

ONTARIO INTERNATIONAL AIRPORT AUTHORITY

COMMISSION AGENDA – SPECIAL MEETING



September 18, 2025, at 10:00 A.M.

Ontario International Airport Authority Administration Offices
1923 East Avion Street, Room 100, Ontario, CA 91761

Live YouTube Streaming for Listening Only: <https://www.youtube.com/@flyont/streams>

ALAN D. WAPNER
President

CURT HAGMAN
Vice President

RONALD O. LOVERIDGE
Treasurer

JIM W. BOWMAN
Secretary

JULIA GOUW
Commissioner

ATIF ELKADI
Chief Executive Officer

LORI D. BALLANCE
General Counsel

KEVIN P. SULLIVAN
General Counsel

MARILYN BONUS
Commission Clerk

WELCOME TO A MEETING OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY

- All documents for public review are on file at the Ontario International Airport Administration Offices located at 1923 E. Avion Street, Ontario, CA 91761.
- This meeting is streamed live from our YouTube channel at <https://www.youtube.com/@flyont/streams>. Streaming will be for listening only and not participation. Public Comments will be taken by email or in-person only. This is a pilot stream, so errors and bugs may occur. If you have any issues, feel free to email clerk@flyontario.com for resolution after the meeting.
- Anyone wishing to speak during public comment, or on an agenda item, will be required to fill out a Request to Address Card (blue slip). Blue slips must be turned in prior to public comment beginning or before an agenda item is taken up. The Deputy Commission Clerk will not accept blue slips after that time.
- You may submit public comments by e-mail to publiccomment@flyontario.com no later than 4:00 p.m. the day before the meeting. Please identify the Agenda item you wish to address in your comments. All e-mail comments will be included in the meeting record.
- Comments will be limited to 3 minutes. Speakers will be alerted when their time is up and no further comments will be permitted. Speakers are then to return to their seats.
- In accordance with State Law, remarks during public comment are to be limited to subjects within the Authority's jurisdiction. Remarks on other agenda items will be limited to those items.
- Remarks from those seated or standing in the back of the Commission Meeting Room will not be permitted. All those wishing to speak, including Commissioners and Staff, need to be recognized by the Authority President before speaking.
- Sign language interpreters, communication access real-time transcription, assistive listening devices, or other auxiliary aids and/or services may be provided upon request. To ensure availability, you are advised to make your request at least 72 hours prior to the meeting you wish to attend. Due to difficulties in securing Sign Language Interpreters, five or more business days' notice is strongly recommended. Any members of the public who require special assistance or a reasonable accommodation to participate may contact the Deputy Commission Clerk at (909) 544- 5307 or clerk@flyontario.com.

CALL TO ORDER (OPEN SESSION)

ROLL CALL

PLEDGE OF ALLEGIANCE

AGENDA REVIEW

The Chief Executive Officer will go over all updated materials and correspondence received after the agenda was distributed to ensure Commissioners have received them.

1. INFORMATION RELATIVE TO POSSIBLE CONFLICT OF INTEREST

Agenda item contractors, subcontractors and agents may require member abstentions due to conflict of interests and financial interests. Commission Member abstentions shall be stated under this item for recordation on the appropriate item.

PUBLIC COMMENTS

The Public Comment portion of the Commission meeting is limited to a maximum of 3 minutes for each Public Comment. Under provisions of the Brown Act, the Commission is prohibited from taking action on oral requests.

CONSENT CALENDAR

All matters listed under CONSENT CALENDAR will be enacted by one motion in the form listed below. There will be no separate discussion on these items prior to the time Commission votes on them, unless a member of the Commission requests a specific item be removed from the Consent Calendar for a separate vote.

2. APPROVAL OF MINUTES

Approve minutes for the Special OIAA Commission Meeting on August 18, 2025.

3. CASH DISBURSEMENT REPORT (BILLS/PAYROLL)

Receive and file the Cash Disbursement Report (Bills/Payroll) for the month ended August 31, 2025.

4. COMMISSIONER'S STIPENDS AS REQUIRED BY AUTHORITY BYLAWS

Approve additional stipends per Article IV, Section 6 of the Authority's Bylaws for President Alan Wapner for the month of August, 2025.

5. AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE A SOLE SOURCE AGREEMENT WITH FLEET E FORCE FOR SUPPLY OF BUS PARTS AND DIAGNOSTIC SERVICES

Authorize the Chief Executive Officer (CEO) to negotiate and execute a agreement with Fleet E Force for one year in the not-to-exceed amount of \$300,000 for the supply of high voltage bus parts, modules, motors, batteries, other high voltage components, and remote diagnostic analysis, utilizing a sole source procurement; authorize the CEO, if appropriate, to exercise two additional one-year extensions at the discretion of the Ontario International Airport Authority (OIAA), with funding for any extension years subject to the annual budgeting process.

6. AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE A CONTRACT WITH OSHKOSH AEROTECH, LLC. FOR GROUND POWER UNIT (GPU) LIFECYCLE REPLACEMENT

Authorize the Chief Executive Officer (CEO) to negotiate and execute a contract with Oshkosh Aerotech, LLC. for the GROUND POWER UNIT (GPU) Project in the amount of \$1,993,567.00 which includes a pending Federal Aviation Administration (FAA) VALE grant, via Airport Improvement Program (AIP) discretionary funds, in the amount of \$1,495,175, representing approximately 75 percent of the Proposed Project cost, the maximum allowed under FAA guidance in the VALE Technical Report; and execute budget amendments to the contract, for additional related services and construction contingency, up to 15% of the overall contract value.

7. AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE A PROFESSIONAL SERVICE AGREEMENT WITH LAMBERT 20/20 COMMUNICATIONS INC., FOR PUBLIC AFFAIRS AND COMMUNICATIONS SERVICES

Authorize the Chief Executive Officer (CEO) to negotiate and execute a Professional Services Agreement with Lambert 20/20 Communications Inc., dba 20/20 Network Communications, Inc. (Lambert), for one-year in the amount of \$204,000 and authorize the CEO to exercise, if appropriate, four one-year extensions, at the discretion of the Ontario International Airport Authority (OIAA) for public affairs and communications services.

8. AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH SAI 8 HOLDINGS FOR INFORMATION TECHNOLOGY HARDWARE, SOFTWARE, AND SERVICES

Authorize the Chief Executive Officer (CEO) to negotiate and execute a Professional Services Agreement with SAI 8 Holdings, dba FSi Tech (SAI 8), for a two-year contract with the option to extend one-year at the discretion of the Ontario International Airport Authority (OIAA), in accordance with the terms of CMAS Contract # 3-24-07-1028, for the procurement of Information Technology (IT) hardware, software, and services not to exceed \$200,000.

9. AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE A SPEND AUTHORIZATION AND AUTHORIZE FUNDING FOR STAFFING SERVICES WITH THE PROFESSIONAL SEARCH GROUP OC, LLC.

Authorize the Chief Executive Officer (CEO) to negotiate and execute a spend authorization under existing Professional Services Agreement “SCONT-000832” between the Ontario International Airport Authority (OIAA) and Professional Search Group OC, LLC (PSG); authorize funding of up to \$175,000 for Fiscal Year Ending (FYE) 2026 for staffing services on an as-needed basis, with funding for each subsequent fiscal year to be determined and allocated through the annual budgeting process.

10. AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO EXECUTE A CONCESSION AGREEMENT BETWEEN ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND JDDA CONCESSION MANAGEMENT, INC. PURSUANT TO THE EXECUTED MEMORANDUM OF UNDERSTANDING “ONT-50-10032”

Authorize the Chief Executive Officer (CEO) to execute a Concession Agreement between the Ontario International Airport Authority (OIAA) and JDDA Concession Management, Inc. (JDDA) pursuant to the terms and conditions detailed in the Memorandum of Understanding (MOU) “ONT-50-10032” that was signed and made effective between the OIAA and JDDA on August 9th, 2025. This Agreement will allow for the construction and management of a Chick-Fil-A restaurant in Terminal 2 at the Ontario International Airport (ONT).

11. APPROVE A NEW CONCESSION AGREEMENT TEMPLATE AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO EXECUTE THE CONCESSION AGREEMENT WITH PARTNERS OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY

Approve a new Concession Agreement Template standardizing the language and expectations for the concession partners and authorize the Chief Executive Officer (CEO) to execute the Concession Agreement, in substantially similar form, with concession partners with the Ontario International Airport Authority (OIAA).

12. APPROVE A RESOLUTION ADOPTING THE NEW AIR CARRIER OPERATING PERMIT

Approve a Resolution adopting the new Air Carrier Operating Permit (ACOP) and authorize the Chief Executive Officer to execute ACOPs with airline partners operating at the Ontario International Airport.

RESOLUTION NO. 2025-07

A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY ADOPTING THE NEW AIR CARRIER OPERATING PERMIT

PRESENTATION

13. COMMUNITY ENGAGEMENT UPDATE

CEO REPORT

CHIEF EXECUTIVE OFFICER UPDATES

COMMISSION MATTERS

PRESIDENT WAPNER

VICE PRESIDENT HAGMAN

TREASURER LOVERIDGE

SECRETARY BOWMAN

COMMISSIONER GOUW

ADJOURNMENT

AFFIDAVIT OF POSTING

I, Marilyn Bonus, Commission Clerk of the Ontario International Airport Authority (OIAA), do hereby declare under penalty of perjury that the foregoing agenda has been posted at the administrative office and on the OIAA website in compliance to the Brown Act.

Date Posted: September 17, 2025 Posted Prior To: 10:00 A.M.

Signature: *Marilyn Bonus*
Marilyn Bonus, Commission Clerk
Ontario International Airport Authority Commission Clerk

THIS PAGE INTENTIONALLY LEFT BLANK

ONTARIO INTERNATIONAL AIRPORT AUTHORITY



MEETING DATE: SEPTEMBER 18, 2025

SUBJECT: RELATIVE POTENTIAL CONFLICT OF INTEREST

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Declare Conflict of Interest pertaining to agenda items and contractors and/or subcontractors, which may require member abstentions due to possible conflicts of interest.

FISCAL IMPACT SUMMARY: N/A

BACKGROUND: In accordance with California Government Code 84308, members of the Ontario International Airport Authority Commission may not participate in any action concerning a contract where they have received a campaign contribution of more than \$250 in the prior twelve (12) months in 2024, or \$500 in 2025, and from an entity or individual if the member knows or has reason to know that the participant has a financial interest, except for the initial award of a competitively bid public works contract. This agenda contains recommendations for action relative to the following contractors:

Item No	Principals & Agents	Subcontractors
05	Fleet EForce Inc.	<ul style="list-style-type: none">• None
06	Oshkosh AeroTech. LLC.	<ul style="list-style-type: none">• None
07	Lambert 20/20 Communications dba. The 20/20 Network	<ul style="list-style-type: none">• David Lang & Associates
08	Sai 8 Holdings dba FSi Tech	<ul style="list-style-type: none">• None
09	Professional Service Group, LLC.	<ul style="list-style-type: none">• None

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS: N/A

STAFF REVIEW AND APPROVAL:

Originator:	<u>Adrienne Fernandez, Deputy Commission Clerk</u>
Originating Dept.:	<u>Executive Division</u>
Director Review:	<u>Marilyn Bonus, Commission Clerk</u>
Chief Review:	<u><i>Atif Okadi</i></u>
CFO Review:	<u>N/A</u>
CEO Approval:	<u><i>Atif Okadi</i></u>

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Commission. Hours to review are between 8:30 a.m. and 4:30 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.



MEETING DATE: SEPTEMBER 18, 2025

SUBJECT: APPROVAL OF MINUTES

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Approve minutes for the OIAA Commission meeting on August 18, 2025.

FISCAL IMPACT SUMMARY: N/A

BACKGROUND: The OIAA Commission held a public meeting, and minutes were recorded in text. In accordance with OIAA's Records Retention Schedule, the OIAA must preserve these historical records in hard copy form for permanent retention.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS:

1. Minutes

STAFF REVIEW AND APPROVAL:

Originator:	Marilyn Bonus, Commission Clerk
Originating Dept.:	Executive Division
Director Review:	N/A
Chief Review:	<i>Atif Qkadi</i>
CFO Review:	N/A
CEO Approval:	<i>Atif Qkadi</i>

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Commission. Hours to review are between 8:30 a.m. and 4:30 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.

DRAFT UNTIL APPROVED BY THE OIAA COMMISSION
ONTARIO INTERNATIONAL AIRPORT AUTHORITY
SPECIAL COMMISSION MEETING
MINUTES
AUGUST 18, 2025

CALL TO ORDER

President Wapner called the Ontario International Airport Authority Commission meeting to order at 3:02 p.m.

ROLL CALL

COMMISSIONERS

PRESENT:

Alan D. Wapner, President
Curt Hagman, Vice President
Jim W. Bowman, Secretary

Ronald D. Loveridge, Treasurer
Julia Gouw, Commissioner

A quorum of the OIAA Commissioners was present.

STAFF:

Chief Executive Officer Atif Elkadi
General Counsel Kevin P. Sullivan

Commission Clerk Marilyn Bonus, MMC, CPMC
Assistant Commission Clerk Aileen Carreon

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was performed.

AGENDA REVIEW/ANNOUNCEMENTS

1. INFORMATION RELATIVE TO POSSIBLE CONFLICT OF INTEREST

No conflicts of interests were declared.

PUBLIC COMMENT

President Wapner called for public comment.

Seeing no one come forward, President Wapner closed public comment.

CONSENT CALENDAR

2. APPROVAL OF MINUTES

Approved minutes for the Regular OIAA Commission Meeting on July 24, 2025.

3. CASH DISBURSEMENT REPORT (BILLS/PAYROLL)

Received and filed the Cash Disbursement Report (Bills/Payroll) for the month ended July 31, 2025.

4. COMMISSIONER'S STIPENDS AS REQUIRED BY AUTHORITY BYLAWS

Approved additional stipends per Article IV, Section 6 of the Authority's Bylaws for President Alan Wapner for the month of July 2025.

5. AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH JACOBS PROJECT MANAGEMENT CO. FOR PROJECT MANAGEMENT AND CONSTRUCTION MANAGEMENT SERVICES

Authorized the Chief Executive Officer (CEO) or designee to negotiate and execute a professional services agreement with Jacobs Project Management Co. for Project Management and Construction Management (PMCM) Services for a term of three-years, with two potential additional one-year extension options, at the discretion of the Ontario International Airport Authority (OIAA), for a total potential term of five years, in the not-to-exceed total amount of \$25,000,000.

6. AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE FOUR PROFESSIONAL SERVICES AGREEMENTS ON-CALL ARCHITECTURE AND ENGINEERING SERVICES FOR FEDERAL AND NON-FEDERAL FUNDED PROJECTS WITH CORGAN ASSOCIATES, INC., GARVER, LLC., M. ARTHUR GENSLER, JR & ASSOCIATES, INC., AND RS&H CALIFORNIA, INC.

Authorized the Chief Executive Officer (CEO) or designee to negotiate and execute professional services agreements with Corgan Associates, Inc. , Garver, LLC., M. Arthur Gensler Jr. & Associates, Inc., and RS&H California, Inc., for three-years, with two, potential one-year extensions, at the discretion of the Ontario International Airport Authority (OIAA), for total amount not to exceed \$60,000,000 over a three-year term for on call, as-needed airport Architecture and Engineering (A&E) Services for Federal and Non-Federal Funded Projects.

7. AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE PROFESSIONAL SERVICES AGREEMENTS WITH HNTB CORPORATION AND RICONDO & ASSOCIATES, INC., FOR ON-CALL AIRPORT PLANNING CONSULTING SERVICES

Authorized the Chief Executive Officer (CEO) or designee to execute two professional services agreements with HNTB Corporation and Ricondo & Associates, Inc. for a three-year term, with two additional one-year extension options, at the discretion of the Ontario International Airport Authority (OIAA), for a total amount not-to-exceed \$20,000,000.

8. AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE A CONTRACT WITH JACOB GREEN & ASSOCIATES, INC., FOR LEADERSHIP DEVELOPMENT SERVICES

Authorized the Chief Executive Officer (CEO) to negotiate and execute an agreement with Jacob Green & Associates, Inc. (JGA), for: 1) one-year in the amount of \$250,000; 2) authorized the CEO to exercise, if appropriate, four (4) one-year extensions at \$250,000 per year, at the discretion of the Ontario International Airport Authority (OIAA), for an overall contract amount not to exceed \$1,250,000.00 over the five-year term of contract; and, 3) authorized ongoing training continuity and expansion in support of organizational and leadership development and project management services for Ontario International Airport Authority (OIAA) executives, management, and staff.

9. AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH PROFESSIONAL SPORTS PUBLICATIONS, INC.

Authorized the Chief Executive Officer (CEO) or designee to negotiate and execute a professional services agreement with Professional Sports Publications, Inc., for a one-year term in the amount of \$300,000, with an option of four, potential one-year extensions at the discretion of the Ontario International Airport Authority (OIAA).

10. AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH THE GROOVE GLOBAL, LLC.

Authorized the Chief Executive Officer (CEO) to negotiate and execute a professional services agreement with The Groove Global, LLC., to support the implementation of various Workday Stock Keeping Units (SKU) in the amount of \$2,500,000 for a one-year agreement with three potential one-year extensions in the discretion of the CEO.

11. AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE A CONTRACT WITH DG INVESTMENT HOLDINGS, INC., FOR THE PROCUREMENT OF INFORMATION TECHNOLOGY HARDWARE, SOFTWARE, AND SERVICES

Authorized the Chief Executive Officer (CEO) to negotiate and execute a five-year contract with DG Investment Holdings 2, Inc., dba Convergent Technologies LLC., in accordance with the terms of Sourcewell Contract # 1210240CTL, for the procurement of Information Technology (IT) hardware, software, and services not to exceed \$650,000.00.

12. AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO NEGOTIATE AND EXECUTE A CONTRACT WITH HYPERTEC USA INC., FOR THE PROCUREMENT OF INFORMATION TECHNOLOGY HARDWARE AND SOFTWARE

Authorized the Chief Executive Officer to negotiate and execute a three-year contract with Hypertec USA Inc., in accordance with the terms in The Interlocal Purchasing System (TIPS) Master Service Agreement 230105, for the procurement of Information Technology (IT) hardware and software, not to exceed \$200,000.00.

13. AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE AN AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN ONTARIO INTERNATIONAL AIRPORT AND FUSE ADVANCEMENT, INC.

Authorized the Chief Executive Officer (CEO) to negotiate and execute an amendment to the existing professional service agreement (SCONT-00359) between Ontario International Airport Authority (OIAA) and Fuse Advancement, Inc. for additional market development services and marketing services for the remaining contract term, not to exceed \$120,000 and with a total contract amount of \$531,000 annually.

14. A RESOLUTION ELECTING THE AUTHORITY'S ASSISTANT SECRETARY

Approved Resolution No. 2025-06, electing the Commission Clerk as Assistant Secretary for the Ontario International Airport Authority (OIAA), and repeal OIAA Resolution No. 2022-18.

RESOLUTION NO. 2025-06

A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY REPEALING RESOLUTION NO. 2022-18, AND ELECTING THE AUTHORITY'S ASSISTANT SECRETARY

MOTION: Moved by Vice President Hagman, seconded by Commissioner Gouw, to approve the Consent Calendar. Motion carried by a 5 Yes/0 No vote.

CEO REPORT

CHIEF EXECUTIVE OFFICER UPDATES

Chief Executive Officer Elkadi provided updates on passenger traffic figures, changes to flights, and general airport matters.

Treasurer Loveridge requested a Community Engagement update regarding survey data.

COMMISSIONER MATTERS

There were no Commission matters to report.

ADJOURNMENT

President Wapner adjourned the Ontario International Airport Authority Commissioners Meeting at 3:11 p.m.

RESPECTFULLY SUBMITTED:

APPROVED:

MARILYN BONUS, MMC, CPMC
COMMISSION CLERK/ASSISTANT SECRETARY

ALAN D. WAPNER, PRESIDENT



MEETING DATE: SEPTEMBER 18, 2025

SUBJECT: CASH DISBURSEMENT REPORT (BILLS/PAYROLL)

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Receive and file the Cash Disbursement Report (Bills/Payroll) for the month ended August 31, 2025.

FISCAL IMPACT SUMMARY: The funding is approved in the Fiscal Year 2025-2026 budget.

BACKGROUND: In June 2025, the OIAA Commission adopted an operating budget that is driven by strong aviation activity and financial performance realized by OIAA in FY2025. The operating budget was developed from OIAA goals and objectives and includes significant increases in resources to meet current and expected near term growth.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS:

1. Cash Disbursement Report (Bills/Payroll) for the month ended August 31, 2025.

STAFF REVIEW AND APPROVAL:

Originator:	<u>Celeste Heinonen, Senior Vice President, CFO</u>
Originating Dept.:	<u>Financial Accounting and Reporting</u>
Director Review:	<u>N/A</u>
Chief Review:	<u><i>Celeste Heinonen</i></u>
CFO Review:	<u><i>Celeste Heinonen</i></u>
CEO Approval:	<u><i>Atif Ekadi</i></u>

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Commission. Hours to review are between 8:30 a.m. and 4:30 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.



MEETING DATE: SEPTEMBER 18, 2025

AGENDA SECTION: CONSENT CALENDAR

SUBJECT: COMMISSIONER'S STIPENDS AS REQUIRED BY AUTHORITY BYLAWS

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Approve additional stipends per Article IV, Section 6 of the Authority's Bylaws for President Wapner for the month of August, 2025.

FISCAL IMPACT SUMMARY: OIAA operating revenue.

BACKGROUND: Article IV, Section 6 of the Authority's Bylaws states as follows:

"No Salary; Reimbursement for Expenses; Stipends. The members of the Commission shall receive no salary but shall be reimbursed for necessary expenses (including mileage in accordance with standard IRS mileage reimbursement rates) incurred in the performance of their duties. Additionally, Commissioners will receive a monthly stipend for each month of a calendar year in the amount of one thousand dollars (\$1,000.00), which amount will be deemed to address Commissioner participation for six (6) Authority-related business functions or events, such as attendance at each monthly Commission meeting, any standing committee meeting, any ad hoc committee meeting, briefings, and any other Authority-related business function or event. If a Commissioner participates in or attends a collective total of more than six (6) Commission meetings, any standing committee meetings, any ad hoc committee meeting, briefings, or any other Authority-related business function or event in a calendar month, then the Commissioner shall receive an additional stipend of one hundred fifty dollars (\$150.00) for each such additional matter, with the majority approval by the Commission."

During the month of August 2025, President Wapner attended two (2) additional Authority-related business functions. Majority Commission approval is needed to approve payment of these additional stipends.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS: N/A

STAFF REVIEW AND APPROVAL:

Originator:	<u>Adrienne Fernandez, Deputy Commission Clerk</u>
Originating Dept.:	<u>Executive Division</u>
Director Review:	<u>Marilyn Bonus, Commission Clerk</u>
Chief Review:	<u><i>Atif Elkadi</i></u>
CFO Review:	<u><i>Celeste Heinonen</i></u>
CEO Approval:	<u><i>Atif Elkadi</i></u>

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Commission. Hours to review are between 8:30 a.m. and 4:30 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.



MEETING DATE: SEPTEMBER 18, 2025

SUBJECT: AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE A SOLE SOURCE AGREEMENT WITH FLEET E FORCE FOR SUPPLY OF BUS PARTS AND DIAGNOSTIC SERVICES

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to negotiate and execute a agreement with Fleet E Force for one year in the not-to-exceed amount of \$300,000 for the supply of high voltage bus parts, modules, motors, batteries, other high voltage components, and remote diagnostic analysis, utilizing a sole source procurement; authorize the CEO, if appropriate, to exercise two additional one-year extensions at the discretion of the Ontario International Airport Authority (OIAA), with funding for any extension years subject to the annual budgeting process.

FISCAL IMPACT SUMMARY: Funding for the initial one-year term in the amount of \$300,000 is included in the Authority’s operating budget under the Operations Division. Expenditures will be incurred on an as needed basis and paid upon invoice in accordance with contract terms. Any option year extensions, if exercised, will be subject to the availability of funds and approval through the Authority’s annual budgeting process.

BACKGROUND: The OIAA operates an electric shuttle bus fleet that provides essential passenger transportation services on airport grounds. The fleet has recently experienced a rise in component failures, including traction batteries, drive motor inverters, and other high voltage modules. Three buses currently require complete battery replacements, and five units require new drive motor inverters. These critical components, along with related parts and diagnostic services, are proprietary and available only through Fleet E Force. Timely replacement and diagnostic support are necessary to avoid extended downtime, ensure passenger service reliability, and maintain operational resilience.

PROCUREMENT: A sole source procurement is recommended. Fleet E Force is the only vendor able to provide the proprietary high voltage components and platform specific diagnostic services required for the Authority’s electric shuttle bus fleet. The pool of vendors providing batteries for electric buses is very limited. Staff inquired with three such vendors, and only Fleet E Force currently has the ability and capacity to supply the specific quantity and type of batteries required to service the Authority’s fleet. Fleet E Force has positioned itself as the sole provider capable of meeting these needs. Alternative sources are not available for these components, and attempting to procure through other channels would risk compatibility issues, voided warranties, extended downtime, and higher lifecycle costs. Given these circumstances, competition would be inadequate if pursued. Therefore, the Authority will proceed with Fleet E Force on a sole source basis.

