Authority

shall have no obligation to recognize any purported assignment of rights or delegation of obligations by Concessionaire to a Subcontractor.

(v) The Subcontractor shall have no claim against the Authority, and the Authority shall have no liability to the Subcontractor, for any reason whatsoever for any loss, damage or harm arising from the Subcontract, or acts or omissions by the Authority pursuant to this Agreement.

(d) Subject to Section 10.7, visiting service personnel and product deliveries shall be permitted to park or unload in areas designated for temporary vendor parking or unloading, or at other locations as may from time-to-time be designated by the Authority.

9.3 General Limitations. Concessionaire shall not:

(a) Use the Brochure Rack Locations for any purpose other than the Brochure Rack Concession, without the Authority's consent.

(b) Allow any condition on or conduct at the Brochure Rack Locations or anywhere else in the Airport that materially or adversely affects the development, improvement, operation, or maintenance of the Airport.

(c) Use or permit any Airport facilities to be used in any manner which might interfere with the landing and take-off of aircraft from the Airport or otherwise constitute a hazard. The Authority has the right to take any action it considers necessary to protect the airspace and approaches of the Airport against obstruction, including the right to prevent Concessionaire from erecting, or permitting to be erected or located, any light fixture, building, object, structure, or growth of natural object on the premises or adjacent to the Airport that would limit the usefulness of the Airport or constitute a hazard to aircraft or obstruction to air navigation or communication facilities.

(d) Install, maintain, operate, or offer to sell or install any equipment or display or sign (including any display case, exhibit, diorama, courtesy direct-line, or brochure), without the Authority's prior approval.

(e) Interfere with or disturb the effectiveness or accessibility of the drainage and sewage system, fire hydrants and hoses, heating-ventilation-air conditioning system, electrical or other power systems, or communication system within the Airport.

(f) Interfere with the Authority's staff, businesses, or patrons, including unfair competition with other Airport concessions.

(g) Use the Brochure Rack Locations or any other Airport facilities for any improper, immoral, or unlawful purpose.

(h) Obstruct the roadways or passageways adjacent to or within the Airport, or other Airport common use facilities or public areas (provided that the Brochure Rack Installations made pursuant to this Agreement are not obstructions).

(i) Conduct solicitation activities or distribute materials in or about the Airport in any manner without the Authority's prior approval.

(j) Do anything that may invalidate, conflict with, or increase the rate of any insurance policy covering the Authority or the Airport. The Authority may limit, modify, or require removal of any materials, parts or equipment that it reasonably determines are not incidental to Concessionaire's operations. Concessionaire shall have 48 hours from receipt of such notice to remove and properly dispose of any items identified.

(k) Transact or otherwise engage in activities in the Airport other than as permitted under this Agreement.

9.4 Cooperation.

(a) Concessionaire acknowledges that the Authority may pursue Airport development, improvements, and maintenance activities from time to time that may affect the Brochure Rack Locations and other areas of the Airport. Concessionaire shall work cooperatively and in good faith with the Authority and other concessionaires and contractors in development, improvement, and maintenance activities to minimize any disruptions. If requested by the Authority, Concessionaire shall cooperate with and assist the Authority in the development and implementation of any plans, designs, ingress/egress, or transition that may arise in connection with such Airport development, improvement, and maintenance activities. The Authority may temporarily or permanently change any method of ingress or egress on the Airport, so long as the means of ingress and egress are reasonably equivalent to current access available to Concessionaire.

(b) Should a dispute arise between Concessionaire and any other concessionaire or contractor at the Airport, Concessionaire shall in good faith seek to resolve the dispute and shall avoid any interruption of the parties' operations at the Airport. The Authority shall have no obligation to intercede in such dispute. However, at its sole discretion, the Authority may request the parties to cooperate with the Authority to resolve the dispute and, in such event, the Authority (acting through the Airport Representative) shall have the right to make the final decision on the dispute resolution.

ARTICLE 10 OPERATIONS AND MAINTENANCE

10.1 Compliance with Law, Government Permits, and Approvals. Concessionaire shall install the Brochure Racks and operate and maintain the Brochure Rack Concession (and every Concessionaire Agent shall perform their responsibilities) in a manner that complies with applicable laws. In such connection, Concessionaire shall be solely responsible for determining the applicable governmental requirements. Concessionaire, at its sole expense, shall obtain and maintain all related permits and licenses.

10.2 Principal Use of Airport. All of Concessionaire's business and operations at the Airport shall at all times be compatible with and subordinate to the Authority's operation of the Airport as a public airport, as determined by the Authority in its sole discretion.

10.3 Permitted Brochures; Content; Advertisement Guidelines.

(a) The Brochure Rack Installations shall only be used to support the placement of Permitted Brochures. Other displays (such as signs, stickers, diorama) on a Brochure Rack Installation or otherwise placed at a Brochure Rack Location shall be subject to the Authority's approval.

(b) "Permitted Brochures" shall meet the following requirements.

(i) They shall provide information on, or promotion of, activities and attractions in Burbank, Pasadena, Glendale, other areas near the Airport or other Southern California locations.

(ii) Permitted Brochures shall be in the form of printed brochures or magazines. Concessionaire shall obtain the Authority's approval for any Brochure Rack Installation that include devices which disseminate content digitally or other method aside from print ("Non-print Content"). As used below, "Permitted Brochures" include Non-print Content.

(iii) Permitted Brochures shall comply with the Advertisement Guidelines set forth in Exhibit C.

(A) Concessionaire shall evaluate each proposed Permitted Brochure for compliance with the Advertisement Guidelines. If the proposed Permitted Brochure contains a QR Code (or analogous method) which provides instant access to an internet site, Concessionaire shall be responsible for reviewing the destination internet site to ensure that the content of such internet site is consistent with the description in the Permitted Brochure and does not violate the Advertisement Guidelines.

(B) The Authority may from time to time revise the Advertisement Guidelines after providing 30 days' notice and an opportunity for Concessionaire to present any objections or proposed modifications during that period. The Advertisement Guidelines, after such revisions, shall automatically be incorporated by reference into this Agreement as the updated Exhibit C without the parties having to execute an amendment to this Agreement.

(c) Concessionaire shall use best efforts to ensure that materials on display at each Brochure Rack Installation do not contain outdated or false information, and the Permitted Brochures are in good condition for distribution to the traveling public.

(d) Upon the Authority's notice that any material placed at a Brochure Rack Installation violates the above requirements, Concessionaire shall take corrective measures to the Authority's satisfaction within five days. Between the time of such notice and the implementation of satisfactory corrective measures, the Authority shall have the right to use such means as the Authority determines to be appropriate (without damaging the hardware component of the Brochure Rack Installations), and without compensation to Concessionaire, to remove the non-compliant material or otherwise obstruct the non-compliant display from public view.

10.4 Advertising Program Coordination. Concessionaire acknowledges that the Authority may enter into one or more concession agreements for advertising (including, but not limited to, advertising through Wi-Fi services at various Airport Locations). At the Authority's request, Concessionaire shall engage in discussions and cooperate in good faith with the Authority and other stakeholders regarding the development and implementation of a coordinated advertising program for the Airport.

10.5 Standard of Service. Concessionaire shall operate the Brochure Rack Concession to serve the traveling public and Airport users in a fair and non-discriminatory manner, and shall maintain the highest degree of service based on industry standards for similar venues and in a manner acceptable to the Authority. Concessionaire shall fulfill the requirements set forth in this Agreement at Concessionaire's sole expense.

10.6 Staffing; Manager.

(a) Concessionaire shall at all times retain a qualified, competent and experienced manager who shall manage and supervise the Brochure Rack Concession, with authorization to make representations and take ordinary actions with respect to such operations (including control of assigned Concessionaire Agents) on Concessionaire's behalf. All approvals, consents, representations, and commitments of the manager shall be binding upon Concessionaire. Notices to the manager shall constitute notice to Concessionaire. The manager shall generally be available to be contacted by the Authority during regular business hours. A qualified, competent, and experienced subordinate shall be in charge and available at all times during the manager's absence. Subject to Section 9.2(c), Concessionaire may enter into a Subcontract to retain a third-party to serve as the manager described in this subsection. Concessionaire shall provide the Authority the name and relevant contact information before any manager assumes the post, and shall furnish advance notification to the Authority regarding any changes.

(b) Concessionaire shall have available qualified and properly trained personnel in adequate numbers to operate the Brochure Rack Concession, including staff for regular and routine maintenance of the Brochure Rack Installations and for providing solutions to technical issues as they arise. In performing their tasks, Concessionaire Agents shall adequately and safely carry out services in a courteous, prompt, and efficient manner.

(c) Concessionaire shall, at its own expense, conduct a background check, as required, on each Concessionaire Agent assigned to operate at the Airport or otherwise work on Brochure Rack Concession facilities that are (or are expected to be) installed at the Airport to comply with requirements of the Authority, FAA, TSA and other applicable government agencies.

(d) The Authority shall have the right to object to the demeanor, conduct, and appearance of any Concessionaire Agent operating at the Airport or doing business with the Authority. Immediately upon notice of such objection by the Authority, Concessionaire shall take all steps necessary to remedy the cause of the objection.

(e) Concessionaire shall provide the Authority the names and contact information of Concessionaire Agents who are assigned to perform work on-site at the Airport.

10.7 Badging and Security Requirements. Concessionaire shall be responsible for all Concessionaire Agents' compliance with security rules, regulations, and procedures, including those issued by the TSA and the Authority and any Authority requirements regarding security identification badges while working at the Airport. The rules, regulations, and procedures of the TSA and the Authority regarding security matters may be modified from time to time and Concessionaire shall comply with all modifications. Concessionaire shall pay all costs associated with obtaining the required security identification badges and security clearances for its personnel, including the costs of training, fingerprinting, and badging as established by the Authority.

10.8 Concession Security Program.

(a) Concessionaire, at its own cost, shall develop and implement a security program to ensure the safe operation of the Brochure Rack Concession, including addressing vandalism or theft of any Brochure Rack Installation. The program shall: (i) comply with applicable laws; and (ii) be consistent with the Authority's overall security program for the Airport. The security program shall be subject the Authority's review and approval.

(b) Concessionaire acknowledges that the Authority is not obligated to furnish firefighting services and security services for any area of the Airport. The Airport's police and fire departments, in their judgement and sole discretion, determine their priorities and allocation of resources with regard to any operation. The Brochure Rack Locations and other areas of the Airport are within the municipal service area of the City of Burbank.

10.9 Brochure Rack Installation Specifications; Subsequent Modifications. Each Brochure Rack shall comply with the specifications set forth in Exhibit B. After initial installation, Concessionaire shall obtain the Authority's consent, which shall not be unreasonably withheld, before making any material modification to the Brochure Racks. Any modification that involves an Alteration shall be subject to Article 16.

10.10 Continuous Operation.

(a) Concessionaire shall continuously and uninterruptedly operate the Brochure Rack Concession at each Brochure Rack Location.

(b) If a Brochure Rack must be removed for service or repair, Concessionaire shall install a serviceable replacement for the duration of the removal. To the extent such installation involves any Alterations, Concessionaire shall comply with Article 16.

10.11 Maintenance, Repair, and Restoration.

(a) Concessionaire shall:

(i) Conduct all appropriate studies for each Brochure Rack Installation before installation, and also conduct supplemental studies periodically thereafter, as appropriate, to ensure safe and proper installation and functioning and compliance with law.

(ii) Maintain each Brochure Rack Installation in good working order and a neat and sanitary condition according to Authority standards.

(iii) Use best efforts to keep sufficient Permitted Brochures on each Brochure Rack, so that the Brochure Rack is re-stocked each time before appearing to be 50% or more empty.

(iv) Provide the Authority updated copies of: (A) the schedule for regular inspection and re-stocking of Permitted Brochures at each Brochure Rack Location, which shall occur at least three times a week, and (B) the schedule for regular cleaning and maintenance of the Brochure Rack Installations, which shall occur at least once weekly; and such schedules shall be modified pursuant to the Authority's request based on Airport operational needs and activity demands (determined at the Authority's discretion).

(v) Notify the Authority promptly of deviation from any schedule provided pursuant to clause (iv).

(vi) Provide a toll-free telephone number (or other adequate means acceptable to the Authority) for the Authority to obtain live-human support, at any time of the day and on any day, regarding technical issues or damage/destruction of any Brochure Rack Installation component.

(vii) Promptly inform the Authority of any issue or malfunction at a Brochure Rack Installation that is anticipated to last longer than one day; or (ii) has remained unresolved one day after Concessionaire's attempt at repair.

(viii) Immediately inform the Authority upon becoming aware of any issue, outage, or malfunction at a Brochure Rack Installation that can be reasonably anticipated to create a hazard to Airport users or damage to Airport property.

(ix) Use best efforts to make replacements or repairs, and resolve the problem as soon as practicable after becoming aware that there is an issue with any Brochure Rack Installation. In any event, upon receiving a report of any damage, outage or malfunction, Concessionaire shall provide on-site repair or replacement within 48 hours (or if the Brochure Rack Installation cannot be reasonably restored to full function within 48 hours, such longer period as approved by the Executive Director upon request).

(x) Provide, in a timely manner, for the adequate sanitary handling and removal of all trash, garbage and other refuse caused as a result of Concessionaire's operations.

(xi) Obtain the Authority's approval before making any alteration to Airport property, whether as part of maintenance or repair work.

(b) Concessionaire shall not:

(i) Permit mechanical equipment to have any unreasonable vibration or noise.

(ii) Commit or permit waste, debris or a nuisance at the Brochure Rack Locations or any other area of the Airport.

(iii) Permit any noxious or toxic fumes or odors, dust, or dirt at the Brochure Rack Locations or any other area of the Airport.

(iv) Place a load on any floor area of the Airport which exceeds the floor load per square foot that such floor was designed to carry.

(v) Install any public address or paging system at any Airport facilities.

(vi) Install any locks or security systems of any kind or type without the prior written consent of the Authority.

(vii) Perform or permit to be done anything that may disturb Airport tenants or other Airport users.

(viii) Create any installations or displays that interfere with other signage that provide travelers and other users with information about Airport amenities.

(ix) Perform or permit to be done anything that may interfere with the effectiveness or accessibility of fire doors, or elevators in or adjacent to any Brochure Rack Location, including lines, pipes, wires, conduits, and equipment connected or appurtenant thereto.

(x) Hinder police, firefighters, or other emergency personnel in the discharge of their duties.

(xi) Permit any Brochure Rack Installation component to interfere with Airport radio systems (including the Airport's operations radio systems, FAA radio operations, police department radio, other local public safety radio systems, and any other concessionaire's existing operations radio system). Any harmful interference detected shall be a cause for immediate shutdown of the component that is causing the interference until such time as it is corrected by Concessionaire at no cost to Authority.

(c) Concessionaire shall be solely responsible for the cost of maintenance or repair for damage to Airport property caused by Concessionaire Agents (whether through negligent acts or omissions) or any Concessionaire installations at the Airport. In the event of such damage, the Authority may elect to: (i) perform such repair or maintenance itself, at Concessionaire's expense (in which case, Section 10.16 shall apply); or (ii) may require Concessionaire to perform the same and restore the property to a quality at least equal to the original in materials and workmanship. If the repair or maintenance is not of an emergency nature, the Authority shall give Concessionaire five days advance written notice of its election in such matter.

10.12 Utilities.

(a) The Authority shall pay for the electricity supplied to the Brochure Rack Locations, to the extent that the use of the related electrical outlets is approved by the Authority.

(b) The Authority shall not be responsible to provide any data connections (whether wired or wireless) to any Brochure Rack Location.

(c) If Concessionaire requires utilities (including telecommunication or other data connection or transmission facilities) beyond those then-currently provided or that are available to be extended to a Brochure Rack Location, Concessionaire shall pay the full cost and expense associated with the required upgrade/extension/installation of such utilities, and shall comply with all provisions for maintaining such utilities.

(d) The Authority shall not be liable to Concessionaire for any interruption in or curtailment of any utility service (including electricity).

(e) The Authority reserves the right to upgrade, extend, install, maintain, and repair all utilities and services at or across any Brochure Rack Location, whether or not such services or utilities are for the benefit of Concessionaire. The Authority shall take reasonable care and diligence to protect existing improvements and utilities and shall avoid to the greatest extent possible any unreasonable interference or interruption to Concessionaire's operations.

10.13 Emergency De-Activation/Dismantling/Removal. In response to a safety emergency (as determined by the Authority), the Authority shall have the right to take such action as the Authority deems necessary or appropriate to deactivate, dismantle or remove components of any Brochure Rack Installation. The Authority may, but is not obligated to, notify Concessionaire before taking such actions, but shall inform Concessionaire of the actions taken as soon as the Authority determines to be practicable to do so. The Authority shall not incur any liability to Concessionaire for such actions.

10.14 Smoking Restrictions. Concessionaire Agents shall comply with the City of Burbank's ordinance regulating smoking in places patronized by the public and the Authority's policies regarding smoking at Airport facilities.

10.15 Authority's Responsibility. The Authority, without cost to Concessionaire, shall keep and maintain in good condition and repair, reasonable wear and tear excepted, the following: (i) foundations, roof and other structural components of the building where the Brochure Rack Installations are located; and (ii) all common area sprinklers, plumbing, sewer, electrical, water, gas, heating, ventilating and air conditioning systems, facilities, and equipment but only to the extent such systems, facilities, or equipment are located within such buildings. For clarification, the Authority shall have no obligation to repair any damage to any of the foregoing to the extent caused by the willful or negligent act or omission, including overuse or abuse, of Concessionaire or Concessionaire Agents, which damage shall be repaired promptly by Concessionaire, at Concessionaire's sole expense.

10.16 Correction for Maintenance Failings.

(a) The Authority shall be the sole judge of the quality of Concessionaire's maintenance of the Brochure Rack Installations at their respective locations. The Authority or its representative may at any time, without notice, conduct inspections to determine if maintenance performance is satisfactory to the Authority. If the Authority determines that maintenance is not satisfactory, the Authority shall notify Concessionaire and set a correction deadline. Concessionaire shall perform the required maintenance within seven days of the Authority's notice and, if Concessionaire does not perform within such period, the Authority shall have the right to

perform the maintenance. However, where unsatisfactory maintenance threatens the safety, health, or welfare of the traveling public and/or the Airport's facilities, Concessionaire shall immediately perform the maintenance.

(b) In the case where the Authority has paid any sum by reason of failure of Concessionaire to perform any maintenance obligation, Concessionaire shall pay the Authority such sum plus a 15% administrative fee.

(c) Should the Authority elect to use its own staff to perform Concessionaire's maintenance obligations, any timesheet of any employee of the Authority showing hours of labor or work allocated to any such repair, replacement, and/or alteration, or any stock requisition of the Authority showing the issuance of materials shall be conclusive evidence that the amount of such charge was necessary and reasonable.

ARTICLE 11 DEFAULT EVENTS; REMEDIES

11.1 Default Events. Each of the following shall constitute a "Default Event":

(a) (i) The voluntary or involuntary appointment of a receiver, trustee or liquidator to take possession of all or substantially all of the assets of Concessionaire when such appointment is not dismissed, terminated, or vacated in 30 days; (ii) a general assignment by Concessionaire for the benefit or protection of creditors; (iii) Concessionaire's admission of its inability to pay its debts as they become due; or (iv) any action taken against or suffered by Concessionaire under any statute relating to insolvency, bankruptcy, reorganization, arrangement, composition, liquidation, dissolution or other relief for debtors; unless, in the case of an involuntary petition filed against Concessionaire to have Concessionaire adjudged a bankrupt or for reorganization or arrangement, the petition is dismissed within 30 days.

(b) Any attachment, execution, distraint, judicial seizure, or other process of law pursuant to which Concessionaire's rights or interest in Concessionaire's properties related to the Brochure Rack Concession, or this Agreement may be taken, occupied or used by anyone other than Concessionaire, when such attachment, execution, distraint, judicial seizure, or other process of law shall not be released, dismissed or stayed within 30 days.

(c) An attempted or purported assignment, transfer, conveyance, mortgage, grant of security interest, hypothecation or other encumbrance of all or any part of Concessionaire's rights or interests under this Agreement; or rights with respect to the Brochure Rack Locations, except as expressly permitted by this Agreement.

(d) Concessionaire is found to have made a material misrepresentation in this Agreement, including a misrepresentation concerning Concessionaire's financial stability or experience in operating a concession of the type authorized by this Agreement.

(e) Concessionaire's misuse of any Airport facilities in a manner that, in the Executive Director's opinion, materially has affected the Airport operation or safety.

(f) A government entity terminates, revokes, or suspends any certificate, license, or permit held by Concessionaire without which Concessionaire is not lawfully empowered to perform its obligations under this Agreement, and such certificate, license, or permit is not reinstated, or a new one received, within five business days.

(g) Failure by Concessionaire to pay, when due, any Concession Fee (including Base Fee and any other amounts under this Agreement), where such failure continues for 15 days after notice (any such notice provided in this Section shall be in lieu of, and not in addition to, any notice required under Code of Civil Procedure Section 1161, to extent such provision is applicable).

(h) Failure to maintain the Performance Guarantee in the required amount.

(i) Failure to maintain insurance at the prescribed levels.

(j) Failure to cure a default, breach or non-performance of any other requirement under this Agreement not covered by the above, after 30-day written notice by the Authority; provided that in the event of a curable default (as determined by the Authority) and Concessionaire has commenced to diligently cure the default within such 30-days, then the Authority may extend such cure period for another 60 days.

11.2 Remedies. Upon the occurrence of any Default Event by Concessionaire, the Authority may:

(a) Revoke Concessionaire's license to use the Brochure Rack Locations, in which case this Agreement shall terminate upon the date specified in the Authority notice and Concessionaire shall peaceably remove its properties pursuant to Article 15. In such event, the Authority shall be entitled to recover from Concessionaire all of the following:

(1) The unpaid amounts (including late charges and interest) payable by Concessionaire under this Agreement that have accrued to the date of termination.

(2) The worth at the time of termination of the Base Fee (defined in Section 11.2(d) below) which would have accrued under this Agreement from the date of termination until the Expiration Date less the worth at the time of termination of the amount of such Concession Fee loss that Concessionaire proves could have been reasonably avoided.

(3) Any other amount necessary to compensate the Authority for all damages and losses proximately caused by Concessionaire's failure to perform this Agreement including the expenses of finding a successor concessionaire, costs of putting the Brochure Rack Locations in good order, condition and repair, including necessary renovation and alteration, reasonable attorneys' fees, court costs, all costs incurred in the appointment of and performance by a receiver to protect the Authority's interest under the Agreement and any other reasonable cost.

(b) Pursue any other remedy to continue this Agreement in effect and enforce all rights and remedies under this Agreement, including the right to recover amounts payable by Concessionaire as they become due, even though Concessionaire has breached this Agreement and

abandoned the use of the Brochure Rack Locations. In the event Concessionaire does not use the Brochure Rack Locations as contemplated and commence payment of amounts due, the Authority shall have all of the rights and be entitled to recover from Concessionaire all of the damages described in this Section.

(c) If the Authority terminates this Agreement pursuant to Section 11.2(a), unless and until removed in accordance with Section 15.1, the Authority may take exclusive possession of all of Concessionaire's fixtures, furniture, equipment, improvements, additions, alterations and other personal property at the Brochure Rack Locations or other areas of the Airport, and to use the same, without rent or charge, until all defaults are cured, or, at its option, to require Concessionaire to forthwith remove to same.

(d) For computing "worth at the time of termination of the Base Fee" referred to in Section 11.2(a)(2), the Base Fee shall be assumed to be the average Base Fee for the immediately preceding two Fiscal Years, and the "worth at the time of termination" shall be computed by discounting such amount at one percentage point above the discount rate of the Federal Reserve Bank of San Francisco at the time of termination.

11.3 Waiver by Concessionaire.

(a) In the event of the lawful exercise by the Authority of any one or more of its rights and remedies, Concessionaire waives any and all rights of redemption or relief from forfeiture under law, and further releases the Authority from any and all claims, demands and liabilities by reason of such exercise by the Authority.

(b) Concessionaire waives all claims and demands against the Authority for damages or loss arising out of or in connection with the Authority's exercise of its remedies following a Default Event.

(c) Except as shall arise out of the sole active negligence or the sole willful misconduct of the Authority, Concessionaire waives any and all claims or causes of action against the Authority, its officers, employees and agents for all of the following:

(1) Any loss, injury or damage arising or resulting from any act or omission of any invitee, licensee, concessionaire or other occupant of the Airport, or any person who uses the Airport.

(2) Any loss or damage to the property of, or injury or damage to Concessionaire, its officers, employees, agents, contractors or any other person, from any cause or condition arising at any time on account of Concessionaire's use of the Airport.

11.4 Cumulative Remedies; No Waiver by Authority. The various rights and remedies reserved to the Authority shall be cumulative, and, except as otherwise provided by law, the Authority may pursue any or all such rights and remedies, whether at the same time or otherwise, and no single right shall be deemed to be exclusive of any of the other or of any right or remedy allowed by law or in equity. No delay or omission of the Authority to exercise any right or remedy shall be construed as a waiver of any such right or remedy or waiver of any Default Event.

11.5 Performance of Concessionaire's Covenants by Authority. In the event that Concessionaire at any time fails to make any payment or perform any other act under this Agreement, the Authority shall have the right, but not the obligation, immediately or at any time thereafter, without notice or demand and without waiving any right or releasing Concessionaire from any obligation to the Authority, to make such payment or perform such other act for the account of Concessionaire, to the extent the Authority may deem desirable. In connection therewith, the Authority may pay reasonable expenses and employ counsel in instituting, prosecuting, or defending any action or proceeding under this Agreement. All sums so paid by the Authority and all expenses incurred in connection therewith, together with interest thereon at the rate of 1.5% per month (subject to the maximum rate permitted by law), shall be payable to the Authority on demand.

11.6 Excuse of Performance by Authority. The Authority shall be under no obligation to observe or perform any covenant of this Agreement on its part to be observed or performed for the benefit of Concessionaire, which accrues after the date of any Default Event, unless and until such Default Event is cured by Concessionaire or waived by the Authority.

11.7 Default by the Authority. The Authority shall not be deemed to be in default in the performance of any obligation unless and until it has failed to perform such obligation within 60 days following the delivery by Concessionaire of written notice specifying the obligation the Authority has failed to perform; provided, however, in the event that the nature of the Authority's obligation is such that more than 60 days are required for its performance, the Authority shall not be deemed to be in default if it shall commence such performance within such 60 day period and thereafter diligently prosecutes the same to completion. In the event of the Authority's default under this Agreement, subject to the notice and cure provisions described above in this Section, Concessionaire's sole remedy shall be to terminate this Agreement, with no further obligation or liability by the Authority.

ARTICLE 12 DAMAGE AND DESTRUCTION

12.1 Destruction Covered by Insurance. In the event of total or partial destruction, injury, damage or loss of the Brochure Rack Installations, and such casualty is covered under a policy of insurance required under this Agreement to be carried by Concessionaire:

(a) This Agreement shall not terminate, and Concessionaire shall commence and complete, as soon as is reasonably possible, at its sole expense the repair or restoration of the Brochure Rack Installations to substantially the same or better condition as they were in immediately before the destruction, injury, damage or loss.

(b) Concessionaire shall continue to pay Base Fee and all Additional Fees, and shall perform any other obligations which Concessionaire is required to perform (except for those obligations that are not feasible to be performed during any period of repair or restoration caused by such total or partial destruction).

12.2 Destruction Not Covered by Insurance. In the event a Brochure Rack Installations damaged or destroyed by any casualty not covered under an insurance policy required to be maintained by Concessionaire pursuant to this Agreement:

(a) If the damage or destruction can be reasonably repaired or restored within two months after the date of commencement of repair or restoration, this Agreement shall not terminate and Concessionaire shall, as soon as reasonably possible, at its sole expense, repair and restore the Brochure Rack Installation, as applicable, to substantially the same or better condition as they were in immediately before the damage or destruction.

(b) If the damage or destruction cannot be reasonably repaired within two months after the date of commencement of repair or restoration, and neither party exercises its right to terminate, this Agreement shall not terminate and Concessionaire shall, at its sole expense, repair and restore the Brochure Rack Installation, as applicable, to substantially the same or better condition as they were in immediately before the damage or destruction.

(c) Concessionaire shall continue to pay Base Fee and all Additional Fees, and shall perform any other obligations which Concessionaire is required to perform (except for those obligations that are not feasible to be performed during any period of repair or restoration caused by such total or partial destruction).

12.3 Authority's Election to Terminate.

(a) If the Brochure Rack Installations are damaged or destroyed (whether by insured or uninsured casualty), and the damage or destruction is such that it can be reasonably anticipated that the Brochure Rack Concession will not be restored to the standards required under this Agreement within two months after the date of such damage or destruction, the Authority may terminate this Agreement. The Authority may, at its option, within 30 days after the date of such destruction event give notice of its election to terminate this Agreement as of the date of the occurrence of the destruction.

(b) If the Authority elects to terminate this Agreement pursuant subsection (a), Concessionaire shall have the right within 5 days after receipt of the notice, to notify Authority in writing of Concessionaire's intention to repair such destruction at Concessionaire's expense, in which event this Agreement shall continue in effect and Concessionaire shall proceed to complete such repairs as soon as reasonably possible (within two months after the date of destruction event), to restore the Brochure Rack Installations, as applicable, to substantially the same or better condition as they were in immediately before the destruction, injury, damage or loss. During the repair period, Concessionaire shall continue to pay, except as otherwise provided in this Article, Base Fee and all Additional Fees, and shall perform any other obligations which Concessionaire is required to perform (except for those obligations that are not feasible to be performed during any period of repair or restoration caused by the total or partial destruction).

(c) If Concessionaire does not give notice pursuant to subsection (b) within such 30 day period, this Agreement shall be terminated as of the date of the occurrence of such destruction.

(d) In all events (and notwithstanding any that may appear to be contrary in foregoing), if the damage or destruction is caused by an act or omission of Concessionaire or a Concessionaire Agent, then Concessionaire shall repair such damage or destruction promptly at its sole expense.

12.4 Concessionaire's Election to Terminate. If the destruction is to such an extent that the cost of replacing the destroyed Brochure Rack Installations exceeds 50% of the estimated replacement cost of all of the Brochure Rack Installations, which damage or destruction cannot be reasonably repaired or restored within two months after the date of commencement of the repair or restoration, Concessionaire may terminate this Agreement but only if all of the following conditions are met:

(a) The damage or destruction was due to a casualty not covered under an insurance policy required to be maintained by Concessionaire pursuant to this Agreement.

(b) The damage or destruction was not caused by any act or omission of Concessionaire or Concessionaire Agent.

(c) Concessionaire, within 30 days after the date of the occurrence of such damage or destruction, provides the Authority with written notice of Concessionaire's election to terminate pursuant to this Section; provided that the termination date shall be at least 30 days from the date of such notice.

12.5 Procedure for Repair or Restoration. Within 30 days after the date on which Concessionaire is obligated to repair or restore a Brochure Rack Installation, Concessionaire shall prepare at its sole expense, and submit to the Authority for review and approval, drawings, plans and specifications in accordance with the applicable laws. In the event of repair or restoration affecting Alterations or Concession Improvements, Article 16 shall apply.

12.6 Damage to Airport Facilities. With respect to any damage to any areas or facilities of the Airport:

(a) The Authority shall determine, in its sole discretion, whether to repair any damage to any such areas or facilities.

(b) If the damage is such that Concessionaire is totally or substantially prevented from physical access to components that are critical to the functioning of the Brochure Rack Concession to the standards required under this Agreement, the Authority may repair or restore the damage or give Concessionaire notice of the Authority's election to terminate this Agreement.

(c) Any damage to the Airport that is caused by the act or omission of Concessionaire, or a Concessionaire Agent, shall be repaired or restored by the Authority at Concessionaire's sole expense. Concessionaire shall reimburse the Authority for all costs and expenses of such repair or restoration, plus a percentage thereof for administrative overhead as such percentage is approved and established from time to time by the Authority, within 10 days after demand.

12.7 Waiver by Concessionaire. Concessionaire waives the provisions of any law that is contrary to the obligations of Concessionaire under this Section or that relieves Concessionaire from such obligations, or that places upon the Authority obligations to repair or restore any Airport facility. Under no circumstances shall the Authority have any obligation to repair, replace or re-install any damaged or destroyed portion of the Brochure Rack Installations or any improvements, furnishings, fixtures, or equipment, or other personal property of Concessionaire (or a Concessionaire Agent) at or around the Airport, except as may be expressly provided in this Agreement.

ARTICLE 13 CONDEMNATION

13.1 Condemnation. As used in this Article, “condemnation” shall mean the right of any government entity (“Condemnor”) to take property for public use, and shall include a voluntary sale or transfer by the Authority to the Condemnor under threat of a taking under the power of condemnation or during the pendency of formal condemnation proceedings.

13.2 Notice to Other Party. The party receiving a notice of condemnation shall promptly give the other party a copy of the notice or a summary of the contents and date of the notice received.

13.3 Termination on Condemnation. This Agreement shall terminate as of the date that title of the property is transferred pursuant to the condemnation, if all of the following conditions are met:

(a) (i) The portion of the Airport that included the Brochure Rack Locations is totally or partially taken by condemnation, or (ii) the Brochure Rack Installations are totally or partially taken by condemnation.

(b) As the direct result of taking, the Brochure Rack Concession is prevented from performing to the standards required under this Agreement in the absence of a suitable replacement location.

(c) In case of a taking of Brochure Rack Locations, the Authority does not make available replacement location(s) at the Airport that, in its judgement, would allow the Brochure Rack Concession to continue to operate at the level required under this Agreement without significant interruption.

13.4 Award. Awards and other payments on account of a taking of any portion of the Brochure Rack Locations shall be paid to the Authority, except that Concessionaire shall receive:

(a) Sums separately awarded to Concessionaire for: (i) the unamortized cost (as of the date of condemnation) of the Concession Improvements, determined by amortizing the cost over the Concession Period on a straight line basis; and (ii) for Concessionaire’s personal property.

(b) Awards and payments received on account of a taking of only the right to use the Brochure Rack Locations under the license created by this Agreement (as evidenced by the

plain wording of the related condemnation documents).

ARTICLE 14

ADDITION OR REMOVAL OR RELOCATION OF BROCHURE RACK LOCATIONS

14.1 Addition of Brochure Rack Locations. At any time, the Authority may determine to create additional Brochure Rack Locations (each an “Additional Brochure Rack Location”) and give Concessionaire notice of such determination (“Notice for Additional Location”). The Authority and Concessionaire shall meet within 30 days of the Notice for Additional Location. Unless the Authority and Concessionaire agree to cancel the Additional Brochure Rack Location as the result of this meeting, Concessionaire shall, within 60 days of the Notice for Additional Location, submit a proposed installation plan for the Additional Brochure Rack Location. To the extent that such installation plan involves Alterations, Article 16 shall apply.

14.2 Authority Election to Relocate Brochure Rack Locations or Terminate Agreement. At any time the Authority determines that one or more of the Brochure Rack Locations should be eliminated because of Airport operation needs (without terminating the entire Agreement under Section 2.4):

(a) The Authority shall give Concessionaire 60-day advance notification and offer relocation options.

(b) Concessionaire shall notify the Authority in writing of any rejection of such offer within 30 days of the Authority’s notice. The absence of a rejection notice within the 30 days shall be deemed acceptance (and Concessionaire’s license to the eliminated location for the Brochure Rack Concession shall end as of the date specified in the Authority’s notification).

(c) If Concessionaire accepts the relocation offer, the parties shall negotiate, in good faith, for the payment of any relocation costs associated with such change.

(d) If Concessionaire rejects the relocation offer, or if the parties are unable to reach agreement regarding relocation cost (and if no related agreement is executed by the twentieth day before the proposed date of relocation, it shall be conclusive proof that the parties cannot reach agreement), the Authority may elect to terminate this Agreement.

(e) Each of the foregoing notification periods may be shortened, as reasonably determined by the Authority, if the elimination of the Brochure Rack Location is due to health and safety requirements or otherwise required by law.

(f) None of the foregoing shall impede the Authority’s right to early termination under Section 2.4 or to exercise remedies upon a Default Event. In case of a Default Event, Article 11 shall govern.

ARTICLE 15
REMOVAL OF PROPERTY UPON LICENSE TERMINATION; HOLDOVER;
OWNERSHIP OF CONCESSION IMPROVEMENTS

15.1 Removal of Property Upon Termination.

(a) No notice to vacate on the termination date of this Agreement shall be given by the Authority. On the Expiration Date or date of earlier termination of this Agreement, Concessionaire shall peaceably and with due care remove trade fixtures, equipment, and other personal property installed or placed by it in, on, or about the Airport, subject, however, to any valid lien that the Authority may have for unpaid fees, and subject to the provisions of Section 15.4 regarding the removal of Concession Improvements.

(b) Concessionaire shall not abandon any of its property at the Brochure Rack Locations. Property not removed by Concessionaire as of the Expiration Date (or any earlier termination) shall, at the option of the Authority, become a part of the land on which it is located and title shall vest in the Authority.

(c) Authority property damaged by or as the result of the removal of Concessionaire's property shall be restored by Concessionaire, at Concessionaire's expense, to the condition existing prior to such damage.

15.2 Holdover After End of Concession Period.

(a) Any holding over after the end of the Concession Period shall not constitute a renewal or an extension of the license granted hereunder or give Concessionaire any rights in or to the Brochure Rack Locations. If Concessionaire, with the Authority's written consent, continues its use of the Brochure Rack Locations after the end of the Concession Period, such use shall be deemed a month-to-month extension of the license terminable by either party on 30 days' notice. During such extension, all provisions of this Agreement pertaining to Concessionaire's obligations (including all Concession Fee and any other amounts due) shall remain in effect, to the same extent as the Concession Period.

(b) With respect to any holding over to which the Authority has not consented, all provisions of this Agreement pertaining to Concessionaire's obligations shall remain in effect to the same extent as during the Concession Period except that the Base Fee shall be increased to 150% of the Base Fee in effect at the end of the Concession Period and, without limiting the foregoing:

(1) Concessionaire shall provide a 30-day notice of its intent to vacate the premises or shall be subject to a fee equivalent to four months of the Base Fee per month during the holdover period.

(2) The Authority may, with written notice, take any legal action to remove Concessionaire from Airport premises.

(3) Concessionaire shall be responsible for payment of taxes for the entire following tax year without proration and the Authority shall be entitled to remove Concessionaire but may still collect Concession Fee owed by Concessionaire.

(4) Concessionaire shall indemnify the Authority against all damages arising out of Concessionaire's holdover, including any costs incurred by the Authority to remove Concessionaire.

(5) All insurance policies and the Performance Guarantee shall remain in effect while Concessionaire continues to use the Brochure Rack Locations.

(c) Any holding over without the Authority's written consent is a violation of this Agreement. Nothing in this Section shall be construed to limit any of the Authority's rights and remedies.

15.3 Holdover After Termination of License at a Specific Airport Location.

(a) If Concessionaire's license to use a specific location ("Deleted Location") at the Airport is revoked or otherwise terminated, any holding over of the Deleted Location shall not constitute a renewal or an extension of the license granted for the Deleted Location or give Concessionaire any rights in or to the Deleted Location. If Concessionaire, with the Authority's written consent, continues its use of the Deleted Location, such use by Concessionaire shall be deemed a month-to-month extension of the license terminable by either party on 30 days' notice. During such extension, all provisions of this Agreement pertaining to Concessionaire's obligations (including all Concession Fee and any other amounts due) shall remain in effect, to the same extent as during the Concession Period, for the Deleted Location. Furthermore, unless otherwise modified by the Authority in writing, the Base Fee shall continue to be calculated to include revenues attributable to the Deleted Locations and accordingly continue to adjust annually.

(b) With respect to any holding over to which the Authority has not consented, all provisions of this Agreement pertaining to Concessionaire's obligations shall remain in effect and applicable to the Deleted Location to the same extent as the Concession Period, except as follows. A "Monthly Holdover Base Fee" shall apply to the Deleted Location equal to 150% of the Base Fee in effect immediately before the deletion of the location. In addition to all other amounts due under this Agreement, Concessionaire shall pay the Monthly Holdover Base Fee for the holdover of the Deleted Location. Without limiting the foregoing and without affecting the Authority's rights with respect to the other Brochure Rack Locations under this Agreement:

(1) Concessionaire shall provide a 30-day notice of its intent to vacate the Deleted Location or shall be subject to a fee equivalent to four months of the Base Fee per month during the holdover period.

(2) The Authority may, with written notice, take any legal action to remove Concessionaire from the Deleted Location.

(3) Concessionaire shall be responsible for payment of taxes relating to the Deleted Location for the entire following tax year without proration and the Authority shall be entitled to remove Concessionaire but may still collect Concession Fee owed by Concessionaire.

(4) Concessionaire shall indemnify the Authority against all damages arising out of Concessionaire's holdover, including any costs incurred by the Authority to remove Concessionaire.

(5) All insurance policies and the Performance Guarantee shall remain in effect with respect to the Deleted Location while Concessionaire is in possession of the Deleted Location.

(c) Any holding over at the Deleted Location without the Authority's written consent is a violation of this Agreement. Nothing in this Section shall be construed to limit any of the Authority's rights and remedies.

15.4 Ownership of Concession Improvements, Removable Fixtures; Removal.

(a) Concession Improvements installed at any location at the Airport that cannot be removed without causing substantial damage to the Airport property shall be part of the Airport and title thereof shall pass to the Authority immediately following installation, free and clear of all liens and encumbrances without payment of any consideration. Concessionaire shall not remove or demolish, in whole or in part, any Concession Improvements without the prior written consent of the Authority, which may, at its sole discretion, condition such consent upon the obligation of Concessionaire, at Concessionaire's cost, to replace the same by an improvement specified in such consent.

(b) Concessionaire shall retain ownership of all Removable Fixtures. Concessionaire may remove any of the Removable Fixtures at any time during the term. Unless otherwise agreed in writing by the Authority, Concessionaire shall remove all Removable Fixtures prior to the expiration or termination of this Agreement. Any Removable Fixtures or other property of Concessionaire not removed by the deadline shall, at the election of the Authority, become the property of the Authority without payment to Concessionaire, or be deemed abandoned and removed by the Authority, at Concessionaire's expense. Upon any removal of such property, Concessionaire shall promptly repair any and all damage to the Brochure Rack Location, as applicable, and reimburse the Authority for its costs and expenses in removing any such property not removed by Concessionaire and repairing any such damage not repaired by Concessionaire. This covenant shall survive the expiration or termination of this Agreement.

(c) At the expiration or termination of this Agreement, the Authority may require some or all of the Concession Improvements to be removed by Concessionaire. In such event Concessionaire shall, at its sole expense, remove Authority-designated Concession Improvements, safely cap all utilities, and return the premises in a level condition with all debris removed, if so required by the Authority. The Authority shall accept Concession Improvements only without cost to the Authority and free and clear of any encumbrances, with Concession Improvements and all alterations and additions functioning and in a good state of repair, reasonable wear and tear excepted.

ARTICLE 16 ALTERATIONS; CONCESSIONAIRE IMPROVEMENTS

16.1 Construction.

(a) Authority Consent; Tenant Improvement Request Form. Concessionaire shall not, without in each instance obtaining the Authority's prior consent (which consent may be granted or withheld in the Authority's sole and absolute discretion), construct, install or make any modifications, alterations, improvement, or additions ("Alterations") in, on or to any Brochure Rack Location. Concessionaire shall submit a written request of the proposed Alterations in the form required by the Authority, entitled the "Tenant Improvement Request," the form of which (as of the execution of this Agreement) is set forth in Exhibit D. The Authority may change such form from time to time.

(b) Additional Conditions. Alterations approved by the Authority to be made by Concessionaire ("Concessionaire Improvements") shall be subject to conditions imposed by the Authority in its sole discretion. Such conditions may include requirements as to the contractor, time, manner, method, design and construction in which the Concessionaire Improvements shall be done.

(c) Concessionaire Responsible for Permits and Other Authorizations. No Concessionaire Improvements shall be undertaken until Concessionaire shall have procured and paid for all required permits, licenses, approvals and authorizations of all agencies having jurisdiction and the Authority's written consent to commence work. Prior to the commencement of any Concessionaire Improvements, Concessionaire shall comply with the Authority's instructions and requirements set forth in the Tenant Improvement Request. All plans shall be subject to the Authority's approval and, when required by the Airport Engineer, shall be prepared, stamped and signed by a State-licensed architect or engineer. Engineers shall be licensed for the particular discipline required.

(d) Diligence; Compliance with Law. All work done in connection with any Concessionaire Improvements shall be done at Concessionaire's sole expense and with reasonable diligence, in a good and workmanlike manner, and in compliance with applicable laws.

(e) Plans and Specifications. In order to expedite plan review and approval and to ensure that the proposed Concessionaire Improvements will be compatible with the Airport uses, Concessionaire first shall submit to the Authority for approval a schematic or conceptual plan. The Authority shall have the right to inspect and reject any work not done in accordance with the plans and specifications approved by the Authority, and Concessionaire shall immediately repair or remove such work. Within 30 days following the completion of any Concessionaire Improvements, Concessionaire shall furnish to the Authority a set of "as built" plans and specifications.

(f) No Effect on Agreement Term. Concessionaire's construction or installation of Concessionaire Improvements shall not extend the term of this Agreement nor impede each party's right to termination.

16.2 Authority's Assumption of Concessionaire Improvements. If a Default Event by Concessionaire occurs before completion of work for a Concessionaire Improvement, the Authority shall have the right to assume the work and to continue the contracts of Concessionaire with its contractors and suppliers. A provision substantially similar to the following shall be

included in all contracts between Concessionaire and its contractors and suppliers in order to comply with this Section:

“The Burbank-Glendale-Pasadena Airport Authority (Authority) shall have the right (but not the obligation) to assume Concessionaire’s project under the terms of its Agreement with Concessionaire, to continue this contract between Concessionaire and contractor or supplier, upon assuming in writing all the liabilities of Concessionaire under this contract between Concessionaire and contractor or supplier; and the Authority shall receive all the rights, title, interests and remedies that Concessionaire has under the terms of this contract between Concessionaire and contractor or supplier. The Authority shall have the right to demand and collect (including a suit for damages and cost of litigation and reasonable attorney fees) from Concessionaire all costs incurred by the Authority in assuming the obligations of Concessionaire.”

16.3 No Liability of Authority. The Authority shall not be liable for any damage, loss, or prejudice suffered or claimed by Concessionaire, its agents or any other person or entity on account of: (i) the approval or disapproval of any plans, contracts, bonds, contractors, sureties or other matters; (ii) the construction or installation of any Concessionaire Improvements or performance of any work, whether or not pursuant to approved plans; (iii) the improvement of or alteration or modification to any portion of the Brochure Rack Location (except to the extent performed by the Authority); or, (iv) the enforcement or failure to enforce any of the covenants, conditions and restrictions contained in this Agreement. The Authority’s approval of Concessionaire’s plans, or requirement that Concessionaire modify Concessionaire’s plans, shall not be deemed the Authority’s express or implicit covenant or warranty that such plans are safe or comply with any or all laws.

16.4 Payment. Concessionaire shall pay, when due, all claims for labor, materials, equipment and services furnished or alleged to have been furnished to or for Concessionaire at or for use in the Brochure Rack Locations, or any other areas of the Airport, which claims are or may be secured by any lien against the Brochure Rack Locations, or any other areas of the Airport. In the event any such lien is filed against the Brochure Rack Locations or any other areas of the Airport in connection with Concessionaire Improvements, it shall be discharged by Concessionaire, at Concessionaire’s expense, in accordance with Article 22. The Authority shall have the right to post such notices of non-responsibility as are provided for in the mechanics’ lien laws of the State.

ARTICLE 17 INSURANCE

17.1 General.

(a) Concessionaire shall procure and maintain at its sole expense, and always keep in effect during the term of this Agreement, the types and levels of insurance prescribed

below. Such insurance requirements do not in any way limit the amount or scope of liability of Concessionaire under this Agreement.

(b) Upon execution of this Agreement and throughout the Concession Period, Concessionaire shall provide the Authority current certificates of insurance establishing the existence of all required insurance policies.

(c) The Authority shall be given no less than 30 days prior written notice of cancellation, non-renewal, or material change in any policy. Insurance shall be maintained without any lapse in coverage during the term of this Agreement. Insurance canceled without Authority consent shall be deemed an immediate Default Event.

(d) Failure of the Authority to demand such certificate or other evidence of full compliance with these insurance requirements, or failure of the Authority to identify a deficiency from the evidence provided, shall not be construed as a waiver of Concessionaire's obligations to maintain the insurance required by this Agreement.

(e) The limits of liability may be satisfied by a combination of primary and umbrella or excess liability policies, if such policies comply with the requirements of this Agreement and, together, provide coverage at least as broad as the primary policy.

17.2 Commercial General Liability. Concessionaire shall maintain an occurrence form commercial general liability policy or policies, in the amount of coverage not less than \$1,000,000 per occurrence, insuring against liability for personal injury, bodily injury, death, and damage to property (including loss of use thereof) and occurring on or in any way related to the Brochure Rack Installations, or occasioned by reason of the operations of Concessionaire. Such insurance shall include coverage for the following: (a) premises coverage; (b) products of completed operations; (c) broad form contractual liability; (d) personal injury; (e) broad form property damage; (f) cross liability; (g) broad form named insured; (h) fire legal; and (i) advertising injury.