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: The airport's electric shuttle bus fleet is experiencing failing batteries and supply chain shortages. The budgetary increase will ensure parts availability and reduce passenger transportation interruption.

SCHEDULE: N/A

ATTACHMENTS: N/A

STAFF REVIEW AND APPROVAL:

Originator:	<u>Rick Martorana, Director of Maintenance</u>
Originating Dept.:	<u>Operations and Maintenance Division</u>
Director Review:	<u><i>Rick Martorana</i></u>
Chief Review:	<u><i>James Kesler</i></u>
CFO Review:	<u><i>Celeste Heinonen</i></u>
CEO Approval:	<u><i>Atif Okadi</i></u>

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Commission. Hours to review are between 8:30 a.m. and 4:30 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.



MEETING DATE: SEPTEMBER 18, 2025

SUBJECT: AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE A CONTRACT WITH OSHKOSH AEROTECH, LLC. FOR GROUND POWER UNIT (GPU) LIFECYCLE REPLACEMENT

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to negotiate and execute a contract with Oshkosh Aerotech, LLC. for the GROUND POWER UNIT (GPU) Project in the amount of \$1,993,567.00 which includes a pending Federal Aviation Administration (FAA) VALE grant, via Airport Improvement Program (AIP) discretionary funds, in the amount of \$1,495,175, representing approximately 75 percent of the Proposed Project cost, the maximum allowed under FAA guidance in the VALE Technical Report; and execute budget amendments to the contract, for additional related services and construction contingency, up to 15% of the overall contract value.

FISCAL IMPACT SUMMARY: The project and budget amount of \$1,830,000 was approved by the Commission on June 16, 2025, and via the Majority of Interest (MII) process on September,9 2024. The funding for this project is accounted for in the Ontario International Airport Authority (OIAA) Fiscal Year 2025-2026 capital budget. OIAA requested FAA VALE funding, via AIP discretionary funds, in the amount of \$1,495,175, representing approximately 75 percent of the Proposed Project cost, the maximum allowed under FAA guidance in the VALE Technical Report. The local match of \$498,392, representing the 25 percent portion cost of the Proposed Project, would be provided from collected Passenger Facility Charge funds.

BACKGROUND: The existing GPUs for Terminal 2 and Terminal 4, installed in 1998, have reached the end of their effective operational lives and are exhibiting signs of failure. Without a GPU, a gated aircraft's auxiliary power unit (APU) would generate the energy to operate on-board systems. The OIAA recognizes the need to support sustainability efforts and the reduction of Airport-related emissions. The replacement of GPUs would reduce criteria pollutant emissions at the Airport by avoiding APU use during gate operations. Reduction in pollutant levels would aid in meeting California State Implementation Plan (SIP) emissions reduction goals in the South Coast Air Basin. Overall, the Project would improve and allow for the functionality and sustainability of the Airport.

PROCUREMENT: The Notice Inviting Bids (NIB) was posted on May 6, 2025, and bids were received on June 6, 2025. Oshkosh Corporation was the apparent low bidder and after staff review and validation of all bids, the OIAA is recommending the award of contract to Oshkosh Corporation. Other services, construction administration and management, necessary for and related to construction will be performed utilizing other OIAA contracts previously procured competitively and approved by the OIAA Commission.

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A




STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: Once the GPUs have been manufactured, construction will be phased to minimize impacts to operations during the estimated schedule duration to deliver, install, connect, and test the new GPUs. This project will involve night and daytime work.

SCHEDULE: The project will be delivered through a design-build process, and given this, all the labor, materials, equipment, supervision, and incidentals to perform all the required work will be complete within three hundred (300) calendar days, including mobilization and demobilization, from the date of the Notice to Proceed.

ATTACHMENTS: N/A

STAFF REVIEW AND APPROVAL:

Originator:	<u>Keith Owens, Direct of Program Management</u>
Originating Dept.:	<u>Capital Development Division</u>
Director Review:	<u>N/A</u>
Chief Review:	<u></u>
CFO Review:	<u></u>
CEO Approval:	<u></u>

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Commission. Hours to review are between 8:30 a.m. and 4:30 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.



MEETING DATE: SEPTEMBER 18, 2025

SUBJECT: AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE A PROFESSIONAL SERVICE AGREEMENT WITH LAMBERT 20/20 COMMUNICATIONS INC., FOR PUBLIC AFFAIRS AND COMMUNICATIONS SERVICES

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to negotiate and execute a Professional Services Agreement with Lambert 20/20 Communications Inc., dba 20/20 Network Communications, Inc. (Lambert), for one-year in the amount of \$204,000 and authorize the CEO to exercise, if appropriate, four one-year extensions, at the discretion of the Ontario International Airport Authority (OIAA) for public affairs and communications services.

FISCAL IMPACT SUMMARY: Funding for public affairs and communications services is included in the OIAA's annual operating budget under the Marketing and Communications Division. The proposed professional services agreement with Lambert provides a not-to-exceed amount of \$204,000 for the initial one-year term. Expenditures will be incurred on an as-needed basis and paid upon invoice, consistent with contract terms. There is no impact to the capital budget. Any option-year extensions, if exercised by the CEO, will be subject to availability of funds and approval through the OIAA's annual budgeting process.

BACKGROUND: Lambert has been providing the OIAA with high quality public affairs and strategic communication services since 2018. Lambert has demonstrated unique qualifications and a proven understanding of the public affairs climate surrounding the airport and Southern California region. So much so that the City of Ontario has determined Lambert to be a sole source vendor to provide similar services for their agency. This furthers the importance of Lambert's unique expertise, as it is important that public relations topics overlapping both public agencies be handled with an informed approach and strategic messaging. Using a new public affairs and strategic communication vendor would sacrifice partner cohesion, timing, and the institutional knowledge inherent with Lambert. Given Lambert's understanding of the airport's immediate needs, OIAA believes continuing to retain Lambert will result in greater efficiency and continued success for its overall public relations strategies.

PROCUREMENT: OIAA is entering into this agreement under a Sole Source process due to Lambert being a notable firm specializing in public affairs and strategic communications services for airports and government agencies. Since 2018, the firm has provided OIAA with essential services and has demonstrated unique expertise and an in-depth understanding of the public affairs climate surrounding the airport and Southern California region. The City of Ontario has also determined the firm to be a sole source provider for similar services, further reinforcing their distinctive qualifications. Lambert's services are essential and necessary for the OIAA to

continue to manage strategic communications and public affairs matters requiring continuity, partner cohesion, and institutional knowledge to support the airport's reputation and growth.

CEQA COMPLIANCE AND LAND USE APPROVALS: This action item and proposed professional services agreement is not a "project" under CEQA.




STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS: N/A

STAFF REVIEW AND APPROVAL:

Originator:	<u>Eren Cello, Senior Vice President, Communications & Marketing</u>
Originating Dept.:	<u>Marketing and Community Engagement Division</u>
Director Review:	<u>N/A</u>
Chief Review:	<u></u>
CFO Review:	<u></u>
CEO Approval:	<u></u>

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Commission. Hours to review are between 8:30 a.m. and 4:30 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.



MEETING DATE: SEPTEMBER 18, 2025

SUBJECT: AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE A PROFESSIONAL SERVICES AGREEMENT WITH SAI 8 HOLDINGS FOR INFORMATION TECHNOLOGY HARDWARE, SOFTWARE, AND SERVICES

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to negotiate and execute a Professional Services Agreement with SAI 8 Holdings, dba FSi Tech (SAI 8), for a two-year contract with the option to extend one-year at the discretion of the Ontario International Airport Authority (OIAA), in accordance with the terms of CMAS Contract # 3-24-07-1028, for the procurement of Information Technology (IT) hardware, software, and services not to exceed \$200,000.

FISCAL IMPACT SUMMARY: Funds for this contract are available in the Fiscal Year End (FYE) 2026 Information Technology Operating Budget and Capital Budget. Funding for subsequent years will be requested through the annual budget process.

BACKGROUND: The Information Technology and Security (IT) Division is responsible for managing all technology hardware, software, and related services for the OIAA. The IT Division has worked with SAI 8 for the last year on an as needed basis and found their delivery of hardware, software, and services to be prompt and reliable. They have offered competitive bids for hardware purchases and license/software renewals, which all align with our budgetary goals. Their continual support and commitment to quality work at competitive prices with the OIAA is critical to the IT Division's delivery and turnaround of various ongoing projects.

PROCUREMENT: OIAA will enter into this piggyback agreement with SAI 8 based on the Cooperative Procurement process under DGS Agreement CMAS #3-24-07-1028. The Department of General Services (DGS), a State of California local government agency, creates cooperative agreements for use by government agencies nationwide through a public procurement process. OIAA will utilize DGS's process to efficiently enter into this agreement, adhering to the competitive scope and rates established by agreement CMAS #3-24-07-1028.

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS: N/A

STAFF REVIEW AND APPROVAL:

Originator:	<u>Eric Mena, Information Technology Manager</u>
Originating Dept.:	<u>Information Technology & Security Division</u>
Director Review:	<u>N/A</u>
Chief Review:	<u><i>Charles Miwa</i></u>
CFO Review:	<u><i>Celeste Heinonen</i></u>
CEO Approval:	<u><i>Atif Ekadi</i></u>

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Commission. Hours to review are between 8:30 a.m. and 4:30 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.



MEETING DATE: SEPTEMBER 18, 2025

SUBJECT: AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO NEGOTIATE AND EXECUTE A SPEND AUTHORIZATION AND AUTHORIZE FUNDING FOR STAFFING SERVICES WITH THE PROFESSIONAL SEARCH GROUP OC, LLC.

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics X Plan for the Future

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to negotiate and execute a spend authorization under existing Professional Services Agreement “SCONT-000832” between the Ontario International Airport Authority (OIAA) and Professional Search Group OC, LLC (PSG); authorize funding of up to \$175,000 for Fiscal Year Ending (FYE) 2026 for staffing services on an as-needed basis, with funding for each subsequent fiscal year to be determined and allocated through the annual budgeting process.

FISCAL IMPACT SUMMARY: The use of temporary staffing services is an anticipated and budgeted expense within the Authority’s annual operating budget. Funding for these services is allocated across departmental budgets based on operational needs and project demands. Costs are incurred only as temporary staff are engaged, ensuring flexibility and alignment with workload requirements. The agency’s competitive rate structure has allowed the Authority to maintain cost-effective staffing solutions while securing top-quality candidates. The Agreement with PSG has an annual not-to-exceed amount of \$100,000.00. Due to the increased usage of the temporary staffing services so far in Calendar Year 2025, it is anticipated that the OIAA will spend up to an additional \$75,000.00 and is requesting the annual not-to-exceed amount be increased to \$175,000.00 for FYE26.

BACKGROUND: For the past three years PSG has provided temporary staffing support to the OIAA with consistent reliability and professionalism. Throughout this period, the agency has supplied highly qualified candidates across a variety of operational and administrative roles, ensuring that staffing needs were met without disruption to service. Their screening and placement processes have resulted in top-quality personnel who have integrated well into our teams and contributed positively to departmental performance. The agency’s ability to respond quickly to fluctuating workforce demands has proven valuable in maintaining service levels, and their record of quality service positions them as a trusted partner in addressing temporary staffing requirements.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A


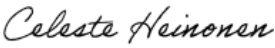

STAFFING IMPACT (# OF POSITIONS): Impact is on an as needed basis to augment current Full Time Employees with temporary staffing support and staffing conversions.

IMPACT ON OPERATIONS: The availability of qualified temporary staff has provided critical support for operations by ensuring continuity of services during periods of vacancy, employee leave, or increased workload. Temporary placements have allowed departments to maintain productivity and service levels without interruption, while also providing the flexibility to adjust staffing resources as business needs evolve. The agency's ability to consistently deliver skilled candidates has reduced the time required for onboarding and training, enabling departments to remain focused on core responsibilities. This ongoing support has strengthened operational efficiency and minimized disruptions across the organization.

SCHEDULE: N/A

ATTACHMENTS: N/A

STAFF REVIEW AND APPROVAL:

Originator:	<u>Angela Lauber-Conroy, Chief People Officer</u>
Originating Dept.:	<u>Human Resources Division</u>
Director Review:	<u>N/A</u>
Chief Review:	<u></u>
CFO Review:	<u></u>
CEO Approval:	<u></u>

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Commission. Hours to review are between 8:30 a.m. and 4:30 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.



MEETING DATE: SEPTEMBER 18, 2025

SUBJECT: AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO EXECUTE A CONCESSION AGREEMENT BETWEEN ONTARIO INTERNATIONAL AIRPORT AUTHORITY AND JDDA CONCESSION MANAGEMENT, INC. PURSUANT TO THE EXECUTED MEMORANDUM OF UNDERSTANDING "ONT-50-10032"

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Authorize the Chief Executive Officer (CEO) to execute a Concession Agreement between the Ontario International Airport Authority (OIAA) and JDDA Concession Management, Inc. (JDDA) pursuant to the terms and conditions detailed in the Memorandum of Understanding (MOU) "ONT-50-10032" that was signed and made effective between the OIAA and JDDA on August 9th, 2025. This Agreement will allow for the construction and management of a Chick-Fil-A restaurant in Terminal 2 at the Ontario International Airport (ONT).

FISCAL IMPACT SUMMARY: Pursuant to the mutually agreed to terms in the MOU and contingent on opening on February 16th, 2026, JDDA will pay percentage rent of 13% of total Gross Receipts for food and beverages, branded merchandise and branding fees. Following the first year of the term of the Agreement, the percentage rent will increase to 14% of total Gross Receipts and for the remainder of the term, the percentage rent will be 15% of total Gross Receipts. If JDDA does not open by the date detailed above, they will be charged an automatic percentage rent of 15% of total Gross Receipts for the entirety of their term.

All administration and storage leased space will be billed to JDDA consistent with the FY25-26 Airport System Rates and Charges per square feet utilized. There will be a required security deposit of \$87,500 which will be subject to annual increases as defined in the Agreement.

BACKGROUND: JDDA is currently operating a Chick-Fil-A restaurant in Terminal 4 and was the highest performing non-alcoholic food and beverage restaurant at ONT with a revenue of \$3.5 million in Fiscal Year 2024-2025. JDDA provides a quality service through their Chick-Fil-A restaurant that targets the fast-food category at ONT, which is currently underserved in Terminal 2.

ONT continues to grow in passenger demand resulting in over 179% in consecutive year passenger growth since 2020. To support the constant flow of passenger activity, Chick-Fil-A will be able to provide exemplary fast-food service to our passengers, resulting in positive customer experience enhancement while being a high revenue generating outlet at ONT.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A




IMPACT ON OPERATIONS: The Chick-Fil-A company policy requires all locations to be closed on Sunday. Therefore, the proposed Terminal 2 location will operate 6 days a week and will be closed every Sunday.

SCHEDULE: Contingent on the opening by February 16th, 2026.

ATTACHMENTS:

1. Memorandum of Understanding - ONT-50-10032

STAFF REVIEW AND APPROVAL:

Originator:	<u>Elisa J. Grey, Senior Vice President of Revenue Management</u>
Originating Dept.:	<u>Revenue Management Division</u>
Director Review:	<u>N/A</u>
Chief Review:	<u></u>
CFO Review:	<u></u>
CEO Approval:	<u></u>

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Commission. Hours to review are between 8:30 a.m. and 4:30 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.

MEMO

TO: Kevin Khong, Al Chaib, and Jason Yoo
 JDDA Concessions Management, Inc.

FROM: Elisa Grey
 Senior Vice President, Revenue Management

DATE: August 8, 2025

SUBJECT: Chick-Fil-A (Terminal 2) – Best and Final

In order to best serve the passengers of the ONT Airport through providing the best mix of concession offerings and alignment to passenger needs and desires, the ONT Airport Concessions Department hereby extends JDDA Concessions Management, Inc. the opportunity to operate a Chick-Fil-A location at Terminal 2 near gate 206 at ONT Airport. The following terms and conditions apply:

1) Terminal 2

Term	Seven (7) years from the rent commencement date, with three (3) 1-year OIAA extension options.
Rent Commencement Date	On the agreed upon construction location opening date of February 16, 2026 or the day location opens for business, the earlier thereof.
% Rent of Gross Receipts	<p>If concessionaire achieves an opening date of February 16, 2026 or earlier, year one percent rent shall be:</p> <ul style="list-style-type: none"> • Thirteen Percent (13%) of Gross Receipts for the sale of Food and Non-Alcoholic Beverages, • Thirteen Percent (13%) of Gross Receipts for the sale of Chick-Fil-A branded merchandise, • Thirteen Percent (13%) of Branding Fees, Marketing Fees, Merchandising Fees, Promotional Allowances, Retail Display Allowances (RDA) and any type of

Ancillary Advertising or Product Placement Fees/Allowances and

- **Thirteen Percent (13%) of all other Gross Receipts not listed above.**

Thereafter, effective on February 16, 2027 to January 31, 2028; the rent % shall be:

- **Fourteen Percent (14%) of Gross Receipts for the sale of Food and Non-Alcoholic Beverages,**
- **Fourteen Percent (14%) of Gross Receipts for the sale of Chick-Fil-A branded merchandise,**
- **Fourteen percent (14%) of Branding Fees, Marketing Fees, Merchandising Fees, Promotional Allowances, Retail Display Allowances (RDA) and any type of Ancillary Advertising or Product Placement Fees/Allowances and**
- **Fourteen Percent (14%) of all other Gross Receipts not listed above.**

For all remaining lease years, the rent % shall be:

- **Fifteen Percent (15%) of Gross Receipts for the sale of Food and Non-Alcoholic Beverages,**
- **Fifteen Percent (15%) of Gross Receipts for the sale of Chick-Fil-A branded merchandise,**
- **Fifteen percent (15%) of Branding Fees, Marketing Fees, Merchandising Fees, Promotional Allowances, Retail Display Allowances (RDA) and any type of Ancillary Advertising**

	<p>or Product Placement Fees/Allowances and</p> <ul style="list-style-type: none"> Fifteen Percent (15%) of all other Gross Receipts not listed above. <p>Should Concessionaire not achieve an opening date of February 16, 2026, a fifteen percent (15%) rent factor will apply to all lease years and product categories.</p>
Minimum Annual Guarantee (MAG)	No MAG on the agreement
Square Footage	1,523 square feet
Street Pricing Policy	Pricing of street plus eighteen percent (+18%) over comparable street location pricing as defined in agreement.
Deposit	\$87,500 subject to annual increase as defined in section 3.5 of Agreement.
Permitted Use	Chick-Fil-A brand food and merchandise. Grab N' Go bottled beverages and Chick-Fil-A fresh food options. Alcoholic beverage sales is not permitted.
Support Space	Storage space needs to be identified. Rent at published annual per square foot rates.

This is not a binding contract and will serve as a Statement of Intent. By signing below, JDDA Concessions Management, Inc. hereby acknowledges and accepts the terms and conditions as defined above and understands that approval and execution of this is pending Executive Review and OIAA Board approval.

Date



August 8, 2025

Elisa Grey, Senior Vice-President
ONT Airport Concessions

Date



August 9, 2025

Authorized Signatory
JDDA Concessions Management, Inc.

THIS PAGE INTENTIONALLY LEFT BLANK



MEETING DATE: SEPTEMBER 18, 2025

SUBJECT: APPROVE A NEW CONCESSION AGREEMENT TEMPLATE AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER (CEO) TO EXECUTE THE CONCESSION AGREEMENT WITH PARTNERS OF THE ONTARIO INTERNATIONAL AIRPORT AUTHORITY

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Approve a new Concession Agreement Template standardizing the language and expectations for the concession partners and authorize the Chief Executive Officer (CEO) to execute the Concession Agreement, in substantially similar form, with concession partners with the Ontario International Airport Authority (OIAA).

FISCAL IMPACT SUMMARY: Revenues generated under the new Concession Agreement (Agreement) are vital in increasing the non-aeronautical revenue at Ontario International Airport (ONT). The terms of the Agreement will fundamentally improve the OIAA's financial position and ensure proper billing for storage and administrative space pursuant to the OIAA's published Airport System Rates and Charges Schedule for the respective Fiscal Year. The Agreement also includes an option for an annual joint marketing fund that could be funded by concession partners to support their businesses, minimizing the direct cost impact to the airport.

BACKGROUND: Moss Adams conducted an internal audit on the regulation and effectiveness of the current Concession Agreement. The purpose of the audit was to determine key areas that require restructuring to align with the OIAA's strategic goals by standardizing the language and expectations for the concession partners. The audit identified various key areas requiring attention including the lack of standardized and consistent language and current management processes among all Concession Agreements. There are several variations of active Concession Agreements with different legal clauses, structures, terms, and conditions. There is a need for clear definitions and oversight of operations amongst the concession partners at ONT.

The new Concession Agreement address and provides a solution to the audit findings; it consolidates all negotiable terms into Article 1 allowing for a standardized lease body for use on all agreements going forward. This helps OIAA maximize business performance and ensure sound business principles and best practices in all areas, resulting in efficient and standardized OIAA management processes, revenue optimization, and legal clarity.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS:

1. Updated Concession Agreement Template

STAFF REVIEW AND APPROVAL:

Originator:	<u>Annie Lin-Ahn, Director of Airline Affairs & Properties</u>
Originating Dept.:	<u>Revenue Management Division</u>
Director Review:	<u>N/A</u>
Chief Review:	<u><i>Elm J. Quig</i></u>
CFO Review:	<u><i>Celeste Heinonen</i></u>
CEO Approval:	<u><i>Atif Okadi</i></u>

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended actions and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Commission. Hours to review are between 8:30 a.m. and 4:30 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.



**ONTARIO INTERNATIONAL AIRPORT AUTHORITY
CONCESSION AGREEMENT**

ARTICLE 1

Contract Number:	
Concessionaire:	COMPANY
Allocable Square Feet:	SQUARE FEET
Trade Name:	DBA
Permitted Use:	PERMITTED ACTIVITIES
Rent Commencement Date:	DATE or the day LOCATIONS open for business, the earlier thereof.
Term:	The Term shall expire # years from the Rent Commencement Date. The OIAA thereafter has a discretionary option to extend the Agreement for # additional Term of # years.
Percentage Rent:	# percent (#%) of Gross Receipts for the sale of food and non-alcoholic beverages, # percent (#%) of Gross Receipts for the sale of alcoholic beverages, Additional or other categories as needed
Concessionaire Charges:	As per OIAA's published Airport System Rates and Charges Schedule for the respective Fiscal Year.
Security Deposit:	\$AMOUNT subject to increase as defined in Section 3.5. Security Deposit.
Initial Minimum Capital Investment:	Minimum \$AMOUNT per square foot for the initial build-out of Concessionaire location(s), if applicable.
Approved Capital Cost:	\$AMOUNT subject to amortization as defined in Section 4.30M.
Special Terms and Conditions:	FILL OUT AS NEEDED
STORAGE Annual Rent:	As per OIAA's published Airport System Rates and Charges Schedule for then current Fiscal Year.
ADMIN SPACE rent:	As per OIAA's published Airport System Rates and Charges Schedule for the respective Fiscal Year.
STORAGE/ADMIN SPACE	FILL OUT AS NEEDED

Special Terms and Conditions:	
Product Exclusive Rights and Specified Sources:	OIAA, at its discretion, hereby reserves the right to enter into future product exclusive rights Agreements including, but not limited to, fountain and bottled beverages, maintenance services, contracted waste handling services, and grease/waste oil rendering services. Should OIAA enter into such Agreements, Concessionaire hereby agrees to participate and abide by the terms and conditions of such Agreements.
Special Provisions	Definition of Beverage Sponsorship / specified sources / custom negotiated items, etc.

Leased Premises:				
Terminal	Space Number	Gate	Square Footage	Name of Business

NOTE: This Agreement contains other provisions and additional information about the items listed in ARTICLE 1. In the event of any inconsistency between other provisions in this Agreement and ARTICLE 1, the other provisions in this Agreement shall control. Concessionaire acknowledges that it has read this entire Agreement carefully.

 Concessionaire's Initials

THIS AGREEMENT is made and entered into this **DATE**, ("Effective Date") by and between the Ontario International Airport Authority, hereafter "OIAA" or "Authority" and **COMPANY NAME**, authorized to do business in the State of California, hereafter "Concessionaire."

WHEREAS, OIAA is owner of the Ontario International Airport (Airport), located in the City of Ontario in the County of San Bernardino and such Airport is operated by the Ontario International Airport Authority; and

WHEREAS, Concessionaire submitted a written proposal for the non-exclusive right to operate a **RESTAURANT**, at the Airport; and

WHEREAS, under the powers vested in the OIAA for commercial business purposes incidental to the Airport or not inconsistent with the commercial development of the Airport, the OIAA is authorized to lease real property at the Airport; and

WHEREAS, for commercial business purposes incidental to the Airport, Concessionaire desires to lease real property from the OIAA for operation of a concession at the Airport; and

WHEREAS, on **DATE**, the OIAA authorized the OIAA’s Chief Executive Officer (CEO) to execute this Agreement on behalf of the OIAA; and

NOW, THEREFORE, in consideration of the promises, terms, conditions, and covenants set forth herein below, OIAA and Concessionaire hereby mutually agree as follows:

ARTICLE 2
DEFINITIONS

As used herein, the following words and phrases shall have the meanings set forth below,

2.1. ACDBE

“ACDBE” means Airport Concessions Disadvantaged Business Enterprise.