17.3 Commercial Automobile Liability. In the event that automobiles are used in connection with Concessionaire's business or operations at the Airport, Concessionaire shall maintain an automobile liability policy or policies insuring against liability for bodily injury, death, or damage to property, including loss of use thereof, and occurring in any way related to the use, loading or unloading of any of Concessionaire's automobiles (including owned, hired and non-owned vehicles) at and around the Airport. Coverage shall be in an amount of not less than \$1,000,000 each accident.

17.4 Workers' Compensation and Employer's Liability. Concessionaire shall maintain workers' compensation insurance written in accordance with California statutory limits and employer's liability insurance, in amounts not less than the following:

- (a) Bodily injury by accident - \$1,000,000 - each accident
- (b) Bodily injury by disease - \$1,000,000 - policy limit
- (c) Bodily injury by disease - \$1,000,000 - each employee

The employer's liability insurance shall not contain an occupational disease exclusion.

17.5 Property Insurance. Concessionaire shall maintain in effect property insurance written on an all risk of direct physical loss basis covering Concessionaire's fixtures, personal property, and equipment located at the Airport in an amount not less than 100% of the replacement value thereof. The proceeds of such insurance shall be used to repair or replace the insured property. The policy shall include the Authority as loss payee as respects to its interests.

17.6 Concessionaire's Risk. Concessionaire shall be responsible for obtaining any insurance that is necessary to cover its own risks. In no event shall the Authority be liable for any: (a) business interruption or other consequential damages sustained by Concessionaire; (b) damage, theft or destruction of Concessionaire's inventory, Concession Improvements, or property of any kind; or (c) damage, theft or destruction of an automobile, whether or not insured.

17.7 Additional Requirements.

(a) All liability policies shall be endorsed to include the Authority Indemnitees as additional insureds with respect to Concessionaire's, and Concessionaire Agents', acts or omissions, operations, use, and occupancy of the Airport, or other related functions performed by or on behalf of Concessionaire in, on or about the Airport.

(b) All such insurance shall be primary and noncontributing with any other insurance held by or on behalf of any Authority Party where liability arises out of or results from the acts or omissions of Concessionaire or Concessionaire Agents.

(c) Such policies may provide for reasonable deductibles and/or self-insured retentions. All self-insured retentions shall be declared to the Authority and approved in writing, on a case-by-case basis, based upon the nature of Concessionaire's operations and the type of insurance involved.

(d) Each such insurance policy shall include a waiver of subrogation endorsement in favor of the Authority Parties.

(e) The Authority shall have no liability for any deductibles, self-insured retentions, or premiums charged for such coverage(s). The inclusion of any of the Authority, the Authority Commission, and all its officers, employees, and agents, their successors, and assigns, as an additional insured is not intended to, and shall not, make them, or any of them, a partner or joint venture with Concessionaire in its operations at the Airport or connected with this Agreement.

(f) The insurance policy limits specified herein shall be reviewed for adequacy annually by the Authority which may, thereafter, require Concessionaire to adjust the insurance coverage to whatever reasonable requirement the Authority deems to be adequate. Concessionaire shall provide the Authority with proof of such compliance by giving the Authority an updated certificate of insurance within 30 days of Authority's written notice.

(g) All insurance policies required herein shall have a rating of not less than "A" in A.M. Best's Insurance Guide or otherwise acceptable to the Authority.

(h) At least 10 business days prior to the expiration date of all policies, documentation showing that the insurance coverage has been renewed or extended shall be filed with the Authority. If such coverage is canceled, Concessionaire shall, within 15 days of such cancellation, file with the Authority evidence that the required insurance coverage has been reinstated without lapse or provided through another insurance company or companies.

17.8 Proof of Insurance.

(a) Concessionaire shall provide proof of the requested insurance to the Authority in the following manner:

(1) Certificate(s) of Insurance evidencing all specified coverage shall be filed with the Authority prior to Concessionaire performing under this Agreement or use of Brochure Rack Locations and at other times upon request of the Authority. The Certificate(s) shall contain the applicable policy numbers, the inclusive dates of policy coverage, the insurance carrier's name, the insurance broker's name, address and telephone number, shall bear an original signature of an authorized representative of such carrier, and shall provide that such insurance shall not be subject to cancellation, or non-renewal except after written notice by certified mail, return receipt requested, to the Authority at least 30 days prior to the effective date thereof. The Authority shall have the right to receive, upon request, all pertinent information about the broker and carrier providing such insurance.

(2) Additional Insured Endorsement(s) shall be filed with the Authority prior to Concessionaire making Brochure Rack Installations.

(3) Waiver of Subrogation Endorsement(s) shall be filed with the Authority prior to Concessionaire making Brochure Rack Installations.

(4) If requested by the Authority, when coverage is provided by foreign insurance syndicates, a broker's letter that is acceptable to the Authority in form and content.

(5) If requested by the Authority, other written evidence of coverage that is acceptable to the Authority.

(b) Submission of insurance from a non-California admitted carrier is subject to the provisions of Insurance Code Sections 1760 through 1780, and any other regulations and/or directives from the State Department of Insurance or other regulatory board or agency. Concessionaire shall, except where exempted, provide the Authority proof of such insurance by and through a surplus line broker licensed by the State of California.

(c) The procuring of such required policies of insurance shall not be construed to limit Concessionaire's liability, nor to fulfill the indemnification requirements of this Agreement. Notwithstanding such policies of insurance, Concessionaire shall be obligated for the full and total amount of any damage, injury, or loss caused by Concessionaire, including Concessionaire Agent(s), and connected with this Agreement or use of Airport properties and facilities by Concessionaire, including Concessionaire Agent(s), if any.

17.9 Insurance Requirements for Concessionaire Agents. Concessionaire shall require all Concessionaire Agents (other than Concessionaire's employees) in connection with the use of Airport properties and facilities to carry and maintain coverage with limits not less than those required of Concessionaire in this Agreement. Concessionaire shall incorporate this insurance requirement by reference within any contract executed by Concessionaire and shall cause each Concessionaire Agent to comply with the terms of this Agreement. Concessionaire will obtain and verify the accuracy of certificates of insurance evidencing the required coverage prior to permitting Concessionaire Agents to perform work for Brochure Rack Concession components, the Brochure Rack Installations, or any other services on Airport property. Concessionaire shall furnish certificates of insurance with additional insured endorsements and waivers of subrogation as applicable from all of Concessionaire Agents as evidence thereof as the Authority may reasonably request.

ARTICLE 18

INDEMNIFICATION; HOLD HARMLESS

18.1 Concessionaire Indemnification of Authority.

(a) To the fullest extent permitted by law, Concessionaire shall defend, indemnify, and hold harmless the Authority Indemnitees from and against any and all liabilities, liens, claims, judgments, demands, causes of action, losses, damages, costs, and expenses (including reasonable attorneys' fees and costs) (collectively, the "Liabilities"), arising out of, related to, or in any way connected with this Agreement, the Brochure Rack Concession, including any related: (i) actions or omissions of Concessionaire or the Authority; (ii) obligations or activities undertaken in connection with this Agreement; (iii) damage to any person or property, or injury to or death to any person, including any claim or action alleging latent and other defects, whether or not discoverable by Concessionaire or the Authority; (iv) alleged or actual breach of any laws; and (v) duties under easements or contracts with third parties. This requirement shall not apply to any Liabilities arising through the sole negligence or willful misconduct of the Authority.

(b) These indemnity obligations shall apply for the entire time that any third party can make a claim against or sue the Authority Indemnitees and shall survive the expiration or termination of this Agreement. Concessionaire and the Authority shall promptly provide notice to each other of any Liabilities. Within seven days of receiving the Authority's notice, Concessionaire shall respond to the Authority in writing regarding Concessionaire's plan of action. Concessionaire shall not settle, compromise any claim or matter, or admit liability or fault on the part of the Authority without first obtaining Authority's written consent. Maintaining the insurance required under this Agreement shall not affect Concessionaire's indemnity obligations.

18.2 Subcontractor Indemnification of Authority. Concessionaire shall include in its Subcontracts the language of this Article indemnifying the Authority Indemnitees from any and all Liabilities arising out of, related to, or in any way connected with this Agreement. These indemnity obligations shall apply for the entire time that any third party can make a claim against or sue the Authority Indemnitees and shall survive the expiration or termination of any such Subcontract. Any Subcontractor shall promptly provide notice to Concessionaire and the Authority of any Liabilities. Within seven days of receiving the Authority's notice, Subcontractor

shall respond to the Authority in writing (with a copy to Concessionaire) regarding Subcontractor's plan of action. Subcontractors shall not settle, compromise any claim or matter, or admit liability or fault on the part of the Authority without first obtaining the Authority's written consent.

18.3 Disclaimer of Liability. The Authority disclaims, and Concessionaire releases the Authority, to the extent allowed by law, from any and all liability, whether in contract or tort (including strict liability, negligence, and nuisance), for any loss, damage, or injury of any nature whatsoever sustained by Concessionaire or any Concessionaire Agent including loss, damage or injury to any Brochure Rack Installation, or personal property of Concessionaire, unless such loss, damage or injury is caused solely by the Authority's negligence or intentional misconduct. Under no circumstances shall the Authority be liable for indirect, consequential, special, or exemplary damages whether in contract or tort (including strict liability, negligence, and nuisance), including loss of revenue or anticipated profits. The Authority shall have no liability whatsoever and Concessionaire releases and agrees to hold harmless the Authority from any and all liability relating to any information provided by the Authority, including any historical or forecasted air traffic or passenger traffic flow information, or the accuracy thereof, or the actual air or passenger traffic. Concessionaire acknowledges and agrees that its use of any such information is at its sole risk.

ARTICLE 19

ENVIRONMENTAL PROTECTION

19.1 Definitions. As used in this Article, the following definitions shall apply:

(a) **"Environmental Laws"** shall mean any federal, state, local or administrative law, rule, regulation, order or requirement relating to industrial hygiene, environmental conditions or Hazardous Materials, whether now in effect or hereafter adopted, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. §§9601, et seq.), the Resources Conservation and Recovery Act of 1976 (42 U.S.C. §§6901, et seq.), the Clean Water Act (33 U.S.C. §1251, et seq.), the Safe Drinking Water Act (42 U.S.C. §§300f, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§5101, et seq.), the Toxic Substance Control Act (15 U.S.C. §§2601, et seq.), the California Hazardous Waste Control Law (California Health and Safety Code §§25100, et seq.), the Porter-Cologne Water Quality Control Act (California Water Code §§13000, et seq.), and the Safe Drinking Water and Toxic Enforcement Act of 1986 (California Health and Safety Code §§25249.5, et seq.).

(b) **"Environmental Damages"** means all claims, fees and expenses of defense of any claim and of any settlement or judgment, including reasonable attorneys', consultants', contractors', experts' and laboratory fees, any of which are incurred at any time as a result of the presence of Hazardous Materials, Regulated Materials and Pollutants upon or about an Brochure Rack Installation or migrating or threatening to migrate to or from an Brochure Rack Installation, or the existence of a violation of Environmental Laws pertaining to an Brochure Rack Installation or Concessionaire's operations at the Airport including fees incurred in connection with a Response, or a violation of Environmental Laws. Environmental Damages does not include any claims, fees or expenses of defense of any claim or of any settlement or judgment, including

reasonable attorneys', consultants', contractors', experts' and laboratory fees, any of which are incurred at any time as a result of Authority's sole active negligence or willful misconduct.

(c) **"Hazardous Material, Regulated Material and/or Pollutant"** shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. "Hazardous Material, Regulated Material and Pollutant" includes any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to any Environmental Law; any asbestos and asbestos containing materials; petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids; and any materials referenced in the Airport Rules and Regulations.

(d) **"Release"** with respect to Hazardous Material, Regulated Material and Pollutants shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into on any property or the environment, and includes any threat of Release to the extend regulated under Environmental Laws.

(e) **"Response"** or **"Respond"** means action taken in compliance with Environmental Laws to correct, remove, remediate, clean-up, prevent, mitigate, treat, monitor, evaluate, investigate, assess or abate the Release of any Hazardous Material, Regulated Materials and Pollutants, or to prevent or abate any public nuisance.

19.2 Concessionaire Representations, Warranties, and Covenants.

(a) Concessionaire shall comply and shall ensure that Concessionaire Agent(s) comply with all applicable Environmental Laws pertaining to its and their use of, and operations at, the Airport.

(b) Concessionaire shall, and shall ensure that Concessionaire Agent(s), handle, use, store, dispose of, transport, or otherwise manage, any Hazardous Materials, Regulated Materials and Pollutants at the Airport in a lawful manner.

(c) Concessionaire shall obtain and regularly maintain all necessary licenses, permits, registrations and other authorizations and approvals required under Environmental Laws, and shall provide any notices required under Environmental Laws, for conducting its operations at the Airport.

(d) Concessionaire shall promptly provide the Authority with a copy of any application filed and/or permit received for the use or storage of Hazardous Materials, Regulated Materials and Pollutants on the Airport, or report arising out of or in connection with any Hazardous Materials, Regulated Materials and Pollutants pursuant to any Environmental Laws or permits on or about a Brochure Rack Installation.

19.3 Environmental Sustainability Programs.

(a) The Authority is committed in its efforts to reduce the environmental footprint of the Airport, integrate sustainable practices into Airport operations, and respond to

community concerns while providing economic benefits to the region. The Authority is dedicated to reducing the Airport's greenhouse gas emissions year after year to minimize the Airport's carbon footprint over time. Further, the Authority has pledged to reach carbon neutrality at the Airport by 2045, consistent with City of Burbank and State of California goals. Carbon reductions will be measured on a per-passenger basis for emissions under the Authority's control (known as Scope 1 and 2 emission sources) including fleet and heavy-duty vehicles, emergency generators, firefighting training, refrigerant losses, and purchased electricity. The Authority will strive to achieve these reductions through initiatives such as the clean fleets program, sustainable design and construction program, and renewable energy projects. These advances toward sustainability will support the Authority's objective to serve its guests while minimizing environmental impacts. The Authority specifically reserves the right to modify the Airport's environmental goals, sustainability initiatives, policies, and procedures as stipulated in the Airport Rules and Regulations. Concessionaire shall comply with applicable Environmental Laws.

(b) In the event that Concessionaire becomes authorized to operate a motor vehicle in the Airfield Operations Area, Concessionaire shall be required to comply with the Authority's Air Quality Improvement Plan ("AQIP") / Memorandum of Understanding ("MOU") with the South Coast Air Quality Management District and federal, state, and local regulations to reduce emissions from operations. The AQIP/MOU is available on the Authority's website or by request to the Authority.

(c) From time to time the Authority shall publish requirements applicable to Concessionaire and other Airport users as part of the Sustainability Program. Concessionaire shall comply with all such requirements.

19.4 Concessionaire Environmental Reporting and Response Requirements.

(a) In the event Concessionaire receives any written notice, citation, order, warning, complaint, claim, or demand from a government entity regarding Concessionaire's use of, or operations at a Brochure Rack Location concerning any alleged Release of a Hazardous Materials, Regulated Materials or Pollutants, Concessionaire shall promptly, but not later than five business days after Concessionaire's receipt, inform the Authority, including a copy of such notice received by Concessionaire.

(b) In the event Concessionaire or Concessionaire Agent(s) cause, in whole or in part, unlawfully allow or contribute to a Release of any Hazardous Material, Regulated Material or Pollutants at the Airport that may be in violation of any applicable Environmental Laws or that is above any applicable reportable quantity, emission standard or effluent guideline set forth in any applicable Environmental Laws, Concessionaire shall report such Release to the appropriate governmental authorities in compliance with applicable Environmental Laws.

(c) Concessionaire shall promptly respond to the Release of a Hazardous Materials, Regulated Materials or Pollutants, as required by applicable Environmental Laws and promptly take all further removals, remediation, or corrective actions required under Environmental Laws to abate any threat to human health or the environment or any other resulting impacts.

(d) Any remedial or other activity undertaken by Concessionaire under this Article shall not be construed to impair Concessionaire's rights, if any, to seek contribution or indemnity from any person, consistent with this Agreement.

19.5 Environmental Indemnification and Reimbursement.

(a) Notwithstanding any other provision to the contrary, Concessionaire shall indemnify, defend, and hold harmless Authority Indemnitees from and against any and all Environmental Damages resulting from the failure of Concessionaire to meet its obligations under this Agreement, whether caused, in whole or in part, or unlawfully allowed by Concessionaire, a Concessionaire Agent, or any other third party under Concessionaire's direction or control.

(b) The Authority shall provide Concessionaire with prompt notice of any Environmental Damages to allow Concessionaire the opportunity to properly and effectively respond to or otherwise defend such Environmental Damages. Concessionaire shall, at its sole expense, defend all Environmental Damages whether frivolous or not.

(c) In the event the Authority undertakes any action, including investigations, removals, remediation, or corrective actions with respect to any Environmental Damages in response to the failure of Concessionaire to defend such Environmental Damages, Concessionaire shall reimburse the Authority, upon written demand by the Authority, for all reasonable and documented costs that the Authority incurs in association with such action, including consultants' fees, contractors' fees, reasonable attorneys' fees and expenses of investigation, removal, Response, remediation, or corrective action.

(d) Except to the extent arising out of the sole active negligence or willful misconduct of the Authority Indemnitees, Concessionaire waives the right of contribution and subrogation against the Authority Indemnitees in connection with Environmental Damages set forth herein. Any claims for environmental matters shall be subject to this Article.

19.6 Limitations. Notwithstanding anything contained in this Agreement to the contrary, Concessionaire's obligations under this Article, including Concessionaire's indemnity, is limited to those Hazardous Materials, Regulated Materials and Pollutants first brought, created, disposed, fashioned, or caused to be exposed or released onto the Airport by or on behalf of Concessionaire or Concessionaire Agent(s), and Concessionaire shall not be responsible for nor required to indemnify the Authority Indemnitees for any other Hazardous Materials, Regulated Materials or Pollutants discovered at the Airport.

ARTICLE 20
GENERAL PROHIBITION AGAINST ASSIGNMENT OR SUBLICENSE

20.1 No Assignment or Sublicensing Without Consent.

(a) Concessionaire shall not in any manner, by operation of law or otherwise, assign, hypothecate, encumber, or transfer this Agreement or any of the rights, duties, or obligations under this Agreement, in whole or in part, voluntarily or involuntarily, or by operation of law (each, a "Transfer"), without the prior written consent of the Authority. Any attempted or purported assignment of any right or obligation pursuant to this Agreement, without such consent, shall be voidable at the discretion of the Authority and grounds for termination of this Agreement. The acceptance by the Authority of any Concession Fee or other payment as provided in this Agreement or the continuation of the use of the Brochure Rack Locations, as provided herein, by Concessionaire or purported transferee or successor-in-interest, shall not be deemed a waiver of such right to terminate.

(b) Any request by Concessionaire for approval of a sublicense, assignment, mortgage, pledge or other encumbrance to any third party that is not an affiliate of Concessionaire shall be subject to an administrative fee (at an amount determined by the Authority but not more than \$1,000 for each request) for costs incurred by such request, which shall be submitted at the time of the request. The payment of this administrative fee is not guarantee of approval.

20.2 Limited Effect of Consent. Consent by the Authority to any Transfer shall not in any way be construed to relieve Concessionaire from obtaining further authorization from the Authority for any subsequent Transfer.

ARTICLE 21
TAXES, ASSESSMENTS, AND CHARGES

21.1 Taxes, Assessments and Other Charges.

(a) Concessionaire shall pay before delinquency, and without notice or demand, all applicable sales, use, intangible and possessory interest tax, and any other taxes, assessments, and charges levied or imposed against the Brochure Rack Installations and personal property used in the performance of Concessionaire's activities at the Airport, or that result from Concessionaire's occupancy or use of any Airport facilities, or that are assessed on any payments made by Concessionaire under this Agreement, whether levied against Concessionaire or the Authority. Concessionaire shall, at its sole expense, clear any lien created by virtue of such tax, assessment or charge. Any such payment shall not reduce the amount of the Concession Fee otherwise required to be paid by Concessionaire to the Authority.

(b) Concessionaire shall promptly pay any penalty or other charge which may be due and payable to Authority or any other party or government entity in connection with this Agreement and all rights and privileges.

(c) Concessionaire shall promptly pay any tax or other charge which is measured by the amount of Gross Revenues earned by Concessionaire, including, any income tax

or excise tax levied by the City of Burbank, the County of Los Angeles, the State of California, the federal government, or any other government entity.

(d) The Authority makes no representation regarding whether Concessionaire might be subject to any possessory interest tax. If a possessory interest tax is levied or imposed, then Concessionaire shall pay such tax when due without any credit or offset to the moneys that are due and payable to the Authority.

(e) To the extent that the Authority forwards to Concessionaire a bill or assessment notice relating to a tax, assessment, or charge coming due for which Concessionaire is responsible, Concessionaire shall pay the tax, assessment, or charge promptly before the due date (and concurrently notify the Authority of such payment).

21.2 Contest of Tax or Charge.

(a) In the event that Concessionaire desires, in good faith, to contest or review by appropriate legal proceedings any tax, assessment, or charge imposed by another government entity, Concessionaire, at least 10 days prior to delinquency, shall give the Authority notice of its intention to contest such tax or charge.

(b) Concessionaire may withhold payment of the tax, assessment or charge being contested if nonpayment is permitted during the pendency of such proceedings without the imposition or foreclosure of any related lien or the imposition of any fine or penalty. The contest shall be prosecuted to completion (whether or not this Agreement has expired or terminated) without delay at Concessionaire's sole expense.

(c) Within such 10-day period or the applicable period of time allowed by law after the final determination of the amount due, Concessionaire shall pay such amount, together with all costs, expenses and interest (whether or not this Agreement has then expired or terminated).

21.3 Payment by Authority. If Concessionaire fails to pay any tax, assessment, or charge, the Authority may, after five days' notice to Concessionaire, pay, discharge, or adjust such tax, assessment, or charge for Concessionaire's benefit. In such event, Concessionaire, on receipt of written demand of the Authority, shall reimburse the Authority promptly for the full amount with interest at the rate of 1.5% per month (subject to the maximum rate permitted by law). Any receipt showing payment by the Authority shall be prima facie evidence that the amount of such payment was necessary and reasonable and made by the Authority on Concessionaire's behalf.

ARTICLE 22 DISCLAIMER OF LIENS

22.1 Creation of Lien Prohibited.

(a) As used in this Article, "Lien" shall mean and refer to any mortgage, lien, security interest, encumbrance, charge on, pledge of, conditional sale or other encumbrance on a Brochure Rack Location, the building where such Brochure Rack Location is situated or any Concessionaire Improvement, fixture, improvement or appurtenance.

(b) Concessionaire shall not directly or indirectly create or permit or suffer to be created and/or to remain, any mechanics' or materialman's Lien upon any Airport property, including any fixtures, improvements or appurtenances thereto, except those Liens expressly permitted in writing by the Authority, by reason of construction, labor, services, or materials performed or furnished at request of Concessionaire or any contractor or supplier employed by Concessionaire. Nothing herein impedes the Authority's right to post and keep on the Brochure Rack Locations any notices that may be required by law or which Authority may deem proper for the protection of Authority and the Airport property from such Liens.

(c) In the event any Lien has been created by or permitted by Concessionaire in violation of this provision, Concessionaire shall within 10 days of the filing thereof, cause such Lien to be discharged as of record, by bond or as otherwise allowed by law.

22.2 Authority Right to Clear. In the event of Concessionaire's failure to clear the record of any such Lien within such time period, the Authority may (but is not required to) remove such Lien by paying the full amount or by bonding or in any other manner the Authority deems appropriate, without investigating the validity of such Lien, and irrespective of the fact that Concessionaire may contest the propriety or the amount. Concessionaire, upon demand, shall pay the Authority the amount so paid out by the Authority in connection with the discharge of such Lien, together with interest thereon at the rate of 1.5% per month (subject to the maximum rate permissible by law), and reasonable expenses incurred in connection therewith, including reasonable attorneys' fees, which amounts are due and payable to the Authority as Additional Fees on the first day of the next following month.

22.3 No Consent by Authority. Nothing contained in this Agreement shall be construed as a consent on the part of the Authority to subject the Authority's estate in any portion of the Airport to any Lien or liability under the laws of the State of California.

22.4 Survival. Concessionaire's obligations under this Section shall survive expiration or termination of this Agreement.

ARTICLE 23 SUBORDINATION

23.1 Subordination. This Agreement is subject and subordinate to all mortgages, deeds of trust, bond indentures, liens and other encumbrances, security interests now or hereafter affecting the Airport premises, and to all renewals, modifications, replacements, consolidations and extensions thereof. Concessionaire shall execute and deliver to the Authority or any other party requiring such subordination, within 10 days following its receipt, any and all documents which may be required to effectuate such subordination. This Agreement shall be amended, altered or modified in accordance with the reasonable requirements of a mortgagee, beneficiary, bond trustee, secured party or other lien holder, so long as such amendment, alteration or modification does not cause Concessionaire material financial loss, and that Concessionaire written consent to any such amendment, alteration or modification shall not be unreasonably withheld or delayed. Concessionaire shall give prompt written notice to each mortgagee, beneficiary, bond trustee, secured party or lien holder, of which Concessionaire has written notice, of any default of the Authority, and Concessionaire shall allow such mortgagee, beneficiary, bond trustee, secured party

or lien holder a reasonable length of time (in any event, not less than 30 days from the date of such notice) in which to cure such default.