2.2. Agreement

“Agreement” means this written Concession Agreement, including all exhibits attached hereto, and other referenced documents herein, between the OIAA and Concessionaire covering the leasing of Premises and permitted operations at the Airport.

2.3. Agreement Year

“Agreement Year” means each period that includes twelve (12) full calendar months during the Term of this Agreement beginning at the Rent Commencement Date.

2.4. Airport

“Airport” means that portion of Ontario International Airport operated by the OIAA as a public airport.

2.5. Airside

“Airside” means the airfield and the areas beyond the security checkpoints and passport and customs control in the Airport terminals.

2.7. Concessionaire

“Concessionaire” means the Airport tenant or lessee, or its authorized representative(s), whose business is non-airline related, who sells goods and/or services for a profit, and who is performing under this Agreement.

2.8. Consumer Price Index (CPI)

Consumer Price Index (CPI) means the Consumer Price Index for All Urban Consumers for (CPI-U) for Los Angeles-Long Beach-Anaheim (CPI-U: Selected Areas, All Items Index (1982 - 1984 = 100) published by the Bureau of Labor Statistics of the U.S. Department of Labor) (hereinafter referred to as “CPI-U”) for the most recent twelve (12) month period for which such figures are available. The CPI-U for the current year, month of July will be used as the base month in determining the CPI-U adjustments. In the event the CPI-U is not published during the base

month or any month of adjustment, then the CPI-U for the next succeeding month in which the CPI-U is published will be used in determining CPI-U adjustments. If the Bureau of Labor Statistics should cease to publish the Consumer Price Index in its present form, calculated upon its present basis, the Parties agree to accept a comparable Index measuring costs of living increases for the closest metropolitan area to Ontario, CA, published by an agency of the United States Government or by a recognized financial institution or economic periodical, as determined by the OIAA.

2.9. Effective Date

This Agreement is entered into as of **DATE**.

2.10. OIAA or Authority

“OIAA” or “Authority” means the Ontario International Airport Authority, an entity established pursuant to the Joint Exercise of Powers Act of the State of California for the purpose of operating, maintaining, managing, developing, and marketing the Airport.

2.11. Date of Beneficial Occupancy

“Date of Beneficial Occupancy” or “DBO” means the earliest of: (i) the date Concessionaire first commences business at one its Leased Premises; or (ii) the date on which a Certificate of Occupancy has been received by OIAA for one or more of Concessionaire’s Leased Premises. “Certificate of Occupancy” shall mean a document issued by the City of Ontario, or another applicable permitting jurisdiction, if any, indicating the Leased Premises is fit for occupancy.

2.12. Chief Executive Officer

“CEO” means the Chief Executive Officer of the OIAA, or the Chief Executive Officer’s designated representative.

2.13. Commission

“Commission” shall mean the Ontario International Airport Authority Commission.

2.14. DOT

“DOT” means the Department of Transportation of the United States Government, or any federal agency(ies) succeeding to its jurisdiction.

2.15. FAA

“FAA” means the Federal Aviation Administration of the United States Government, or any federal agency(ies) succeeding to its jurisdiction.

2.16. Fiscal Year

“Fiscal Year” means the 12-month period beginning on July 1 of any year and ending on June 30 of the following year or any other period adopted by OIAA for its financial affairs.

2.17. Gross Revenues

“Gross Revenues” shall mean and include all monies paid or payable to Concessionaire whether in cash, credit or otherwise, for sales made or services rendered in, at or from the Airport regardless of when or where the order is received, and also for sales made or services rendered outside the Airport, if the order or service is received at the Airport, including, without limitation:

- (i) The sale price of all goods, wares, merchandise, and products sold on or from the Airport property by Concessionaire, whether for cash or credit, whether payment is actually made or not, whether delivery of the items sold is made from the Leased Premises and whether title to such items is transferred;
- (ii) The charges made by Concessionaire for the sale or rendition on or from the Leased Premises of services of any nature or kind;
- (iii) All sums deposited in any coin-operated vending machine or other device maintained on the Leased Premises;
- (iv) All rental and other fees of any nature or kind charged by Concessionaire;
- (v) The fair rental value of facilities on the Leased Premises used by subtenants or others;
- (vi) The value of all consideration received by Concessionaire or its employees including non-monetary consideration for the items sold, leased, rented or services rendered;
- (vii) All insurance proceeds received due to loss of Gross Revenues under any business interruption insurance coverage if such coverage is maintained by Concessionaire;
- (viii) Deposits not refunded to purchasers;
- (ix) Proceeds from the sale of gift and merchandise certificates;
- (x) Mail order sales arising out of preliminary contacts made at Airport facilities;
- (xi) Computer/Internet sales for delivery at the Airport or when merchandise to fill such orders is taken from Airport locations;
- (xii) Other electronic or telephone orders received or filled at the Airport;
- (xiii) Orders taken at the Airport (although such orders may be filled elsewhere);
- (xiv) Catering sales; and

- (xv) Display allowances, placement allowances or other promotional incentives received by Concessionaire from vendors, suppliers or manufacturers.

Gross Revenues shall exclude all sales and excise taxes as more fully defined in the Agreement. For the purposes of this definition, a "sale" shall be treated as consummated at the time the determination is made of what the monetary amount due for each transaction is; whether the transaction is for cash, credit or otherwise, and not at the time of payment. The entire amount of sales shall be included in Gross Revenues and no deduction shall be allowed for uncollected or uncollectable credit accounts or "bad" checks. Gross Revenues shall not include:

- (i) Any sums collected for any federal, state, Authority and municipal sales taxes, so-called luxury taxes, use taxes, consumer excise taxes, gross receipts taxes and other similar taxes now or hereafter imposed by law upon the sale of merchandise or services but only if separately stated from the sales price and only to the extent paid by Concessionaire to any duly constituted governmental/taxing authority;
- (ii) The exchange of merchandise between the stores or warehouses owned by Concessionaire or an Affiliate, if any, where such exchanges of goods or merchandise are made solely for the convenient operation of the business of Concessionaire and not for the purpose of consummating a sale, which has been made at, in, from or upon the Leased Premises, or for the purpose of decreasing payments otherwise due the Airport Authority hereunder which otherwise would be made at, in, from or upon the Leased Premises;
- (iii) The amount of any cash or credit refund made upon any sale, where the merchandise sold, from the Airport, or some part thereof, is thereafter returned by a purchaser and accepted by Concessionaire;
- (iv) Sale of fixtures, equipment or other items of property that are not stock in trade and not sold in the ordinary course of Concessionaire's business;
- (v) Any receipts that arise from Concessionaire's operations under a separate agreement with Authority and which are subject to a percentage under that agreement;
- (vi) Customary discounts given by Concessionaire on sales of merchandise or services to its own employees;
- (vii) Discounts, if separately stated, given by Concessionaire on sales of merchandise to employees of the Airport Authority, airlines and other concessionaires in the Airport, and other persons employed at the Airport who are in possession of a valid Airport Authority or airline issued badge;

- (viii) Gratuities for services performed by employees of Concessionaire that are paid by Concessionaire or its customers to such employees, except to the extent Concessionaire may be entitled to receive a portion of such gratuities;
- (ix) The sale or transfer in bulk of the inventory of Concessionaire to a purchaser of all or substantially all of the assets of Concessionaire in a transaction not in the ordinary course of Concessionaire's business;
- (x) The amount of any cash or quantity discounts received from sellers, suppliers, or manufacturers;
- (xi) Volume discounts received by Concessionaire from vendors, suppliers or manufacturers;
- (xii) Revenues from the sale of waste or scrap materials resulting from the operation of Concessionaire's business;
- (xiii) Receipts in the form of reimbursements from the Concessionaire's subcontractors for any taxes, loan payments and/or license fees paid by Concessionaire for or on behalf of such subcontractor;
- (xiv) Amounts given as discounts to customers redeeming coupons, which may be either printed or provided through mobile devices, issued either by the Concessionaire or the company, which brand is offered by Concessionaire at the Airport;
- (xv) Except with respect to insurance proceeds received due to loss of Gross Revenues under Concessionaire's business interruption insurance coverage, as provided above, and/or insurance proceeds that may be payable to Authority under such coverage, receipts from all other insurance proceeds received by Concessionaire as a result of a loss or casualty.

2.18. HVAC

“HVAC” means heating, ventilating and air-conditioning.

2.19. Joint Marketing Fund

Means the accumulation of funds contributed by all Concessionaires to OIAA, to be spent by OIAA on the marketing and promotion of ONT's overall concession program at the Airport or on any item or service that may enhance the overall passenger experience at the Airport related to concessions, as determined by OIAA at its sole discretion.

2.20. Landside

“Landside” means all areas of the Airport not located on the Airside, as defined herein.

2.21. Leased Premises

“Leased Premises” means those certain premises at the Airport, including Support Space, more particularly described and shown on **Exhibit “A”**.

2.22. LLC

“LLC” means limited liability company.

2.23. Percentage Rent

“Percentage Rent” means the amount payable to the OIAA as Rent, which is based on a percentage(s) of Concessionaire’s Gross Revenues, as shown in Section 3.3. Rent and Other Payment Obligations.

2.24. Rent

“Rent” means, any and all monetary obligations arising under this Agreement, including without limitation, Rent, Percentage Rent, Support Space Charge, insurance costs, maintenance costs, utilities, late charges, liquidated damages, interest, administrative fees, and any and all other monetary obligations of Concessionaire hereunder shall be deemed "Rent" and shall be collectively referred to as "Rent." Further, OIAA has the right to make any payment to any third party on any delinquent obligation which Concessionaire is obligated to pay under this Agreement and recover that amount from Concessionaire, including any interest, administrative fees or other charges, as “Rent.”

2.25. Rent Commencement Date

“Rent Commencement Date” means the date the Concessionaire is obligated to commence payment of Rent under this Agreement, which shall be the first Date of Beneficial Occupancy for any one of Concessionaire’s Leased Premises but no later than **DATE**.

2.26. Sign

“Sign” means any advertising sign, billboard, identification sign or symbol, poster, or other similar device, regardless of content.

2.27. State

“State” means the State of California.

2.28. Subtenant

“Subtenant” means any individual, company, corporation, partnership or other entity entering into an agreement with Concessionaire, with the prior written approval of the OIAA, to sublease all or any portion of its Leased Premises, which consent shall not be unreasonably withheld.

2.29. Support Space

“Support Space” shall mean space that is associated with Leased Premise, used by Concessionaire for storage of inventory (“Storage Space”) and/or for administrative purposes

(“Admin Space”) to support Concessionaire’s operations at the Leased Premises, as set forth in **Exhibit “A”**.

2.30. Tenant Improvements

“Tenant Improvements” are all improvements or alterations constructed and installed on the Leased Premises by Concessionaire, its agents, employees, Subtenants, contractors, subcontractors, licensees and/or representatives that are affixed in any manner to the Leased Premises and that have been approved by the OIAA.

2.31. Trade Fixtures

“Trade Fixtures” are all fixtures, furnishings and equipment, affixed in such a manner that they can be readily removed without damage to the remainder of the Leased Premises and without substantially changing the character of the improvements, and are the removable personal property that Concessionaire places upon the Leased Premises for use in operation of the concession. All non-affixed items, including point of sale equipment, moveable furnishings, safes, racks, telephone equipment, and non-affixed display fixtures, shall be deemed to be Trade Fixtures for the purposes of this Agreement.

2.32. TSA

“TSA” means the Transportation Security Administration of the United States Government, and any federal agency succeeding to its jurisdiction.

ARTICLE 3 SPECIAL CONDITIONS

3.1. Leased Premises.

A. Concession Locations.

OIAA hereby leases to Concessionaire the following Premises at the Airport more particularly described in ARTICLE 1 and **Exhibit “A”**.

B. Expansion, Contraction and Relocation.

The OIAA may expand, delete, contract, or relocate any portion or all of the Leased Premises due to Airport development/construction, operational necessity, security, or safety considerations. In such event, Concessionaire shall be given no less than ninety (90) days prior written notice unless circumstances beyond the control of the OIAA occur (e.g., because of a direct or indirect requirement by TSA or another governmental authority), in which case notice may be less. The CEO will attempt to provide reasonably comparable space for relocation but makes no guarantee of such availability. Concessionaire shall fully cooperate so that any such expansion, contraction, or relocation occurs within the time frame as determined by the CEO. Any expansion, contraction or relocation required hereunder will not affect Concessionaire’s Rent and other payment obligations under this Agreement unless such change results in a change in total square footage leased to Concessionaire in excess of fifteen percent (15%). In the case of expansions or relocations of space, OIAA, at CEO’s option, will either enter into negotiations with

Concessionaire for new Percentage Rent; or automatically increase the Percentage Rent proportionately effective as of the date of such expansion or relocation.

In the event of relocation, OIAA, at the CEO's option, will either directly pay for or reimburse Concessionaire for Concessionaire's "reasonable and proper moving costs", as determined by the CEO. For purposes hereof, "reasonable and proper moving costs" include moving of Trade Fixtures from the old space to the new space, moving and reinstallation of telephone lines and computer equipment and connections, and reasonable expenses associated with reinstalling electrical connections and other utilities.

The Concessionaire shall pay all other costs associated with the build-out of the Replacement Concessions Premises.

If a contraction occurs which causes the Leased Premises to no longer be commercially viable, as determined by the CEO in their sole judgment, and there is no relocation, then the OIAA will pay Concessionaire the remaining unamortized portion of the costs of Concessionaire's Tenant Improvements, computed based on straight-line amortization basis.

For the purpose of determining the undepreciated portion of the costs of Concessionaire's Tenant Improvements, original cost of the Tenant Improvements shall be based on the cost of construction statement provided to the OIAA by Concessionaire as required in Section 4.30.M of this Agreement, verified by actual bills and receipts pertaining to original construction and improvements, subject to the approval in writing by OIAA.

If the CEO exercises their right to delete or reduce the Concessionaire's Leased Premises, then the portion of the Leased Premises that is deleted or reduced shall cease to be leased to Concessionaire and shall no longer be subject to the terms of this Agreement.

In addition, if the CEO requires deletion, contraction, or relocation of the Leased Premises, the OIAA shall not be liable to Concessionaire for any damages whatsoever including, but not limited to, any damages for inconvenience, loss of business, lost profits, contract damages, and/or consequential damages as a result of the deletion, contraction, or relocation of the Leased Premises.

In the event of any expansion, deletion, contraction, or relocation, the CEO shall be authorized to execute an amendment to this Agreement to revise **Exhibit "A"** depicting the Leased Premises.

3.2. Term.

The Term of this Agreement shall be for the amount of time stated in ARTICLE 1. Any option years defined is also stated in ARTICLE 1 and will be executed at the sole discretion of the Authority, subject to potential approval by the Commission.

3.3. Rent and Other Payment Obligations.

A. Rent.

For the Leased Premises during the entire Term of this Agreement, Concessionaire covenants and agrees to provide all reports and records identified and required timely in Section

4.50 of this Agreement below, and to timely pay OIAA, in lawful money of the United States, without any prior demand and free from all claims, demands, setoffs or counterclaims of any kind:

1. Percentage Rent:

Concessionaire shall pay percentage rent in the amounts noted in ARTICLE 1. Percentage Rent for any category of Gross Receipts not specifically listed in ARTICLE 1 shall be computed by the Concessionaire at the lowest Percentage Rent defined in ARTICLE 1. Percentage Rent for each month is due and payable by the 10th day of each month following the month of accrual, without issuance of an invoice. Payment will be considered late if not received by the 10th day of the same month and late payments will be accrued as set forth in the Airport's published System Rates and Charges Schedule.

B. Payments.

Throughout the Term hereof, Concessionaire shall pay all Rent required hereunder in person, by first class mail (postage prepaid), or by overnight mail, at the OIAA's Administration Building, at the address shown for OIAA in Section 3.7, or otherwise payable to "Ontario International Airport Authority," by electronic funds transfer, wire transfer, direct deposit, or other means of immediately available funds. OIAA hereby reserves the right to implement new electronic rent payment systems, processes, and requirements at any time during the term of Agreement. All Rent, including the Percentage Rent, shall be delivered no later than the tenth (10th) day of the calendar month immediately following the month the Gross Revenues were generated. Rent due for any partial month shall be prorated on a per diem basis.

C. Annual Reconciliation and Adjustment of Rent.

The Rent as set forth in this Section shall be subject to reconciliation ("Annual Certified Report") at the end of each Fiscal Year pursuant to the terms of this Agreement, as required in Section 4.50.C.

D. Failure of Concession to Open.

In the event that Concessionaire fails to open the Leased Premises on (or prior to) the Rent Commencement Date for such location(s), OIAA shall have, in addition to any and all remedies herein provided, the right, at its sole option, to collect **AMOUNT** per day on all Leased Premises locations for Concessionaire until the first location, if more than one, is opened for business. The dates and periods described above herein shall be extended for any period of delay caused by the events stated in Section 4.1 Acceptance of Leased Premises.

3.4. Other Charges.

A. Joint Marketing Fund Fee.

At such time as OIAA determines, at its sole discretion in a written notice to Concessionaire, to implement a Joint Marketing Fund, Concessionaire shall contribute to the Joint Marketing Fund on a monthly basis, in an amount between the range of one-fifth of one percent (0.2%) to one-half of one percent (0.5%) of Gross Revenues, which amount to be determined annually at the beginning of each calendar year by OIAA. This amount shall be paid consistent

with Section 3.3.B.

B. Support Space Charges.

In the event Concessionaire leases Support Space from the OIAA that is not a contiguous part of the Leased Premises, Concessionaire shall pay a "Support Space Charge" for the lease of such Support Space on a monthly prorated basis per the OIAA Airport System Rates and Charges Schedule for the respective Fiscal Year published on www.flyontario.com. This amount shall be paid consistent with Section 3.3.B.

C. Adjustment of Support Space Rates.

The Support Space Charge is subject to annual adjustments at the beginning of each Fiscal Year after the first full Fiscal Year period of operation during the Agreement Term as per OIAA's published Airport System Rates and Charges Schedule.

3.5. Security Deposit.

Concessionaire shall post a Security Deposit ("Security Deposit") with the Authority as follows:

A. Contemporaneously with the execution of this Agreement by Concessionaire, Concessionaire shall post and provide a Security Deposit to OIAA, an amount equal to **AMOUNT.**

The Security Deposit shall adjust at the beginning of every Fiscal Year during the Term of the Lease after the first full Fiscal Year period of operation based upon annual percentage increases in the Consumer Price Index (CPI) as defined in Section 2.8. The OIAA reserves the right to review the Security Deposit annually and may increase such deposit based on annual gross receipts, prior year's payment history and/or other non-compliance issues. The Security Deposit shall serve as security for the payment of all monies due to OIAA and to secure the performance of all obligations of Concessionaire pursuant to this Agreement. The Security Deposit shall be either in the form of an Irrevocable Letter of Credit ("Letter of Credit"), in form and substance satisfactory to the CEO, or a Payment and Performance Bond ("Bond"), in form and substance satisfactory to the CEO. No interest shall be paid on said Security Deposit. In the event of any failure by Concessionaire to pay any charges due, or upon any other failure to perform its obligations, or upon any other default hereunder, then in addition to any other rights and remedies available to OIAA at law or in equity, OIAA shall be entitled to draw down up to the full amount of the Security Deposit and apply same to all amounts owed by Concessionaire to OIAA. Upon notice of any such draw, Concessionaire shall immediately replace the Security Deposit with a new Letter of Credit or Bond or cash in the full amount of the Security Deposit required hereunder. CEO, upon fourteen (14) calendar days' notice to Concessionaire, may require an increase in the amount of the Security Deposit to reflect any increases in the monies payable hereunder. In addition, CEO, upon fourteen (14) calendar days' notice to Concessionaire, may require an increase in the amount of the Security Deposit equal to up to four (4) additional months of Rent because of increased obligations hereunder, or if upon a review of Concessionaire's payment or performance history at the Airport, CEO determines (at their sole discretion) an increase should be required.

B. The Security Deposit shall be kept in full force and effect throughout the Term of

this Agreement and for a period of four (4) months thereafter, or longer if the OIAA determines that all financial obligations payable by Concessionaire to the OIAA under this Agreement have not been met. Not less than thirty (30) calendar days prior to any expiration date of any Letter of Credit or Bond, Concessionaire shall submit evidence in form satisfactory to the CEO that said security instrument has been renewed. A failure to renew a Letter of Credit or Bond, or to increase the amount of the Security Deposit, if required pursuant hereto, shall: (a) entitle OIAA to draw down the full amount of such Security Deposit; and (b) be a default of this Agreement entitling OIAA to all available remedies. The Security Deposit shall not be returned to Concessionaire until all obligations under this Agreement are performed and satisfied.

C. Each Letter of Credit provided hereunder or under any provision of this Agreement shall be provided by a financial institution of recognized standing authorized to do business in the State of California. Throughout the term of the Letter of Credit, the financial institution that has issued the Letter of Credit must maintain a relationship with a financial institution having an office in San Bernardino County, California, at which the Letter of Credit may be presented for drawing down, and the financial institution that has issued the Letter of Credit must have been in business with a record of successful continuous operation for at least five (5) years. Each letter of credit shall be in form and substance satisfactory to the CEO.

D. Each bond provided hereunder or under any provision of this Agreement shall be executed by a surety company of recognized standing authorized to do business in the State of California and having a resident agent in San Bernardino County and having been in business with a record of successful continuous operation for at least five (5) years. Each bond shall be in form and substance satisfactory to CEO. Furthermore, such surety company must have at least an "A-" minimum rating in the latest revision of Best's Insurance Report. Prior to performing any portion of the work, Concessionaire shall deliver to the CEO the Bonds required to be provided by Concessionaire or each contractor as set forth in this Agreement. The Bond shall be delivered to the CEO upon execution of the contract between Concessionaire and its contractor or the subconcessionaire and contractor, as the case may be.

3.6. Authorized Use.

Subject to all applicable laws, rules, regulations and limitations set forth in this Agreement, Concessionaire shall operate from the Leased Premises for the Authorized Uses specified in **Exhibit "B"**, and in accordance with the below:

A. If Concessionaire operates the Leased Premises under license or franchise agreement, Concessionaire shall provide the CEO an executed copy of the license or franchise agreements within sixty days (60) of execution of this Agreement. All license and franchise agreements are subject to the CEO's approval. All licenses and permits required for Concessionaire's operation and use of the Leased Premises shall be fully and timely maintained during the Term of this Agreement.

B. Concessionaire shall have for its common use with other concessionaires, common use areas of the Airport. The OIAA shall maintain those common use areas; however, it shall be the Concessionaire's duty to inform the OIAA as soon as any hazard, unsafe condition or problem(s) arise or exist within the common use areas. Concessionaire shall assist in the containment and/ or security of said space. Further, Concessionaire agrees to be solely responsible for the safety of its own representatives, officers, agents, employees, invitees, licensees, Subtenants and any other persons doing business with Concessionaire who may be using the common areas.

C. The right of ingress to and egress from the Leased Premises over and across roadways servicing the Airport for Concessionaire, its Subtenants, subconcessionaires, agents, patrons, guests and suppliers.

D. The nonexclusive right and privilege to offer the types of products listed in **Exhibit "D"**, which is attached hereto and incorporated herein, in accordance with the provisions of this Agreement. All products provided by Concessionaire must be approved in writing by the CEO prior to being offered for sale within the Leased Premises. In addition, the CEO, in their sole discretion, may change the approved product list upon written notice to Concessionaire. All products shall be in good taste and in accordance with all applicable health and service codes and presented in such manner as to be well received by the public. The CEO reserves the right to allow others to conduct the same or similar operations and/or to sell the same or similar products at the Airport.

E. The right to use no more than ten percent (10%) of each retail location serving the public for storage and office purposes.

3.7. Notice Address.

Notices required herein shall be in writing and served personally, sent by certified mail, return receipt requested, postage prepaid, by overnight courier, by facsimile, or email. Any notice mailed pursuant to this Agreement, shall be deemed received by the addressee five (5) business days after deposit of same in the mail. Any notice sent by overnight courier shall be deemed received the next business day following deposit with the overnight courier. Any notice personally delivered shall be deemed received upon delivery. Notices may be sent by confirmed electronic mail or facsimile, if sent during normal business hours of the recipient, and if not so confirmed, then it shall be deemed received on the next business day. Either Party shall have the right, by giving fifteen (15) days written notice to the other, to change the address at which its notices are to be deemed received.

Until any such change is made, notices shall be addressed and delivered as follows:

OIAA:

Ontario International Airport Authority
Revenue Management
1923 E. Avion Street
Ontario, CA 91761

Concessionaire:

Company
Contact
Street
City, ST, Zip

If notice is given in any other manner or at any other place, it shall also be given at the place and in the manner specified in this Section.

Unless otherwise notified by the OIAA, payments and communications regarding billing and invoicing shall be directed to the address provided above for OIAA.