23.2 Transfer in Event of Foreclosure. In the event that any mortgage, deed of trust, bond indenture, security interest, lien or other encumbrance is foreclosed, Concessionaire, with and at the election of the purchaser or, if there is no purchaser, with and at the election of the holder of the fee title to the Airport premises, shall enter into a new contract covering the Brochure Rack Locations for the remainder of the Concession Period, on the same provisions herein provided.

23.3 Subordination to U.S. Government Agreements. This Agreement shall be subordinate to the provisions of any existing or future agreement between Authority and the United States Government relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.

ARTICLE 24

CONCESSIONAIRE REPRESENTATIONS AND WARRANTIES; ADDITIONAL COVENANTS

24.1 Representations and Warranties. Concessionaire represents and warrants as follows, each of which is true and correct, as of the date of execution of this Agreement and shall be true through the term of this Agreement:

(a) Concessionaire has the power and authorization to enter into this Agreement, the Board of Directors of Concessionaire has by appropriate action approved this Agreement, this Agreement has been executed and delivered pursuant to the authorization conferred by such action, and is binding upon Concessionaire in accordance with its terms, and that the individual(s) executing this Agreement on behalf of Concessionaire is duly authorized to do so.

(b) Concessionaire is duly authorized to do business in the State of California and possesses all governmental approvals necessary to perform this Agreement.

(c) Concessionaire is in compliance with all laws related to Concessionaire's business and activities conducted at the Airport.

(d) Except as disclosed in writing to the Authority before execution of this Agreement, there are no actions, suits, or proceedings pending with service of process accomplished or, to Concessionaire's best knowledge, threatened in writing against or affecting Concessionaire, by or before any court, arbitrator, or government entity that (i) would adversely affect Concessionaire's ability to perform its obligations under this Agreement, or (ii) relate to the execution, delivery or performance by Concessionaire of this Agreement.

(e) Concessionaire's execution, delivery, and performance of this Agreement do not conflict with or and would not result in a violation of, or breach of, or constitute a default under, any agreement or instrument to which Concessionaire is a party or by which it is bound.

24.2 Additional Covenants. Throughout the term of this Agreement:

(a) Concessionaire shall comply with the Federal Requirements and applicable laws as to Concessionaire's operations and transactions related to the subject matter of this Agreement.

(b) Concessionaire shall comply with orders, directives, or conditions issued, given or imposed by the Authority with respect to Concessionaire's activities at the Airport.

(c) If the TSA, the FAA, or any other federal government entity imposes a fine or penalty on the Authority for Concessionaire's or a Concessionaire Agent's non-compliance with federal laws or rules and regulations, then Concessionaire shall reimburse and indemnify the Authority for the entire amount of the fine or penalty.

(d) Concessionaire shall possess and shall, at its sole expense, keep in effect, all licenses, permits, qualifications, and approvals of whatever nature legally required for Concessionaire to perform this Agreement.

(e) Concessionaire shall comply with all applicable prevailing wage laws (including Labor Code Sections 1720, 1720.2, 1720.3, 1720.4 and 1771) with respect to work performed in connection with this Agreement. Concessionaire shall be solely responsible for determining applicability of prevailing wage laws.

(f) Concessionaire shall not enter into, any contract that will create a conflict of interest with its obligations to perform this Agreement.

(g) At the Authority's request any time, Concessionaire shall provide a sworn affidavit listing all natural or artificial persons with an ownership interest in Concessionaire and stating that no other person holds an ownership interest in Concessionaire via a counter letter. For the purposes of this provision, an "ownership interest" shall not be deemed to include ownership of stock in a publicly traded corporation or ownership of an interest in a mutual fund or trust that holds an interest in a publicly traded corporation.

ARTICLE 25 GENERAL PROVISIONS

25.1 Notices. Any notices, invoices, or other documents related to this Agreement shall be delivered as provided in this Section and shall be deemed received on: (a) the day of delivery, if delivered by hand during regular business hours or by e-mail before or during regular business hours; (b) the business day after delivery, if delivered by e-mail after regular business hours; or (c) on the second business day following deposit in the United States mail, postage prepaid, to the addresses listed below or to such other addresses as the parties may, from time to time, designate in writing. Any notice delivered by e-mail that concerns breach or termination of this Agreement shall concurrently be sent by deposit in the United States mail, postage prepaid but such notice shall be deemed received on the day of email delivery:

To Authority: BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

after RPT Opening Date:
2827 N. Hollywood Way
Burbank, CA 91505

Attn: Executive Director

To Concessionaire: CERTIFIED TRAVEL MEDIA, LLC
1120 Joshua Way
Vista, CA 92801
Attn: Dennis Edmonds
cc: Matt Preston

25.2 Airport Rules and Regulations. Concessionaire and all Concessionaire Agents shall comply with the Airport Rules and Regulations. Violations of the Airport Rules and Regulations by Concessionaire or Concessionaire Agents shall be punishable as stated in the Airport Rules and Regulations including by administrative fines.

25.3 Security.

(a) Concessionaire shall be solely responsible for instituting and carrying out specific security measures for its properties at the Airport. The Authority shall be responsible only for general security throughout the Airport and shall not be liable for any vandalism that may occur in the areas of Concessionaire operation.

(b) The Authority may install, operate, and maintain a security monitoring system on the Airport that affects the areas where Concessionaire operates. The Authority may install, operate and maintain a computer-controlled access system at certain door access points.

(c) Concessionaire shall utilize the access control equipment provided by the Authority, after Concessionaire pays reasonable fees or charges for use of such access control equipment, or as otherwise agreed upon by the Authority in writing.

25.4 Generally Accepted Accounting Principles. Whenever any report or disclosure referred to in this Agreement consists, either in whole or in part, of financial information, such report or disclosure shall be prepared in accordance with generally accepted accounting principles.

25.5 No Waiver of Responsibility.

(a) The Authority's receipt, review, inspection or approval of Concessionaire's plans, work or materials, or reports shall not constitute a waiver or release by the Authority of any obligation or responsibility of Concessionaire, or an assumption of any risk or liability by the

Authority. Concessionaire shall make no claim against the Authority on account of such receipt, review, inspection or approval.

(b) No payment by Concessionaire or receipt by the Authority of a lesser amount than the Concession Fee, fees or charges due to be made by Concessionaire shall be deemed to be other than on account of the Concession Fee, fees and/or charges due, and no endorsement or statement on any check or in any letter accompanying any check or payment as Concession Fee, fees or charges shall be deemed an accord and satisfaction, and Authority may accept such check or payment without prejudice to Authority's right to recover the balance of such Concession Fee, fees and/or charges or to pursue any other remedy provided in this Agreement,

25.6 Force Majeure. If either party shall be delayed or hindered in or prevented from the performance of any act required under this Agreement by reason of strikes, lockouts, labor disputes, inability to procure labor or materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, terrorism, war, fire or other casualty, or other reason of a similar nature beyond the reasonable control of the party delayed in performing work or doing acts required under this Agreement, performance of such act shall be excused for the period of the actual delay attributable to such causes, and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay. This section shall not be applicable to Concessionaire's obligations to procure insurance or to pay Concession Fee, fees and charges, or any other sums, moneys, costs, charges, or expenses required to be paid by Concessionaire. If any provision of this Agreement negates or limits the period of any extension for force majeure delay, such provision shall override this section. The party claiming excuse from performance for force majeure shall, within two days after the initial occurrence of the force majeure event, give the other party notice of such claim.

25.7 Time is of the Essence. Time is of the essence of this Agreement.

25.8 Authority Executive Director. In cases where the Authority's approval or consent is required pursuant to this Agreement, the Executive Director is authorized to give such approval or consent on behalf of the Authority. Without additional Authority Commission action, the Executive Director is also authorized to execute amendments to, and implementing operating memoranda for, this Agreement that do not have a negative financial impact on the Authority.

25.9 Relationship of Parties.

(a) This Agreement is not intended to create, and shall not be construed as creating, the relationship of principal and agent, partners, joint venturers, or any other similar such relationship between the Authority and Concessionaire. No provision in this Agreement and no act of the Authority or Concessionaire shall be construed to create a landlord and tenant relationship (as this Agreement solely confers a revocable license to the Brochure Rack Locations).

(b) Concessionaire is and shall remain an independent contractor with respect to all installations, construction, and services performed under this Agreement. Concessionaire has full and exclusive liability for the payment of any and all contributions or taxes for social security; unemployment insurance, or old age retirement benefits pensions or annuities now or

hereafter imposed under any law that are measured by the wages, salaries, or other remuneration paid to persons employed by Concessionaire on work performed under this Agreement.

(c) This Agreement is intended for the sole protection and benefit of the parties and their successors, and assigns. No other person shall have any right of action based this Agreement.

25.10 Joint and Several Liability. If Concessionaire is a limited liability company, partnership, or joint venture or is an entity comprised of more than one party or entity, the obligation imposed on Concessionaire under this Agreement shall be joint and several, and each member, general partner, joint venture partner, party, or entity of Concessionaire shall be jointly and severally liable for all obligations.

25.11 Effect of Debarment of Concessionaire. The Authority may immediately terminate this Agreement in the event Concessionaire is debarred from contracting or providing services by the Authority, the federal government, or by any other California governmental entity.

25.12 Labor Disputes. Concessionaire shall use commercially reasonable efforts to avoid disruption to the Authority, its tenants or members of the public arising from labor disputes involving Concessionaire.

25.13 Litigation. This Agreement shall be construed, interpreted and applied in accordance with, governed by, and enforced under the laws of the State of California. In the event that either party shall commence legal action to enforce or interpret this Agreement, the prevailing party shall be entitled to recover its costs of suit including reasonable attorneys' fees. The venue for litigation shall be Los Angeles County, California. The interpretation of this Agreement shall not be resolved by any rules of construction providing for interpretation against the party who causes the uncertainty to exist or against the party who drafted the disputed language. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated.

25.14 Rules of Construction.

(a) General. Unless otherwise indicated or apparent from the context, the following rules of construction shall apply. The singular includes the plural and vice versa. The term "shall" is mandatory and the term "may" is permissive. The term "day" means calendar day. The term "business day" means a non-holiday weekday. The phrase "regular business hours" means 8:00 AM to 5:00 PM California time. The phrase "for [number] days" means for [number] consecutive days. The phrase "at any time" means at any time and from time to time; and the terms "include," "includes," and "including" are illustrative and non-exhaustive. Words importing persons shall include firms, associations, partnerships, trusts, corporations and other legal entities, including public bodies, as well as natural persons.

(b) Cross-References. Cross-references are to articles, sections, or paragraphs of this Agreement unless otherwise indicated or apparent from the context.

(c) Law References. References to a statutory code or legislative bill refer to California law unless otherwise indicated or apparent from the context. References to a statute, regulation, or ordinance shall be deemed to refer to the then-current version of the statute, regulation, or ordinance.

(d) Fair Meaning. The language of this Agreement shall be construed according to its fair meaning, and not strictly for or against either party.

(e) Two Constructions. If any provision in this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

25.15 Exhibits.

(a) Exhibits A through E are incorporated into this Agreement by reference. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of Exhibits A through D, the provisions of this Agreement shall prevail. In the event of any material discrepancy between the express provisions of this Agreement and the provisions of Exhibit E, the provisions of Exhibit E shall prevail.

(b) Whenever information in an exhibit becomes outdated because of changes pursuant to this Agreement, a change in law or Airport policy changes otherwise approved by the Authority Commission, the parties may make a substitution to update the exhibit. Such substitution shall not require Authority Commission approval.

25.16 Incorporation of Mandatory Language. Each and every provision required by law to be inserted in this Agreement shall be deemed to be inserted and this Agreement shall be read and enforced as though such provision were included. If through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon request of either party this Agreement shall promptly be amended to make such insertion or correction.

25.17 Integration. This Agreement (and the attached Exhibits) represents the entire and integrated contract between the parties regarding Brochure Rack Concession. This Agreement supersedes all prior oral or written negotiations, representations and contracts related to such subject matter. This Agreement may not be amended, nor any provision or breach waived, except in a writing that is signed by the parties and that expressly refers to this Agreement.

ARTICLE 26 SIGNATURES

26.1 Electronic Signature and Delivery. A manually signed copy of this Agreement and any other document(s) attached to this Agreement delivered by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement. No legally binding obligation shall be created with respect to a party until such party has delivered or caused to be delivered a manually signed copy of this Agreement.

26.2 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall be taken together and deemed to be one instrument.

[SIGNATURES ON FOLLOWING PAGE]

TO EXECUTE THIS AGREEMENT, the parties have caused their authorized representatives to sign below.

CERTIFIED TRAVEL MEDIA, LLC

By: 
By: Naomi Spira (Aug 24, 2026 19:21:22 EDT)

Print Name: _____

☐ Chairperson ☐ President ☐ Vice President

By: 
By: stephen Brown (Aug 24, 2026 23:39:13 EDT)

Print Name: _____

☐ Secretary ☐ Asst. Secretary
☐ Chief Finance Officer ☐ Asst. Treasurer

BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY

Tyron Hampton, President

Approved as to form:

Richards, Watson & Gershon
A Professional Corporation

Exhibit A: Brochure Rack Locations

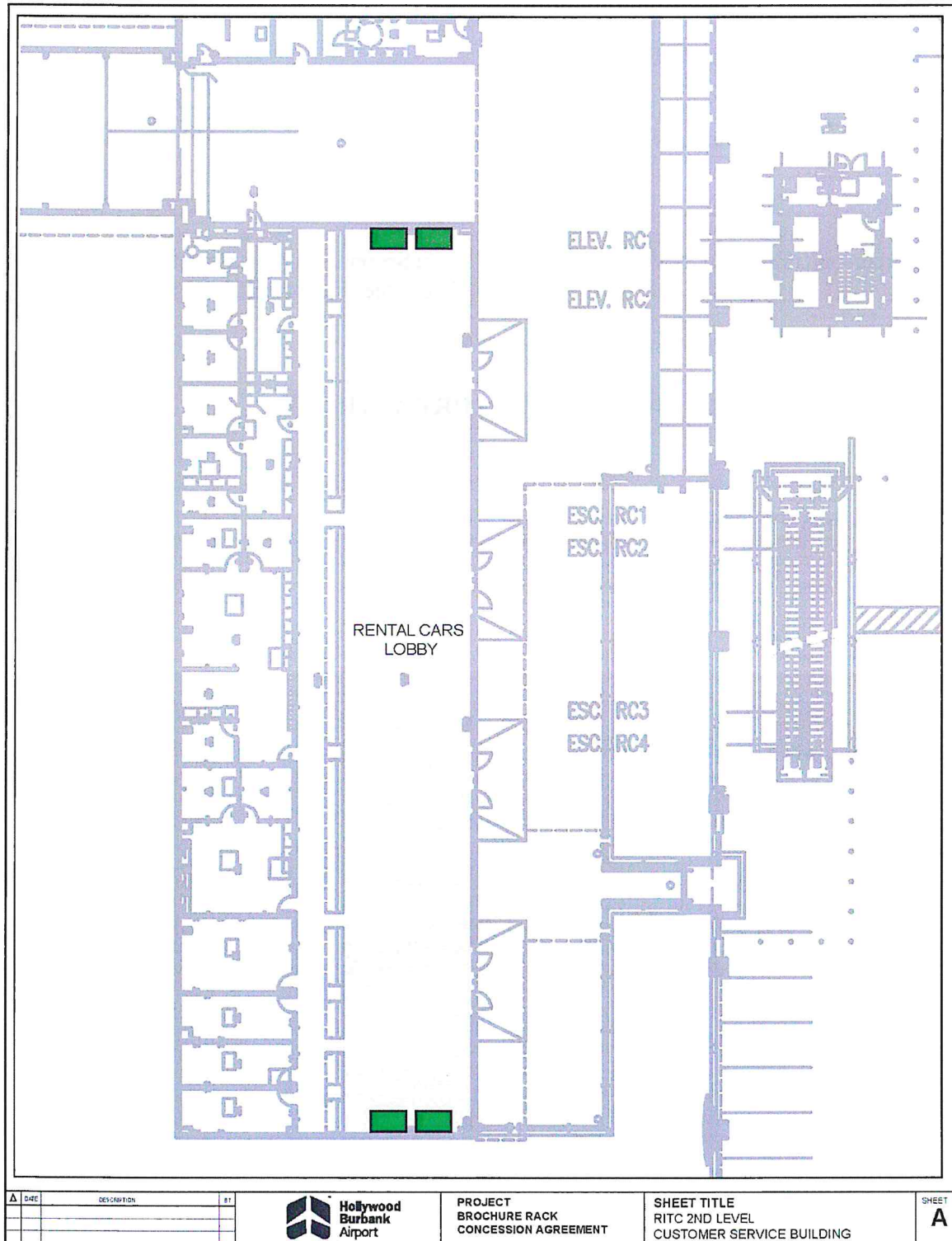


Exhibit B: Description of Brochure Rack Installations





Exhibit C: Advertisement Guidelines

I. PURPOSE

The Burbank-Glendale-Pasadena Airport Authority periodically awards concession agreements in connection with the advertising program at the Hollywood Burbank Airport. The advertising program generates revenue for airport capital and operating expenses by displaying paid advertisements at designated physical or cyberspace locations. In its capacity of airport proprietor, the Airport Authority has made a managerial decision that advertisement content must be strictly regulated to promote substantial government interests including: (i) attraction of long-term, high caliber advertisers; and (ii) creation of a welcoming environment that presents airport patrons with family-friendly material that does not subject them to debates regarding political and religious issues.

The advertising program is not a forum for unlimited public expression. These guidelines are intended to preserve the nonpublic forum status of the airport advertising program by specifying the eligible content that may be displayed at the Hollywood Burbank Airport in paid advertisements. These guidelines shall be applied in a consistent and viewpoint neutral manner.

II. ELIGIBLE CONTENT

- A. Noncommercial Speech Exclusion. Eligibility for the advertising program is limited to speech that proposes a commercial transaction. Advertisements that consist of a political or religious message, or that combine a political or religious message with a commercial offer, are ineligible and shall be rejected.
- B. Additional Exclusions. The following advertisements are ineligible for the advertising program and shall be rejected:
 - 1. Advertisements that depict graphic violence or gore.
 - 2. Advertisements containing images or language that is obscene, profane, scatological, or vulgar.
 - 3. Advertisements containing sexually oriented materials, images of nudity, or sexually prurient material.
 - 4. Advertisements for any of the following entertainment media: films rated "X" or "NC17"; nude or partial nudity dance clubs or performances; pornography; television programs rated "MA"; or video games rated "A".
 - 5. Advertisements for any of the following items: contraceptives; electronic cigarettes; marijuana; sexual function medications or treatments; tobacco; or weapons.
 - 6. Advertisements for any of the following businesses: bail bond services; check cashing services; pawn shops; massage parlors; tattoo parlors; or weapon shops.

7. Advertisements for an activity, product, or service that is prohibited by federal, state, or local law.
8. Advertisements for any rental car company that is not a concessionaire of the Authority, or any automobile parking lot or automobile parking garage that is not located on the Airport.
9. Advertisements that imply or declare an endorsement by the Authority, without prior written authorization of the Authority.
10. Advertisements containing deceptive or false statements.

Exhibit D: Tenant Improvement Request Form

**TENANT IMPROVEMENT
REQUEST FOR APPROVAL**



MUST BE SUBMITTED AND APPROVED PRIOR TO THE START OF WORK

1. GENERAL INFORMATION

Tenant _____ Date _____
Point of Contact _____ Phone # _____
Address _____ Email _____
Proposed Improvements* _____

Estimated Costs _____ Estimated Start Date _____ Estimated Completion Date _____

**Attached any supplemental information such as pictures, materials or equipment specifications, location map, site plans, architectural plans, drawings, project schedule.*

2. CONTRACTOR INFORMATION

Company Name _____ License# _____
Point of Contact _____ Phone # _____
Address _____
Email _____

**Contractor must submit required Certificate of Insurance, Material and Labor Bond. See Page 3.*

3. SIGNATURE

Signature _____ Date _____
Name _____ Company _____ Title _____

4. AIRPORT DEPARTMENT APPROVALS

Business & Property
Name _____ Signature _____ Date _____
Pre-Construction Call Required (Yes__No__)
Inserted Comments in TI Supplement (Yes__No__)*

Operations
Name _____ Signature _____ Date _____
Pre-Construction Call Required (Yes__No__)
Inserted Comments in TI Supplement (Yes__No__)*

Engineering
Name _____ Signature _____ Date _____
Pre-Construction Call Required (Yes__No__)
Inserted Comments in TI Supplement (Yes__No__)*

PAGE 1

4. AIRPORT DEPARTMENT APPROVALS continued

Planning

Name _____ Signature _____ Date _____

Pre-Construction Call Required (Yes ___ No ___)

Inserted Comments in TI Supplement (Yes ___ No ___)*

Maintenance

Name _____ Signature _____ Date _____

Pre-Construction Call Required (Yes ___ No ___)

Inserted Comments in TI Supplement (Yes ___ No ___)*

Noise & Environmental

Name _____ Signature _____ Date _____

Pre-Construction Call Required (Yes ___ No ___)

Inserted Comments in TI Supplement (Yes ___ No ___)*

Fire

Name _____ Signature _____ Date _____

Pre-Construction Call Required (Yes ___ No ___)

Inserted Comments in TI Supplement (Yes ___ No ___)*

Safety SMS

Name _____ Signature _____ Date _____

Pre-Construction Call Required (Yes ___ No ___)

Inserted Comments in TI Supplement (Yes ___ No ___)*

Security/Police

Name _____ Signature _____ Date _____

Pre-Construction Call Required (Yes ___ No ___)

Inserted Comments in TI Supplement (Yes ___ No ___)*

Parking/Ground Access

Name _____ Signature _____ Date _____

Pre-Construction Call Required (Yes ___ No ___)

Inserted Comments in TI Supplement (Yes ___ No ___)*

ICT

Name _____ Signature _____ Date _____

Pre-Construction Call Required (Yes ___ No ___)

Inserted Comments in TI Supplement (Yes ___ No ___)*

**If marked yes, please reference the separate TI Supplement document for more information.*

5. FINAL APPROVAL

Airport Administration

Name _____ Signature _____ Date _____

INSTRUCTIONS FOR COMPLETING THIS FORM

The following procedures are to be followed by all Airport Tenants desiring to make improvements to their leasehold. Close adherence to the procedures and regulations outlined below will greatly aid in expediting the processing and approval of each Proposed Improvement.

1. Tenant shall complete Section 1, 2, and 3 of this form and submit to: Burbank-Glendale-Pasadena Airport Authority, Business, Property and Administrative Services Department, 2627 Hollywood Way, Burbank, CA 91505.
2. Upon receipt of this Request Form, the Business, Property and Administrative Services Department will review the Proposed Improvement and, if the proposal is considered to be basically acceptable, it will then be forwarded to Airport Engineering for further review and evaluation. However, if the proposal is not considered to be basically acceptable, the Request Form will be returned to the Tenant accompanied by a written statement from the Authority as to why the request is being denied at this stage or if additional information is required.
3. In addition to the submission of the Tenant Improvement Form, Tenant shall also provide final plans and specifications for the Proposed Improvement. The plans and specifications shall conform to the following requirements: five (5) sets of plans and specifications shall be submitted by the Tenant with this form to Business, Property and Administrative Services Department for review by all applicable Airport Departments with final review and approval by Airport Administration.
4. The Business, Property and Administrative Services Department and Engineering Department will determine any impact of the Proposed Improvement on the Airport Master Plan, Airport Facilities, Navigable Airspace Requirements of Federal Aviation Regulations Part 77, and/or if it conforms to the Airport Rules and Regulations.
5. Prior to the start of construction and after all insurance and bond requirements have been satisfied, an Indemnification & Defense Agreement has been submitted to the Authority, and Building permits and any other necessary permits are on file with the Authority, a pre-construction meeting must be held in the Authority Administrative offices. When all of these requirements have been satisfied, approval to begin construction will be granted on the Tenant Improvement Form and a copy returned to the Tenant. The form will indicate whether approval has been granted, and if not granted, the reason for denial.
6. All Tenants shall, within thirty (30) days after completion, submit to Business, Property and Administrative Services Department one set of "as built" plans. Also, an itemized summary of construction costs shall be forwarded to Business, Property and Administrative Services Department. The itemized summary shall be signed by the contractor and notarized.

NOTES: a.) For smaller projects costing less than \$5,000, the Authority may, at its discretion, waive any or all of the above requirements. b.) Airport approval does not constitute a substitution of approval from any other governmental agency having jurisdiction.