3.8. Utilities.

OIAA has provided and will maintain all utility services (ventilating and air conditioning equipment, electrical, fire suppression) to the Premises. Concessionaire shall install any such utility meters in conformance with the OIAA's specifications. Concessionaire shall pay for, and be solely responsible for all utilities required, used or consumed in the Leased Premises, including but not limited to gas, water (including water for domestic uses and for fire protection), telephone, electricity, garbage collections services or any similar services. If the OIAA shall decide to supply any of the utility services described herein, then Concessionaire shall pay to the OIAA the amounts billed by the OIAA for the utility consumption.

OIAA will pay for all utilities consumed at or used to for its Lease Premises, when due. OIAA reserves the right to reallocate costs of the utilities supplied to and allocable to the Lease Premises on a pro-rata basis as determined by OIAA. In the event the Concessionaire wishes to install any utility other than that provided by OIAA, Concessionaire must obtain prior written approval from the CEO. The CEO, at its discretion, may impose a utility charge for any additional utilities based on the consumption audit for utilities consumed at the Lease Premises, with the cost of such audit borne by Concessionaire.

The OIAA reserves the right to install new utility meters in the Leased Premises, or to require Concessionaire to install such new utility meters, during construction of any Tenant Improvements for the Leased Premises.

3.9. Maintenance.

Concessionaire shall, at all times and at Concessionaire's sole expense, maintain the Leased Premises in good working order, keep the Leased Premises in a clean and orderly condition and appearance, and make all repairs and/or replacements as are necessary by OIAA, including any Tenant Improvements located on and within the Leased Premises. The OIAA shall be the sole judge of the quality of such maintenance, repair or replacements. For clarity, Concessionaire shall be responsible for all maintenance and repairs to the Leased Premises of any nature except: (a) cleaning the exterior of any terminal windows; (b) structural repairs to the roof, floor, and exterior walls and windows of the terminals; and (c) HVAC supply mains and electrical power supply

stubbed up to the Leased Premises. For all maintenance obligations of Concessionaire, Concessionaire waives the right to make repairs and/or replacements at OIAA's expense under Sections 1941 and 1942 of the California Civil Code and all other similar laws, now or hereafter in effect.

3.10. No Passenger Traffic Guarantee.

Concessionaire understands that during the Term of this Agreement, no assurance was given by OIAA as to the level of passenger traffic or usage at Airport. The Authority makes no warranty, promises or representations as to the economic viability of any concession location. Passenger counts, security staffing and locations, passenger flows and other customer traffic are for the most part products of airline schedules and gate utilization. Further, FAA and TSA rules and regulations governing security and emergency situations may restrict access to the Airport.

ARTICLE 4 GENERAL CONDITIONS

4.1 Acceptance of Leased Premises.

OIAA makes no representations or warranties whatsoever as to: (a) the condition of the Leased Premises; or (b) whether the Leased Premises, or any part thereof, is in compliance with any laws, rules, or regulations; or (c) the permitted or available uses of the Leased Premises under any laws, rules, or regulations. OIAA makes no representations or warranties whatsoever as to the legality, permissibility or availability of any use of the Leased Premises that may be contemplated by Concessionaire. OIAA makes no representations or warranties concerning habitability or fitness for any particular purpose. Concessionaire specifically obligates itself to conduct its own due diligent investigation as to the Leased Premises and the suitability thereof for Concessionaire's purposes. The Leased Premises and all components thereof, are hereby leased in "AS IS CONDITION" and "WITH ALL FAULTS." Concessionaire represents, acknowledges and agrees that it has had sufficient opportunity to inspect the Leased Premises, and all components thereof, and hereby accepts the Leased Premises, and all components thereof, in "AS IS CONDITION" and "WITH ALL FAULTS." Upon receipt of notice of any non-compliance with any law, rule, regulation or standard, Concessionaire hereby agrees to make all repairs, alterations, and additions to the Leased Premises and to take all corrective measures as may be necessary to bring the Leased Premises into compliance, with all applicable law, rule, regulation and standard for the Leased Premises provided, however, that Concessionaire shall not be required to remedy any preexisting conditions giving rise to such non-compliance where such condition was affirmatively known by OIAA but not disclosed to Concessionaire. Concessionaire shall not be entitled to any adjustment of any Rent hereunder on account of the condition of the Leased Premises or any failure of any of the component parts to be in working order or because of any necessity of Concessionaire to repair or take corrective actions with respect to any part thereof or because of the inability of obtaining or any delay in obtaining any required development approvals from any governmental body having jurisdiction, including but not limited the OIAA. Furthermore, Concessionaire hereby releases OIAA of any and all claims and liabilities whatsoever on account of the condition of the Leased

Premises or any failure of any of the component parts to be in working order or because of any necessity of Concessionaire to repair or take corrective actions with respect to any part thereof, or the necessity for obtaining any development approvals from any governmental body, including without limitation the OIAA. In the event of any conflict between these provisions and any other provisions of this Agreement, the provisions of this subparagraph shall control.

4.2. Accord and Satisfaction.

No payment by Concessionaire or receipt by OIAA of a lesser amount than the Rent, fees and/or other amounts due made by Concessionaire hereunder shall be deemed to be other than on account of the Rent, fees and/or other charges due, and no endorsement or statement on any check or in any letter accompanying any check or payment as Rent, fees and/or other charges shall be deemed an accord and satisfaction, and OIAA may accept such check or payment without prejudice to OIAA's rights to recover the balance owed or to pursue any other remedy available to OIAA.

4.3. Additional Fees, Charges and Rentals.

Concessionaire shall pay OIAA as additional Rent, in the event of any of the following:

A. If OIAA has paid any sum or sums, or has incurred any obligation or expense, for which Concessionaire has agreed to pay or reimburse OIAA, or for which Concessionaire is otherwise responsible;

B. If OIAA is required or elects to pay any sum or sums, or incurs any obligation or expense, because of the failure, neglect or refusal of Concessionaire to perform or fulfill any of the promises, terms, conditions or covenants required of it hereunder;

C. Pursuant to any separate agreement between the Parties not contained herein;

D. To reimburse OIAA for services rendered, such as, but not limited to, utilities, trash removal, telephone, delivery access charges and similar charges.

E. Concessionaire's obligations pursuant to this Section shall include all interest, cost, damages, and penalties in conjunction with such sums so paid or expenses so incurred by OIAA.

4.4. Airport Security.

A. Concessionaire shall comply with all current and applicable OIAA, FAA, TSA, CBP, security related rules, regulations, plans, and procedures. Concessionaire is responsible for fines imposed by any regulatory agency because of the Concessionaire's failure to comply with applicable rules, regulations, orders, plans, and procedures regarding airport security. These penalties include but are not limited to, civil penalties or fines assessed against the OIAA or the Concessionaire, by the FAA, TSA or any other governmental agency for the violation of any security related laws, rules, policies or regulations at the Airport.

B. As directed by the OIAA, the Concessionaire must attend all mandatory security related meetings and exercises hosted by the OIAA.

C. Concessionaire employees, subtenants/contractors who work or perform business on airport property on a permanent or temporary basis must hold a security badge issued or approved by the OIAA. The airport property includes public and restricted areas.

D. Security badges are only issued by the OIAA upon a Concessionaire representative's successful completion of background checks and security training required by 49 CFR Part 1542 and all other applicable regulatory directives. Unless specifically exempted by the TSA, any Concessionaire representative requesting a security badge must be fingerprinted and pass a Federal Bureau of Investigations (FBI) criminal history records check (CHRC). Unless specifically exempted by the TSA, any Concessionaire representative requesting a security badge must also pass a Security Threat Assessment (STA) performed by the TSA. Concessionaire is responsible for completing and submitting all necessary documentation required for any Background Check necessary for their operations.

E. The OIAA Security and Badging Office will only issue a security badge to a Concessionaire representative upon the request of a designated Concessionaire Authorized Signatory. The Authorized Signatory, on behalf of the Concessionaire, is responsible for verifying that such individual is employed or authorized to perform duties or services on OIAA property. The Concessionaire's designated personnel must successfully complete the security badging process, unless other arrangements have been approved by the OIAA. The Concessionaire's Authorized Signatory(s) and security badgeholder shall remain responsible for security badgeholder compliance with the Airport Rules and Regulations. Prior to issuance of a security badge(s), designated Concessionaire Authorized Signatories who will be working onsite, and engaged in the performance of work under this Lease, must pass and comply with the OIAA's background checks and other requirements set forth in the Airport Rules and Regulations.

F. Concessionaire should anticipate a minimum of fourteen (14) business days to complete the security badge process, but factors outside the OIAA's control can contribute to longer durations. If an applicant is applying for a CBP Seal due to their operational need to work international air service operations, this process may take longer. Authorized Signatories must be in constant contact with the Security and Badging Office. The Concessionaire shall be responsible for all applicable fees and costs associated with the background checks and badging process. The amount of such fees is subject to change without notice.

G. Concessionaire and all Concessionaire personnel within an access-controlled area (AOA, SIDA, secured area or sterile area) are required to display on their person an airport security badge in the manner set forth by the Airport Rules and Regulations unless they are escorted by an authorized airport badged individual with escort privileges. When working in a secure area, each airport badged person is responsible for challenging any individual who is not properly displaying an airport issued or approved security badge or credential. Any person who is not properly displaying or who cannot produce a valid security badge or credential, unless they are being escorted, must immediately be referred to Ontario Police Dispatch at 909-986-3371 or by calling 911 for proper handling.

H. The security badge is the property of the OIAA, non-transferrable, and must be returned upon termination of Concessionaire personnel employment and/or termination of the Lease. The loss or theft of a security badge shall be reported immediately to the Security and Badging Office in person, by phone, or by whatever means possible to ensure that the badge is immediately deactivated. The Ontario Police Dispatch shall be immediately notified at 909-986-3371 during Security and Badging Office non-operational hours, on weekends, holidays, or when the Security and Badging Office is otherwise unavailable. The Concessionaire shall be required to pay any monetary fines, fees, or other costs before Concessionaire personnel receive a replacement security badge as set forth in the Airport Rules and Regulations.

I. In the event that a Concessionaire employee's or contractor's recovered security badge is not returned within two (2) business days to the Security and Badging Office upon: 1) employee separation, 2) employee transfer, or 3) termination of the LEASE, the Concessionaire shall be liable to OIAA for administrative fines as set forth in Section 7 of the Airport Rules and Regulations in the amount established by the OIAA for unreturned security badges. Effective ten (10) business days from employee separation, employee transfer, or termination of the LEASE, the Concessionaire shall be liable to the OIAA for an unrecovered badge fee as set forth in Section 7 of the Airport Rules and Regulations in the amount established by the OIAA for unrecovered security badges. The amount of the fine(s) is subject to change without notice. The Concessionaire's security deposit may be applied to cover the cost of the fine(s). A detailed list of all security requirements and responsibilities can be found in the Airport Rules and Regulations, as changes may be made from time to time.

J. As directed by the OIAA, Concessionaire shall establish and implement written procedures (Security Procedures) acceptable to the OIAA for the control of and prevention of unauthorized access to, all areas within the Leased Premises. Concessionaire's Security Procedures shall also incorporate activities designed to assist the OIAA in safeguarding all other secured areas of Airport. The Security Procedures shall include, but are not limited to, the following procedures:

1. Gates, doors, fences, or other parts of the Leased Premises shall be secured at all times when not in use by or when not under direct control of Concessionaire.
2. Lock malfunctions or other deficiencies, which would permit unauthorized access, shall be reported by Concessionaire at once to the OIAA, and the unsecured access point shall be maintained under direct control by Concessionaire until Concessionaire has repaired the same and security through such point has been restored, and/or the OIAA assumes security and repair of the access point.
3. Loss, misplacement, theft or failure to comply with the return of any badge shall be immediately reported to the OIAA.

M. Concessionaire shall be solely responsible for the control and movement of Concessionaire representatives and vehicles entering or within all secured areas of the Airport.

Concessionaire shall ensure that such persons or vehicles comply with all airport security regulations.

N. As may be required by the Airport CEO, Concessionaire shall install, maintain and operate, at no cost to OIAA, security equipment, access prevention, and surveillance devices on Leased Premises to ensure compliance with all regulations of the OIAA, FAA, TSA or other governmental agencies having jurisdiction over airport security. The OIAA must approve and shall have unrestricted access to all access control devices or systems developed by Concessionaire.

O. Before Concessionaire shall permit any employee of Concessionaire to operate a motor vehicle of any kind or type on the Airport Operations Area (AOA) (and unless escorted by an OIAA approved escort), Concessionaire shall ensure that all such vehicle operators possess current, valid, and appropriate California driver's licenses, along with the required insurance. In addition, any motor vehicles and equipment of Concessionaire operating on the AOA must have an appropriate vehicle identification permit issued by the OIAA, which identification must be displayed as required by the OIAA.

P. Concessionaire agrees, when entering secured area or sterile areas of the airport, all Concessionaire representatives, to include aviation workers and escorted visitors (non-badgeholders) and their accessible property, are subject to screening by OIAA officials, representatives, and/or TSA officials. All Concessionaire representatives' consent to such screening as a condition for security badge issuance or escorted visit and agree to submit to/and cooperate with such screening upon request. Failing to cooperate and submit to such screening or engaging in any attempt to circumvent or avoid such screening, may result in removal from the secured area or sterile area, immediate suspension or permanent revocation of security badge, airport administrative fine, and other penalty described by applicable local, state, or federal law.

Q. The provisions of this Section 4.4. Airport Security. shall survive the expiration or any termination of this Agreement.

4.5. Amendment Required by FAA or TSA.

This Agreement may be amended without further consideration for the purpose of satisfying FAA, TSA, or other government law or regulatory agencies' requirements.

4.6. Applicable Law and Venue.

This Agreement shall be interpreted and enforced in accordance with the laws of the State of California, and shall be deemed to have been made, and shall be performed, in the State of California. Further, any action, suit or proceeding relating to or regarding this Agreement shall be brought only in a state or federal court of proper jurisdiction that is located in the County of San Bernardino, California

4.7. Assignment and Subletting.

Concessionaire shall have no right to assign, mortgage, pledge, or otherwise transfer this Agreement, either voluntarily or by operation of law, in whole or in part, without the prior written approval of the CEO. Likewise, Concessionaire shall not subcontract any rights authorized hereunder or sublease any or all of the Leased Premises without the prior written approval of the CEO.

4.8. Assurances Required by FAA.

The Concessionaire shall, at all times during the term of this Agreement, comply with the provisions of the "Airport Sponsor Assurances" (Assurances) and any subsequent revisions, updates or amendments hereto. A copy of the current Assurances is attached as **Exhibit "F"** and incorporated herein by this reference. The provisions of the Assurances may change during the term of this Agreement, and those changes will be incorporated into this Agreement without the necessity of a formal amendment. OIAA is not responsible for notifying Concessionaire of any changes to the Assurances. Concessionaire is required to contact the FAA for any updates or revisions. The Assurances document is available on the FAA's website. Please see https://www.faa.gov/airports/aip/grant_assurances/media/airport-sponsor-assurances-aip.pdf.

A. Airport Concession Disadvantaged Business Enterprise Program (ACDBE)

1. This Agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR, Part 23 related to the airport concession disadvantaged business enterprise (ACDBE) program. Concessionaire agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease, or other agreement covered by 49 CFR Part 23. Concessionaire agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR Part 23, that it enters for operations at the Airport and cause those businesses to similarly include the statement in further agreements, but all such subsequent agreements shall be subject to the provisions of ARTICLE XV hereof.

2. Concessionaire **is/is not** an Airport Concession Disadvantaged Business Enterprise as defined in 49 CFR Part 23, Section 23.89. In the event Concessionaire does not or no longer qualifies as an ACDBE pursuant to federal law and the local certification programs, Concessionaire agrees that it will make a good faith effort as described in 49 CFR Part 26 (including Appendix A) and Part 23, to purchase services, goods or products from ACDBEs which will equal or exceed the Authority designated Airport Concessions Disadvantaged Business Enterprise Program goal for airport concessions for each year of the Agreement.

3. The Concessionaire shall provide the Authority with the following ACDBE information no later than February 1st of each year during the term of this Agreement: (i) total gross revenue of the Concessionaire's business operations at the airport for the last Federal Fiscal Year (October 1 to September 30), (ii) the names and addresses of each non-ACDBE and each certified ACDBE with which Concessionaire has done business during the past federal fiscal year; (iii) a description of the nature of the services performed by and/or items purchased from each business, business contact, ACDBE certification number (if applicable), and (iv) the total amount spent with each business.

The Authority may issue a change in reporting requirements requiring the Concessionaire to submit the above information on a quarterly basis. In such event, the Authority shall provide written notice to the Concessionaire specifying the revised reporting schedule and the effective date of the change. If quarterly reporting is required, reports shall be due no later than thirty (30) days after the close of each calendar quarter and shall reflect the same categories of information, adjusted to the applicable reporting period.

4.9. Audit.

A. Concessionaires Audit.

In correspondence with the Annual Certified Report discussed in Section 4.50.C below, Concessionaire shall employ an independent Certified Public Accountant (CPA) at Concessionaire's cost, to perform an audit of the books and records of Concessionaire, as they pertain to this Agreement, for each Fiscal Year, or applicable portion thereof. Such audit shall be in a format and in detail satisfactory to the OIAA and shall include all of the following:

1. An audited statement of Gross Revenues shall be submitted to the Airport Accounting Office by no later than sixty (60) days following the last day of every Fiscal Year. Such audit shall be conducted by an independent CPA, and include all business transacted at the Airport under the terms of this Agreement by Concessionaire during the preceding Fiscal Year, and excluding any other business transacted by Concessionaire.

2. A written statement, by such CPA, to the OIAA stating that in the CPA's opinion, the Rent and other required fees paid by Concessionaire to the OIAA for the preceding Fiscal Year were paid in accordance with the terms of this Agreement.

3. Copies of any reports prepared by such CPA or by Concessionaire's internal audit staff for Concessionaire relating exclusively to this Agreement, and specifically describing any strengths or weaknesses of internal fiscal controls.

4. A management letter prepared by such CPA for Concessionaire relating exclusively to this Agreement, and specifically describing Concessionaire's internal accounting controls as they relate to cash handling, processing of receipts and security of cash at the Airport, based on examination and testing of such controls by such CPA, including a control analysis of the strengths and weaknesses of such controls.

In the event that the results of any such audit show any discrepancy as compared to the amount of Concessionaire's Gross Revenues at Airport, as reported to OIAA by Concessionaire, Concessionaire shall pay OIAA the difference in Rent payments or OIAA shall reimburse Concessionaire, as the case may be, within sixty (60) calendar days following discovery of such discrepancy, as well as submit to the OIAA corrected and revised Annual Certified Report at the same time as the reimbursed or revised Rent payments. However, Concessionaire shall not be entitled to interest on the amount credited or repaid by OIAA to Concessionaire.

If Concessionaire fails to perform its obligations under this section, after thirty (30) days' notice by the OIAA, the OIAA may employ an independent CPA to perform the required audit and, in addition to any difference in Rent due the OIAA from such audit, OIAA shall recover the entire cost of such audit, plus a fifteen percent (15%) administrative charge of the cost of such audit from Concessionaire.

B. Audit Waiver.

The OIAA reserves the right to waive the annual audit requirements at its own discretion and, in such event, will notify the Concessionaire, in writing, at least 60 days prior to end of fiscal year. If the Concessionaire is not notified, then the Audit must occur.

C. OIAA Audit.

Concessionaire shall, upon request, make all or any part of its records pertaining to this Agreement available to the OIAA, or any other authorized representative of OIAA during normal business hours throughout the Term of this Agreement, for the purposes of inspection, copying, or audit. Except as otherwise expressly provided herein, the cost of such inspection, copying or audit shall be borne by OIAA.

In the event that the results of any such audit by OIAA show any discrepancy as compared to the amount of Concessionaire's Gross Revenues at the Airport, as reported to OIAA by Concessionaire, Concessionaire shall pay the OIAA the difference in Rent payments or OIAA shall reimburse Concessionaire, as the case may be, within thirty (30) calendar days following discovery of such discrepancy.

In the event that any such discrepancy exceeds the amount of such Gross Revenues reported by Concessionaire to OIAA by more than two percent (2%), Concessionaire shall reimburse OIAA for all of OIAA's costs, expenses, and fees in connection with such Audit, plus a fifteen percent (15%) administrative charge of the cost of such audit.

4.10. Authority of the CEO.

The CEO shall administer this Agreement on behalf of OIAA. Unless otherwise provided herein or required by applicable law, the CEO shall be vested with all rights, powers, and duties of OIAA hereunder. With respect to matters hereunder subject to the approval, satisfaction, or discretion of OIAA or the CEO, the decision of the CEO in such matters shall be final.

4.11. Compliance with Child, Family, and Spousal Support Reporting Obligations.

Concessionaire's failure to comply with state and federal child, family and spousal support reporting requirements regarding a Concessionaire's employees or failure to implement lawfully served wage and earnings assignment orders or notices of assignment relating to child, family and spousal support obligations shall constitute a default under this Agreement. Concessionaire's failure to cure such default within ninety (90) days of notice by OIAA shall be grounds for termination of this Agreement.

4.12. Concessionaire Indemnification and Hold Harmless of OIAA.

To the fullest extent permitted by law, Concessionaire shall timely indemnify, defend (with counsel approved in writing by the OIAA), reimburse, and hold harmless OIAA, the OIAA Commission, each member of the Commission, the City of Ontario, the County of San Bernardino, the OIAA's officers, directors, employees, agents, volunteers, successors, assigns (collectively, "OIAA Indemnitees") from any and all loss, cost, damage, suit, proceeding, action, fine or expense (including but not limited to attorneys' fees, court costs and expert fees), or liability of any kind or character to any person or property arising from or relating to any act or omission of Concessionaire, its officers, directors, agents, representatives, employees, volunteers, contractors, invitees, licensees, customers, Subtenants or any other person acting on behalf of or at the direction of Concessionaire, or on the Leased Premises or at the Airport with the consent of Concessionaire. Concessionaire shall also use counsel reasonably acceptable to OIAA in carrying out its obligations hereunder. Such indemnification, defense, reimbursement, and hold harmless obligations shall be fully met by Concessionaire no later than thirty (30) days from a written demand from the OIAA.

This indemnity shall not be limited by the types and amounts of insurance maintained by Concessionaire or Concessionaire's contractors and is in addition to said insurance obligations.

The provisions of this Section shall survive the expiration or earlier termination of this Agreement.

4.13. Conflicts Between Concessionaires.

In the event of a conflict between Concessionaire and any other concessionaire as to the services provided and goods sold by respective concessionaires at the Airport, the OIAA shall decide which goods may be provided/sold by each concessionaire and Concessionaire agrees to be bound by such decision, and shall not be entitled to any compensation or damages as a result of such decision.

4.14. Consent.

Whenever the consent or approval of either party hereto is required or authorized hereunder, such consent or approval shall not be unreasonably withheld, unreasonably conditioned, or unreasonably delayed.

4.15. FAA Contract Provisions.

The Concessionaire shall, at all times during this Agreement, comply with the “Required Federal Language for Non-AIP Contracts” (FAA Contract Provisions) and any subsequent revisions, updates, or amendments thereto, as defined on the FAA website. OIAA is not responsible for notifying Concessionaire of any changes to the FAA Contract Provisions. Concessionaire is required to contact the FAA for any updates or revisions.

4.16. Events of Default by Concessionaire.

A. The occurrence of any of the following shall constitute a default and breach of this Agreement by Concessionaire:

1. If Concessionaire fails to pay any installment of the Rent, when due, as required within thirty (30) calendar days after written notice, which notice shall be in lieu of and not in addition to any notice required under Section 1161, et seq. of the California Code of Civil Procedure; or

2. If Concessionaire fails to pay any other monetary obligation required under this Agreement within thirty (30) calendar days after written notice; or

3. If Concessionaire fails to maintain or meet any insurance obligation, including without limitation, the types of coverages and in the amounts as specified in this Agreement and fails to cure same within ten (10) days after notice by phone, email or fax; or

4. If Concessionaire should make any assignment or transfer, without the prior written consent of OIAA; or

5. If Concessionaire fails to keep, perform and observe each and every other nonmonetary promise, covenant and provision set forth in this Agreement within thirty (30) calendar days after receipt of notice; provided that when any such default cannot reasonably be cured within thirty (30) days, Concessionaire will not be in default if Concessionaire commences a cure within the thirty (30) day period, and thereafter diligently pursues same to completion; or

6. Concessionaire voluntarily abandons, deserts or vacates any of the Leased Premises or discontinues its operation or underutilizes the Airport for a period of thirty (30) consecutive calendar days; or

7. Any lien, claim or other encumbrance which is filed against the Leased Area is not removed, or if OIAA is not adequately secured by bond or otherwise, within thirty (30) calendar days after Concessionaire has received notice thereof; or

a. If Concessionaire misstates or inaccurately reports sales or revenues from its operation, including reporting estimated sales; or

- b. If Concessionaire: (a) files a petition commencing a voluntary case under any chapter of the Bankruptcy Code, or is adjudicated an insolvent, or files a petition seeking for itself any reorganization, composition, readjustment, liquidation, dissolution or similar arrangement under the Bankruptcy Code or any other present or future similar law, or files an answer admitting the material allegations of a petition filed against it in any such proceeding, consent to the filing of such a petition or acquiesce in the appointment of a trustee, receiver, custodian or other similar official for it or of all or any substantial part of its assets or properties, or take any action looking to its dissolution or liquidation; (b) makes an assignment for the benefit of its creditors, or admits in writing its inability to pay its debts when due; (c) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of itself or of any material part of its properties; (d) is adjudicated insolvent or be liquidated; or (e) takes corporate action for the purpose of any of the foregoing; or
- c. By or pursuant to or under authority of any legislative act, resolution or rule or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee or liquidator shall take possession or control of all or substantially all of the Leased Premises, Agreements or assets of Concessionaire located on Airport property, and such possession or control shall continue in effect for a period of thirty (30) calendar days.

4.17. OIAA's Remedies.

Pursuant to Section 1951.2 of the California Civil Code:

A. In the event that Concessionaire breaches this Agreement or abandons the Leased Premises before the end of the Term hereof, or if Concessionaire's right to possession is terminated by OIAA because of a breach of this Agreement, this Agreement terminates. Upon such termination, the OIAA may recover from Concessionaire:

1. Any and all of the unpaid Rent which had been earned at the time of termination;
2. The amount by which unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such Rent loss that Concessionaire proves could have been reasonably avoided;
3. The amount by which the unpaid Rent for the balance of the Term hereof after the time of award exceeds the amount of such Rent loss that Concessionaire proves could reasonably be avoided; and

4. Any other amount necessary to compensate the OIAA for all the detriment proximately caused by Concessionaire's failure to perform its obligations under this Agreement, or which in the ordinary course of things would be likely to result therefrom.

B. The amounts referred to in Subsections A.1. and A.2. are computed by allowing interest at the rate of eighteen percent (18%). The amount referred to in Subsection A.3. is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

C. Damages which OIAA may recover pursuant to Subsection A. 3. Of this Section include the "worth at the time of award" of the amount by which the unpaid Rent for the balance of the Term hereof exceeds the amount of such Rent loss for the same period that Concessionaire proves could be reasonably avoided; or OIAA may recover damages pursuant to Subsection A. 3. of this Section in the event that OIAA re-lets the Leased Premises prior to the time of award and proves that in re-letting the property it acted reasonably and in a good-faith effort to mitigate the damages.

D. Efforts by OIAA to mitigate the damages caused by Concessionaire's breach of this Agreement do not waive OIAA's right to recover damages pursuant to said Section 1951.2 and this Section.

E. Nothing in this Section affects the right of OIAA under this Agreement to indemnification for liability arising prior to the termination of this Agreement for personal injuries or property damage, as herein provided.

F. Notwithstanding the foregoing, in the event of Concessionaire's breach of this Agreement and abandonment of the Leased Premises, pursuant to Section 1951.4 of the California Civil Code, OIAA may, at its sole option, elect to continue this Agreement and enforce all its rights and remedies herein against Concessionaire, including the right to recover the Rent as it becomes due.

G. Further, in the event of any default by Concessionaire, OIAA shall also have the right, with or without terminating this Lease, to re-enter the Premises and remove all persons and property from the Premises. Such property may be removed and stored in a public warehouse or elsewhere at the sole cost and risk of and for the account of Concessionaire, and OIAA shall have the right to sell such property and apply the proceeds therefrom pursuant to applicable law.

H. **Waiver of Redemption.** In the event OIAA exercises any one of its rights and remedies, Concessionaire waives any and all rights of redemption or relief from forfeiture under California Civil Code 3275 or the California Code of Civil Procedure Section 1174 or 1179, or granted by or under any present or future laws, and further releases OIAA, from any and all claims, demands and liabilities by reason of such exercise by OIAA.

4.18. OIAA's Right to Perform Concessionaire's Obligations.

If Concessionaire fails to make any payment required of it hereunder, or defaults in the performance of any other promise, term, covenant, or condition required of it hereunder, OIAA, at its sole option, without being under any obligation to do so and without thereby waiving such default, may make such payment and/or remedy such other default, for the account of and at the expense of Concessionaire. OIAA may do so immediately and without notice to Concessionaire in the case of an emergency or in any other case if Concessionaire fails to make such payment or remedy such default with all reasonable dispatch after OIAA has notified Concessionaire in writing of the same.

OIAA shall bill Concessionaire for such payments made by OIAA and for any and all expenses incurred by OIAA in connection therewith, together with interest on the total sum billed, at the rate of eighteen percent (18%) per annum. Concessionaire shall pay OIAA the total amount billed as Rent not later than the date specified in such billing.

OIAA shall not be limited in the proof of any damages which OIAA may claim against Concessionaire arising out of or relating to Concessionaire's failure to perform its obligations hereunder. OIAA may restrain any breach or threatened breach by Concessionaire of any promise, term, condition or covenant required of Concessionaire hereunder, but the mention herein of any particular remedy shall not preclude OIAA from any other remedy it might have, either in law or in equity.

4.19. Credit Cards and Debit Cards.

At all times during the term of this Agreement, Concessionaire shall accept as payment for goods and services at least all of the following major credit cards: American Express, MasterCard, Discover, VISA, Union Pay and other major credit cards or other electronic payment methods as may be stipulated by OIAA. Concessionaire shall also accept debit cards for any purchase. No minimum credit card or debit card purchase amount shall be established by Concessionaire, without the prior written approval of the CEO.

4.20. Cumulative Remedies.

No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

4.21. Damage or Destruction of Leased Premises.

A. Restoration of Tenant Improvements, Trade Fixtures or Personal Property.

In the event of the damage or destruction of a portion of the Leased Premises, or of the structural portion of the terminal building containing such Leased Premises, OIAA shall not be required to repair, rebuild, or restore Tenant Improvements and Trade Fixtures, such excluded items being the sole responsibility of Concessionaire.

If OIAA elects to repair and rebuild structural portions of the terminal building containing

the Leased Premises, Concessionaire shall be obligated to repair any damage to, or replace, any Tenant Improvements and Trade Fixtures, made or installed by Concessionaire, irrespective of the cause and whether or not such damage or destruction shall have been insured. Concessionaire shall proceed to restore, repair, and replace such Tenant Improvements and Trade Fixtures with materials of a quality equivalent to those originally installed, at Concessionaire's own cost and expense. Concessionaire shall be required to use any loss proceeds received, to repair or replace any Tenant Improvements and Trade Fixtures of Concessionaire unless otherwise approved by the OIAA. Such restoration, repair and replacement shall be performed by Concessionaire in accordance with the provisions of Section 4.30 hereof.

B. Removal of Damaged Property.

In the event of damage to, or partial or total destruction of, the Leased Premises, the Concessionaire shall within thirty (30) days of the occurrence commence to remove from the Leased Premises, or from the portion thereof destroyed, all damaged property (and all debris thereof) belonging to the Concessionaire or to any third person whatsoever. Concessionaire shall diligently continue such removal until complete. In the event Concessionaire does not perform its obligation hereunder, the OIAA may remove such debris and dispose of the same and may remove such property to a public warehouse for deposit or may retain the same in its own possession and sell the same at public auction, the proceeds of which may be applied first to the expenses of removal, storage and sale, and second to any sums owed by the Concessionaire to the OIAA, with any balance remaining to be paid to the Concessionaire; if the expenses of such removal, storage and sales shall exceed the proceeds of sale, the Concessionaire shall pay such excess to the OIAA upon demand. Without limiting any term or provision of this Agreement, the Concessionaire shall indemnify and save harmless the OIAA, its officers, representatives, employees, contractors and subcontractors, from and against any and all claims of third persons arising out of the exercise of the OIAA of its right to remove property as hereinabove provided including all claims for conversion, all claims for damage or destruction of property, all claims for injuries to persons (including death), and all other claims for damages, consequential or otherwise.

C. Option to Terminate Concessionaire's Interest Upon Damage or Destruction.

If: (1) the terminal containing the Leased Premises shall be damaged to the extent of more than twenty-five percent (25%) of the cost of repair or replacement thereof, or (2) the proceeds of OIAA's insurance recovered or recoverable as a result of the damage shall be insufficient to pay fully for the cost of repair or replacement of the terminal in which the Leased Premises is located, or (3) the terminal containing the Leased Premises shall be damaged as a result of a risk which is not covered by the OIAA's insurance, or (4) the terminal containing the Leased Premises shall be damaged in whole or in part during the last three (3) years of the Term of this Agreement; then in any such event, OIAA may, at OIAA's option, either (a) rebuild or repair such damage, exclusive of Concessionaire's Tenant Improvements and Trade Fixtures with due diligence or (b) give written notice to Concessionaire within sixty (60) days after the occurrence of such damage terminating Concessionaire's rights and interest in the Leased Premises contained in such damaged building as of the date of occurrence of such damage; provided that if any damage or destruction of the terminal or of the Leased Premises is caused by any act or omission of Concessionaire, its agents,

employees, or others on or at the Leased Premises with the consent of the Concessionaire, then Concessionaire shall be responsible for reconstructing and repairing said terminal or Leased Premises with due diligence and shall pay the cost. Concessionaire hereby waives the provisions of Sections 1932(2) and 1933(4) of the California Civil Code and any and all other provisions of law from time to time in effect during its occupancy relating to the effect on leases of partial or total destruction.

In the event OIAA elects to terminate Concessionaire's right and interest in the Leased Premises pursuant hereto, Concessionaire shall have the right within ten (10) days after receipt of the required notice to notify OIAA in writing of Concessionaire's intention to repair such damage or destruction at Concessionaire's expense, without reimbursement from OIAA in which event this Agreement shall remain in effect and Concessionaire shall proceed to make such repairs or reconstruction with due diligence, according to the requirements of Section 4.30.A. If Concessionaire does not give such notice within the ten (10) day period, Concessionaire's right and interest in the Leased Premises will terminate as of the date of such damage or destruction.

If OIAA elects to terminate Concessionaire's right and interest in the Leased Premises as provided in this Section C, then any insurance of said Leased Premises shall be paid to OIAA and Concessionaire as their interests appear.

D. Adjustment of Rent.

The Rent payable under this Agreement shall be equitably adjusted for the period from the occurrence of any damage to the structural portion of the terminal containing the Leased Premises to the completion of repairs to such building, or for the period from the occurrence of the damage to the effective date of termination, provided such damage materially adversely affects the efficient operation of the concession; except that Concessionaire shall not be entitled to any adjustment of the Rent if any damage shall have been caused or contributed by the fault of the Concessionaire, its officers, employees or others on or at the Leased Premises with the consent of the Concessionaire.

4.22. Delivery of Merchandise.

Concessionaire shall arrange for the timely delivery of all retail merchandise and other items necessary for Concessionaire's operations authorized under this Agreement at such times, in such location(s) and in a manner satisfactory to the OIAA. The OIAA may, as needed, issue terminal delivery procedures that best allows for the safe movement of vehicles at the Airport. The OIAA may, as needed, issue schedules of acceptable delivery times, and the delivery location/point of access, vehicle size restrictions as warranted by written notice to Concessionaire, which the OIAA may adjust from time to time, and from which Concessionaire shall not deviate without the OIAA's prior written consent.

Concessionaire shall use its best efforts to complete, or cause to be completed, all deliveries, loading, unloading, and services to the Leased Premises during such times as the OIAA may reasonably require from time to time. Concessionaire shall not allow delivery trucks or other vehicles servicing the Leased Premises to park or stand in front of, or at the rear of either terminal,

except in otherwise designated areas or such other areas at the Airport as the OIAA may reasonably require.

Requirements for security screening of employees and goods are established by the Department of Homeland Security and may be changed from time to time. Concessionaires shall be responsible for complying with existing and any future requirements as well as any associated costs.

4.23. Entire Agreement.

This Agreement, together with all exhibits attached hereto, constitutes the entire Agreement between the parties hereto, and all other representations or statements heretofore made, verbal or written, are merged herein. This Agreement may be amended only by written instrument duly executed by the parties hereto.

4.24. Termination Without Cause.

If the OIAA determines in its sole discretion that it is necessary or desirable that this Lease is terminated, that Concessionaire, its subtenants, successors or assigns vacate the Premises, the OIAA may terminate this Lease provided that the OIAA compensates Concessionaire for its reasonable damages arising from said termination. For purposes of this Section, such reasonable damages shall be exclusively defined as the unamortized capital investment in the Premises, as certified pursuant to Section 4.25D, if any, due Concessionaire shall be paid within sixty (60) days after Concessionaire vacates the Premises and final payment has been received as required by this Article. The OIAA shall give Concessionaire ninety (90) days prior notice of said termination.

4.25. Early Termination by Concessionaire.

At any time, if Concessionaire is not in default in its payments or other obligations to OIAA hereunder, Concessionaire may terminate this Agreement prior to expiration of the Term hereof only upon the happening of one or more of the following events:

- A. Permanent abandonment of Airport by OIAA;
- B. Assumption by the United States Government, or any authorized agency thereof, of the operation control or use of Airport, or any substantial part thereof, in such manner as to substantially restrict Concessionaire in its operations hereunder for a period of ninety (90) consecutive calendar days;

C. Issuance by a court of competent jurisdiction of a permanent injunction which in any way prevents or restrains use of Airport in a manner substantially restricting Concessionaire's operations at the Airport hereunder;

D. Default by OIAA in the performance of any promise, term, condition or covenant required of it to be performed hereunder, provided OIAA fails to cure such default within sixty (60) calendar days following receipt of written notice of such default from Concessionaire. However, if the nature of such default is such that it cannot reasonably be cured within such period, OIAA shall be deemed to have cured such default if within such period OIAA commences performance thereof and thereafter diligently prosecutes the same to completion.

Except as otherwise stated, early termination by Concessionaire pursuant to this Section shall be upon not less than thirty (30) days advance written notice to the OIAA, which notice shall state the basis of such termination and the effective date thereof.

In the event of early termination by Concessionaire pursuant to this Section, Concessionaire shall pay Rent to OIAA and perform all other obligations required under this Agreement through the date of such termination.

In the event of early termination by Concessionaire in accordance with item D. of this Section, OIAA shall pay Concessionaire the remaining unamortized portion of Concessionaire's OIAA-approved Tenant Improvements, computed based on straight-line amortization basis as defined in Section 3.1.B commencing with the Rent Commencement Date. For the purpose of determining the undepreciated portion of the costs of Concessionaire's Tenant Improvements, original cost of the Tenant Improvements shall be based on the cost of construction statement provided to the OIAA by Concessionaire as required in Section 4.30.A hereof, verified by actual bills and receipts pertaining to original construction and improvements, subject to the approval in writing by OIAA.

4.26. Force Majeure.

Neither OIAA nor Concessionaire shall be deemed to be in breach of this Agreement if either is prevented from performing any of its obligations hereunder by reason of pandemic, strike, boycott, labor dispute, embargo, shortage of energy or materials, act of God, act of a public enemy, act of a superior governmental authority, weather conditions, rebellion, riot, sabotage, governmental order, or any other circumstance for which it is not responsible, or which is not within its control.

4.27. Hazardous Materials.

A. Concessionaire's Compliance with Environmental Laws.

Concessionaire shall at all times in all respects comply with all environmental laws, and any amendments thereto affecting Concessionaire's operation on the Airport, including all federal, state and local laws, ordinances and regulations relating to Hazardous Materials, including any

code, judgment, order, rule, or regulation pertaining to the environment and/or human health, Hazardous Materials, pollutants, occupational safety and health, industrial hygiene or the environmental conditions on, at, under or about the Airport, and includes, without limitation the following: (i) the CLEAN AIR ACT, 42 USC §§ 7401, et seq.; (ii) CLEAN WATER ACT, 33 U.S.C §§ 1251, et seq.; (iii) the COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT OF 1980, as amended by the SUPERFUND AMENDMENTS AND REAUTHORIZATION ACT OF 1986 ("CERCLA"), 42 U.S.C. §§9601 et seq.; (iv) 49 CFR Subchapter C (Transportation of Hazardous Materials); (v) the SOLID WASTE DISPOSAL ACT, as amended by the RESOURCE CONSERVATION AND RECOVERY ACT OF 1986 and HAZARDOUS and SOLID WASTE amendments of 1984 ("RCRA"), 42 U.S.C. §§6901, et seq.; (vi) the OIL POLLUTION ACT of 1990, 33 U.S.C §§ 2701, et seq.; (vii) the FEDERAL WATER POLLUTION CONTROL ACT, 33 U.S.C. §§1317, et seq.; (viii) the SAFE DRINKING WATER AND TOXIC ENFORCEMENT ACT OF 1986, CALIFORNIA HEALTH AND SAFETY CODE §§25249.5 et seq.; (ix) the CALIFORNIA HEALTH AND SAFETY CODE §§25100, 25395.7, 25915, et seq.; (x) the PORTER-COLOGNE WATER QUALITY CONTROL ACT (CALIFORNIA WATER CODE) §§13000, et seq.; (xi) the CALIFORNIA CIVIL CODE §§3479, et seq.; (xii) Storm Water Discharge Rules, 40 C.F.R. §§ 122.26, 122.30-37; (xiii) the CARPENTER PRESLEY-TANNER HAZARDOUS SUBSTANCES ACCOUNT ACT §§25300, et seq.; (xiv) TOXIC SUBSTANCES CONTROL ACT, 15 U.S.C §§2601, et seq.; (xv) the SAFE DRINKING WATER ACT, 24 U.S.C §§300f, et seq.; and (xvi) all other state laws, rules, orders, directives, and codes, regulations, judgments, and orders relating to (a) emissions, discharges, releases, and/or threatened releases of Hazardous Materials into the environment (including, but not limited to, ambient air, surface water, groundwater, land surface, or subsurface strata); and (b) the manufacture, processing, distribution, use, generation, treatment, storage, disposal, transport or handling of Hazardous Materials, as such laws are amended, and the regulations and administrative codes applicable thereto (collectively, "Environmental Laws").

B. "Hazardous Materials".

The "Hazardous Materials" includes, without limitation, shall mean any pollutant, contaminant, chemical, compound, substance, hazardous or toxic substance, material, waste, and/or any other matter which is or shall become regulated by any governmental entity, including, but not limited to OIAA acting in its governmental capacity, the State of California, and/or the United States Government. The term "Hazardous Materials" includes, without limitation, any material or substance which is: (i) defined or listed as a "hazardous waste," "extremely hazardous waste," "restrictive hazardous waste" or "hazardous substance" or considered a waste, condition of pollution, nuisance, and/or is controlled or governed under any Environmental Law; (ii) petroleum or a petroleum product or fraction thereof; (iii) asbestos or asbestos containing materials; (iv) flammable or explosive substances; (v) mold, mold spores or fractions thereof; and/or (vi) substances designated by any governmental entity to cause cancer and/or reproductive toxicity.

C. Environmental Indemnity.

Except for Hazardous Materials or conditions existing prior to Concessionaire's use of the Leased Premises or placed on, in or beneath the Leased Premises during the Term by OIAA or any party acting on behalf of or at the direction of OIAA, Concessionaire agrees to accept sole responsibility for full compliance with Environmental Laws. Concessionaire shall timely indemnify, defend (by counsel reasonably acceptable to OIAA in writing), protect, reimburse, and hold OIAA and each of OIAA's officers, directors, employees, volunteers, agents, Commission, successors and assigns, free and harmless from and against any and all claims, liabilities, penalties, forfeitures, suits, proceedings, actions, losses or expenses (including costs of suit and fees, consultant fees, expert fees, executive and administrative expenses, and reasonable fees and costs of legal services), or death of or injury to any person or damage to any property whatsoever, arising from or caused in whole or in part, directly or indirectly, by: (i) the presence in, on, under or about the Leased Premises, or discharge in or from the Leased Premises of any Hazardous Materials caused or generated by Concessionaire; or (ii) Concessionaire's use, analysis, storage, disposal, release, threatened release, discharge or generation of Hazardous Materials to, in, on, under, about or from the Leased Premises; or (iii) Concessionaire's failure to comply with any Environmental Law. Such indemnification, defense, reimbursement, and hold harmless obligations shall be fully met by Concessionaire no later than thirty (30) days from a written demand from the OIAA.

D. Survival of Environmental Obligations.

The provisions of this Section 4.27 shall survive the expiration or termination of this Agreement.

E. Hazardous Material Storage Permit.

Concessionaire shall be required to obtain a Hazardous Material Storage Permit from the appropriate governmental authorities, if at any time Concessionaire places or stores Hazardous Material liquid or Hazardous Material solids on the Airport.

4.28. Headings.

The headings of the articles and sections of this Agreement are inserted only as a matter of convenience and for reference, and do not define or limit the scope or intent of any provisions of this Agreement and shall not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof.

4.29. Holding Over.

If Concessionaire remains in possession of the Leased Premises following the expiration or termination of this Agreement, such holding over shall not be deemed to constitute an extension or renewal of this Agreement, but shall merely create a tenancy from month-to-month which either party hereto may terminate upon thirty (30) calendar days advance notice to the other. In the event of such holding over, Concessionaire shall perform all terms, promises, conditions and covenants required of it hereunder, but shall pay Rent to OIAA in such amounts as may be designated by the OIAA, which in no case shall be less than that in effect immediately prior to such expiration or termination of this Agreement.

4.30. Improvements by Concessionaire.

A. Improvements; Installation, Maintenance, and Repair.

Except as otherwise provided herein, Concessionaire shall make, install, and maintain, and repair, at Concessionaire's own sole expense, all Tenant Improvements necessary to operate Concessionaire's retail facilities, including, but not limited to, counters, display cabinets, interior partitions, lighting, fixtures, wall and ceiling finishes, flooring and floor coverings, and all other equipment necessary for the proper conduct of Concessionaire's business (hereafter "Project"). The Project shall be submitted to the OIAA for review following the OIAA's "Project Request" protocol currently available at www.flyontario.com/corporate/project-request. OIAA reserves the right to periodically update any project request protocol from time to time and Concessionaire agrees to follow any such modifications. The Project shall include all Tenant Improvements and Trade Fixtures, Signs and any additional items necessary to the operation and shall be completed no later than one hundred and eighty (180) days after the Effective Date. All Trade Fixtures contained within the Leased Premises must be of first-class quality, safe, fire resistant, attractive, in compliance with the Airport Tenant Concept Plan, and may be installed only with the OIAA's prior written approval.

The Project and any future projects shall be constructed in accordance with this Agreement, the published Airport Tenant Concept Plan as shown on **WEBSITE** and all applicable laws, regulations, and permit requirements, including those of the OIAA.

Any review or approval by the OIAA of Concessionaire's plans or an inspection by OIAA of the Project work or materials shall not be deemed to constitute a waiver or release by OIAA of any obligation or responsibility of Concessionaire hereunder, or an assumption of any risk or liability by OIAA with respect thereto, and Concessionaire shall make no claim against OIAA on account of such review, approval, or inspection.

Concessionaire shall cause all improvements authorized herein to be constructed, installed, maintained, and repaired only by a contractor properly licensed by the State of California to construct such improvements or work, and who is bonded and insured. Concessionaire also must contractually require, to the extent allowed by law, that all contractors timely and fully defend, indemnify, and hold the OIAA Indemnitees harmless, and to furnish OIAA with insurance coverage satisfactory to OIAA covering OIAA Indemnitees as additional insureds.

Concessionaire shall be solely responsible for payment to such contractor for all elements of such construction, installation, maintenance, and repair, and shall keep the Leased Premises free and clear of all mechanics liens resulting from any construction thereto by or on behalf of Concessionaire. Concessionaire may contest the correctness or validity of any such lien, but shall timely and fully indemnify, defend, and hold harmless OIAA, its elected representatives, officers, agents, and employees, and the Leased Premises from any and all claims and liability for payment of any such lien. OIAA may file notice of non-responsibility for its lien protection.

B. Refurbishment

The Concessionaire shall refurbish the Leased Premises at the midpoint of the Term of the Agreement, if the Agreement Term is for 10 years or less. If the Agreement is for a Term greater than 10 years, the Leased Premises must be refurbished every 7 years throughout the Term of the Agreement. Concessionaire shall expend at least _____ dollars (\$ _____) to refurbish the Leased Premises. Concessionaire shall submit its plans for refurbishment to the Airport Concessions Department for review and approval no later than 240 days prior to the seventh (7th) year, and every subsequent 7 years, of the Term of this Agreement. All refurbishment will be completed prior to the 7th year, and all subsequent 7 years of the Agreement. Upon completion of the refurbishment, Concessionaire shall provide certified documentation to the Airport Concessions Department of all capital investment and costs associated with the refurbishment within ninety (90) days of completion, which shall become eligible for reimbursement in the event of early termination according to Sections 4.24 and 4.25. Failure for the concessionaire to complete refurbishment by the required due date unless otherwise approved by the Senior Vice President of Revenue Management will result in a Non-Compliance Fee as set forth in the Schedule of Rates and Charges.

C. General.

No Tenant Improvements, alterations or repairs of any kind shall be erected, placed, assembled, constructed or permitted on the Leased Premises without first obtaining written authorization from the OIAA. In the sole opinion of the OIAA, if the proposed Tenant Improvement, alteration or repair project is of a minor nature, the project may be reviewed and approved solely by the CEO. The OIAA, at its sole discretion, based on the nature of the proposed Tenant Improvement, alteration or repair project may waive one or more of the procedures as set forth in this Section herein. Notice of such waiver shall be in writing. In the absence of such written waiver, Concessionaire must follow the procedures as set forth herein.