PLANS AND SPECIFICATIONS

Plans shall be drawn to scale and dimensioned on standard size drawing sheets for future reference and file retention, and shall be of sufficient clarity to indicate the nature and extent of the work proposed and show in detail that it conforms to the provisions of the governing codes, ordinances, rules and regulations. The minimum number of drawings normally acceptable with each set of plans submitted for final review and approval will generally consist of a plot plan, foundation plan, floor plan, elevations, framing section and details. Electrical, plumbing, heating and air conditioning plans and details shall be submitted when applicable. Foundation recommendations, including calculations and a soils investigation report shall be submitted when appropriate or requested by Airport Engineering. All design documents, including required calculations, shall be prepared, stamped, and signed by a licensed professional engineer or architect registered in the State of California. Engineers shall be licensed for the specific discipline required. Drawings/specifications and/or calculations prepared by contractors and/or fabricators will not be acceptable.

OTHER REQUIREMENTS INSURANCE REQUIREMENTS

Contractor shall take out and maintain during the period of the Contract the following insurance and amounts unless a larger amount is specified on the Approval Request Form. Comprehensive General Liability: \$1,000,000 single limit for combined Bodily Injury and Property Damage for each occurrence. \$1,000,000 for Personal Injury for each occurrence. Comprehensive Automobile Liability: \$1,000,000 single limit for combined Bodily Injury and Property Damage for each occurrence. Workers' Compensation: California statutory requirements. Liability policies shall name the Burbank-Glendale-Pasadena Airport Authority as an Additional Insured. Certificates of Insurance on all policies shall be filed with Business, Property and Administrative Services Department. Each of said insurance policies shall contain a provision requiring the insurer to notify the Burbank-Glendale-Pasadena Airport Authority ten (10) days prior to the cancellation or material change in the Policy.

BOND REQUIREMENT

The Tenant shall require the contractor to obtain a material and labor bond equal to the contract price of the work. A copy of said bond shall be forwarded to Airport Engineering.

INDEMNIFICATION & DEFENSE AGREEMENT

The Tenant and its Contractor agree to and do hereby indemnify, defend and hold harmless the Burbank-Glendale-Pasadena Airport Authority, and its officers, agents, employees and contractors from all claims, demands, liabilities, losses, damages, costs and expenses, of any nature whatsoever, caused by or arising from, directly or indirectly, any act or omission (including, without limitation, negligent acts, negligent omissions, willful misconduct and any violation of the terms of that certain Lease between Tenant and Authority in, on or near the Bob Hope Airport by Contractor, or its subcontractors, agents or employees (including without limitation work done by Contractor for Tenant's leased premises).

PREVAILING WAGES

As part of Tenant's obligations under the terms of the Lease to comply with applicable law, Tenant acknowledges and agrees that if Tenant is provided Improvement funds from the Burbank-Glendale-Pasadena Airport Authority, or a rent credit based on timely construction of Improvements, then Tenant shall (and shall cause its contractors to) pay prevailing wages for such improvements and shall otherwise comply with California Labor Code Sections 1720 et seq. (including all recordkeeping and reporting requirements).

Exhibit E: Federal Requirements

For purposes of this Exhibit, references to “Contractor” shall be deemed to refer to Concessionaire.

1. General Civil Rights Provisions

A. In all its activities within the scope of its airport program, the Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

B. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

C. If the Contractor transfers its obligation to another, the transferee is obligated in the same manner as the Contractor.

D. The above provision obligates the Contractor for the period during which the property is owned, used or possessed by the Contractor and the airport remains obligated to the Federal Aviation Administration.

2. Civil Rights – Title VI Assurance

A. During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “Contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

1. Title VI of the Civil Rights Act of 1964 (42 USC § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);

2. 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);

3. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

4. Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);

5. The Age Discrimination Act of 1975, as amended (42 USC § 6101 et seq.) (prohibits discrimination on the basis of age);

6. Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);

7. The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

8. Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, et seq) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;

9. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 1681, et seq).

B. During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor"), agrees as follows:

1. Compliance with Regulations: The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

2. Nondiscrimination: The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex, age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

3. Solicitations for Subcontracts, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by the Contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the Contractor of the contractor's obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

4. Information and Reports: The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses

to furnish the information, the Contractor will so certify to the Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance: In the event of a Contractor's noncompliance with the non-discrimination provisions of this contract, the Sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

a. Withholding payments to the Contractor under the contract until the Contractor complies; and/or

b. Cancelling, terminating, or suspending a contract, in whole or in part.

6. Incorporation of Provisions: The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the Sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the Sponsor to enter into any litigation to protect the interests of the Sponsor. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

3. ACDBE Regulations

A. This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR part 23. The concessionaire or contractor 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.

B. The concessionaire or contractor 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.

CONCESSION AND LEASE AGREEMENT

BETWEEN THE

BURBANK - GLENDALE – PASADENA AIRPORT AUTHORITY

AND

CERTIFIED FOLDER DISPLAY, INC.

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CONCESSION AND LEASE AGREEMENT

THIS CONCESSION AND LEASE AGREEMENT (this "Agreement") is dated as of 11/12, 2015, and is entered into by and between the BURBANK - GLENDALE - PASADENA AIRPORT AUTHORITY, a public entity formed under a joint exercise of powers agreement among the Cities of Burbank, Glendale, and Pasadena, California, pursuant to the California Joint Exercise of Powers Act ("Landlord"), and CERTIFIED FOLDER DISPLAY, INC., a California corporation ("Tenant").

I. GRANT OF CONCESSION.

1.1 General; Permitted Use. The purpose of this Agreement is to provide information on activities and attractions in the Burbank/Los Angeles local area and the Southern California region via brochure and magazine floor display racks. In consideration of the terms and conditions to be performed by Tenant, Landlord grants to Tenant the non-exclusive right to conduct and operate a commercial advertising display business at the Bob Hope Airport ("Airport"), upon the terms and subject to the conditions set forth in this Agreement.

Tenant shall finance, design, construct, develop, install, maintain, manage and/or operate prime quality, expertly designed, commercial advertising displays at the Airport that include five pocket brochure display racks, and Tenant shall keep the brochures and display racks in a clean and orderly condition at all times and shall keep the display racks stocked with brochures and magazines from local/regional visitor attractions as well as visitor bureaus.

Because of Landlord's substantial interest in protecting the health and welfare of its citizens, Tenant agrees that it shall not allow any advertising in the Leased Premises which:

- (a) contains profanity or obscenity;
- (b) includes nude photographs or nude illustrations of any person. For the purpose of this Agreement "nude" means devoid of any opaque covering of the genitals, pubic hair, buttocks, perineum, anus or anal region of any person; or any portion of the breast, at or below the areola thereof, of any female person;
- (c) contains any material in violation of applicable laws, including and without limitation to laws regulating copyrights, trademarks, and other forms of intellectual property;
- (d) is deceptive or misleading;
- (e) depicts (through either words, photographs or illustrations) explicit sexual acts, "Explicit sexual acts", as used in this Agreement means depictions of sexual intercourse, oral copulation, anal intercourse, oral-anal copulation, bestiality, sadism, masochism or excretory functions in conjunction with sexual activity, masturbation or lewd exhibition of the genitals, whether any of the above conduct is depicted or described as being performed among

or between members of the same or opposite sex or between humans and animals, or other acts involving any physical contact with a person's or animal's genitals, pubic region, pubic hair, perineum, anus or anal region;

- (f) depicts commercial advertising for tobacco or other smoking products;
- (g) depicts physical violence against any person or animal;
- (h) is prohibited by law or order of any court of competent jurisdiction;
- (i) are free-standing, outdoor billboards; and
- (j) are aromatic (scented) advertising displays.

1.2 Nonexclusive. Tenant acknowledges and understands that the grant to Tenant of the right to conduct and operate a commercial advertising display business at the Airport pursuant to this Agreement is non-exclusive. Additionally, Tenant acknowledges and understands that Landlord reserves the right to grant to persons, partnerships, firms, corporations and other entities, other than Tenant ("Other Concessionaires"), rights to conduct and operate the same or similar businesses at the Airport.

2. LEASED PREMISES.

2.1 Location of the Leased Premises. Landlord leases to Tenant, and Tenant hires from Landlord, certain premises shown and described on the site plan attached as Exhibit "A" ("Leased Premises"), which Leased Premises are situated within the main terminal building and the Regional International Transportation Center at the Airport (collectively, "Building"), within the Airport, together with the right, in common with others, to the use of certain of the "common use facilities" of the Airport as set forth in Section 17 below, upon the terms and subject to the conditions set forth in this Agreement.

2.2 Acceptance of the Leased Premises. Tenant accepts the Leased Premises in their current "AS-IS" condition existing as of the date hereof, without representation or warranty, express or implied. Tenant agrees that the Leased Premises are in a good and tenantable condition, but need to be vacated by the current tenant thereof. Tenant acknowledges that Tenant has inspected the Leased Premises and available common use facilities of the Airport to its satisfaction. Additionally, Tenant acknowledges that, except as expressly provided in Section 6.1.1, Landlord is not obligated to make any repairs or alterations to the Leased Premises or any common use facilities.

2.3 Reservations to Landlord. Tenant further accepts the Leased Premises subject to any and all existing easements and encumbrances. Landlord reserves the right, without obligation, to install, lay, construct, maintain and repair utilities and appurtenances necessary or convenient in connection therewith in, over, upon, through, across, under and along the Leased Premises or any part thereof, and to enter the Leased Premises for any and all such purposes.

Landlord also reserves the right to grant franchises, easements, licenses, rights of way and permits in, over, upon, through, across, under and along any and all portions of the Leased Premises. No right reserved by Landlord in this Section shall be so exercised as to interfere unreasonably with Tenant's operations.

2.4 Landlord's Right of Access. Landlord shall have free access to the Leased Premises in all cases of emergency and during all reasonable hours for the purposes of examining the same to ascertain if they are in good repair, inspecting any work in progress within the Leased Premises, the Buildings or elsewhere on the Airport, making repairs which Landlord may be required or permitted to make, and exhibiting the same to prospective purchasers or Tenants. Such entry shall be made in a manner which will not unreasonably interfere with Tenant's use of the Leased Premises, except in case of emergency. In the event that Tenant is not personally present to open and permit such entry, Landlord may enter the Leased Premises by means of a master key or may enter forcibly and shall incur no liability to Tenant as a result of such entry, except for any willful misconduct on the part of Landlord or any of its employees, agents, representatives or contractors.

3. TERM.

3.1 Commencement Date. The term of this Agreement shall commence on January 1, 2016 ("Commencement Date"), and shall continue until the date that is one (1) calendar year thereafter, as extended by Tenant under Section 3.2 below, unless earlier terminated as provided herein, including a termination pursuant to Section 3.3 below.

3.2 Tenant Extension Options. Tenant shall have five (5) one-year extension options, which Tenant may exercise by giving written notice to Landlord at least ninety (90) days prior to the then-scheduled expiration of this Agreement; provided, however, that each such exercise of an extension option must be approved in writing by the Executive Director of the Authority in order to be effective.

3.3 Early Termination.

3.3.1 Rights to Terminate. Either party may, in its sole and absolute discretion, terminate under this Agreement upon one hundred and twenty (120) days' prior written notice to the other.

3.3.2 Rights of Tenant. Upon the termination of this Agreement, all rights of Tenant under this Agreement with respect to the terminated area of the Leased Premises shall terminate and Landlord shall be under no duty or obligation to enter into a new lease or other agreement with Tenant or to extend this Agreement with respect to any other premises at the Airport.

3.3.3 Tenant Acknowledgments. The provisions of this Section 3.3 are contractual and arise from Landlord's unwillingness to enter into a long term lease of the Leased Premises without the right to terminate this Agreement as provided herein. Tenant acknowledges that under these circumstances, including those recited above, such provisions are reasonable and Tenant is willing to accept Landlord's termination right in order to obtain a longer lease term and in consideration of the payment provisions contained herein. Exercise by Landlord of its

termination right shall not be construed as a taking by Landlord of any part of the Leased Premises or of Tenant's rights or leasehold estate under this Agreement, and Tenant shall not be entitled to payment for any loss of goodwill, income or other amount measured by Tenant's loss upon termination or reduction of its business following termination of all or a portion of this Agreement.

4. PAYMENTS BY TENANT. In consideration of Landlord (i) granting to Tenant a concession to operate an on-airport retail men's grooming and lifestyle products business at the Airport, and (ii) leasing to Tenant the Leased Premises, Tenant shall pay to Landlord, without setoff or deduction, the amounts set forth in this Section 4.

4.1 Concession Fee.

4.1.1 Amount; Payment. Commencing on the Commencement Date, Tenant shall pay to Landlord twenty-five percent (25%) of monthly Gross Sales (the "Concession Fee"). The Concession Fee shall be paid monthly on or before the twentieth (20th) day of each calendar month, on the basis of the preceding calendar month's Gross Sales. The payment of the Additional Concession Fee due for any partial calendar month at the beginning or end of the term of this Agreement shall be prorated on the basis of a thirty (30) day month. Tenant shall use its best efforts to maximize its Gross Sales generated from sales of products, goods, merchandise and services in the Leased Premises, and shall operate its business in the Leased Premises from at least 5 A.M. to 11 P.M. seven (7) days a week (unless otherwise approved in writing by the Executive Director).

4.1.1.1 Definitions.

4.1.1.1.1. Gross Sales. The term "Gross Sales", as used herein, shall mean and include the following:

(i) all monies or other consideration of any nature paid or payable to or generated or earned by Tenant (including, but not limited to fees paid by customers and other financial institutions, all gross revenues generated or received by subtenants, joint venture partner(s) and/or equity partner(s), or other occupants of the Leased Premises, if any) for the conduct of its business at the Airport pursuant to this Agreement. Such monies or other consideration shall include all transactions made in connection with the operations or using the improvements or the Tenant's equipment at the Airport, regardless of when or where the order therefor is received. Gross Sales shall include all such transactions, whether for cash or for credit, regardless of whether a final collection is made in credit transactions. Gross Sales shall include, without limitation:

A. The full amount of any and all deposits that are forfeited by customers in connection with the conduct of business of Tenant under the Agreement; and

B. The full amount of any and all insurance proceeds that are paid on any business interruption insurance policy to Concessionaire.

4.1.1.1.2. Exclusions. The term "Gross Sales," as used herein shall not include the following:

A. Any and all federal, state, municipal or other sales or use tax now or hereafter imposed on any customer as part of the price of any item of merchandise sold or service rendered, and collected by Tenant on behalf of any such customer and required to be paid by Tenant to any governmental agency; and

B. The proceeds from the sale of capital assets;
and

C. Any and all receipts of Tenant that arise solely from its operations under any other agreement with Landlord at the Airport and that are subject to a percentage fee or flat fee under that other agreement.

4.1.1.2 Gross Sales Statements.

4.1.1.2.1. Monthly Statements. Tenant shall submit to Landlord, together with each payment of the Concession Fee payable pursuant to Section 4.1.2.1, a written statement, in such form and detail as is required by Landlord, signed and certified by Tenant to be true, correct and accurate, setting forth the amount of Tenant's Gross Sales during the preceding calendar month.

4.1.1.2.2. Annual Statements. Within forty-five (45) days following the end of each calendar year, or within forty-five (45) days following the earlier termination of this Agreement, Tenant shall submit to Landlord either (i) a written statement, in such form and detail as is required by Landlord, setting forth the amount of Tenant's Gross Sales during the preceding calendar year or portion thereof, prepared and certified as to accuracy by the chief financial officer of Tenant; or (ii) Tenant's financial statements for the preceding calendar year, including a balance sheet, a statement of income and expenses and a statement of cash flow, prepared in accordance with generally accepted accounting principles consistently applied, and certified as to accuracy by the chief financial officer of Tenant.

4.1.1.2.3. Failure to Furnish Statements. In the event that Tenant fails to furnish any monthly or annual written statement of Gross Sales as provided in Section 4.1.1.2.1 or Section 4.1.1.2.2, in addition to any other remedies available to Landlord, Landlord shall have the right, but not the obligation, to engage an accountant selected by Landlord, including any employee or contractor of Landlord, to prepare a written statement of Tenant's Gross Sales for the period Tenant has failed to furnish such statement, the cost of which shall be paid by Tenant as additional rent, and Tenant shall make available to Landlord all of Tenant's books, records and accounts for purposes of preparing such statement. Any statement prepared in accordance with this Section shall be conclusive as to the period covered.

4.2 Maintenance of Books and Records; Landlord Right to Audit. For the purpose of ascertaining the amount of the payments of the Concession Fee payable by Tenant to Landlord pursuant to Sections 4.1.1, Tenant shall prepare and maintain, for a period of not less than three (3) years following the expiration or termination of this Agreement and in accordance with the current accounting requirements of Landlord, as such may be changed at any time and

from time to time during the term, full, complete and proper books, records and accounts of the business and operations conducted by Tenant on the Leased Premises. Tenant shall make all books, records and accounts relating to the business and operations conducted by Tenant on the Leased Premises available for inspection by Landlord and its designated representatives and Landlord and its designated representatives shall have the right to inspect the same at all reasonable times. At any time within three (3) years following the receipt by Landlord of any monthly or annual written statement of Gross Sales furnished by Tenant to Landlord pursuant to Section 4.1.1.2.1 or Section 4.1.1.2.2, Landlord shall have the right, but not the obligation, to cause an audit to be conducted by an auditor selected by Landlord, including any employee or contractor of Landlord, of Tenant's books, records and accounts relating to the Leased Premises for the period covered by such written statement, including, without limitation, all federal, state, county or city reports and income and other tax returns, bank statements, operating manuals and procedures, sales receipts, active and inactive files, general ledgers, invoices, rental orders and check registers. Tenant shall cooperate with and shall provide all information requested by such auditor and shall make Tenant's employees available to cooperate with and provide all information requested by such auditor. Any deficiency disclosed by any such audit shall be paid by Tenant upon demand. The cost of any such audit shall be paid by Landlord; provided, however, in the event that any such audit shall disclose an additional liability in any period for the Concession Fee in excess of two percent (2%) of the Concession Fee paid by Tenant for any period, in addition to such deficiency, Tenant shall pay to Landlord upon demand the cost of such audit.

4.3 Partial Calendar Months. The monthly payment of the Concession Fee shall be prorated for any partial calendar months during the term on the basis of a thirty (30) day calendar month.

4.4 Taxes. Tenant shall pay, as additional rent under this Agreement, all "taxes" imposed by any authority having the direct or indirect power to tax and which are applicable to the Leased Premises. As used herein, the term "taxes" shall include any form of possessory interest tax, assessment (including any public transit or other benefit assessment district levy or assessment), license fee, commercial rental tax, any tax or excise on rents, levy, penalty or tax (other than net income, inheritance or estate taxes) imposed by any authority having the direct or indirect power to tax, including any federal, state, county or city government, or any school, agricultural, lighting, drainage, or other improvement district thereof, as against any legal or equitable interest of Landlord in the Leased Premises, as against Landlord's right to rent or other income therefrom, or as against Landlord's business of leasing the Leased Premises. In this regard, Tenant recognizes and understands that this Agreement may create a possessory interest in some or all of the Leased Premises subject to property taxation and that Tenant may be subject to the payment of taxes levied on such interest. Tenant shall pay all taxes within fifteen (15) days following the delivery to Tenant of a statement therefor.

4.5 Utilities. Landlord shall pay all water, gas, heat, light, power, air conditioning, and other utilities and services (excluding telephone charges and internet and computer related services and charges) supplied to the Leased Premises together with any and all taxes thereon and any connection fees.

4.6 Payments Net to Landlord. Landlord shall receive the amounts payable by Tenant to Landlord pursuant to this Section 4 or any other provision of this Agreement free and clear of any and all other impositions, taxes, liens, charges or expenses of any nature whatsoever in connection with the ownership and operation of the Leased Premises. All amounts payable by Tenant to Landlord or any other person pursuant to this Section 4 shall constitute rent, irrespective of their designations hereunder, and upon the failure of Tenant to pay any of such amounts, Landlord shall have the same rights and remedies as otherwise provided in this Agreement for the failure of Tenant to pay to Landlord any amounts of rent due.

4.7 Payment. All amounts of Concession Fee and other payments due to Landlord pursuant to this Section 4 or any other provision of this Agreement shall be paid at the offices of Landlord at the following address: Burbank-Glendale-Pasadena Airport Authority, 2627 Hollywood Way, Burbank, California 91505, ATTENTION: Controller, or at such other place as Landlord may designate from time to time in writing.

4.8 No Abatement of Rent or Fees. Tenant acknowledges and agrees that Tenant shall not be entitled to any abatement of or reduction of any amount payable by Tenant pursuant to this Section 4 or any other provision of this Agreement, except as expressly provided for herein.

4.9 Interest on Past Due Payments. Any amount due from Tenant pursuant to this Section 4 or any other provision of this Agreement which is not paid when due shall bear interest from the due date until paid at a rate equal to five percent (5%) in excess of the prevailing rate established by the Federal Reserve Bank at San Francisco on advances to member banks (but not more than the maximum rate permissible by law); provided, however, that the payment of any interest pursuant to this Section shall not excuse or cure any default by Tenant with respect to its obligations to pay any amount due from Tenant pursuant to this Section 4 or any other provision of this Agreement.

5. USE AND CONDUCT OF BUSINESS BY TENANT.

5.1 Principal Use of Airport. Tenant hereby acknowledges that the principal use of the Airport consists of the operation of a public airport and that all other businesses and operations which now or hereafter are permitted by Landlord to be conducted on or at the Airport, including Tenant's business and operations pursuant to this Agreement, must be at all times compatible with and subordinate to such principal use, as Landlord, in its sole discretion, shall determine, including the exercise of Landlord's rights pursuant to Section 3.3.1.

5.2 Conduct of Tenant's Business.

5.2.1 Standards. Tenant shall comply strictly with the terms, conditions and requirements set forth in this Section 5.2. In its use of the Airport pursuant to this Agreement, Tenant shall maintain the highest degree and standards of service to meet the needs of the traveling public. Nothing herein shall diminish Tenant's maintenance and repair obligations under Section 6.2 below.

5.2.2 Tenant shall place, display and maintain advertisements in the Leased Premises pursuant to the following standards, guidelines and procedures.

- (a) Tenant shall clean all display advertising at least weekly.
- (b) Tenant shall monitor all display advertising at least twice per week.
- (c) At the Executive Director's discretion, faded or otherwise damaged advertisement displays or brochures or magazines must be removed and replaced with new displays, brochures or magazines.
- (d) When the Tenant becomes aware or is told by Landlord that repair or replacement of equipment is required, it shall make necessary equipment repairs and replacements within forty-eight (48) hours, or request and receive the Executive Director's approval of a longer time frame.
- (e) Maintenance personnel must be available for emergency service daily during Airport business hours (5:00 a.m. to 11:00 p.m., subject to change), and must be available for emergency contact 24 hours a day, 365 days a year.
- (f) To the extent possible regular cleaning will be done during hours of least passenger use of the Airport, flight and shuttle bus activity, per a schedule approved by the Executive Director.
- (g) All of Tenant's personnel, while on or about the Airport shall be clean, neat in appearance, appropriately attired, and courteous to the public at all times. No such personnel on or about the Airport shall use improper language, act in a loud, boisterous, or otherwise improper manner in the Airport. Tenant shall take all appropriate steps to prevent the occurrence or recurrence of any such acts of misconduct or inappropriate conduct in public by its personnel in the Leased Premises, the Airport or the Building.
- (h) Display advertising shall not obstruct, overpower, or otherwise interfere with other signage providing travelers and other Airport users with needed information about gate, ticket counter, baggage claim, restrooms or other amenities. The Executive Director shall have sole authority in his discretion to identify any such situations.
- (i) All such displays are to be checked and stocked at least three times per week. A display maintenance review and restocking schedule must be promptly provided to the Executive Director. The Executive Director may require a more frequent stocking schedule if the racks are found to be, in the Executive Director's sole discretion, empty too often. Displays that include racks for brochure stock should never have less than 50% of stock.

5.2.3 Conduct of Employees. Tenant shall control the conduct, demeanor, and appearance of its officers, employees, agents, representatives and contractors and shall require all of its employees to wear clean and neat appearing clothing and shall take all actions necessary to ensure their courteous, polite and inoffensive conduct and demeanor. Upon objection from Landlord concerning the conduct, demeanor, or appearance of any such person, Tenant immediately shall take all steps necessary to correct or to remove the cause of the objection.

5.2.4 Maintenance of Business. Tenant shall not cause any business to be conducted away from the Airport but shall take all reasonable measures, in every proper manner, to maintain, develop and increase the business conducted by Tenant pursuant to this Agreement.