D. Preliminary Plans.

Prior to the preparation of preliminary plans for Tenant Improvements, including alterations or repairs, Concessionaire shall contact the Airport Coordinator to schedule a pre-Project meeting to brief OIAA staff on the proposed Tenant Improvement. Preliminary plans shall show the full extent of the Tenant Improvements to be constructed including structural details and utility locations showing the relationship of the proposed Tenant Improvements to current building and utility connections. A minimum of seven (7) full sets of preliminary plans plus one (1) Compact disc (CD) containing a PDF file set matching the prints, shall be submitted for approval to the Airport Coordinator.

Civil engineering plans shall include plan drawings submitted on a scale not smaller than one (1) inch equals fifty (50) feet. Architectural plans shall include plan drawings at a suitable scale but in no case shall the scale be smaller than 1/16 inch equals one (1) foot. Plans shall include complete specifications in sufficient detail for the OIAA to determine compatibility with OIAA objectives for the overall aesthetic character and quality of the Tenant Improvements.

Architectural Projects shall include an accurate architectural perspective color rendering including the proposed exterior color, scheme, style, materials, wording and placement of all Signs.

E. Review of and Comment on Preliminary Plans.

Within thirty (30) days of the date of receipt of the preliminary plans, the OIAA will return two (2) sets of plans with comments. OIAA review and comment on the preliminary plans does not mean or infer that the proposed Tenant Improvement has been approved by the OIAA. Additional plans, specifications or design features beyond those submitted with the preliminary plans may be required and shall be prepared by Concessionaire at the request of the OIAA.

F. Final Plans.

A minimum of seven (7) copies of final plans and specifications showing responses to all OIAA comments received and setting forth in all necessary detail the requirements for construction of the Project shall be submitted to the Department for approval prior to submitting plans to other applicable agencies so that the OIAA may check them for design conformance with the preliminary plans. All the AutoCAD related data used to create the final plans in AutoCAD's "dwg" format must also be included in the submittal.

G. Approval of Final Plans.

Within thirty (30) days of the date of receipt of the final plans, if final plans are approved, the OIAA will return final plans to Concessionaire with the OIAA's approval noted and provided on the plans. The OIAA will retain one (1) full set of final plans. The OIAA approval of the final plans shall only mean that the proposed improvement is consistent with the OIAA's goals and objectives for Airport development projects. After approval of the final plans by the OIAA, Concessionaire has full responsibility for obtaining all required federal, State and local approvals and permits including compliance with California Environmental Quality Act (CEQA) requirements.

H. Modifications of Final Plans.

Any modifications to the approved final plans including environmental mitigation measures, modifications imposed by the OIAA, or construction change orders shall be submitted to the OIAA for approval prior to construction.

I. Notice of Completion.

Within ten (10) days of construction completion, Concessionaire shall submit a Notice of Completion to the OIAA. Within ten (10) days of receipt of Notice of Completion, the OIAA may schedule an inspection of the improvements to be accompanied by Concessionaire for purposes of confirming compliance with the final plans and any subsequent modifications to the final plans. This inspection tour may be scheduled at the same time Concessionaire schedules a final inspection in accordance with any requirements imposed by the OIAA.

J. As-Built/Record Drawings.

Within sixty (60) days after filing a Notice of Completion, which is due within ten (10) days after construction completion, Concessionaire shall furnish to the OIAA one (1) complete set

of electronic AutoCAD format Record Drawings and one (1) complete set of PDF files showing the “as-built” Tenant Improvements, including for any alterations or repairs. Record Drawings shall be dated and stamped by the engineer or architect of record. If by the eleventh (11th) day after construction has been completed Concessionaire fails to submit “As-Built” drawings, Concessionaire will pay penalties in the amount of one hundred dollars (\$100.00) per day until such a time when drawings have been submitted.

K. Removal of Unapproved Improvements.

Tenant Improvements made on Concessionaire’s Leased Premises without the OIAA’s approval of final plans for said improvements as outlined herein are hereby determined to be unapproved improvements constructed or installed in violation of the conditions, restrictions and requirements of this Agreement. Unapproved Tenant Improvements, alterations or repairs shall be immediately removed at Concessionaire’s sole expense, unless otherwise approved in writing by the OIAA. Portions of Tenant Improvements that are not constructed as indicated and specified on approved plans are also hereby determined to be unapproved Tenant Improvements and shall be immediately removed or corrected at Concessionaire’s sole expense.

L. Liquidated Damages for Failure to Timely Complete the Project.

It is imperative that Concessionaire complete the Project by **DATE**, unless approved by the CEO in writing prior to that date, in order to serve the traveling public. Therefore, it is agreed that as liquidated damages for failure to complete the Project, Concessionaire agrees to pay to the OIAA the amount of Five Hundred Dollars and 00/100ths (\$500.00) per day per concession location until the Project is complete. This amount shall be in addition to all Rent and other charges and fees due.

M. Certification of Facility Build-Out Investment.

Concessionaire shall provide the OIAA with verifiable receipts and certified lien releases for its total cost of the Project within ninety (90) days of the completion of the construction/refurbishment/removal to confirm the amount of the investments. Capital investment costs shall be amortized on a straight-line amortization basis over the remaining Term of the Agreement (beginning at the Rent Commencement Date) excluding any option years. The final certified construction cost of all items subject to amortization as defined in this section shall be certified to the Authority by Concessionaire’s Chief Financial Officer within ninety (90) days after installation on the Premises. Failure to timely file a Certification shall relieve the Authority of any obligation on unamortized investments otherwise provided for in this Agreement

The Authority shall have the right to audit each capital investment report at any time during the Term of this Agreement and for a period of twelve (12) months following termination.

In the event of an audit, any itemization of capital investment costs not supported by proper documentation, such as invoice, receipts, canceled checks, shall be disallowed.

Any obligation by the Commission to pay unamortized capital investment after termination without a cause shall be based upon Concessionaire's timely submitted report as provided herein.

N. Title to Tenant Improvements.

Concessionaire shall retain title to its Tenant Improvements in, at or serving the Leased Premises for so long as such Leased Premises are leased to Concessionaire under this Agreement. Thereafter, the OIAA, at its option, reserves the right to take immediate title to some or all of such Tenant Improvements at no cost, payment or expense. Those Tenant Improvements to which the OIAA does not take title must be removed expeditiously by Concessionaire and, any damage caused by the removal of such Tenant Improvements must be repaired by the Concessionaire at no cost to the OIAA, unless otherwise agreed to in writing by the OIAA.

4.31. Improvements by OIAA.

The OIAA and Concessionaire agree and acknowledge that, from time to time, the OIAA may undertake improvements to the terminals during the Term of this Agreement. The OIAA will attempt to make those improvements in a manner that does not interfere unreasonably with the operations of Concessionaire authorized under this Agreement. Concessionaire expressly waives any and all claims for damages of any kind, including but not limited to, loss of profits as a result of the interruption of business of Concessionaire that may arise as a result of such improvements undertaken by the OIAA.

4.32. Independent Contractor.

Concessionaire is not an employee or agent of OIAA by reason of this Agreement, or otherwise. Concessionaire is an independent contractor, and as between OIAA and Concessionaire, Concessionaire shall be solely responsible for its acts and omissions arising from or relating to its operations at the Airport and lease of property hereunder.

4.33. Insurance.

Throughout the term of this Agreement, Concessionaire for itself and its officers, representatives, agents, employees, Subtenants, guests, patrons, contractors, subcontractors, licensees, invitees, and suppliers shall maintain or cause to maintain in full force and effect the forms and amounts of insurance specified in **Exhibit "G"**, which is attached hereto and incorporated by reference herein.

In the event Concessionaire does not have the required certificate(s) of insurance and/or binder(s) evidencing the proper insurance coverage, or the required insurance coverage lapses, this Agreement shall be terminated at OIAA's option by the OIAA giving written notice to Concessionaire.

4.34. Invalid Provisions.

In the event any covenant, condition or provision of this Agreement, or the application thereof to any person, entity, or circumstances, shall to any extent be held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the terms, covenants, conditions or provisions of this Agreement, or the application thereof to any person, entity, or circumstance, shall remain in full force and effect and shall in no way be affected, impaired or invalidated, provided that such invalidity, voiding or unenforceability of such covenant, condition or provision

does not materially prejudice either party in its respective rights and obligations contained in the then remaining valid covenants, conditions or provisions of this Agreement.

4.35. Licenses and Permits.

Concessionaire shall obtain at its sole expense all necessary licenses and permits required for construction of Tenant Improvements, including alterations, maintenance and repairs, or installation of equipment on the Leased Premises, and any other licenses or permits necessary for the conduct of Concessionaire's operations at the Airport.

4.36. Limitations on Use of Leased Premises.

In connection with the exercise of Concessionaire's rights and duties under this Agreement, Concessionaire and any of its officers, representatives, agents, employees, Subtenants, guests, patrons, contractors, subcontractors, licensees, invitees, or suppliers shall not:

A. Interfere with, or disturb the effectiveness or accessibility of the drainage and sewage system, electrical system, air conditioning system, fire protection system, sprinkler system, alarm system, fire hydrants and hoses within the Airport;

B. Do anything that may invalidate, conflict with, or increase the rate of any insurance policy(s) covering the OIAA or any part thereof. The OIAA, in its sole discretion, may limit, modify, or require removal of any materials, parts or equipment which the OIAA reasonably determines are not incidental to Concessionaire's operations by written notification to Concessionaire. Concessionaire shall have forty-eight (48) hours from the mailing date of such notice to remove and properly dispose of any items identified;

1. Interfere with the OIAA staff, businesses or patrons;
2. Use or allow the use of the facilities within the Airport for any improper, immoral, or unlawful purpose;
3. Obstruct the roadways or passageways adjacent to or within the Airport;
4. Conduct any business within the Airport other than that authorized by this Agreement
5. Advertise, solicit, or distribute materials within the Airport in any manner without the advance written permission of the OIAA.

4.37. Liquidated Damages from Late Payment.

If Concessionaire is in arrears for seven (7) days or more following the due date of any amount payable to the OIAA herein, the parties acknowledge that additional clerical, accounting and other work will be performed which would not otherwise be needed absent the late payment. In addition, because the actual charges as a result of the late payment are difficult to identify, the parties hereby agree that Concessionaire shall pay as a reasonable charge, liquidated damages for

the late payment in the amount of eighteen percent (18%) annual percentage rate, applicable from the date such payment was due to the date of actual payment. If the maximum charge permitted by law is less than the foregoing amount, then the rate shall be such amount determined to be the maximum legal amount. These liquidated damages will be calculated and posted on a monthly basis and shall be prorated by the number of days payments are in arrears in the month.

4.38. Merchandise and Services Pricing Policy.

Concessionaire shall comply with Merchandise and Services Pricing Policy as shown on **Exhibit “J”** attached hereto and incorporated herein by this reference. The OIAA may, throughout the Term of this Agreement, amend the Merchandise and Services Pricing Policy with prior written notice. The OIAA shall provide Concessionaire with the amended Merchandise and Services Pricing Policy and written notice of the effective date of any such amended Merchandise and Services Pricing Policy at least thirty (30) days prior to the effective date.

4.39. Negation of Partnership.

Nothing in this Agreement shall be construed to render OIAA in any way or for any purpose, a partner, joint venture, or associate in any relationship with Concessionaire other than that of landlord and tenant, nor shall this Agreement be construed to authorize either OIAA or Concessionaire to act as agent for the other.

4.40. Net Lease.

Except as otherwise provided herein, it is the intent and purpose of OIAA and Concessionaire that all Rent payable by Concessionaire hereunder shall be absolutely net to the OIAA so that this Agreement shall yield to the OIAA the entire Rent herein specified free of any charges, assessments, impositions or deductions of any kind or character which may be charged, assessed, or imposed on or against Concessionaire or the Leased Premises, without abatement, deduction or set-off by Concessionaire.

OIAA shall not be expected or required to pay any such charge, assessment or imposition, or be under any obligation or liability hereunder with respect thereto. All loss, costs, expenses and obligations of any kind relating to the maintenance, development and improvement of the Leased Premises, including the renovation of the building and other improvements thereupon, and all alterations, repairs, reconstruction and replacements as hereinafter provided which may arise or become due during the Term hereof, shall be paid by Concessionaire and Concessionaire shall indemnify, defend, and hold harmless OIAA, its officers, agents, and employees, from any and all such loss, costs, expenses and obligations.

4.41. Nonexclusive Rights.

Nothing herein shall be construed to grant or authorize the granting of any exclusive right or privilege within the meaning of Section 308 of the Federal Aviation Act for the conduct of any activity on the Airport. Provided, however, subject to the terms and provisions of this Agreement, Concessionaire shall have the right to exclusive possession of the Leased Premises described in Section 3.1. Leased Premises. hereinabove.

4.42. Non-waiver of Rights.

No failure by OIAA to insist upon the strict performance of any covenant, agreement, term or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof, and no acceptance of full or partial Rent or fees during the continuance of such breach, shall constitute a waiver of any such breach or of any such covenant, agreement, term or condition. No covenant, agreement, term or condition of the Agreement to be performed or complied with by Concessionaire, and no breach thereof, shall be waived, altered or modified except by a written instrument executed by OIAA. No waiver of any breach shall affect or alter this Agreement, but each and every covenant, agreement, term and condition of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach thereof.

No receipt of monies by OIAA from Concessionaire after the termination of this Agreement, or after the giving of any notice of the termination of this Agreement (unless such receipt cures the event of default which was the basis for the notice), shall reinstate, continue or extend the Term or affect any notice theretofore given to Concessionaire, or operate as a waiver of the right of OIAA to enforce the payment of Rent or fees payable by Concessionaire hereunder or thereafter falling due, or operate as a waiver of the right of OIAA to recover possession of the Leased Premises by proper remedy. It is expressly agreed that after the service of notice to terminate this Agreement or the commencement of any suit or summary proceedings, or after a final order or judgment for the possession of the Leased Premises, OIAA may demand, receive and collect any monies due or thereafter falling due without in any manner affecting such notice, proceeding, order, suit or judgment, all such monies collected being deemed payments on account of the use and occupation of the Leased Premises or, at the election of OIAA, on account of Concessionaire's liability hereunder.

4.43. Notice of Claims and Suit.

OIAA and Concessionaire shall each give the other prompt and timely written notice of any personal injury or other accident claim, and of any lawsuit coming to its knowledge when either such claim or lawsuit arises out of or is in any way connected with the Leased Premises, the operations of Concessionaire hereunder, or the construction or operation of the Airport by OIAA which in any way, directly, indirectly, contingently or otherwise, might reasonably affect the parties' relationship under this Agreement.

Such notice shall be deemed prompt and timely if given within thirty (30) calendar days following the date of receipt of such claim by an officer, agent, or employee of either party, and if given within ten (10) calendar days following the date of service of process upon either party with respect to any such lawsuit.

4.44. No Warranty of Airport.

OIAA does not warrant that Airport will continue to be used as an airport during the Term of this Agreement. In the event that such Airport use is terminated, whether temporarily or permanently, Concessionaire shall neither claim nor have entitlement to any damages whatsoever from OIAA.

4.45. Nuisance and Waste.

Concessionaire shall not conduct any operation or activity on the Leased Premises, or elsewhere in the Airport, in which the sound emitting therefrom is of such volume, frequency or intensity at such time as to constitute a nuisance. Concessionaire shall not erect, nor permit to be erected, any nuisance on the Leased Premises, or permit any waste thereof. Concessionaire shall not permit any trash or garbage to accumulate on or about the Airport and other common areas in or around the terminals. The OIAA shall have the sole and exclusive authority to determine what constitutes a nuisance and waste.

4.46. Patents and Trademarks.

Concessionaire represents that it is the owner of or is fully authorized to use any and all services, processes, machines, articles, marks, names and slogans used in its operations under this Agreement. Concessionaire agrees to save and hold harmless the OIAA, its officers, employees, agents and representatives from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright arising from any alleged or actual unfair competition or other similar claim arising out of the operations of Concessionaire under this Agreement.

4.47. Performance Standards.

Concessionaire shall comply with the Performance Standards as shown on **Exhibit “H”**, attached hereto and incorporated herein by this reference. The OIAA may, throughout the Term of this Agreement, amend the Performance Standards with prior written notice. The OIAA shall provide Concessionaire with the amended Performance Standards and written notice of the effective date of any such amended Performance Standards prior to the effective date.

4.48. Prior Damages and Vested Rights.

None of the provisions of this Article shall operate to preclude either party from obtaining judgment for any monies due and unpaid prior to termination or for any amounts required to be paid by one of the parties on account of the other party or paid to protect the property interests of one of the parties because of the acts of the other.

4.49. Prohibition of Liens.

Concessionaire shall pay promptly, as due, all persons supplying labor and materials for any alteration of or improvement to the Leased Premises and shall permit no lien or claim to be filed or prosecuted against OIAA on account of such labor and materials furnished.

4.50. Records and Reports.

Concessionaire shall prepare and maintain an adequate set of records, in a format and detail acceptable to the OIAA, documenting all of Concessionaire’s Gross Revenues at the Airport pursuant to this Agreement. All such reports required of Concessionaire shall be prepared in accordance with generally accepted accounting principles and reported on a cash basis.

A. Monthly Report and Other Reporting.

Concessionaire shall submit a Monthly Report, signed by an officer of Concessionaire, concurrent with each monthly submittal of Percentage Rent payments to the OIAA Accounting Division in the manner identified in Section 3.3.B. Payments. Concessionaire shall submit such electronic Monthly Report, in a format and detail as required by the OIAA, of all Concessionaire's Gross Revenues at the Airport under this Agreement during the preceding calendar month. Such report shall show Gross Revenues for each concession location leased by Concessionaire under this Agreement and shall include a summary of all activities of the previous month. Electronic Monthly Reports, signed by an officer of Concessionaire, shall be submitted no later than the tenth (10th) day of the following month in which such Gross Revenues were generated at Airport. Said Monthly Report shall be submitted whether or not monthly Percentage Rent payments are due.

The OIAA may notify Concessionaire in writing that any Monthly Reports or other reporting to the OIAA that are required under the Agreement shall be made through an online portal developed by the OIAA. Upon such written notice, Concessionaire shall submit any applicable monthly reports or other reporting through such OIAA online Tenant Reporting Portal.

B. Delinquent Monthly Report.

If Concessionaire is delinquent in furnishing to the OIAA any monthly report required under this Agreement, Concessionaire shall pay the OIAA a Ten Dollars and 00/100ths (\$10.00) late fee for each day, that the monthly report is delinquent, as liquidated damages for the additional administrative costs incurred by the OIAA in processing, reviewing, and demanding the delinquent monthly report. The parties have agreed that this is a fair and reasonable estimate of the OIAA's costs incurred in processing a delinquent monthly report. Imposition of such a late fee shall not constitute a waiver of any other remedies available to the OIAA due to Concessionaire's failure to timely provide the monthly reports or pay the report late fee.

C. Annual Certified Report and Reconciliation and Adjustment of Rent Statement.

Concessionaire shall submit to the OIAA at the address specified for Airport Accounting in Section, for the approval of the OIAA, an Annual Certified Report which includes the Annual Reconciliation and Adjustment of Rent for each Fiscal Year throughout the Term of this Agreement not later than sixty (60) calendar days following the last day of each Fiscal Year.

1. Annual Certified Report

Said Annual Certified Report shall be prepared by an independent CPA as required per Section 4.9.A of this Agreement. Concessionaires Audit. The Annual Certified Report may be prepared and submitted by the Concessionaire's Chief Financial Officer if the Annual Audit has been waived per Section 4.9.B. The Annual Certified Report shall be in a format and in detail satisfactory to the OIAA. This Annual Certified Report shall serve as a certified annual financial statement setting forth all business transacted at the Airport by Concessionaire under the terms of this Agreement during the preceding Fiscal Year, and excluding any other business transacted by Concessionaire. Such Annual Certified Report shall include, but not necessarily be limited to, Concessionaire's Gross Revenues, Rent and other payments due to the OIAA, the CPA's audit or

by Concessionaire's Chief Financial Officer and examination of source documents from which Monthly Reports are based, and a certified opinion as to the accuracy of Concessionaire's submitted Monthly Reports. Concessionaire shall bear the entire cost of such reports.

2. Annual Reconciliation and Adjustment of Rent.

The Rent as set forth in this Section 3.3. Rent and Other Payment Obligations., shall be subject to reconciliation at the end of each Fiscal Year pursuant to the terms of this Agreement. If said reconciliation shows a balance due to OIAA or an excess paid by Concessionaire, the appropriate adjustment, either payment by Concessionaire of the balance due or credit or repayment by OIAA to Concessionaire of the excess payment, shall be made within sixty (60) days after an approved Annual Certified Report, as required in Section 4.50, hereof, is received by OIAA. However, Concessionaire shall not be entitled to interest on the amount credited or repaid by OIAA to Concessionaire.

D. Delinquent Annual Certified Report.

If Concessionaire is delinquent for ten (10) days or more in furnishing to the OIAA any Annual Certified Report required under this Agreement, Concessionaire shall pay the OIAA a One Hundred Dollars and 00/100ths (\$100.00) late fee for each month, or partial month, that the Annual Certified Report is delinquent, as liquidated damages for the additional administrative costs incurred by the OIAA in processing, reviewing, and demanding the delinquent Annual Certified Report. The Parties have agreed that this is a fair and reasonable estimate of the OIAA's costs incurred in processing a delinquent Annual Certified Report. Imposition of such a late fee shall not constitute a waiver of any other remedies available to the OIAA due to Concessionaire's failure to timely provide the monthly or Annual Certified Reports or pay the report late fee.

4.51. Regulations and Restrictions.

This Agreement, and the rights herein granted, shall be subject to any and all applicable federal, state and OIAA rules, regulations, orders and restrictions which are now in force or which may hereafter be adopted by any duly authorized governmental agency with respect to Concessionaire's operation at the Airport. In the use of the Leased Premises, Concessionaire agrees to observe, obey and abide by all ordinances, field rules and other regulations of OIAA applicable thereto. In addition to the foregoing, Concessionaire shall comply immediately with any and all directives issued by the OIAA.

4.52. Release of Liability.

OIAA shall not be liable for, and is hereby released from any and all liability to Concessionaire, to Concessionaire's insurance carrier or to anyone claiming under or through Concessionaire, for any loss or damage whatsoever to the property or effects of Concessionaire resulting from the discharge of water or other substance from pipes, sprinklers, conduits, containers, appurtenances thereof, or fixtures thereto, and from any damage resulting from the discharge or failure of electric current, regardless of cause or origin, except in the case of active negligence of OIAA, its employees or agents.

4.53. Retention of Records.

Concessionaire shall keep available, for a period of three (3) years after each Agreement Year of operation, the books and records of account of Concessionaire for such year, showing the Concessionaire's Gross Revenues from business conducted under this Agreement, the deductions therefrom, and other pertinent information required by the provisions pursuant to this Agreement. Such books and records of account shall be made available to OIAA or its duly authorized agents or auditors during the regular business hours of OIAA at the Airport for the purpose of verifying the information set forth in any Annual Certified Report or Monthly Report statement of Gross Receipts or for the purpose of verifying compliance by Concessionaire with the terms of this Agreement.

4.54. Right of Access.

Term of this Agreement, to enter upon the Leased Premises for any lawful purpose, including the repair, replacement, or improvement of facility-related items, and including the purpose of determining whether Concessionaire is complying with its obligations hereunder. The OIAA will make reasonable effort not to interfere with Concessionaire's operation within the Leased Premises.

Such entry by OIAA shall not be deemed to excuse Concessionaire's performance of any promise, term, condition, or covenant required of it by this Agreement, and shall not be deemed to constitute waiver thereof by OIAA.

Prior to entering on the Leased Premises, OIAA shall give reasonable notice of its intent to enter. However, such notice requirement shall not apply in cases of emergency, when the Concessionaire has abandoned or surrendered the Leased Premises, or where Concessionaire, or Concessionaire's agent, consents to such entry. Notice under this Section may be given by any means, including oral notice to an owner, officer, or employee of Concessionaire or by posting a written notice upon the Leased Premises. Twenty-four (24) hours' notice shall be deemed reasonable in absence of evidence that a shorter notice period is reasonable.

An entry obtained by OIAA by any of the foregoing means, or otherwise, shall not under any circumstances be construed or deemed to be a forcible or unlawful entry into, or a detainer of the Leased Premises, or an eviction of Concessionaire from the Leased Premises or any portion thereof. Additionally, exercise of any right of entry by OIAA under this Section shall not impose any obligation on OIAA in addition to those assumed in this Agreement.

OIAA may, during the progress of any work on the Leased Premises, take all necessary materials and equipment onto the Leased Premises without the same constituting an eviction, nor shall Concessionaire be entitled to any abatement of Rent while such work is in progress nor to any damages by reason of loss or interruption of business or otherwise.

4.55. Right to Nonexclusive Use of Airport.

Concessionaire, throughout the Term hereof, shall have the right to the nonexclusive use, in common with others, of the Airport parking area, appurtenances and improvements thereon; the right of ingress to and egress from the Leased Premises, which right shall extend to

Concessionaire's employees, guests, invitees and patrons; and the right, in common with others so authorized, to use common areas of the Airport, including roadways and other conveniences, provided, however, Concessionaire shall not impair ingress or egress to other leased or public areas of the Airport.