5.2.5 Interference with Utilities, Police, Fire Fighting. Tenant shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of the mechanical, gas, electrical, heating, ventilating, air conditioning, plumbing or sewer systems, facilities or devices or portions thereof on or servicing the Leased Premises, the Buildings or elsewhere on the Airport. Nor shall Tenant do or permit to be done anything which may interfere with free access or passage to the Leased Premises, the streets, roads, parking lots, curb areas, entryways, exits, sidewalks adjoining the Leased Premises, the Buildings or the common use facilities of the Airport or the public areas adjacent thereto. In addition, Tenant shall not hinder police, fire fighting or other emergency personnel in the discharge of their duties.

5.2.6 Interference with Fire Exits. Tenant shall not do or permit to be done anything which may interfere with the effectiveness or accessibility of fire exits, elevators or escalators in or adjacent to Leased Premises, the Buildings or elsewhere at the Airport, including lines, pipes, wires, conduits and equipment connected with or appurtenant thereto.

5.2.7 Nuisance. Tenant shall not use or permit the use of the Leased Premises, the Buildings or the other areas of the Airport in any manner that will (i) tend to create or permit any waste or nuisance, (ii) tend to disturb other tenants or users of the Airport, (iii) invalidate or cause the cancellation of or be in conflict with any fire or other hazard insurance policies covering the Airport, or (iv) increase the premiums for any fire insurance policies covering the Airport or any property located therein, over the premiums for such policies in effect at the Commencement Date. Tenant, at its expense, shall comply with all rules, orders, regulations, or requirements of the National Board of Fire Underwriters, or any other similar body.

5.3 Licenses and Permits; Compliance with Laws. Tenant, at Tenant's own cost and expense, shall obtain and maintain in effect at all times all licenses, permits, certificates, approvals and other authorizations required by any federal, state, county, city or other governmental authority or agency having jurisdiction over Tenant, Tenant's business and operations, the Leased Premises, the Buildings and the other areas of the Airport. Tenant shall comply with all applicable federal, state, county and city statutes, regulations, rules and ordinances and all orders of any federal, state, county, city or other governmental authority or agency having jurisdiction over Tenant, Tenant's business and operations, the Leased Premises, the Buildings and the other areas of the Airport.

5.4 Non-Discrimination and Affirmative Action. Tenant shall comply with the provisions of Exhibit "B" attached hereto and by this reference made a part hereof regarding nondiscrimination, as the same may be amended by Landlord from time to time. In addition, Tenant shall undertake an affirmative action program as required by 14 Code of Federal Regulations Part 152, Subpart E, to insure that no person shall, on the ground of race, creed, color, national origin, or sex, be excluded from participating in any employment activities covered in 14 Code of Federal Regulations Part 152, Subpart E. Tenant agrees that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by such subpart.

5.5 Disadvantaged Business Enterprise Commitment. It is the policy of the Landlord to insure that Disadvantaged Business Enterprises (hereinafter "DBE"), as defined by the United States Department of Transportation, are granted the maximum practical opportunity to participate in contracts and concessions granted by Landlord. Accordingly, Tenant shall provide the maximum opportunity for direct DBE participation in the management and/or operation of the concession business herein authorized. Further, Tenant covenants to use good faith efforts to provide opportunities for DBE's in its award of contracts for goods and services at the Airport. Tenant agrees to promptly return any information requested by Landlord in order to determine compliance with this Section.

5.6 Compliance With FAA Grant Assurances and Airport Use. In connection with the ownership and use of the Airport by Landlord, Tenant hereby agrees as follows:

5.6.1 Development or Improvement of Landing Area. Landlord reserves the right further to develop or improve the landing area of the Airport as it sees fit, regardless of the desires or views of Tenant, and without interference or hinderance.

5.6.2 Maintenance of Landing Area and Public Facilities. Landlord reserves the right, but shall not be obligated to Tenant, to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Tenant in this regard.

5.6.3 Agreements with United States. This Agreement shall be subordinate to the provisions and requirements of any existing or future agreement between Landlord and the United States, or any lawful requirement of the United States, relative to the development, operation, or maintenance of the Airport.

5.6.4 Reservation of Rights. There is hereby reserved to Landlord, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Leased Premises and other areas of the Airport. This public right of flight shall include the right to cause within such airspace any noise inherent in the operation of any aircraft used for navigation or flight through such airspace or landing at, taking off from or operating on the Airport.

5.6.5 Height Restrictions. Tenant shall not erect nor permit the erection of any structure or object, nor permit the growth of any tree, on the Leased Premises or elsewhere at the Airport in violation of federal height restrictions and obstruction criteria or any

more restrictive height restrictions and obstruction criteria established from time to time by Landlord. In the event these covenants are breached, Landlord reserves the right to enter upon the Leased Premises or other areas at the Airport to remove the offending structure or object and to cut the offending tree, all of which shall be at the expense of Tenant.

5.6.6 Interference with Aircraft. Tenant shall not make use of the Leased Premises or any other areas at the Airport in any manner which might interfere with the landing and taking off of aircraft from the Airport, or which might otherwise constitute a hazard. In the event this covenant is breached, Landlord reserves the right to enter upon the Leased Premises or other areas at the Airport and cause the abatement of such interference, at the expense of Tenant.

5.6.7 Rights of United States. This Agreement and all the provisions hereof shall be subject to whatever right the United States Government now has, or in the future may have or acquire, affecting the control, operation, regulation and taking over of the Airport, or the exclusive or nonexclusive use of the Airport, by the United States during the time of war or national emergency or otherwise.

5.6.8 Unauthorized Access. Tenant shall use reasonable precautions to prevent unauthorized persons from gaining access to restricted flight and aircraft operational areas.

5.6.9 Security Checks. Tenant agrees to maintain records of background checks for all employees of Tenant and to make such records available to the FAA and Landlord as may be requested from time to time.

5.7 Airport Security.

5.7.1 Compliance. Tenant shall cause its officers, contractors, agents, sponsors and employees to comply with all existing and future security regulations adopted by Landlord pursuant to Part 1520 and 1542, Title 49 of the Code of Federal Regulations, as it may be amended from time to time. With respect to Airport security, it is a material requirement of this Lease that Tenant shall comply with all rules, regulations, written policies, and authorized directives from Landlord and/or the Transportation Security Administration ("TSA"). Violation by Tenant or any of its employees of any rule, regulation, or authorized directive from Landlord or TSA with respect to Airport security shall constitute a material breach of this Agreement. Any person who violates such rules may be subject to revocation of his/her access authorization. Tenant will fully reimburse Landlord for any fines or penalties levied against Landlord for security violations as a result of any actions on the part of the Tenant, its agents, contractors, suppliers, guests, customers, sponsors, or employees. Tenant will also fully reimburse Landlord for any attorney fees or related costs paid by Landlord as a result of any such violation.

5.7.2 Changes in Security Status. Tenant understands and acknowledges that all rules, regulations, written policies, and authorized directives from Landlord and/or the TSA under this Agreement is subject to changes in alert status as determined by the TSA, which is subject to change without notice. If the security status of the Airport changes at any time, Tenant shall take immediate steps to comply and assist its employees, agents, independent

contractors, invitees, successors, and assigns in complying with security modifications that occur as a result of the changed status. At any time, Tenant may obtain current information from the Landlord's security department regarding the Airport's security status in relation to Tenant operations at the Airport.

5.7.3 Access Keys and Badges. Tenant shall return to Landlord all access keys or access badges issued to its officers, contractors, agents, sponsors and employees for any area of the Airport, once this Agreement expires or terminates or upon Landlord's demand. If Tenant fails to do so, Tenant shall be liable to reimburse Landlord for all of Landlord's costs for work required to prevent compromise of the Airport security system. Landlord may withhold funds in the amount of such costs from any amounts due and payable to Tenant.

5.7.4 Breach. Any breach or violation by Tenant of, or failure by Tenant to comply with, any provision of the Airport security shall constitute a breach of and an event of default under Section 14.1.1.7.

6. MAINTENANCE AND REPAIRS.

6.1 Landlord's Obligations.

6.1.1 Landlord Obligations. Subject to the provisions of Section 10, during the term of this Agreement, Landlord shall keep and maintain in good condition and repair, reasonable wear and tear excepted, according to the standards established by Landlord, as the same may be changed at any time and from time to time, (i) the foundations, roof and other structural components of the Buildings, including the structural portions of the exterior walls of the Leased Premises, and (ii) all sprinklers, plumbing, sewer, electrical, water, gas, drains, heating, ventilating and air conditioning systems, facilities and equipment serving the Leased Premises, but only to the extent such systems, facilities or equipment are located within the Airport and only to the point of connection or distribution to the Leased Premises, as determined by Landlord, and are not located within any easement in favor of a municipal or public utility supplier; provided, however, that Landlord shall have no obligation to repair any damage to any of the foregoing to the extent caused by the willful or negligent act or omission, including, without limitation, overuse or abuse, of Tenant or the agents, employees, or invitees of Tenant, which damage shall be repaired promptly by Tenant, at Tenant's sole cost and expense. Landlord shall have no obligation to commence any maintenance or repair required under this Section until thirty (30) days after the receipt by Landlord of written notice of the need for such maintenance or repair. Landlord shall not be liable to Tenant for any injury to or interference with Tenant, Tenant's business and operations or use or occupancy of the Leased Premises arising out of, resulting from or relating to the performance of any maintenance or the making of any repairs.

6.1.2 Tenant Waiver. Except as provided in Section 6.1.1, Landlord shall have no obligation to maintain or make any repairs to the Leased Premises. Tenant hereby waives any and all rights provided in Civil Code Sections 1941 through Section 1942, inclusive, and waives, to the extent permissible, any rights under other statutes or laws now or hereafter in effect which are contrary to the obligations of Landlord under Section 6.1.1, or which place obligations upon Landlord in addition to those provided in Section 6.1.1. Landlord shall not be

liable to Tenant by reason of any injury to or interference with Tenant's business arising from or connected with the need for or the making of any repairs, alterations, or improvements to the Leased Premises.

6.2 Tenant's Obligations.

6.2.1 Maintenance. Subject to the provisions of Section 10, and, except as expressly provided in Section 6.1.1, Tenant, at Tenant's sole expense, shall maintain the Leased Premises, in good order, condition, and repair and in a neat, attractive, sanitary condition, free from waste or debris according to standards established by Landlord (whether or not such part of the Leased Premises requiring repair, or the means of repairing the same, are reasonably or readily accessible to Tenant, and whether or not the need for such repairs occurs as a result of Tenant's use, any prior use, the elements or the age of such part of the Leased Premises) including all of the following: (i) all ceilings, floors, interior walls, non-structural components of exterior walls, store fronts, windows, doors, plate glass, showcases, skylights, entrances, and vestibules located within the Leased Premises, and (ii) trade fixtures, furniture and other personal property located in or used in the Leased Premises, including any and all Alterations (as defined in Section 8.4); and (iii) all lights (including replacement of light bulbs). Tenant shall make any and all repairs required pursuant to this Section as and when the same become necessary to maintain the Leased Premises and every part thereof in good order condition and repair, but in no event later than thirty (30) days following the delivery to Tenant of the need for such repair, or immediately in the event of an emergency. All repairs to the Leased Premises made by Tenant as provided in this Agreement shall be performed in accordance with all applicable statutes, regulations, rules and ordinances and all requirements and orders of any and all federal, state, county, city and other governmental authorities and agencies having jurisdiction and Tenant shall secure all required licenses, permits, approvals and authorizations.

6.2.2 Tenant Failure to Repair. In the event that Tenant fails to make any repair to the Leased Premises pursuant to Section 6.2.1 within thirty (30) days following the delivery to Tenant of written notice of the requirement therefor, or immediately in the event of an emergency, Landlord shall have the right, but not the obligation, at Landlord's option, to enter upon the Leased Premises and put the same in good order, condition and repair, and in a neat, attractive and sanitary condition, free from waste and debris, and the cost thereof shall become due and payable, upon demand, by Tenant to Landlord as additional rent.

7. RELOCATION OF LEASED PREMISES. [INTENTIONALLY OMITTED]

8. IMPROVEMENTS AND ALTERATIONS.

8.1 Construction. Tenant shall not, without in each instance obtaining the prior written consent of Landlord, which consent may be granted or withheld, in Landlord's sole discretion, construct, install or make any modifications, alterations, improvements, or additions ("Alterations") in, on or to the Leased Premises. Landlord may impose, as a condition of such consent, such requirements as to the contractor, time, manner, method, design and construction in which the Alterations shall be done as Landlord determines, in its sole discretion. No such Alterations shall be undertaken until Tenant shall have procured and paid for all required permits, licenses, approvals and authorizations of all governmental authorities and agencies

having jurisdiction. Prior to the commencement of any Alterations, Tenant shall complete, execute and return to Landlord the form attached hereto as Exhibit "C", as the same may be amended from time to time, and shall comply with all instructions attached thereto and with any and all construction rules and regulations, Landlord delivered to Tenant. All plans shall be subject to Landlord's approval and, when required by the Airport Engineer, shall be prepared, stamped and signed by a California licensed architect or engineer. Engineers shall be licensed for the particular discipline required. No work required in connection with any Alterations shall commence prior to receiving written approval of Landlord. All work done in connection with any Alterations shall be done at Tenant's sole expense and with reasonable diligence, in a good and workmanlike manner, and in compliance with all applicable federal, state, county and city statutes, regulations, rules and ordinances and all orders of any and all governmental authorities having jurisdiction. In order to expedite plan review and approval and to insure that the proposed Alterations will be compatible with the Airport uses, Tenant first shall submit to Landlord for approval a schematic or conceptual plan. Landlord shall have the right to inspect and reject any work not done in accordance with the plans and specifications, and Tenant shall immediately repair or remove such work in accordance with this Section. Within thirty (30) days following the completion of any Alterations, Tenant shall furnish to Landlord a set of "as built" plans and specifications.

8.2 Indemnity. Tenant shall defend, indemnify and hold harmless Landlord from and against any and all responsibilities, liabilities, obligations, damages, injuries, claims, demands, losses, awards, judgments, costs or expenses, arising out of, resulting from or relating to any and all Alterations constructed, installed or made by Tenant on, in or to the Leased Premises pursuant to this Section 8 by virtue of Landlord's review of the plans and specifications relating thereto or otherwise. Tenant assigns to Landlord any and all warranties or guaranties of contractors and subcontractors furnishing labor, materials, equipment and services in connection with the Alterations, which assignment shall be effective upon the expiration or earlier termination of this Agreement.

8.3 Payment. Tenant shall pay, when due, all claims for labor, materials, equipment and services furnished or alleged to have been furnished to or for Tenant at or for use in the Leased Premises or any other areas of the Airport, which claims are or may be secured by any lien against the Leased Premises or the other areas of the Airport or any interest therein. In the event any such lien is filed against the Leased Premises or any other areas of the Airport, it shall be discharged by Tenant, at Tenant's expense, within (10) days after written notice thereof is delivered to Tenant. Landlord shall have the right to post such notices of nonresponsibility as are provided for in the mechanics' lien laws of California.

8.4 Landlord's Property. Except for personal property and trade fixtures not permanently affixed to the Leased Premises, all Alterations made in, on or to the Leased Premises by or on behalf of Tenant pursuant to this Section 8, upon the expiration or other termination of this Agreement, shall become Landlord's property and shall be surrendered with the Leased Premises, unless Landlord shall elect otherwise not less than thirty (30) days prior to the expiration, or not more than ten (10) days after any other termination of this Agreement. In the event of such election, such Alterations made by or on behalf of Tenant in the Leased Premises, as Landlord may select, shall be removed by Tenant, at its sole cost and expense, at or prior to the expiration of the term of this Agreement, the Leased Premises shall be restored and

repaired to the condition existing as of the Commencement Date, subject to reasonable wear and tear, casualty and damage by the elements. In the event of the termination of this Agreement, any such removal shall be accomplished within thirty (30) days after such termination.

9. INSURANCE; INDEMNITY; WAIVERS.

9.1 Tenant Requirements.

9.1.1 General. Tenant, at all times and at Tenant's sole cost and expense, shall maintain in effect the policies of insurance with limits of liability as provided in this Section 9.1.1.

9.1.1.1 Commercial General Liability Insurance. A policy of commercial general liability insurance written on an occurrence basis, including contractual and products liability, covering the liability of Tenant and Landlord arising out of, resulting from or relating to injuries to or death of persons and damage to or loss of property occurring on, in, under or about the Leased Premises or caused by any products sold in or from the Leased Premises in the minimum amount of Two Million Dollars (\$2,000,000) per occurrence for bodily injury, including death, or property damage.

9.1.1.2 Fire Insurance. A policy or policies of hazard insurance insuring against loss or damage to or destruction of (i) Tenant's fixtures, Alterations, personal property and equipment located in, on, or at the Leased Premises in an amount not less than one hundred percent (100%) of their replacement value, and (ii) if applicable, all plate glass in the Leased Premises, on an all risk basis.

9.1.1.3 Workers' Compensation Insurance. Statutory workers' compensation insurance and employers' liability coverage in the minimum amount of One Million Dollars (\$1,000,000) covering Tenant's liability for its business and operations at the Leased Premises.

9.1.1.4 Motor Vehicle Liability. Motor vehicle liability insurance coverage, including hired and non-owned vehicle coverage, which provides public liability and property damage liability coverages of not less than One Million Dollars (\$1,000,000) per occurrence for bodily injury, including death, or property damage occurring as a result of the ownership, use or operation of motor vehicles in connection with Tenant's business and operations at the Leased Premises.

9.1.2 Adjustment of Insurance Coverage and Limits. Landlord may add to or change the types or coverages of insurance or the minimum limits of liability required to be maintained by Tenant pursuant to Section 9.1.1 by written notice to Tenant of such additions or changes. If Tenant elects not to maintain such additional or changed insurance or limits of liability, Tenant may terminate this Agreement in its entirety by written notice of termination given to Landlord prior to the expiration of such thirty (30) days. If Tenant does not terminate this Agreement, Tenant shall obtain such additional or changed types of insurance or coverages or shall increase its insurance limits of liability as may be required by Landlord and failure to do so shall be an event of default under Section 14.1.1.9.

9.1.3 Policy Requirements. Each insurance policy required to be maintained by Tenant pursuant to Section 9.1.1 (i) shall be obtained from an insurance company authorized to conduct business in the State of California and having a rating of not less than A VII in A.M. Best's Insurance Guide; (ii) except for workers' compensation, shall name Landlord as an additional insured; and (iii) shall provide that Landlord be given at least thirty (30) days' prior written notice of the termination, cancellation or amendment thereof. Concurrently with the execution and delivery of this Agreement, Tenant shall furnish to Landlord a certificate or copy of each such insurance policy and prior to the expiration, cancellation or termination thereof, Tenant shall deliver to Landlord certificates or copies of any and all extensions renewals or replacements thereof.

9.1.4 No Limitation of Liability. Tenant acknowledges and agrees that the limits of liability provided in the insurance policies maintained by Tenant pursuant to Section 9.1.1 shall in no event be considered as limiting the liability of Tenant under this Agreement.

9.2 Indemnification. Tenant shall defend, indemnify and hold harmless Landlord and its commissioners, officers, employees, agents and contractors (collectively, "Landlord Parties"), from and against any and all claims, demands, actions, suits, proceedings, damages, losses, liabilities, obligations, costs and expenses, including, without limitation, attorneys' fees (collectively, "Claims"), arising out of, resulting from or relating to the use or occupancy of the Leased Premises, the Buildings or any other areas of the Airport by Tenant and its subtenants, licensees, directors, officers, partners, employees, agents, representatives, contractors and customers.

9.3 Exemption of Landlord from Liability. Tenant, on behalf of itself and its directors, officers, partners, employees, agents, representatives, contractors and customers hereby waives all claims against Landlord, and Landlord shall not be liable, for any injury or death to persons or any damage or loss to any property in, on or about the Leased Premises, the Buildings or any other areas of Airport, arising out of, resulting from or relating to (i) latent or patent defects in the construction or condition of the Leased Premises, the Buildings or any other areas of the Airport; (ii) Acts of God; (iii) fire, steam, electricity, gas, water, or rain which may leak or flow from or into any part of the Leased Premises, the Buildings or any other areas of the Airport; (iv) riot, civil commotion, aircraft, vehicles, smoke, vandalism, malicious mischief; (v) breakage, leakage, obstruction or other defects of the pipes, wires, appliances, plumbing, heating, ventilation and air conditioning systems, or lighting fixtures of or serving the Leased Premises, the Buildings or any other areas of the Airport; (vi) the use or occupancy of the Leased Premises, the Buildings or any other areas of the Airport by Tenant or any of its directors, officers, partners, employees, agents, representatives, contractors and customers, whether such damage or injury results from conditions arising upon the Leased Premises, the Buildings or upon other areas of the Airport, or from other sources; or (vii) any damage or loss arising from any act or neglect of any other tenant, licensee, concessionaire (including the Other Concessionaires) or customer of the Airport.

10. DAMAGE AND DESTRUCTION.

10.1 Definitions.

10.1.1 "Leased Premises Damage" shall mean if the Leased Premises are damaged or destroyed to any extent.

10.1.2 "Leased Premises Building Partial Damage" shall mean if any of the Building of which the Leased Premises are a part are damaged or destroyed to the extent that the cost of repair is less than fifty percent (50%) of the then Replacement Cost (as defined in Section 10.1.5) of the Building.

10.1.3 "Leased Premises Building Total Destruction" shall mean if any of the Building of which the Leased Premises are a part are damaged or destroyed to the extent that the cost of repair is fifty percent (50%) or more of the then Replacement Cost of the Building.

10.1.4 "Insured Loss" shall mean damage or destruction which was caused by an event required to be covered by the insurance described in Section 9.1. The fact that an Insured Loss has a deductible amount shall not make the loss an uninsured loss.

10.1.5 "Replacement Cost" shall mean the amount of money necessary to be spent in order to repair or rebuild the damaged area to the condition that existed immediately prior to the damage occurring, excluding all improvements made by Tenant or any other tenants of the Building.

10.2 Leased Premises Damage; Leased Premises Buildings Partial Damage.

10.2.1 Insured Loss. Subject to the provisions of Sections 10.4 and 10.5, if at any time during the term of this Agreement there is damage which is an Insured Loss and which falls into the classification of Leased Premises Damage or Leased Premises Building Partial Damage, then Landlord shall as soon as reasonably possible and to the extent the required materials and labor are readily available through usual commercial channels, at Landlord's expense, repair such damage (excluding any and all Alterations and Tenant's trade fixtures and other personal property) to its condition existing at the time of the damage, and this Agreement shall continue in full force and effect.

10.2.2 Uninsured Loss. Subject to the provisions of Sections 10.4 and 10.5, if at any time during the term of this Agreement there is damage which is not an Insured Loss and which falls into the classification of Leased Premises Damage or Leased Premises Building Partial Damage, unless caused by a negligent or willful act of Tenant (in which event Tenant shall make the repairs at Tenant's expense), which damage prevents Tenant from making any substantial use of the Leased Premises, Landlord may at Landlord's option either (i) repair such damage as soon as reasonably possible at Landlord's expense, in which event this Agreement shall continue in full force and effect, or (ii) give written notice to Tenant within thirty (30) days after the date of occurrence of such damage of Landlord's intention to cancel and terminate this Agreement as of the date of the occurrence of such damage, in which event this Agreement shall terminate as of the date of the occurrence of such damage.

10.3 Leased Premises Buildings Total Destruction. Subject to the provisions of Sections 10.4 and 10.5, if at any time during the term of this Agreement there is damage, whether or not it is an Insured Loss, which falls into the classification of Leased Premises Building Total Destruction, then Landlord may, at Landlord's option either (i) repair such damage as soon as reasonably possible at Landlord's expense (to the extent the required materials are readily available through usual commercial channels) to its condition existing at the time of the damage (excluding any and all Alterations and Tenant's trade fixtures and other personal property), and this Agreement shall continue in full force and effect, or (ii) give written notice to Tenant within thirty (30) days after the date of occurrence of such damage of Landlord's intention to cancel and terminate this Agreement, in which case this Agreement shall terminate as of the date of the occurrence of such damage.

10.4 Damage Near End of Term. If at any time during the last Annual Period of this Agreement there is substantial damage to the Leased Premises, Landlord may at Landlord's option cancel and terminate this Agreement as of the date of occurrence of such damage by giving written notice to Tenant of Landlord's election to do so within thirty (30) days after the date of occurrence of such damage.

10.5 Tenant Right to Terminate. If Landlord shall be obligated to repair or restore the Leased Premises or the Building under the provisions of this Section 10 and shall not commence such repair or restoration within ninety (90) days after such occurrence, or if Landlord shall not complete the restoration and repair within six (6) months after such occurrence, Tenant may at Tenant's option, terminate this Agreement by giving Landlord written notice of Tenant's election to do so at any time prior to the commencement or completion, respectively, of such repair or restoration. In such event this Agreement shall terminate as of the date of such notice.

10.6 Tenant Cooperation. Tenant agrees to cooperate with Landlord in connection with any such restoration and repair, including but not limited to the approval and/or execution of plans and specifications required.

10.7 Continuation of Business. In the event that some or all of the Leased Premises are destroyed or damaged, unless this Agreement is terminated pursuant to this Section 10, Tenant shall continue the operation of its business in the Leased Premises to the extent reasonably practicable from the standpoint of prudent business management. Tenant shall have no claim against Landlord for any damage suffered by Tenant by reason of any such damage, destruction, repair or restoration of the Leased Premises.

10.8 Waiver by Tenant. Tenant hereby waives the provisions of Civil Code Sections 1932, 1933, and 1941 through 1942, inclusive, and of any other statute or law now or hereafter in effect which is contrary to the obligations of Tenant under this Section 10 or which relieves Tenant therefrom, or which places upon Landlord obligations in addition to those provided for in this Section 10.

11. ASSIGNMENT AND SUBLETTING. Tenant shall not voluntarily or by operation of law assign, transfer, sublease, mortgage, hypothecate or otherwise encumber all or any part of Tenant's rights or interest in or to this Agreement or the Leased Premises. Any

attempted assignment, transfer, sublease, mortgage, hypothecation or encumbrance in violation of this Section shall be wholly void and shall be an event of default under Section 14.1.1.3. For purposes of this Section, if Tenant is a corporation any assignment, transfer, mortgage, hypothecation, grant of a security interest or other event which results, or upon foreclosure would result, in the reduction of the interest of the present shareholders of record to less than a majority of any class of voting stock of Tenant, or if Tenant is a partnership any assignment, transfer, mortgage hypothecation or grant of security interest in partnership interest or other event which results, or upon foreclosure would result, in the reduction of the profit and loss participation of the present general partners to less than fifty-one percent (51%), or if Tenant is a corporation, partnership, trust or other entity any change in the direct power to direct or cause the direction of the management and policies of such business or entity, shall be deemed to be a prohibited assignment, transfer, sublease, mortgage, hypothecation or other encumbrance under this Section.

12. EMINENT DOMAIN.

12.1 Entire or Substantial Taking. In the event that the entire Leased Premises, or so much thereof as to make the balance not reasonably adequate for the conduct of Tenant's business, shall be taken under the power of eminent domain, this Agreement automatically shall terminate as of the date of the vesting of title in such condemning entity. The termination of this Agreement as to all of the Leased Premises by Landlord pursuant to Section 3.3.1 shall not be deemed to be a taking under this Section.

12.2 Partial Taking. In the event of any taking under the power of eminent domain which does not result in a termination of this Agreement pursuant to Section 12.1, the Concession Fee shall not be altered, but Landlord and Tenant shall each, at its own expense, promptly restore the remaining portion or the Leased Premises for which they are obligated hereunder to repair to as near its former condition as is reasonably possible, and this Agreement shall continue in full force and effect.

12.3 Awards. Any award for any taking of all or any part of the Leased Premises under the power of eminent domain shall be the property of Landlord, whether such award shall be made as compensation for diminution in value of the leasehold or for the taking of the fee. Nothing contained herein, however, shall be deemed to preclude Tenant from obtaining, or to give Landlord any interest in, any award to Tenant for loss of or damage to Tenant's trade fixtures and removable personal property or damages for cessation or interruption of Tenant's business, provided, however, that in determining the value of Tenant's business, all goodwill attributable to the location of the business shall belong to Landlord and Tenant's business shall be valued based solely upon its operating results.

12.4 Condemnation by Landlord. Nothing in this Agreement (including Section 3.3.1) shall impair, limit or otherwise affect the power of eminent domain of Landlord or the exercise of such power by Landlord.

13. SUBORDINATION.

13.1 Subordination. This Agreement is subject and subordinate to all mortgages, deeds of trust, bond indentures, liens and other encumbrances, security interests now or hereafter affecting the Leased Premises or the other areas of the Airport, and to all renewals, modifications, replacements, consolidations and extensions thereof. Tenant shall execute and deliver to Landlord or any other party requiring such subordination, within ten (10) calendar days following its receipt, any and all documents which may be required to effectuate such subordination. Tenant further agrees that this Agreement shall be amended, altered or modified in accordance with the reasonable requirements of a mortgagee, beneficiary, bond trustee, secured party or other lien holder, so long as such amendment, alteration or modification does not cause Tenant material financial loss, and that Tenant's written consent to any such amendment, alteration or modification shall not be unreasonably withheld or delayed. Tenant shall give prompt written notice to each mortgagee, beneficiary, bond trustee, secured party or lien holder, of which Tenant has written notice, of any default of Landlord, and Tenant shall allow such mortgagee, beneficiary, bond trustee, secured party or lien holder a reasonable length of time (in any event, not less than thirty (30) days from the date of such notice) in which to cure such default.

13.2 Attornment. In the event that any mortgage, deed of trust, bond indenture, security interest, lien or other encumbrance is foreclosed, Tenant, with and at the election of the purchaser or, if there is no purchaser, with and at the election of the holder of the fee title to the Leased Premises, agrees to enter into a new Nonexclusive Gift and News Lease and Concession Agreement covering the Leased Premises for the remainder of the term of this Agreement, on the same provisions herein provided. Alternatively, upon such foreclosure, Tenant shall, upon written request, attorn to the purchaser and recognize the purchaser as the landlord under this Agreement.

14. DEFAULTS AND REMEDIES.

14.1 Defaults and Remedies.

14.1.1 Event of Default. Any of the following shall constitute an event of default under this Agreement:

14.1.1.1 (i) The consent of Tenant to the appointment of a receiver, trustee or liquidator of all or a substantial portion of Tenant's assets; or (ii) the adjudication of Tenant as a bankrupt or insolvent; or (iii) the filing by Tenant of a voluntary petition in bankruptcy; or (iv) the admittance by Tenant in writing of Tenant's inability to pay its debts as they become due; or (v) the making by Tenant of a general assignment for the benefit of creditors; or (vi) the filing by Tenant of a petition or answer seeking reorganization or arrangement with creditors; or (vii) the taking by Tenant of advantage of any insolvency law; or (viii) the entrance of any order, judgment or decree upon an application of a creditor of Tenant by a court of competent jurisdiction approving a petition seeking appointment of a receiver or trustee of all or a substantial part of Tenant's assets.

14.1.1.2 An assignment by Tenant for the benefit of creditors, or the appointment of a receiver, guardian, conservator, trustee, assignee or any similar person to take charge of all or any part of Tenant's property, when such assignment or appointment is not vacated within thirty (30) days.

14.1.1.3 An attempted assignment, sublease, transfer, mortgage, grant of security interest, hypothecation or other encumbrance of Tenant's interest in this Agreement or in the Leased Premises in violation of Section 11.

14.1.1.4 Vacation or abandonment of the Leased Premises or any cessation or interruption of Tenant's business in violation of the last sentence of Section 4.1.2.1 (unless beyond Tenant's control), or termination of Tenant's right to possession of the Leased Premises by operation of law or as herein set forth, except in conjunction with the exercise by Tenant of any express right of Tenant to terminate this Agreement.

14.1.1.5 Failure by Tenant to pay any amount due hereunder when due and payable, when such failure to pay continues for ten (10) days following written notice to Tenant that such amount is past due.

14.1.1.6 Failure by Tenant to obtain and/or maintain in effect all licenses, permits, approvals, authorizations and registrations required by applicable federal, state and local statutes, regulations, rules, ordinances and governmental orders required in connection with the conduct of Tenant's business.

14.1.1.7 Failure by Tenant to maintain, replace or increase the letter of credit or cash deposit as provided in Section 22.1.

14.1.1.8 Failure by Tenant to maintain the insurance required under Section 9.1.

14.1.1.9 (i) Occurrence of any non-curable default in the keeping or performance of any other provisions of this Agreement to be kept and performed by Tenant, or (ii) failure to remedy any curable default in the keeping or performance of any other provisions of this Agreement to be kept and performed by Tenant (a) within a period of thirty (30) days after the delivery to Tenant of written notice of such default (or, in the event such curable default is of such a nature as to reasonably require more than thirty (30) days to cure, if Tenant shall fail to commence such cure within such time or thereafter fails diligently to prosecute the same to completion), or (b) immediately in the event of an emergency.

14.1.1.10 The issuance of any attachment or execution against Tenant or Tenant's property whereby the Leased Premises may be taken, occupied or used or attempted to be taken, occupied or used by anyone other than Tenant, when such attachment or execution shall not be released within thirty (30) days.

14.1.1.11 The taking by any other process of law of the leasehold estate in the Leased Premises hereby created in Tenant, or any part thereof.

14.1.1.12 The delivery to Tenant of more than three (3) written notices of default under this Section during any twelve (12) month period, which shall be a noncurable event of default.

14.1.1.13 The occurrence of any event of default by Tenant in any other written agreement between Landlord and Tenant after giving affect to any applicable grace period or opportunity to cure.

14.2 Remedies. Upon the occurrence of any event of default, Landlord, at its option and election, and without further demand or notice, shall have all of its rights and remedies at law, in equity, and under this Lease and all such rights and remedies shall be cumulative to the extent permitted by law. Landlord's remedies shall include:

14.2.1 Termination of Agreement. The right to declare this Agreement, including the leasehold estate in the Leased Premises terminated, and to re-enter the Leased Premises to remove and eject all persons therefrom, to take possession thereof, and to enjoy the Leased Premises, together with all additions, alterations and improvements thereto, and Landlord shall have all of the rights and remedies of a landlord provided in Civil Code Section 1951.2, which statute is incorporated herein by this reference as though set forth in full. In computing Landlord's damages pursuant to Civil Code Sections 1951.2(1) and (2), the "worth at the time of award" shall be computed by allowing interest at a rate of ten percent (10%) per annum. The amount of damages which Landlord may recover in the event of such termination shall include the worth at the time of the award of the amount by which the unpaid amounts required to be paid by Tenant pursuant to Section 4 for the balance of the term after the time of award exceeds the amount of such losses that Tenant proves could be reasonably avoided, computed in accordance with Civil Code Section 1951.2(4)(b), plus reasonable attorneys' fees and leasing commissions. In the event that Landlord may have reentered the Leased Premises after an event of default hereunder without having declared this Agreement terminated, Landlord shall have the right at any time thereafter to elect to terminate this Agreement and all of the rights and remedies of Tenant in and to the Leased Premises as provided in this Section 14.2.

14.2.2 Maintain Possession. The right to maintain Tenant's right to possession of the Leased Premises, in which case this Agreement shall continue in effect whether or not Tenant shall have abandoned the Leased Premises. In such event, Landlord shall be entitled to enforce all of Landlord's rights and remedies under this Agreement, including the right to receive the Concession Fee and any and all other amounts payable by Tenant to Landlord under this Agreement.

14.2.3 Secured Party. The right to exercise any and all rights available to Landlord as a secured party under the Commercial Code with respect to the Collateral (as defined in Section 22.2) and/or, at Landlord's option, at any time during the term of this Agreement, to require Tenant to forthwith remove some or all of the Collateral.

14.3 Waiver. Tenant waives all claims and demands against Landlord for damages or loss arising out of or in connection with any lawful re-entering and taking possession of the Leased Premises as provided in Section 14.2.

14.4 Waiver of Redemption. In the event of the lawful exercise by Landlord of any one or more of its rights and remedies under Section 14.2, Tenant waives any and all rights of redemption or relief from forfeiture under Code of Civil Procedure Section 1174 or 1179, or granted by or under any present or future laws, and further releases Landlord, from any and all claims, demands and liabilities by reason of such exercise by Landlord.

14.5 Cumulative Remedies. The various rights, options, elections, powers and remedies reserved to Landlord herein shall be cumulative, and, except as otherwise provided by statute, Landlord may pursue any or all such rights and remedies, whether at the same time or otherwise, and no single right shall be deemed to be exclusive of any of the other or of any right or priority allowed by law or in equity. No delay or omission of Landlord to exercise any right or remedy shall be construed as a waiver of any such right or remedy or waiver of any default by Tenant. In addition to the foregoing, Landlord may exercise any other remedy now or hereafter available to a landlord against a defaulting tenant under the laws of the State of California.

14.6 Termination of Landlord Liability. Landlord shall be under no obligation to observe or perform any covenant of this Agreement on its part to be observed or performed for the benefit of Tenant, which accrues after the date of any default by Tenant.

14.7 Determination of Rental Amount. For purposes of this Section 14, the amounts due for each calendar month after re-entry by Landlord, or termination of this Agreement by Landlord pursuant to Section 14.1, shall be deemed to be the Concession Fee and any and all other amounts due under Section 3. The Gross Sales of Tenant for the twelve (12) month period immediately preceding an event of default shall be used for purposes of calculating the amount of the Concession Fee payable to Landlord for any period following such default.

14.8 Default by Landlord. Landlord shall not be deemed to be in default in the performance of any obligation required to be performed by it hereunder unless and until it has failed to perform such obligation within thirty (30) days following the delivery by Tenant to Landlord of written notice specifying the obligation Landlord has failed to perform; provided, however, in the event that the nature of Landlord's obligation is such that more than thirty (30) days are required for its performance, Landlord shall not be deemed to be in default if it shall commence such performance within such thirty (30) day period and thereafter diligently prosecutes the same to completion.

15. SURRENDER AT END OF TERM. Upon the expiration or other termination of this Agreement, Tenant shall quit and surrender the Leased Premises to Landlord, broom clean and in good order and condition, ordinary wear and tear, casualty and damage by the elements excepted, and, except as otherwise provided in this Agreement, Tenant shall remove all of its personal property and shall promptly repair any damages to the Leased Premises caused by such removal. Tenant's obligation to perform this covenant shall survive the expiration or other termination of this Agreement. All Alterations made to the Leased Premises shall be the property of Landlord and shall be surrendered with the Leased Premises upon termination or the expiration of this Agreement, unless Landlord requires their removal. In the event that Landlord requires the removal of any Alterations upon the termination or expiration of this Agreement, Tenant shall remove the same and shall repair any and all damage to the Leased Premises caused by such removal.

16. HOLDOVER BY TENANT. In the event that Tenant shall hold the Leased Premises after the expiration or termination of the term hereof, with the consent of Landlord, expressed or implied, such holding over or use, in the absence of written agreement on the subject, shall be deemed to have created a tenancy with respect to the Leased Premises from month to month, terminable on thirty (30) days' written notice by either party to the other. Such period of holdover and/or use otherwise shall be subject to the same provisions as contained in this Agreement.

17. COMMON USE FACILITIES.

17.1 Common Use Facilities. In conjunction with Tenant's use of the Leased Premises and for the purposes set forth in this Agreement, Tenant is hereby granted the non-exclusive right during the term of this Agreement to enter upon or make customary and reasonable use of such areas of the Airport as Landlord may from time to time designate as "common use facilities." Tenant's rights hereunder shall be in common with Landlord and with other persons authorized by Landlord from time to time to use such facilities.

17.2 Public Areas. Tenant and its officers, directors, employees, agents, representatives and customers, shall be entitled to use all public areas located in the passenger terminal building, including waiting rooms, restrooms and toilet facilities, in common with Landlord and with other persons authorized by Landlord from time to time to use such facilities.

17.3 Restrictions on Use. Landlord reserves the right, in its sole discretion, to make changes at any time and from time to time in the size, shape, location, number and extent of the common use facilities and public areas, or any of them, and specifically further reserves the right to designate portions of the common use facilities and public areas for the use of certain tenants, licensees and concessionaires of the Airport.

17.4 Airfield, Holdroom Space and Baggage Claim Space Excluded. As used herein, the terms "common use facilities" and "public areas" do not include the airfield, holdroom space or baggage claim space within the Airport. Tenant is not granted any rights under this Agreement to use such airfield, holdroom space or baggage claim space, whether on a non-exclusive basis or otherwise.

17.5 Parking. Notwithstanding that Landlord may lease parking spaces to employees of Airport tenants, as such parking spaces may be available, it is expressly understood and agreed that Landlord is not responsible or obligated to provide Tenant or its officers, directors, employees, agents, representatives or customers with any parking spaces within the Airport or otherwise, as an appurtenance to this Agreement. Tenant shall be solely responsible for arranging any and all necessary parking incidental to this Agreement.

18. SERVICES.

18.1 Services. In the event that, at the request of Tenant, Landlord provides other additional services with respect to the Leased Premises, the common use facilities or other areas of the Airport, including, but not limited to, security, janitorial, maintenance and repair service, Tenant shall pay its proportionate share, determined by Landlord, in its sole discretion,

of all charges therefor within ten (10) days following receipt of a statement for such additional services.

18.2 Fire and Security. Landlord is not obligated to Tenant to furnish any fire fighting services or security services to the Leased Premises, the common use facilities or other areas of the Airport. Tenant acknowledges that the Leased Premises, the common use facilities and other areas of the Airport are within the municipal service area of the City of Burbank.

18.3 Landlord Not Responsible. Landlord shall not be liable in damages or otherwise for any failure or interruption of any services, or of any utilities to the Leased Premises, and no such failure or interruption shall entitle Tenant to terminate this Agreement or to an abatement of rent. Landlord shall not be liable to Tenant under any circumstances for damage or loss of Tenant's property, injury to person or property, or consequential damages, however occurring, through, in connection with, or incidental to failure to furnish any of the foregoing.

19. QUIET ENJOYMENT. Upon paying the amounts payable by Tenant and observing and performing all the provisions on Tenant's part to be observed and performed pursuant to this Agreement, Tenant may peaceably and quietly enjoy the Leased Premises, subject, nevertheless, to the provisions of this Agreement and to any mortgages, deeds of trust, bond indentures, security interests, liens and other encumbrances secured by the Airport or its revenues.

20. ATTORNEYS' FEES AND COSTS. In the event any action or proceeding is brought by either party against the other under this Agreement (including in any bankruptcy proceeding), the prevailing party shall be entitled to recover its costs, and, the fees of its attorneys in such action or proceeding, in such amount as the court may adjudge reasonable as attorneys' fees (including in any bankruptcy proceeding).

21. TRANSFER OF LANDLORD'S INTEREST. In the event of any transfer of Landlord's interest in the Leased Premises, the transferor automatically shall be relieved of any and all obligations and liabilities accruing from and after the date of such transfer.

22. SECURITY. As security for the full and faithful performance of each and every provision of this Agreement to be performed by Tenant, Tenant shall provide to Landlord the security set forth in Sections 22.1 and 22.2.

22.1 Security Deposit. Concurrently with the execution of this Agreement, Tenant shall deposit with Landlord a cash deposit or a negotiable irrevocable and unconditional letter of credit, in a form and issued by a bank acceptable to Landlord, in an amount equal to Six Hundred and No/100 Dollars (\$600.00). Each letter of credit shall be effective for one calendar year and shall be renewed by Tenant annually in the required amount. Failure to deliver a renewed or replacement letter of credit or letter of credit amendment on or before thirty (30) days prior to expiration of the then-current letter of credit shall constitute a material breach of this Agreement and Landlord shall be entitled to present the existing letter of credit for payment. In the event Tenant defaults with respect to any provision of this Agreement, including the provisions relating to the payment of any amount due hereunder, Landlord may draw against all

or any part of such letter of credit on deposit, as applicable, for the payment of any amount in default, to cure any other default or to repair damages to the Leased Premises caused by Tenant. In the event that Landlord draws against any such deposit or letter of credit pursuant to this Section, Tenant shall, within five (5) business days after written demand therefor, obtain and deliver to Landlord a replacement letter of credit, or additional cash deposit, as applicable, to increase or restore such letter of credit or cash deposit to the then required amount, and Tenant's failure to do so shall be an event of default under this Agreement. In the event Landlord draws against the letter of credit or uses any cash deposit as provided in this Section, such action shall not constitute a waiver of any other rights or remedies which Landlord may have by virtue of Tenant's default. TENANT HEREBY WAIVES THE PROVISIONS OF CIVIL CODE SECTION 1950.7 TO THE EXTENT INCONSISTENT WITH THE PROVISIONS OF THIS SECTION.

22.2 Security Interest. Tenant grants to Landlord a security interest in all fixtures, furniture, equipment, improvements, Alterations, additions and other personal property (other than inventory) constructed, installed, located or used in the Leased Premises, together with all proceeds, replacements, improvements and additions thereto and all insurance policies with respect thereto and all proceeds and rights thereunder ("Collateral"). Tenant represents and warrants to Landlord that Tenant owns the Collateral free and clear of any and all claims, rights, security interests, liens, mortgages or other encumbrances and Landlord shall have a first priority security interest therein, and authorizing Landlord to prepare, sign and file an UCC-1 financing statement for the Collateral. Tenant shall (if requested by Landlord) promptly execute and deliver to Landlord one or more UCC-1 Financing Statements covering the Collateral, in form acceptable to Landlord, in order to perfect Landlord's security interest in the Collateral.

23. LEASE INTERPRETATION.

23.1 Entire Agreement; Amendments. This Agreement contains the entire agreement between the parties hereto, and no prior or contemporaneous agreement or understanding shall be effective for any purpose, all of which, if any, are hereby terminated or rescinded, except as to provisions which are expressly stated to survive termination and any indemnity or insurance obligation in favor of Landlord. Except as otherwise expressly provided herein, no provision of this Agreement may be amended or added to, except by an agreement in writing signed by the parties hereto or their respective successors in interest. Tenant agrees that it shall not unreasonably refuse to execute any amendment of or supplement to this Agreement which Landlord determines is necessary or advisable in order to comply with applicable laws, rules and resolutions in effect from time to time.

23.2 No Representations by Landlord. Tenant acknowledges that neither Landlord nor any of Landlord's agents, representatives, employees or officers have made any representations or promises with respect to the Airport or the Leased Premises, except as herein expressly set forth. Tenant acknowledges that it has not executed this Agreement in reliance upon any representations or promises of Landlord or Landlord's commissioners, officers, employees, agents or representatives, with respect to the Leased Premises or the Airport, except as herein expressly set forth.

23.3 Examination of Agreement. Submission of this Agreement for examination or signature by Tenant does not constitute a reservation of or option for lease, concession or license agreement, and it is not effective as a lease, concession or license agreement or otherwise until execution and delivery by both Landlord and Tenant.

23.4 Relationship Between Parties. Nothing contained in this Agreement shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the parties hereto, other than the relationship of landlord and tenant, owner and concessionaire, and licensor and licensee.

24. WAIVERS. The waiver by either party of any provision of this Agreement shall not be deemed to be a waiver of any other provision hereof or of any subsequent breach of any other provision hereof or of any subsequent breach of the same or any other provision. Landlord's consent to any act by Tenant requiring Landlord's consent shall not be deemed to render unnecessary the obtaining of Landlord's consent to any subsequent act by Tenant, whether or not similar to the act so consented. The subsequent acceptance by Landlord of any amount due from Tenant hereunder shall not be deemed to be a waiver of any preceding breach or event of default by Tenant of any provision of this Agreement, other than the failure of Tenant to pay the particular amount so accepted, regardless of Landlord's knowledge of such preceding breach at the time of acceptance of such amount.

25. PERFORMANCE OF TENANT'S COVENANTS BY LANDLORD. In the event that Tenant at any time fails to make any payment or perform any other act under this Agreement, and such failure continues for at least five (5) business days after written notice thereof from Landlord to Tenant (but no notice shall be required in an emergency), Landlord shall have the right, but not the obligation, immediately or at any time thereafter, without further notice or demand and without waiving or releasing Tenant from any obligation to Landlord, to make such payment or perform such other act for the account of Tenant, to the extent Landlord may deem desirable. In connection therewith, Landlord may pay expenses and employ counsel in instituting, prosecuting or defending any action or proceeding under this Agreement. All sums so paid by Landlord and all expenses incurred in connection therewith, together with interest thereon at an annual rate specified in Section 4.12 shall be deemed additional rent hereunder and shall be payable to Landlord on demand. In the event such additional amounts remain unpaid, Landlord shall have the same rights and remedies as for the nonpayment of rent.

26. SUCCESSORS AND ASSIGNS. The provisions contained in this Agreement shall bind and inure to the benefit of Landlord, Tenant and, except as otherwise provided in this Agreement, their respective successors and assigns.

27. RULES AND REGULATIONS. Tenant shall comply with all uniform rules and regulations established by Landlord for use of the Leased Premises, and the other areas of the Airport, as the same may be amended from time to time by Landlord. Landlord shall provide Tenant with a copy of all such rules and regulations and any and all amendments thereto. Landlord shall not be responsible to Tenant for the nonperformance of any other Tenant or occupant of the Airport of any of such rules and regulations.

28. TOXIC MATERIALS.

28.1 Prohibited without Consent. Tenant shall not cause or permit any Toxic Materials (as hereinafter defined) to be brought onto, stored, used or disposed of in, on or about the Leased Premises by Tenant, its agents, employees, contractors, licensees, subtenants or invitees, without the prior written consent of Landlord, which Landlord shall not unreasonably withhold or delay so long as Tenant demonstrates to Landlord's reasonable satisfaction that such Toxic Materials, and the quantities thereof, are necessary or useful to Tenant's business and will be stored, used and disposed of in a manner that complies with all Environmental Laws (as hereinafter defined).