4.56. Risk Reduction.

Concessionaire shall neither use nor permit the use of the Leased Premises in such a manner as to increase the rate of insurance thereon in excess of that in existence at the commencement of the Term hereof.

4.57. Signs.

No identification signs pertaining to Concessionaire's operations shall be installed or placed in or on the Premises or Airport until Concessionaire has submitted to Chief Executive Officer, for approval in writing, drawings, sketches, design dimensions, and type and character of such signs, which approval will not be unreasonably withheld, conditioned, or delayed.

Concessionaire shall not install, place, or maintain any type of advertising or promotional materials on the Premises, without previous written approval of Chief Executive Officer, which approval will not be unreasonably withheld, conditioned, or delayed.

Notwithstanding the foregoing, Concessionaire shall not be entitled to place any signage, advertising or promotional material in or on the Premises that is not compliant with the OIAA's Rules and Regulations, including, without limitation the OIAA's Signage and Wayfinding Policy and advertising guidelines as amended from time to time. Concessionaire shall comply with the provisions of the Airport Tenant Concept Plan specified in **Exhibit "I"**, which may be modified by the OIAA from time to time, for all of its Signs at the Airport.

Noncompliance by Airline with this provision shall result, following a three (3) day written notice by the OIAA to Airline, in the OIAA's right to remove said unauthorized signs, advertising, or other written materials and to store same at Airline's expense.

4.58. Statement Regarding a Certified Access Specialist.

Pursuant to California Civil Code §1938, the OIAA states that the Leased Premises:

1. Have not undergone an inspection by a Certified Access Specialist (CASp).
2. Have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises met all applicable construction-related accessibility standards and a disability access inspection certificate has been issued pursuant to California Civil Code §55.51 et seq.
3. Have undergone an inspection by a Certified Access Specialist (CASp) and it was determined that the Premises did not meet all applicable construction-related accessibility standards pursuant to California Civil Code §55.51 et seq.

A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility

standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the Concessionaire from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the Concessionaire, if requested by the Concessionaire. The Parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the Leased Premises.

4.59. Successors and Assigns.

The provisions of this Agreement shall be binding upon and inure to the benefit of the respective successors, assigns and personal representatives of the parties hereto.

4.60. Surrender of Leased Premises.

OIAA is not required to give Concessionaire any notice to quit possession of the Leased Premises upon expiration or sooner termination of this Agreement. Concessionaire covenants and agrees it shall peaceably surrender possession of the Leased Premises upon expiration or sooner termination of this Agreement in good condition, reasonable wear and tear, acts of God, fire and other casualties excepted, and OIAA shall have the right to take possession of the Leased Premises.

4.61. Taxes.

Concessionaire shall, at its sole cost and expense, pay any and all taxes for which it is responsible, or which may be assessed against it.

A. Possessory Interest and Property Taxation.

Under this Agreement, a possessory interest subject to property taxation may be created. Pursuant to California Revenue and Taxation Code Section 107.6 and Government Code Section 53340.1, notice is hereby given that such property interest may be subject to property taxation and special taxation pursuant to Chapter 25, Division 2 of the Government Code (Mello Roos Community Facilities Act of 1982), and that the party in whom the possessory interest is vested may be subject to the payment of property taxes and special taxes levied on such interest.

Concessionaire shall pay any and all taxes, assessments, and other charges of whatsoever character that may be levied or charged upon Concessionaire's interest as herein may be created, improvements, operations, or right to use the Leased Premises.

B. Right to Contest Taxes.

Concessionaire shall have the right to contest in its own name, or, to the extent reasonably necessary, in OIAA's name, in good faith and by all appropriate proceedings, the amount, applicability, or validity of any tax assessment pertaining to the surface of Airport property and Concessionaire's operations thereon.

In the event Concessionaire initiates such contest, OIAA shall reasonably cooperate with Concessionaire, provided that such contest will not subject any part of the surface of Airport property to forfeiture or loss; and provided, further, that if Concessionaire contests any assessment

made by the Assessor of OIAA, such contest shall not be initiated in the name of OIAA, and OIAA shall not be obligated to cooperate therewith.

If, at any time, payment of any tax or assessment becomes necessary to prevent any forfeiture or loss, Concessionaire shall timely pay such tax or assessment to prevent such forfeiture or loss.

4.62. Time of the Essence.

Time is of the essence in performance of this Agreement.

4.63. Title to the Leased Premises.

Fee title to the Leased Premises is and shall remain vested in the OIAA. Nothing in this Agreement contained or any action or inaction by OIAA shall be deemed or construed to mean that OIAA has granted to Concessionaire any right, power or permission to do any act or to make any agreement which may create, give rise to, or be the foundation for, any right, title, interest, lien, charge or other encumbrance upon the estate of OIAA in the Leased Premises.

4.64. Transportation of Merchandise and Other Items.

Concessionaire shall ensure that all retail merchandise and other items necessary for Concessionaire's operations authorized under this Agreement that are being transported to and from storage and the Leased Premises are handled with care and do not interfere with the traveling public and normal airline terminal operations. All such merchandise and other items should be packaged within containers that prevent damage or leakage during transportation and that enable X-ray inspection if required.

In transporting such retail merchandise and other items associated with operating Concessionaire's business, Concessionaire shall use only those delivery and receiving routes established by the OIAA. Pallet jacks, if used, may only be utilized on the lower level of the terminal in the shipping and receiving areas and storage areas. If delivery and receiving routes are carpeted, any carts used must be equipped with wheels suitable for operating on carpets without causing damage to them. Concessionaire may only transport retail merchandise and other items in those service elevators designated for delivery. Under no circumstances may deliveries be taken onto the escalators. Concessionaire must always refrain from transporting operating materials, such as office supplies, inventory, merchandise, recyclables, and trash through the public common areas of the Airport whenever service corridors and delivery tunnels are available.

The OIAA reserves the express right to further regulate the delivery and servicing activities of the Concessionaire and its suppliers to the Airport and the Leased Premises and Concessionaire agrees to abide by such further regulations of the OIAA.

4.65. Trash and Garbage.

Concessionaire shall, at its sole cost and expense, provide a complete and proper arrangement for the adequate sanitary handling and disposal away from the Airport of all trash, dry and wet garbage, and other refuse resulting from, or in any way associated with, Concessionaire's use of the Leased Premises, including the purchase of appropriate and adequate

tilt carts. Concessionaire shall take appropriate action in the handling of waste materials to prevent the presence of rodents and other vermin. Such arrangements shall include, but not be limited to, the use of suitable covered metal receptacles at the Leased Premises for the temporary storage of all such garbage, trash, and other refuse.

Concessionaire shall keep all garbage materials in durable, fly-proof and rodent-proof, fireproof containers that are easily cleaned. The containers shall have tight-fitting lids, doors, or covers, and shall be kept tightly covered when material is not being deposited in them. Concessionaire shall clean the containers, as necessary, to prevent odors. Concessionaire shall not allow boxes, cartons, barrels, or other similar items to remain within view of public. Concessionaire shall not deposit any of its trash or other refuse in any containers except those designated for Concessionaire's trash.

The OIAA may provide this service for a fee and reserves the right to direct Concessionaire's route for garbage and other refuse removal. Concessionaire shall also be required to participate in any OIAA recycling and environmental sustainability programs at the Airport.

4.66. Vehicle and Equipment Parking.

Vehicular and equipment parking by Concessionaire, its employees, agents, Subtenants, licensees, suppliers, and subcontractors shall be restricted to such areas at the Airport as are designated by the OIAA. Such parking shall be subject to the payment of such parking fees and charges as may from time to time be in effect for such designated areas.

[SIGNATURES ON FOLLOWING PAGE]

4.67. Execution of Agreement.

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

**ONTARIO INTERNATIONAL
AIRPORT AUTHORITY**

COMPANY NAME

By: _____
Atif Elkadi
Chief Executive Officer

By: _____
Signature

Full Name

Date: _____

Title

Exhibit “A”

Leased Premises

LAYOUT ON FOLLOWING PAGE

Exhibit “B”
Authorized Uses

[TO BE FILLED IN PER CONCESSIONAIRE]

Exhibit “C”
Common Use Area

LAYOUTS ON FOLLOWING PAGE

Exhibit “D”
Product List

PROPOSED MENU ON FOLLOWING PAGE

Exhibit “E”

Maintenance Responsibilities

1. At its sole cost and expense, Concessionaire shall be responsible for all maintenance and repairs to all Leased Premises of any nature except:

1.1 Cleaning the exterior of any Airport terminal windows; and

1.2 Structural repairs to the roof, floor and exterior walls and windows of the Airport terminals; and

1.3 All HVAC supply mains and electrical power supply stubbed up to Concessionaire's Leased Premises.

2. During the Term of this Agreement, Concessionaire shall, at its sole expense, maintain in good repair and keep the Leased Premises in a clean and orderly condition and appearance, including without limitation, all personalty and improvements located on and within the Lease Premises, whether installed by Concessionaire or by OIAA. CEO shall determine, in their reasonable discretion, the quality of such maintenance.

3. Concessionaire shall maintain and make all necessary repairs and/replacements, structural or otherwise, to the interior of all Leased Premises and the fixtures and equipment therein and appurtenances thereto, including, without limitation, the interior windows, doors and entrances, both interior and exterior of storefronts, signs, show cases, floor covering, interior walls and ceiling, the interior surface, the surfaces of interior columns exclusive of structural deficiencies, any columns erected by Concessionaire, and partitions and lighting within the Leased Premises. The maintenance conducted by Concessionaire as required under this Agreement, shall be in such a manner to preserve the original theme and design, in accordance with any approved plans for the Leased Premises.

4. OIAA shall not be liable to Concessionaire for any damage to merchandise, trade fixtures, personal property, or smallware of Concessionaire in the Leased Premises caused by water leakage from the roof, water lines, sprinkler, or heating and air conditioning equipment. Further, OIAA shall not be liable to Concessionaire for any damage to persons or property of any kind caused by any other damage or disrepair to the structural or permanent portions of the Leased Premises or of the terminals, unless: (a) OIAA has had reasonable opportunity to perform repairs after being notified in writing of the need for same by Concessionaire; and (b) any such damage or disrepair shall not have been due to any actions, inaction or negligence of Concessionaire or any of its agents, employees, assignees, Subtenants, subconcessionaires, contractors, subcontractors, vendors, representatives, or invitees.

5. Concessionaire shall provide at its own expense such janitor, toilet, and cleaning services and supplies as may be necessary or required in the operation and maintenance of the Leased Premises.

6. Concessionaire shall keep and maintain in good condition all service lines and electrical equipment and fixtures located at or in the Leased Premises.

7. OIAA, its employees, agents and representatives, shall have the right to enter the Concessionaire's Leased Premises for the following purposes:

7.1 Upon reasonable advance notice, to conduct inspections during Concessionaire's regular business hours or at any time in case of emergency, as determined by the CEO, in their sole discretion.

7.2 Perform at Concessionaire's cost, any repair or replacement obligations, other than monetary payments, which Concessionaire has failed to satisfy, pursuant to the terms of this Agreement.

7.3 Notwithstanding the above, in the event of an emergency, as determined in the sole discretion of the CEO, OIAA shall have the right to enter the Leased Premises at any time and without notice.

7.4 If Concessionaire refuses or neglects to undertake any repairs or replacements requested by the CEO or other representatives of OIAA, or if OIAA is required to make any repairs necessitated by an emergency as determined by the CEO, or the negligent acts or omissions of Concessionaire (or its agents, employees, invitees, licensees, Subtenants, subconcessionaires, or any other person/entity under Concessionaire's direction or control), OIAA shall have the right, but not the obligation, to make such repairs or replacements on behalf of and for Concessionaire. Concessionaire shall pay for such work within ten (10) calendar days following demand for said payment by OIAA, plus an administrative fee of fifteen percent (15%).

8. In a timely manner, Concessionaire shall provide for the sanitary handling and removal of all trash, garbage and other refuse caused by the Concessionaire's operations. Concessionaire shall arrange for trash removal directly with a company, as may be authorized by the CEO, to provide such service at the Airport. Concessionaire shall provide and use suitable covered receptacles for the storage of all garbage, trash and other refuse in all Leased Premises. Food-related garbage shall be handled and stored in accordance with all applicable health and safety laws. Piling of boxes, cartons, barrels or similar items shall not be permitted in any public area.

9. Concessionaire shall provide adequate control of rodents, insects, and other pests on the Leased Premises. In the event Concessionaire's rodent, insect and pest control program is not acceptable or sufficient, the CEO may seek to control such rodents, insects and pests by other means. Concessionaire agrees to reimburse OIAA no later than ten (10) calendar days following demand for any expenses incurred by OIAA due to conditions within the Leased Premises.

10. Concessionaire shall maintain any grease traps to ensure the optimal efficiency in removing fats, oils and grease from the waste stream before it enters the waste systems at Airport. Such maintenance shall include, at a minimum, monthly (or more frequent, if necessary) cleaning by a third-party company, which is specialized in providing this service and provides such services to other service operations. Concessionaire shall furnish proof of monthly cleaning and

maintenance service on its grease traps to the CEO within seven (7) calendar days of request by the CEO.

10.1 If Concessionaire fails to cause monthly cleaning and maintenance services on its grease traps as required, then the CEO, at their sole option, may retain a third-party company to provide the necessary cleaning and maintenance services, and shall bill Concessionaire for such, plus an administrative fee of fifteen percent (15%).

10.2 Cleaning of grease traps must be coordinated with the OIAA's maintenance and operations personnel to minimize operational impacts on other concessionaires and the Airport.

11. Concessionaire shall install and maintain any exhaust hoods, makeup air and exhaust systems controls to interface with the OIAA's building automation systems, fire suppression systems, and other systems and equipment as required by building codes and applicable design standards. Concessionaire is solely responsible for all costs associated with the maintenance of all systems and equipment installed within the Leased Premises. Concessionaire shall maintain exhaust hoods and related makeup air and exhaust systems in accordance with the manufacturer's specifications, or the rules of OIAA or building codes, whichever is more stringent. Upon reasonable advance notice, the OIAA has the specific right to conduct inspections of all exhaust hoods and related makeup air and exhaust systems to ensure that the required level of maintenance is being provided. The results of these inspections will be provided to Concessionaire in writing. Subject to the notice requirement set forth below, if OIAA determines Concessionaire is not adequately maintaining its exhaust hoods and related makeup air and exhaust systems, OIAA shall have the right, but on the obligation, to hire a third party to undertake the maintenance and repair of Concessionaire's exhaust hoods and related makeup air and exhaust systems for the remainder of the Term. In the event OIAA hires a third party, the cost of such maintenance and repair shall be at Concessionaire's sole cost and expense. OIAA shall, prior to exercising this right, provide written notice to the Concessionaire with a ten (10) calendar day period in which to cure any noncompliance.

12. OIAA reserves the right to recover the cost of repairs, replacements, or maintenance of any property, fixtures, improvements or systems that are damaged or adversely impacted by Concessionaire's failure to properly complete its obligations hereunder, plus an administrative fee of fifteen percent (15%). All sums expended by the Authority to conduct maintenance, repairs, and/or replacements on Concessionaire's behalf shall be deemed Rent.

Exhibit “F”

**ASSURANCES REQUIRED BY THE FEDERAL AVIATION
ADMINISTRATION**

ASSURANCES ON FOLLOWING PAGE

Exhibit “G”

Insurance Requirements

Concessionaire shall procure and maintain for the duration of the concession agreement insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance authorized business hereunder by the Concessionaire, its agents, representatives, or employees. As a professional, Concessionaire must also maintain insurance against claims of negligence and failure to adhere to industry standards and best practices.

The Concessionaire shall conform to all insurance regulations and requirements, and provide OIAA with all required insurance documentation detailed in this Exhibit.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. Commercial General Liability (CGL Insurance Services Office Form CG 00 01 covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$2,000,000 per occurrence and \$4,000,000 aggregate with a carrier having an A.M. Best rating of no less than A-VII.

2. Automobile Liability: Insurance Services Office Form Number CA 0001 covering, (any auto), or if Concessionaire has no owned autos, (hired) and (non-owned), with limit no less than \$1,000,000 per accident for bodily injury and property damage.

3. Workers’ Compensation insurance as required by the State of California, with Statutory Limits, and Employer’s Liability Insurance with limits of no less than \$1,000,000 per accident for bodily injury or disease. A waiver of subrogation in favor of OIAA shall apply.

4. If the Concessionaire maintains broader coverage and/or higher limits than the minimums shown above, OIAA requires and shall be entitled to the broader coverage and/or the higher limits maintained by the concessionaire. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to OIAA.

5. Insurance policies required under this contract shall not contain any contractual limitations, exclusions, or restrictions that reduce or eliminate coverage otherwise available under standard Insurance Services Office (ISO) forms in the State of California. Any policy containing such limitations shall be deemed non-compliant with this agreement.

If any insurance policy contains a contractual limitation, exclusion, or restriction not permitted under this agreement, the insured party shall, at its sole expense, procure replacement coverage that meets the requirements set forth herein. Failure to maintain compliant insurance shall constitute material breach of this agreement.

6. For Concessions with commercial kitchens, concessionaire shall, at its sole cost and expense, maintain all kitchen and restaurant fire suppression systems, including hood and duct

systems, portable fire extinguishers, and any related fire protection equipment in accordance with all applicable federal, state, and local fire codes, as well as Airport Authority requirements.

Concessionaire shall:

- Ensure that all fire suppression and exhaust hood systems are inspected, serviced, and certified at least semi-annually by a licensed contractor.
- Maintain written records of inspections and certifications and provide copies to the Airport upon request.
- Promptly correct any deficiencies noted during inspections; and
- Cooperate with periodic inspections conducted by the Airport or its designee.

Concessions with commercial kitchens encounter various environmental risks that stem from common activities like food preparation, cleaning, and waste disposal. Contaminants from grease, oil, and food waste can accumulate in plumbing systems, leading to sanitation and health hazards. Improper storage or disposal of chemicals and cleaning agents may lead to accidental spills, posing risks to both employees and the environment. OIAA recommend concessionaire to obtain and maintain Environmental and Pollution Liability Insurance with limits not less than \$1,000,000 per occurrence and \$2,000,000 aggregate, covering claims arising from the release, discharge, or escape of pollutants, including but not limited to grease, oil, chemicals, cleaning agents, and food waste and name OIAA as an additional insured.

Liquor Liability Insurance (if alcohol is served/sold)

- Limit \$1,000,000 per occurrence
- Coverage must include both host and retail liquor liability

Failure to comply with these requirements may result in the suspension of operations and/or other remedies.

Additional Insured Clause. "It is further agreed such insurance as is afforded by this policy shall also apply to the Authority, its officers, directors, agents, employees, affiliates, partners, volunteers, representatives, and the Commission; as additional insureds but only with respect to legal liability or claims caused by, arising out of, or resulting directly, or indirectly from the operations of the named insured."

Primary Coverage. For any claims related to this contract, the Concessionaire's insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 12 19 as respects to the OIAA, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the OIAA, its officers, officials, employees, or volunteers shall be excess of the Concessionaire's insurance and shall not contribute with it. This requirement shall also apply to any Excess or Umbrella liability policies.

Waiver of Subrogation. Concessionaire hereby grants to OIAA a waiver of any right to subrogation which any insurer of said Concessionaire may acquire against the OIAA by virtue of the payment of any loss under such

Notice of Cancellation. Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the OIAA.

Special Risks or Circumstances. OIAA reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances during contract period.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

**INSURANCE SUPPLEMENT
PLEASE RETURN WITH EVIDENCE OF INSURANCE**

The **only** evidence of insurance accepted will be either a Certificate of Insurance and/or a True and Certified copy of the policy. The following items must accompany the form of evidence provided.

Endorsements

- Workers Compensation Waiver of Subrogation Endorsement
WC 04 03 06 or similar
- General Liability Additional Insured Endorsements
ISO Standard Endorsement CG 2010 or acceptable equivalent
- Primary non-contributory endorsement CG 20 01 12 19
- Waiver of Transfer of Rights of Recovery Against Others to Us
CG 24 04 10 93

NOTE: All endorsements must specifically name in the schedule:

The Ontario International Airport Authority, its commissioners, its officers, directors, agents, employees, affiliates, partners, volunteers, and representatives.

A Blanket/Automatic Endorsement and/or Language on a Certificate of Insurance is NOT ACCEPTABLE.

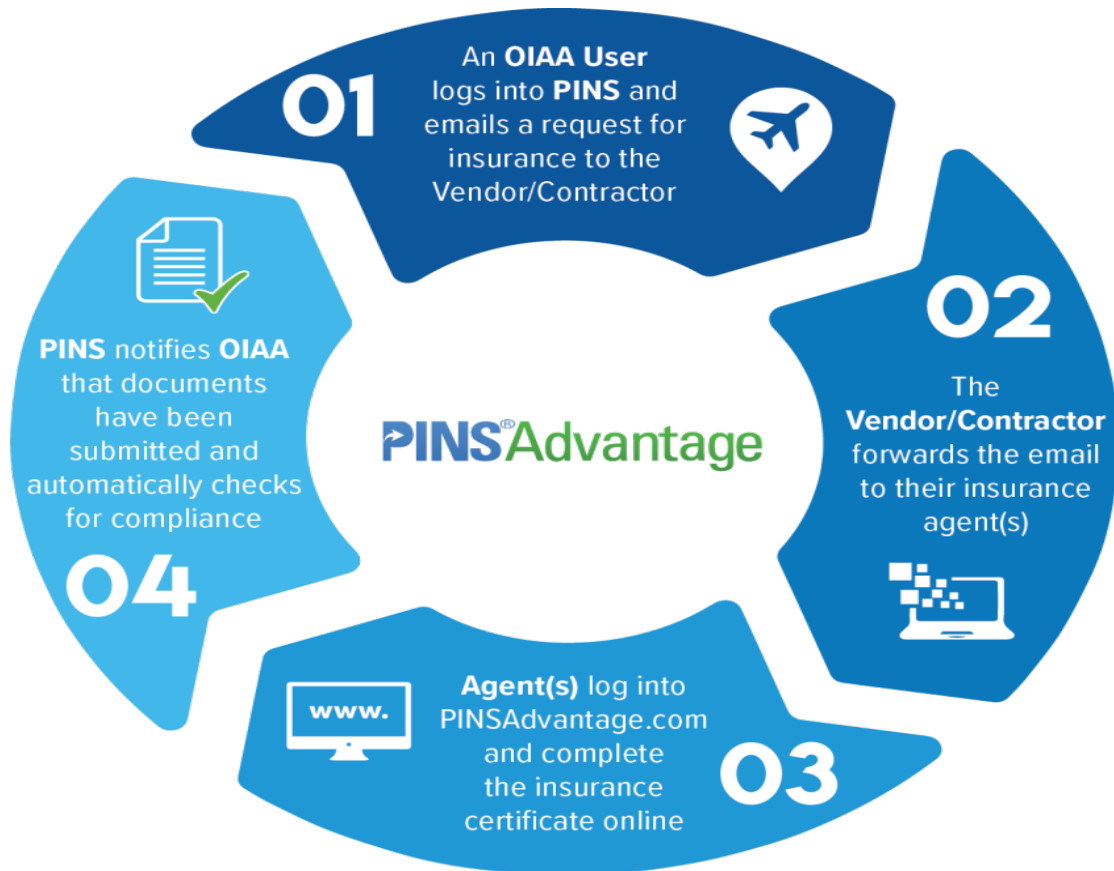
INSURANCE COMPANIES WHICH DO NOT HAVE AN AM BEST RATING OF A- OR BETTER, AND HAVE A MINIMUM FINANCIAL SIZE OF AT LEAST X, MUST BE REVIEWED FOR ACCEPTABILITY BY ONTARIO INTERNATIONAL AIRPORT AUTHORITY.

Ontario International Airport Authority (OIAA) is now using PINSAdvantage.com to track Insurance Certificates and all related documents.

WHAT IS THE PROCESS?

1. The Ontario International Airport Authority initiates the PINS process.
2. OIAA Risk Management creates a Project/Insured in PINS and emails a request for insurance document to the Supplier/Concessionaire/Firm*.
3. The **Supplier/Concessionaire/Firm** forwards the request email to their Insurance Agent(s).
4. The **Insurance Agent(s)** logs into www.PINSAdvantage.com and completes and uploads the insurance certificate and related documents online.

**Note: Supplier/ Concessionaire/Firm will receive the insurance request email from: no-reply@pinsadvantage.com*



Thank you for your compliance!

Exhibit “H”

Performance Standards

Concessionaire is required to provide the highest product quality, customer services, and facilities to the Airport patrons at all times. The OIAA and Concessionaire agree that Concessionaire shall observe the following Performance Standards in addition to those contained elsewhere in the Agreement.

A. Hours of Operation

The Leased Premises shall be open for business seven (7) days a week, including holidays, except as may be otherwise be approved in writing by the CEO. The CEO shall approve all hours of operation and shall have the option to make changes to the Concessionaire’s hours of operations with twenty-four (24) hour prior written notice. The hours of operation must be conspicuously posted at the Leased Premises in a manner approved by the CEO.