28.2 Compliance with Environmental Laws. Tenant shall comply, at its sole cost, with all federal, state and local laws and governmental orders applicable to all Toxic Materials and to the lawful conduct of Tenant's business. The term "Toxic Materials" means any hazardous or toxic materials, pollutants, effluents, contaminants, radioactive materials, flammables, explosives, pesticides, chemicals known to cause cancer or reproductive toxicity, emissions, wastes or any other chemicals, materials or substances, whose handling, storage, release, transportation or disposal is or becomes prohibited, limited or regulated by any federal, state, county, regional or local Landlord or, even if not so regulated, is or becomes known to pose a hazard or potential threat to the health and safety of any person or to the environment. The term "Environmental Laws" means any and all laws, rules, regulations, judgments, orders, permits, licenses, agreements, covenants, restrictions, requirements, policies or the like enacted now or hereafter by federal, state, regional or local governments, agencies or authorities relating to or governing in any way the environmental condition of soil, air, water, groundwater or the presence of Toxic Materials in or affecting all or any portion of the Leased Premises or any others areas of the Airport.

28.3 Indemnity. Tenant shall not be liable to Landlord for any Toxic Materials located on the Leased Premises prior to the date on which Landlord tenders possession of the Leased Premises to Tenant provided that Tenant does not, once Tenant discovers any such Toxic Materials, cause them to be further disturbed or released. Tenant shall be solely responsible for and shall indemnify, hold harmless and defend Landlord, its commissioners, officers, employees and agents, and the Cities of Burbank, Glendale and Pasadena, California, from and against any and all liabilities, claims, costs, penalties, fines, losses (including without limitation, (i) diminution in value of the Airport, the Leased Premises or any other areas of the Airport or any improvements thereon; (ii) damages for the loss or restriction on use of rentable or usable space or of any amenity of the Airport, the Leased Premises or any other areas of the Airport or any improvements thereon; (iii) damages arising from any adverse impact on marketing of space in the Airport, the Leased Premises or any other areas of the Airport or any improvements therein; and (iv) sums paid in settlement of claims), liabilities, losses, damages, injuries, causes of action, judgments, and expenses (including, without limitation, attorneys' fees, consultant fees and expert fees), which arise during or after the term of this Agreement as a result of the receiving, handling, use, storage, accumulation, transportation, generation, spillage, migration, discharge, release or disposal of Toxic Materials in, on or about the Leased Premises or any other areas of the Airport by Tenant or its agents, employees, contractors, licensees, subtenants or invitees. The foregoing indemnification by Tenant includes any and all costs incurred in connection with any investigation of site conditions and any cleanup, remediation, removal or restoration work

necessary to bring the Leased Premises or any other areas of the Airport into compliance with the Environmental Laws or required by any federal, state or local governmental agency or political subdivision because of Toxic Materials present in the soil, subsoils, groundwater or elsewhere from, in, on, under or about the Leased Premises or any other areas of the Airport. The indemnification by Tenant under this Section shall survive the expiration or termination of this Agreement.

28.4 Prohibited Substances. The following substances are strictly prohibited from being brought onto the Leased Premises or any other areas of the Airport in any quantities whatsoever: (i) arsines; (ii) dioxins, including dioxin precursors and intermediates; (iii) polychlorinated biphenyls; and (iv) anything contained in the California List of Extremely Hazardous Chemicals.

29. CONFIDENTIAL INFORMATION; TRADEMARKS.

29.1 Confidential Information.

29.1.1 Prohibition Against Disclosure. Each party covenants and agrees, for itself and its employees, agents, representatives and contractors, that, except as provided in Section 29.1.2, such party and its employees, agents, representatives and contractors shall maintain and keep in strict confidence and shall not disclose to any other person or entity any information of a confidential or proprietary nature ("Confidential Information"), relating to the other party or the other party's business or properties. Each party acknowledges and understands that legal remedies may not be adequate in connection with a breach of the provisions of this Section, and, therefore, each party consents to injunctive relief in connection with the enforcement of this Section.

29.1.2 Permitted Disclosures. Notwithstanding the provisions of Section 29.1.1, each party shall have a right to disclose Confidential Information (i) to such party's officers, employees, agents, representatives, contractors and consultants as may be necessary in connection with the performance of this Agreement and of such persons' duties; (ii) in connection with litigation, including in response to discovery requests; (iii) in connection with any applicable law or any agency, including any and all notices, plans or other documents required to be filed with any regulatory agency; (iv) in connection with the California Public Records Act, Government Code Section 6250 et seq.; (v) in connection with the issuance by Landlord of bonds or other securities; (vi) in connection with Landlord's application for or compliance with the requirements of any federal, state or local funding program, grant or other financing; (vii) in connection with the preparation and issuance of financial statements of such party; or (viii) as otherwise required by law.

29.1.3 Exclusion from Definition. Notwithstanding the provisions of Section 29.1.1, the term "Confidential Information," as used herein, shall not include any information relating to a party to the extent that the information (i) was already known by the other party at the time of disclosure to the other party; (ii) is or becomes publicly available through no fault of the other party; or (iii) is disclosed by the other party to a third party, provided that at the time of such disclosure such third party was lawfully in possession of such information and did not acquire it under an obligation of confidentiality.

29.2 Trademarks. Tenant acknowledges and agrees that any and all names, trademarks, tradenames and logos (collectively, "Trademarks") owned or used by Landlord are proprietary to Landlord, and Tenant shall not use any of the Trademarks for any purpose whatsoever.

29.3 Survival. The provisions of this Section 29 shall survive the expiration or termination of this Agreement.

30. MISCELLANEOUS.

30.1 Offset Statement.

30.1.1 Delivery. Tenant shall from time to time, upon not less than ten (10) days' prior written notice from Landlord, execute, acknowledge and deliver to Landlord a statement in writing:

30.1.1.1 Certifying that this Agreement is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Agreement, as so modified, is in full force and effect);

30.1.1.2 Setting forth the dates to which the rent, fees and other charges, if any, are paid; and

30.1.1.3 Acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder (or specifying such defaults if any are claimed).

30.1.2 Reliance. Any such statement may be relied upon by any encumbrancer of the Leased Premises or of all or any portion of the Airport. Tenant's failure to deliver such statement within such time shall be conclusive evidence upon Tenant that:

30.1.2.1 This Agreement is in full force and effect, without modification except as may be represented by Landlord;

30.1.2.2 There are no uncured defaults in Landlord's performance; and

30.1.2.3 Not more than one month's installment of the rent or fees has been paid in advance.

30.2 Personal Property Taxes. Tenant shall pay before delinquency any and all taxes and assessments on the furniture, fixtures, equipment and other personal property of Tenant located in the Leased Premises or on the Alterations to the Leased Premises installed by, paid for or belonging to Tenant, whether assessed to the Tenant or assessed to the Landlord with the real property.

30.3 Disclaimer of Partnership or Agency. Neither Landlord nor Tenant are the legal representatives or agents of the other party for any purpose whatsoever and neither party

shall have the power or authority to assume or create, in writing or otherwise, any obligation or responsibility of any kind, express or implied, to transact business, to make any warranty or otherwise to act in any manner in the name of or on behalf of the other party. This Agreement shall not be construed as constituting or creating a partnership between Landlord and Tenant or as creating any other form of legal association between Landlord and Tenant which would impose liability upon one party for the act or the failure to act of the other party.

30.4 Interpretation. The Section headings, paragraph captions and marginal headings contained in this Agreement are for convenience only and shall have no effect in the construction or interpretation of any provision hereof. The terms "include," "includes," and "including" are nonexhaustive.

30.5 Notices. Whenever notice is to be given under the terms of this Agreement, it shall be personally delivered or be sent by certified mail, return receipt requested, postage prepaid, addressed as follows:

To Landlord: BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY
2627 Hollywood Way
Burbank, CA 91505
Attn: Executive Director

To Tenant: Certified Folder Display, Inc.
1120 Joshua Way
Vista, CA 92801
Attn: Bill Deering

In the event a different address is furnished by either party to the other party in writing, notices shall thereafter be sent or delivered to the new address. Any such notice shall be deemed given as of the date of personal delivery or forty-eight hours after it is mailed, except that a notice of a change in address shall be deemed given as of the date of receipt thereof. A notice given in any other manner shall be deemed given as of the date it is actually received by the party for whom intended.

30.6 Brokers. Tenant warrants that it has not had any dealings with any real estate broker or agent in connection with this Agreement, and Tenant agrees to defend, indemnify and hold Landlord harmless from any claim for any compensation, commission or other charge by any finder or any other real estate broker or agent.

30.7 Recording. Tenant shall not record this Agreement without the prior written consent of Landlord. In the event Landlord consents to recordation of this Agreement or a memorandum thereof, any documentary transfer taxes shall be paid by Tenant.

30.8 Governing Law. This Agreement be governed by and construed pursuant to the law of the State of California.

30.9 Time of Essence. Time is of the essence of this Agreement.

30.10 Signs. Tenant shall not, without the prior written consent of Landlord, install or affix any signs or advertisements on or to the exterior of the Leased Premises or the Airport.

30.11 Landlord's Agent. It is recognized that Landlord may employ a manager or operator of the Airport, as an agent of Landlord, and any notices to Landlord hereunder shall be given to both Landlord and any such manager or operator:

30.12 Attorneys' Fees. In the event of any action or proceeding (including, without limitation, any bankruptcy proceeding) to enforce or construe any of the provisions of this Agreement, the prevailing party in any such action or proceeding shall be entitled to attorneys' fees and costs.

30.13 Waiver. No waiver of any breach or default shall be construed as a continuing waiver of any provision or as a waiver of any other or subsequent breach of any provision contained in this Agreement.

30.14 Executive Director Authority. Landlord's Executive Director shall have the authority to give all approvals and consents on behalf of Landlord hereunder.

IN WITNESS WHEREOF, this Agreement has been executed by the undersigned as of on the date first set forth above.

LANDLORD:

BURBANK - GLENDALE - PASADENA
AIRPORT AUTHORITY

By: 
Print Name: Frank Quintero
Title: President

TENANT:

CERTIFIED FOLDER DISPLAY, INC.,

By: 
Bill Deering,
Senior Vice President
BILL DEERING
SR. VICE PRESIDENT

EXHIBIT "A" **LEASED PREMISES**

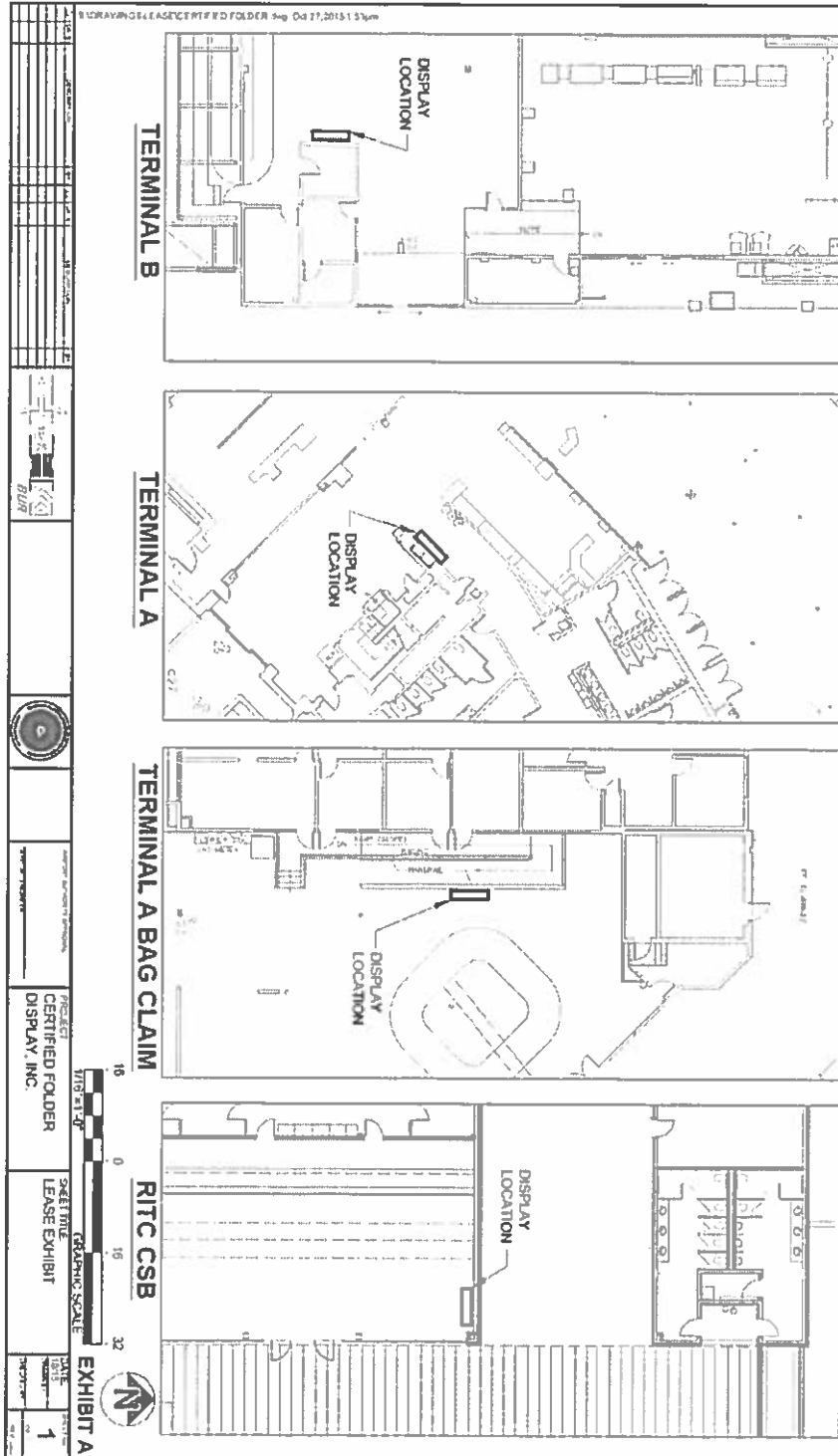


EXHIBIT "B"

FAA GRANT AGREEMENT ASSURANCES

NONDISCRIMINATION

- A. Tenant, for itself, its representatives, successors in interest, and permitted assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises for a purpose for which a Department of Transportation program or activity is extended or for another purpose involving the provision of similar services or benefits, Tenant shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as such regulations may be amended.
- B. Tenant for itself and its representatives, successors in interest and permitted assigns as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:
1. No person on the ground of race, color, or national origin shall be excluded from participation, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises;
 2. In the construction of any improvements on, over or under the Leased Premises, if allowed, and the furnishings of services thereon, no person on the ground of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and
 3. Tenant shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as such Regulations may be amended.
 4. This Agreement is also subject to the requirements of the U.S. Department of Transportation regulations 49 CFR part 23. Tenant agrees that it will not discriminate against any business 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.
- C. In the event of breach of any of the above nondiscrimination covenants, Landlord shall have the right to terminate this Agreement and to exclude Tenant from conducting

business on the Leased Premises, and hold the Leased Premises as if this Agreement had never been made.

- D. Tenant shall furnish its accommodations and/or services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, that the Tenant may make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchasers.
- E. Noncompliance with Provision D, above shall constitute a material breach hereof and in the event of such noncompliance Landlord shall have the right to terminate this Agreement without notice and without liability therefor or, at the election of Landlord or the United States, either or both thereof shall have the right to judicially enforce Provisions A, B, C and D above.
- F. Applicant agrees that it shall insert the above five provisions in any permitted sublease, license or agreement by which such Tenant grants a right or privilege to any person, firm or corporation to render accommodations and/or service to the public at the Leased Premises, and in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters, and shall cause those businesses to similarly include the statements in further agreements.

EXHIBIT "C"
TENANT IMPROVEMENT REQUEST FORM



**REQUEST FOR APPROVAL
PROPOSED TENANT IMPROVEMENT**

**MUST BE SUBMITTED AT LEAST TEN BUSINESS DAYS PRIOR TO PROJECT
START DATE. LARGER PROJECTS REQUIRE ADDITIONAL LEAD TIME.**

1. INFORMATION

Tenant _____ Building # _____
Name of Contact _____ Phone # _____
Address _____ Email: _____
Describe Proposed Improvements * _____

Estimated cost of improvements _____
Estimated start date _____ Completion date _____

***Attach sketches or drawings as required to clearly indicate the type, size, height
and location of proposed improvements***

2. PRE-CONSTRUCTION

Contractor _____ License # _____
Address _____
Contract Price _____ Phone # _____
Construction Commencement Date _____ End Date _____

***Applicant must submit required Certificate of Insurance, Material and Labor Bond
two weeks prior to the start of construction***

Tenant Representative (Signed) _____ Date _____

3. INITIAL APPROVALS

Airside Operations	(Approver) _____	Date _____	Pre-Con Needed (Y/N)
Comments _____			
Landside Operations	(Approver) _____	Date _____	Pre-Con Needed (Y/N)
Comments _____			
Business & Properties	(Approver) _____	Date _____	Pre-Con Needed (Y/N)
Comments _____			
Engineering Department	(Approver) _____	Date _____	Pre-Con Needed (Y/N)
Comments _____			
Environmental & Noise	(Approver) _____	Date _____	Pre-Con Needed (Y/N)
Comments _____			
Fire Department	(Approver) _____	Date _____	Pre-Con Needed (Y/N)
Comments _____			
ICT Department	(Approver) _____	Date _____	Pre-Con Needed (Y/N)

Comments _____
 Maintenance Department (Approver) _____ Date _____ Pre-Con Needed (Y/N)
 Comments _____
 Police & Security (Approver) _____ Date _____ Pre-Con Needed (Y/N)
 Comments _____

4. FINAL APPROVAL

Airport Administration (Reviewed by) _____ Date _____

INSTRUCTIONS FOR COMPLETING THIS FORM

The following procedures are to be followed by all Airport Tenants desiring to make improvements to their leasehold. Close adherence to the procedures and regulations outlined below will greatly aid in expediting the processing and approval of each Proposed Improvement.

1. Tenant shall complete Section I of this form and submit to: Burbank-Glendale-Pasadena Airport Authority, Business, Property and Administrative Services Department, 2627 Hollywood Way, Burbank, CA 91505.
2. Upon receipt of this Request Form, the Business, Property and Administrative Services Department will review the Proposed Improvement and, if the proposal is considered to be basically acceptable, it will then be forwarded to Airport Engineering for further review and evaluation. However, if the proposal is not considered to be basically acceptable, the Request Form will be returned to the Tenant accompanied by a written statement from the Authority as to why the request is being denied at this stage or if additional information is required.
3. In addition to the submission of the Tenant Improvement Form, Tenant shall also provide final plans and specifications for the Proposed Improvement. The plans and specifications shall conform to the following requirements: five (5) sets of plans and specifications shall be submitted by the Tenant with this form to Business, Property and Administrative Services Department for review by all applicable Airport Departments with final review and approval by Airport Administration.
4. The Business, Property and Administrative Services Department and Engineering Department will determine any impact of the Proposed Improvement on the Airport Master Plan, Airport Facilities, Navigable Airspace Requirements of Federal Aviation Regulations Part 77, and/or if it conforms to the Airport Rules and Regulations.
5. Prior to the start of construction and after all insurance and bond requirements have been satisfied, an Indemnification & Defense Agreement has been submitted to the Authority, and Building permits and any other necessary permits are on file with the Authority, a pre-construction meeting must be held in the Authority Administrative offices. When all of these requirements have been satisfied, approval to begin construction will be granted on the Tenant Improvement Form and a copy returned to the Tenant. The form will indicate whether approval has been granted, and if not granted, the reason for denial.
6. All Tenants shall, within thirty (30) days after completion, submit to Business, Property and Administrative Services Department one set of "as built" plans. Also, an itemized summary of construction costs shall be forwarded to Business, Property and Administrative Services Department. The itemized summary shall be signed by the contractor and notarized.

NOTES: a.) For smaller projects costing less than \$5,000, the Authority may, at its discretion, waive any or all of the above requirements.
 b.) Airport approval does not constitute a substitution of approval from any other governmental agency having jurisdiction.

PLANS AND SPECIFICATIONS

Plans shall be drawn to scale and dimensioned on standard size drawing sheets for future reference and file retention, and shall be of sufficient clarity to indicate the nature and extent of the work proposed and show in detail that it conforms to the provisions of the governing codes, ordinances, rules and regulations. The minimum number of drawings normally acceptable with each set of plans submitted for final review and approval will generally consist of a plot plan, foundation plan, floor plan, elevations, framing section and details. Electrical, plumbing, heating and air conditioning plans and details shall be submitted when applicable. Foundation recommendations, including calculations and a soils investigation report shall be submitted when appropriate or requested by Airport Engineering. All design documents, including required calculations, shall be prepared, stamped, and signed by a licensed professional engineer or architect registered in the State of California. Engineers shall be licensed for the specific discipline required. Drawings/specifications and/or calculations prepared by contractors and/or fabricators will not be acceptable.

OTHER REQUIREMENTS INSURANCE REQUIREMENT

Contractor shall take out and maintain during the period of the Contract the following insurance and amounts unless a larger amount is specified on the Approval Request Form:

Comprehensive General Liability:	\$1,000,000 single limit for combined Bodily Injury and Property Damage for each occurrence. \$1,000,000 for Personal Injury for each occurrence.
Comprehensive Automobile Liability:	\$1,000,000 single limit for combined Bodily Injury and Property Damage for each occurrence.
Workers' Compensation:	California statutory requirements

Liability policies shall name the Burbank-Glendale-Pasadena Airport Authority as an Additional Insured. Certificates of Insurance on all policies shall be filed with Business, Property and Administrative Services Department. Each of said insurance policies shall contain a provision requiring the insurer to notify the Burbank-Glendale-Pasadena Airport Authority ten (10) days prior to the cancellation or material change in the Policy.

BOND REQUIREMENT

The Tenant shall require the contractor to obtain a material and labor bond equal to the contract price of the work. A copy of said bond shall be forwarded to Airport Engineering.

INDEMNIFICATION & DEFENSE AGREEMENT

The Tenant and its Contractor agree to and do hereby indemnify, defend and hold harmless the Burbank-Glendale-Pasadena Airport Authority, and its officers, agents, employees and contractors from all claims, demands, liabilities, losses, damages, costs and expenses, of any nature whatsoever, caused by or arising from, directly or indirectly, any act or omission (including, without limitation, negligent acts, negligent omissions, willful misconduct and any violation of the terms of that certain Lease between Tenant and Authority in, on or near the Bob Hope Airport by Contractor, or its subcontractors, agents or employees (including without limitation work done by Contractor for Tenant on Tenant's leased premises).

**FIRST AMENDMENT TO
CONCESSION AND LEASE AGREEMENT**

This FIRST AMENDMENT TO CONCESSION AND LEASE AGREEMENT (this "Amendment") is dated as of October 4, 2021 and is entered into by and between the BURBANK-GLENDALE-PASADENA AIRPORT AUTHORITY, a public entity formed under a joint exercise of powers agreement among the Cities of Burbank, Glendale and Pasadena, California, pursuant to the California Joint Exercise of Powers Act ("Landlord"), and CERTIFIED FOLDER DISPLAY, INC., a California corporation ("Tenant").

RECITALS

A. Landlord and Tenant entered into a Concession and Lease Agreement dated November 12, 2015 ("Agreement"), pursuant to which Tenant was granted the non-exclusive right to operate an advertising display business within the air passenger terminal of the Burbank-Glendale-Pasadena Airport ("Airport").

B. The Agreement expires on January 1, 2022.

C. Landlord and Tenant desire to amend the Agreement to extend the term of the Agreement to January 1, 2025, give Tenant two one-year options to extend further (subject to approval of the Executive Director of the Landlord) and delete the right of Tenant to operate a retail men's grooming and lifestyle business.

THEREFORE, the parties hereto agree as follows:

1. Defined Terms. Unless this Amendment provides otherwise, capitalized terms used herein shall have the meanings set forth in the Agreement.
2. Extension of Term of Agreement. The term of the Agreement is hereby extended to January 1, 2025, subject to further extension as set forth in Section 3 below.
3. Additional Extensions. Tenant may further extend the term, subject to the written consent of the Executive Director of Landlord, for up to two (2) additional years (each extension being for one-year each) upon written request to Landlord given at least thirty (30) days prior to the then scheduled expiration date of the Agreement.
4. Removal of a Permitted Use. Clause (i) of Section 4 of the Agreement is hereby deleted.
5. Effect of Amendment. Except as expressly amended by this Amendment, the terms of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment has been executed by the undersigned as of the date first written above.

LANDLORD:

BURBANK-GLENDALE-PASADENA
AIRPORT AUTHORITY

By: Paula Owens
Print Name: _____
Title: _____

TENANT:

CERTIFIED FOLDER DISPLAY, INC.

By: Bill Deering
Print Name: BILL DEERING
Title: SR. VICE PRESIDENT