B. Operation of Concession and Leased Premises

1. Concessionaire shall furnish all services provided hereunder on a fair and reasonable basis to all users of the Airport and the general public. The Concessionaire’s operations must be conducted in a safe, clean, orderly, and inviting condition at all times and service shall be prompt, courteous and efficient satisfactory to the OIAA.

2. No loud or inappropriate music will be played at the Leased Premises. Concessionaire’s employees must conduct themselves in a professional manner and shall provide the highest level of service possible to all Airport patrons.

3. In the event the Leased Premises are operated as a name brand facility by Concessionaire pursuant to a license or franchise, Concessionaire shall fully comply with all the standards of the licensor or franchisor, perform all of the terms and conditions of such license or franchise and keep such license or franchise in full force and effect.

4. Concessionaire shall strictly comply with all applicable building codes, zoning regulations, municipal, county, State or federal laws, ordinances and regulations, including all health department regulations and ordinances, and all Airport rules, regulations and orders. Concessionaire shall maintain continuously the necessary licenses required to operate the Leased Premises.

5. Concessionaire shall conduct its operations in an orderly and proper manner so as not to commit any nuisance or waste in the Leased Premises.

6. Customer Complaints - Concessionaire shall respond in writing to all written complaints within forty-eight (48) hours of receipt and shall provide copies of all associated written correspondence to the CEO.

7. At no time shall the Leased Premises be left unattended or temporarily closed while employees are on break, receive deliveries, or for other such reasons unless otherwise previously approved by the CEO in writing.

8. Concessionaire's service shall be timely, attentive, and friendly. Processing of payments from customers shall be prompt. Receipts shall be properly itemized, shall reflect precisely the actual sale of goods and date of sale, and shall present individual prices, total, and taxes. All customers shall be thanked for patronage.

9. Concessionaire shall operate its business at Airport under the trade name set forth in the Agreement so long as: (1) the same shall not be held to be in violation of any applicable law; and (2) shall not change the advertised name or character of the business operated in the Leased Premises without the prior written approval of the OIAA, which approval may be withheld at the OIAA's absolute discretion.

10. Concessionaire shall not give samples, approach customers or otherwise solicit business in the common areas or any other part of the Airport other than the Leased Premises. Concessionaire shall not distribute any handbills or other advertising matter in the common areas or any other part of the Airport other than in the Leased Premises. In the event that the Concessionaire violates the foregoing, Concessionaire shall, at Concessionaire's sole cost and expense, be responsible for immediately clearing the area of any such materials.

11. At the CEO's request, Concessionaire shall meet with the CEO to review any complaints or concerns and shall promptly correct any deficiencies. The CEO's determination as to quality of operation or services shall be conclusive and curative measures shall be implemented by Concessionaire as expeditiously as possible.

12. Concessionaire shall at all times observe prudent cash-handling procedures, and it shall immediately implement any new procedures, or revise any existing procedures in such a manner, as the CEO may reasonably require from time to time, provided that the CEO gives written notice thereof to Concessionaire.

13. The CEO may monitor, test, or inspect Concessionaire's service at any time through the use of a responsible shopping service or by other commercially reasonable means that do not unduly interfere with Concessionaire's business.

14. The CEO, in his sole discretion, reserves the right to require Concessionaire to add additional staff, if the customer service requirements set forth in this Agreement are not being met.

Concessionaire should anticipate peak travel seasons such as Spring Break, Thanksgiving, Christmas, and other holidays, and add additional staff accordingly.

15. The Concessionaire will display only signage that has been previously approved by the CEO in writing. The CEO, in his sole discretion, shall have the right to require Concessionaire to immediately remove any displays that are determined to be inappropriate for the Airport. Handwritten signage is expressly prohibited from being displayed at any time.

16. Concessionaire shall comply with all local Department of Health sanitation rules and regulations and must maintain the Leased Premises in a clean manner. Copies of all Department of Health facilities inspections shall be submitted to the CEO within five (5) business days upon completion of inspection. Concessionaire shall notify the CEO immediately upon receiving any failing inspection.

17. Tip cups or jars are allowed in full service bar areas only and are to be placed on the back service bar counter. Concessionaire employees shall not solicit patrons for tips. Any public fund raising conducted by Concessionaire is not allowed without prior express written consent of the CEO.

18. The operation and management of the Leased Premises shall be under the constant and direct supervision of a well-trained, qualified, and experienced manager employed by Concessionaire.

C. Personnel

1. Manager - Concessionaire's manager on-site at the Leased Premises shall be a full-time active, qualified, experienced, and competent Manager with the complete responsibility and authority to respond quickly and decisively to the CEO in all matters affecting the operation of the Leased Premises. Concessionaire shall at all times ensure, in the absence of the Manager, that a qualified supervisor is available and empowered to act quickly and decisively in response to any need arising from the operation of the Leased Premises during normal business hours as well as in the evenings and/or in the event of an emergency.

2. Staffing - Concessionaire shall provide an adequate number of employees on each shift to ensure the highest standards of public service and satisfactory operation and maintenance of the Leased Premises at all times. Concessionaire shall provide appropriate staffing levels to accommodate changes in peak periods of passenger activity and shall add an appropriate number of employees to respond to increased levels in potential customers resulting from changes in the airline schedules or relocation of airline gates. Concessionaire shall recruit, train, supervise, direct and deploy the number of employees necessary to provide prompt service to all customers.

3. Department - Concessionaire shall require its employees in all circumstances to observe a strict impartiality as to quantities and services, to provide fast service, to exercise

courtesy and consideration in dealing with the public and to give directions and make change cheerfully. Employees will acknowledge, greet and/or welcome customers and provide assistance to customers as needed or requested. Concessionaire's employees shall be proficient in customer service and sales techniques. Employees shall not eat or drink within view of customers or in the store selling space during business hours and shall not chew gum while in the Leased Premises. Personal belongings shall not be within view of customers at the Leased Premises.

4. Training - Concessionaire's employees shall conduct themselves in accordance with the rules and precepts taught in Concessionaire's training program or programs. Each employee shall be trained in retail service selling skills and shall be knowledgeable about the products and services offered at the Leased Premises. Concessionaire shall certify to the CEO, if requested, that such training has been completed.

5. Uniforms & Badges - All employees of Concessionaire who come in contact with the public shall be clean and well groomed, neat, professional, courteous, and shall wear professional uniforms that must be kept neat and clean. If Concessionaire does not have a standard uniform all Concessionaire employees shall be appropriately attired. All Concessionaire employees must wear the official Airport identification badge and Concessionaire's identification name tag at all times, subject to the CEO's approval, which clearly state Concessionaire's company name and the individual employee's name. If the Leased Premises are operated pursuant to a license or franchise, the franchisor/licensor's uniform shall be acceptable.

D. Store Merchandising

1. Concessionaire shall develop and implement creative and effective merchandising displays within the Leased Premises to adequately promote and advertise its goods or services that encourage customers to purchase merchandise and services.

2. Merchandising shall include promotional displays and attractive packaging. Concessionaire shall establish reasonably adequate inventory levels as required to facilitate sales. All merchandise shall be properly stocked, stored and secure to maintain control of inventory.

3. Merchandising displays and promotional displays must conform to the Airport Tenant Concept Plan, as may be amended from time to time. The OIAA shall have the right to require Concessionaire to immediately remove any displays that do not conform to the Airport Tenant Concept Plan or that the CEO, in his sole discretion, determines are inappropriate for the Airport.

E. Sales and Dignified Use

No public or private auction, fire, going out of business, bankruptcy or similar types of sales shall be conducted in or from the Leased Premises. The Leased Premises shall be used only

in a dignified and ethical manner, consistent with the general high operation standards at the Airport.

F. High Traffic Areas Refurbishment

Concessionaire shall maintain the Leased Premises in a first-class, well-maintained condition at all times during the term of this Agreement. Concessionaire shall repaint or refinish, at Concessionaire's own cost, high traffic areas within the Leased Premises subject to greater than normal wear on a schedule to be specified by Concessionaire, or as may be required by the CEO, if Concessionaire fails to specify a reasonable refurbishment schedule and complete such refurbishment. All Tenant Improvements, and other furnishings that become worn, chipped, dented, gouged or otherwise damaged, shall be repaired or replaced by Concessionaire, at Concessionaire's sole expense as soon as reasonably possible.

G. Maintenance and Leased Premises Upkeep

1. Concessionaire must keep and maintain the Leased Premises and any fixtures, furniture, and equipment contained within the Leased Premises in good condition and repair.

2. Concessionaire shall perform all maintenance, repairs, or replacements using quality materials equal to the original, and, if materially changed from the original, shall be subject to the prior written approval of the CEO.

3. Concessionaire shall provide complete and adequate arrangements for the sanitary handling of all trash, garbage, and other refuse generated in connection with the use of the Leased Premises.

4. Concessionaire shall not allow the accumulation of boxes, pallets, cartons, barrels, carts, equipment, or other similar items in public or common areas.

5. Concessionaires may be required, at its own expense, to keep a floor mat to all rear (back of house) entrances and exits to their Leased Premises as a means to prevent debris and water from permeating common areas.

6. Concessionaire shall be responsible for the complete control of all rodents and insects or other pests within the Leased Premises.

7. Concessionaire's fixtures and/or equipment installed in, affixed to, or served by, roof vents or other similar air openings serving the Leased Premises, shall be kept free of grease accumulation, dirt, and other foreign matter by Concessionaire at all times throughout the term of the Agreement. Concessionaire shall furnish and service any and all filters or similar equipment considered necessary by the OIAA, monthly or as often as necessary.

8. Concessionaire shall implement approved daily, weekly, monthly, and annual equipment maintenance and facility cleaning logs and shall submit such logs as requested by the CEO. Concessionaire shall strictly adhere to such cleaning and maintenance schedules and provide equipment inspection certifications as required by CEO.

H. Freestanding Signage and Displays

1. Retail and Service Concessionaires

Each retail location may have one (1) freestanding sign at the store entrance upon approval from the CEO. The sign cannot extend or be placed more than one (1) foot beyond the storefront lease line. If the leased premises contain two (2) individual concepts, then one (1) sign for each concept will be allowed. All other signage must be within the Leased Premises and shall not obstruct access to the store. All signage must be professionally printed; no handwritten signage is allowed.

Each retail location may have no more than one (1) product/merchandise display outside the storefront lease line at the store entrance. The merchandise display cannot extend or be placed more than one (1) foot beyond the storefront lease line. Exceptions during holidays, special events, trunk shows and other promotions may be allowed; however, prior approval is required.

2. Food and Beverage Concessionaires

Freestanding signage is not allowed in front of quick serve/walk-up and grab and go locations. One (1) freestanding sign is allowed at dine-in locations at the store entrance upon approval from the CEO. The sign cannot extend or be placed more than one (1) foot beyond the storefront lease line. All other signage must be within the Leased Premises and shall not obstruct access to the store. All signage must be professionally printed; no handwritten signage is allowed.

Hostess stands are allowed at dine-in locations with the CEO's prior written approval. Renderings that include dimensions, color and materials, and the proposed location must be submitted and approved by the CEO prior to installation.

Product/merchandise displays are not allowed outside the storefront lease line at food and beverage locations.

I. Sanctions for Violation of Concessionaire Operating Standards

1. Upon Concessionaire's violation of the operating standards listed in the table below, Concessionaire may be sanctioned for such violations in the amounts identified. Sanctions may accrue immediately and without notice upon violation.

2. Violations must be cured at the earliest possible date. If condition of violation continues for more than two (2) calendar days after the OIAA has given Concessionaire notice of the violation, additional sanctions may be applied.

3. Each violation occurrence shall be cumulative and expire 365 days from notification. Effects of violation shall be applied for 365 days from date of notification.

4. After five (5) violations in Section A or three (3) violations in Section B within one calendar year (365 days) of the chart herein below, the CEO reserves the right, at its sole option, not to impose the sanction and instead to seek any other remedies available under Section 3.16, Events of Default by Concessionaire, of the Agreement, including termination of this Agreement.

5. If Concessionaire believes that there were unforeseen circumstances beyond Concessionaire's reasonable control that caused Concessionaire to violate the operating standards described in this **EXHIBIT "H"**, Concessionaire may request that the OIAA take such mitigating circumstances into consideration by submitting to the CEO a written request which outlines and explains the mitigating circumstance in detail. The CEO will review such request before imposing a sanction or taking any other action that it is entitled to take under this Agreement.

Schedule of Sanctions

Section A Violations:	Occurrence	Amount of Sanction
Hours of Operation	1	Written Notification
Operations, Service Standards and Employee Standards	2	\$200 Sanction
Pricing	3	\$400 Sanction
Quality	4	\$750 Sanction
Signage	5	\$1,000 per occurrence thereafter or default under Section 3.23 of the Agreement
Interference with Utilities		
Deliveries and Vendor Access		
Section B Violations:	Occurrence	Amount of Sanction
Maintenance and Repairs	1	\$250 Sanction
Sanitation	2	\$500 Sanction
Hygiene and Cleanliness	3	\$1,000 per occurrence thereafter or default under Section 3.2 of the Agreement
Waste Disposal & Recycling		
Health Code Violations		

Exhibit "I"

Airport Tenant Concept Plan

[PLANS ON FOLLOWING PAGE]

Exhibit “J”

Merchandise and Services Pricing Policy

The intent of the OIAA’s Merchandise and Service Pricing Policy (Pricing Policy) is to maintain consistency in the quality of merchandise and services for concessions offered at the Airport. Merchandise and services offered at the Concessionaire's location at the Terminal in the Airport shall be comparable to the quality and prices as those offered at other stores in the southern California Area (Los Angeles, Orange, Riverside, San Diego, and San Bernardino Counties). The OIAA requires strict adherence to the Pricing Policy and any violations to the Pricing Policy are subject to Sanctions as described in **EXHIBIT “H” Performance Standards**.

A. Establishing Comparable Locations and Pricing

Concessionaire is responsible for establishing comparable locations for the purpose of instituting a pricing structure for their locations under the following guidelines:

1. Franchised Stores

If a Concessionaire has one or more stores or franchises bearing the same name within the southern California area, that facility or those facilities will be designated as the comparable facilities.

2. Non-Franchised Stores

a. If Concessionaire does not have the same store or franchise elsewhere in the southern California area, or if there are items sold at Concessionaire's Airport concession that are not sold at any off-Airport comparable facilities, Concessionaire and the OIAA will identify no more than three (3) stores in the southern California area similar in concept, size, and quality, which shall hereinafter be considered comparable for the purposes of implementing the Pricing Policy terms of this **EXHIBIT “J”**.

b. If Concessionaire is unable to find a reasonable comparable location within the southern California area, then Concessionaire shall have the right to request in writing an exemption from the local comparable requirement for approval by the CEO. Such request must include reason for requested exemption and provide a detailed explanation of how Concessionaire intends to establish pricing for its merchandise or services.

3. Pricing

a. Franchised store prices shall not be more than eighteen percent (18%) higher for the same product offered at the approved franchised comparable location. Concessionaire shall submit pricing from only one store from the southern California area for pricing its comparables.

b. Non-Franchised store prices offered at the Airport must be no more than eighteen percent (18%) higher, unless otherwise specified in Section B of this **EXHIBIT “J”**, for the same quality product found at the approved off-Airport

4. Protection from Competition

In selecting comparable stores for the purposes of this **EXHIBIT “J”**, stores that are partially or fully protected from competition, such as hotels or sports arenas, and locations that operate using an off-price or discount pricing structures, shall not be included as comparable locations.

5. Rights of CEO

In any event, if the OIAA and Concessionaire are unable to agree on the comparable stores or prices, the CEO shall have the right to select the comparable stores for the purpose of establishing prices for the Concessionaire’s location(s).

6. Product and Price Submittal

Concessionaire shall be required to submit a complete product and price list to the CEO for approval at least sixty (60) days prior to the initial store opening. Such product and price list shall detail all products and services available for sale and the requested price. Differences in size or quality of a product or service shall, all other things being equal, be considered by OIAA during its review.

B. Pricing Policy by Category

1. Pre-Marked or Pre-Printed Price

Subject to reviews and modification by the CEO, where prices are pre-printed on the item by the distributor or manufacturer, the price charged for the item shall not exceed the pre-printed price. This includes, but is not limited to newspapers, magazines, greeting cards, and hard and soft cover books, candies, souvenirs, sundries, etc., or any holiday merchandise.

2. Unmarked Good or Services

Subject to reviews and modification by the CEO, Concessionaires shall not charge greater than eighteen percent (18%) of the approved off-Airport comparable price for any merchandise or services offered at any location(s) at the Airport. Concessionaire must use like products of like quality for establishing reasonable pricing.

3. Display of Pricing

Concessionaire is required to prominently display pricing for all merchandise and services offered at any location(s) at the Airport.

C. Price Adjustments and New Products

1. Written Approvals

Throughout the Agreement term, Concessionaire must obtain the OIAA's written approval prior to adjusting prices and offering new products and services. Any request for price adjustments or new products and services must be submitted to the CEO at least fourteen (14) days prior to the price increase effective date. Price adjustments shall be based on rising prices for the same items at the comparable facilities in the southern California area.

2. Price Adjustments

Concessionaire will be allowed to submit pricing adjustments two (2) times per year unless otherwise requested by Concessionaire due to market conditions. If, in the opinion of the CEO, prices do not meet the requirements of this Section, it will be required that the prices be adjusted accordingly.

D. Exorbitant Prices, Inadequate Quality, Etc.

1. At any time during the Agreement term, the CEO may, at its option, survey prices, rates and charges and the quality of services and commodities then in effect at comparable stores in the southern California area. If said survey concludes that any prices being charged by Concessionaire on the Leased Premises are not in compliance with the Pricing Policy, or that any service or commodities being offered by Concessionaire are of too low quality, the CEO shall then have the right to require compliance with the Pricing Policy or improvement in quality of Concessionaire's service. Upon receipt of written notice from the CEO, Concessionaire shall thereafter charge the appropriate prices or improve quality as directed by the CEO.

2. Failure on the part of Concessionaire to promptly correct, rectify or modify its price, or quality schedule upon such written notice from the CEO shall be cause for cancellation of this Agreement by OIAA under the provisions of Section 3.24, Early Termination by OIAA.

Exhibit “K”

FAA CONTRACT PROVISIONS

A. General Civil Rights Provisions

The Concessionaire agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If the Concessionaire transfers its obligation to another, the transferee is obligated in the same manner as the Concessionaire.

This provision obligates the Concessionaire for the period during which the property is owned, used or possessed by the Concessionaire and the airport remains obligated to the Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

B. Title VI Solicitation Notice

The OIAA, in accordance with the provisions of Title VI of the A6. A6.3.1 Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all proposers that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

C. Compliance with Nondiscrimination Requirements:

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

1. Compliance with Regulations: The Concessionaire (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. Non-discrimination: The Concessionaire, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Concessionaire 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 concessionaire of the Concessionaire'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 Concessionaire 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 Concessionaire'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 Concessionaire 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 Concessionaire 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 Concessionaire 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 Concessionaire becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the concessionaire may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, the concessionaire may request the United States to enter into the litigation to protect the interests of the United States.

7. The Concessionaire for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

In the event facilities are constructed, maintained, or otherwise operated on the property described in this lease for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the lessee will maintain and operate such facilities and services in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Pertinent List of Nondiscrimination Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.

8. With respect to leases, in the event of breach of any of the above Nondiscrimination covenants, OIAA will have the right to terminate the lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the lease had never been made or issued.

9. The Concessionaire for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the lessee will use the premises in compliance with all other requirements imposed by or pursuant to the List of discrimination Acts And Authorities.

10. With respect to Concessionaire, in the event of breach of any of the above nondiscrimination covenants, OIAA will have the right to terminate the lease and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said lease had never been made or issued.

D. TITLE VI LIST OF PERTINENT NONDISCRIMINATION ACTS AND AUTHORITIES

During the performance of this contract, the Concessionaire, for itself, its assignees, and successors in interest (hereinafter referred to as the “Concessionaire”) 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);

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;

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 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);

7. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms

“programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

8. Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;

9. The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

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

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. at 74087 to 74100);

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 U.S.C. 1681 et seq).

E. FEDERAL FAIR LABOR STANDARDS ACT

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

F. OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. Concessionaire must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The Concessionaire retains full responsibility to monitor its compliance and their subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Concessionaire 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.

THIS PAGE INTENTIONALLY LEFT BLANK



MEETING DATE: SEPTEMBER 18, 2025

SUBJECT: APPROVE A RESOLUTION ADOPTING THE NEW AIR CARRIER OPERATING PERMIT

RELEVANT STRATEGIC OBJECTIVE: Invest in ONT Master the Basics Plan for the Future

RECOMMENDED ACTION(S): Approve a Resolution adopting the new Air Carrier Operating Permit (ACOP) and authorize the Chief Executive Officer to execute ACOPs with airline partners operating at the Ontario International Airport.

FISCAL IMPACT SUMMARY: Revenues generated under the new ACOP are supplementary in funding airport operations, maintenance, and future capital projects. The terms of the ACOP are based on the recently approved Operating Use and Terminal Lease Agreement (ULA). Airlines executing an ACOP are typically subject to a 25% premium on airport rates and charges, including Landing Fees and Terminal Rental Rates.

BACKGROUND: On July 24, 2025, the Ontario International Airport Authority (OIAA) Commission approved a new ULA which reflects current industry standards and OIAA's strategic goals for gate utilization, financial sustainability, and future capital investment. The ULA is signed by Signatory Airlines who financially commit to long term operations at Ontario International Airport (ONT).

Carriers that desire increased flexibility with planned operations and/or are interested in testing the ONT air service market have the option to sign an ACOP as a Non-Signatory Airline at ONT, but these airlines are subject to higher fees and receive fewer benefits compared to a Signatory Airline operating at ONT. Staff has developed an updated ACOP to ensure consistency with the terms and provisions of the new ULA and will transition all Non-Signatory Airlines at ONT to the new ACOP after approval.

PROCUREMENT: N/A

CEQA COMPLIANCE AND LAND USE APPROVALS: N/A

STAFFING IMPACT (# OF POSITIONS): N/A

IMPACT ON OPERATIONS: N/A

SCHEDULE: N/A

ATTACHMENTS:

1. Resolution No. 2025-07

STAFF REVIEW AND APPROVAL:

Originator:	<u>Annie Lin-Ahn, Director of Airline Affairs & Properties</u>
Originating Dept.:	<u>Revenue Management Division</u>
Director Review:	<u>N/A</u>
Chief Review:	<u><i>Elson J. Quig</i></u>
CFO Review:	<u><i>Celeste Heinonen</i></u>
CEO Approval:	<u><i>Atif Qkadi</i></u>

This Agenda Report has been reviewed by OIAA General Counsel.

The Agenda Report references the terms and conditions of the recommended action and request for approval. Any document(s) referred to herein, which are not attached or posted online, may be reviewed prior to or following scheduled Commission meetings in the Office of the Clerk of the Commission. Hours to review are between 8:30 a.m. and 4:30 p.m., Monday through Friday, although these hours and review procedures may be modified. In that case, the documents may be requested by email at clerk@flyontario.com.

RESOLUTION NO. 2025- 07

**A RESOLUTION OF THE ONTARIO INTERNATIONAL AIRPORT
AUTHORITY ADOPTING THE NEW AIR CARRIER OPERATING PERMIT**

WHEREAS, the Ontario International Airport Authority (“the Authority” or “OIAA”) was established under a Joint Exercise of Powers Agreement between the City of Ontario and the County of San Bernardino pursuant to the purpose of operating, maintaining, developing, and marketing the Ontario International Airport (the “Airport”); and

WHEREAS, the OIAA operates the same for the promotion, accommodation and development of air commerce and transportation; and

WHEREAS, the OIAA has revised the existing Air Carrier Operating Permit with the assistance of Legal Counsel (“ACOP”) that reflects the current industry standards and OIAA’s strategic goals for Non-Signatory Airlines operating at the Airport; and

NOW, THEREFORE, BE IT RESOLVED by the OIAA Commission as follows:

SECTION 1. The OIAA Commission hereby adopts the new Air Carrier Operating Permit contained in Exhibit “A” attached hereto, and incorporated herein by this reference.

SECTION 2. Effective Date. This Resolution will take effect immediately upon its adoption.

SECTION 3. Certification. The Secretary/Assistant Secretary shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED at this Special Meeting this 18th day of September, 2025.

ALAN D. WAPNER, OIAA PRESIDENT

ATTEST:

COMMISSION CLERK/ASSISTANT SECRETARY

APPROVED AS TO LEGAL FORM:

KEVIN P. SULLIVAN, GENERAL COUNSEL

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO)
CITY OF ONTARIO)

I, Commission Clerk/Assistant Secretary of the Ontario International Airport Authority, DO HEREBY CERTIFY the foregoing Resolution No. 2025-07 is the original and was duly passed and adopted by the Commission of the Ontario International Airport Authority at their Special Meeting held September 18, 2025, by the following roll call vote, to wit:

AYES: COMMISSIONERS:

NOES: COMMISSIONERS:

ABSENT: COMMISSIONERS:

COMMISSION CLERK/ASSISTANT SECRETARY

(SEAL)

