

**AUTOMOBILE RENTAL
CONCESSION AGREEMENT**
between
PEE DEE REGIONAL AIRPORT AUTHORITY
and
Rental Car Company

Chairman

Connie Anderson
Executive Director

TABLE OF CONTENTS		
ARTICLE I	DEFINITIONS	Page 6
1.01	Airport	Page 6
1.02	Annual Concession Fee	Page 6
1.03	Authority	Page 7
1.04	Concession	Page 7
1.05	Concession Agreement	Page 7
1.06	Concession Premises	Page 7
1.07	Concessionaire	Page 7
1.08	Counter Space	Page 7
1.09	Contract Facility Charge or CFC	Page 7
1.10	Contract Year	Page 7
1.11	Disadvantaged Business Enterprise or DBE	Page 7
1.12	Environmental Laws	Page 7-8
1.13	Finished Space	Page 8
1.14	Gross Revenue	Page 8-9
1.15	Hazardous Substances	Page 9-10
1.16	Liabilities	Page 10
1.17	Office Space	Page 10
1.18	Percentage Payment	Page 10
1.19	Personnel	Page 10
1.20	Public Roads or Drives	Page 10
1.21	Ready/Return Lot	Page 10
1.22	Service Facility	Page 10
1.23	Service Facility Area	Page 10
1.24	Structure	Page 11
1.25	Solicitation	Page 11
1.26	Term	Page 11
1.27	Terminal Building	Page 11
ARTICLE II	TERMS OF CONCESSION AGREEMENT	Page 11
ARTICLE III	CONCESSION PREMISES	Page 11
3.01	Counter Space	Page 11
3.01a	Office Space	Page 11
3.02	Ready/Return Parking Spaces	Page 11
3.03	Service Facility	Page 11
3.04	Relocation of Concession Premises	Page 11-12
3.05	Utilities	Page 12
3.06	Employee Parking	Page 12
3.07	Concessionaire Improvements	Page 12

ARTICLE IV	RENTALS, FEES AND RELATED PROVISIONS	Page 12
4.01	Annual Concession Fee	Page 12
4.02	Office Space Rent	Page 12
4.03	Ready/Return Car Parking Space Rent	Page 12
4.04	Service Facility Rent	Page 13
4.05	Monthly Statement	Page 13-14
4.06	Contract Facility Charge	Page 14
4.07	Collection and Remittance of Contract Facility Charges	Page 14
4.08	Accounting Records for Contract Facility Charges	Page 14
4.09	Prompt Payment of Taxes and Fees	Page 14
4.10	Unpaid Rents and Fees	Page 14
4.11	Books of Account and Auditing	Page 15
4.12	Independent Certified Public Accountant	Page 15
ARTICLE V	RIGHTS OF CONCESSIONAIRE	Page 15
5.01	Signs	Page 15
5.02	Terminal Building	Page 16
5.03	Improvements	Page 16
5.04	Approval of Improvements	Page 16
5.05	Removal of Improvements	Page 16
5.06	Roadway	Page 16
ARTICLE VI	SERVICE STANDARDS	Page 16
6.01	Quality of Service	Page 16
6.02	Schedule of Rates	Page 16-17
6.03	Condition of Automobiles	Page 17
6.04	Period of Operations	Page 17
6.05	Personnel	Page 17
6.06	Facility Manager	Page 17
6.07	Rules and Regulations	Page 17-18
6.07a	Vehicle Operations	Page 18
6.08	Maintenance of Concession Premises	Page 18
6.09	Inspection	Page 18
6.10	Sales of Automobiles	Page 18
ARTICLE VII	AUTHORITY CONCERNS	Page 18
7.01	Independent Contractor	Page 18-19
7.02	Non-Interference	Page 19
7.03	Hazardous Substance Compliance Indemnity	Page 19-20
7.04	Environmental Audit	Page 20
7.05	Environmental and Safety Records	Page 20

ARTICLE VII	INDEMNIFICATION AND INSURANCE	Page 21
8.01	Indemnification-Authority Held Harmless	Page 21
8.02	General Insurance Requirements	Page 21
8.03	Minimum Financial Security Requirements	Page 21
8.04	Insurance Required for the Term of Agreement	Page 21
8.05	Mandatory 30-day Notice of Cancellation or Material Change	Page 21-22
8.06	Authority as Additional Insured	Page 22
8.07	Evidence of Insurance	Page 22
8.08	Adjustment of Claims	Page 22
8.09	General Liability Insurance	Page 22-23
8.10	Workers' Compensation and Employer Liability Insurance	Page 23
8.11	Fire Insurance	Page 23
8.12	Airport's Relief	Page 23
ARTICLE IX	TERMINATION BY AUTHORITY	Page 23
9.01	Assignment	Page 23
9.02	Remedies under Federal Bankruptcy Laws	Page 23-24
9.03	Authority Authorization Required	Page 24
9.04	Appointment of Receiver	Page 24
9.05	Abandonment	Page 24
9.06	Failure to Pay Fees Timely	Page 24
9.07	Default in Terms and Conditions	Page 24
9.08	Time to Vacate Concession Premises	Page 24
9.09	Hold-over Rent	Page 24
9.10	Abandonment of Trade Fixtures	Page 25
9.11	Costs Expense of Concessionaire	Page 25
9.12	Attorney's Fees	Page 25
ARTICLE X	TERMINATION BY CONCESSIONAIRE	Page 25
10.01	Injunction	Page 25
10.02	Authority Default	Page 25
10.03	Destruction of Airport	Page 25
10.04	Reversion to U.S. Government	Page 25
10.05	Substantial Loss of Airline Service	Page 26
ARTICLE XI	ASSIGNMENT FOR SUBLETTING	Page 26
ARTICLE XII	MODIFICATIONS FOR GRANTING FAA FUNDS	Page 26
12.01	FAA Required Modifications	Page 26

ARTICLE XIII	NONDISCRIMINATION	Page 26
13.01	Non-Discrimination	Page 26-27
13.02	Affirmative Action	Page 27
13.03	Accessibility to Physically Handicapped	Page 27
13.04	Disadvantaged Business Enterprise Program	Page 27-28
ARTICLE XIV	NOTICES	Page 28
ARTICLE XV	NON-EXCLUSIVE USE	Page 28
ARTICLE XVI	FORCE MAJEURE	Page 28
ARTICLE XVII	AMENDMENT FOR INTERPRETATION	Page 29
17.01	Amendment	Page 29
17.02	Failure to Enforce	Page 29
17.03	Invalid Provisions	Page 29
17.04	Non-Waiver	Page 29
17.05	Interpretation	Page 29
17.06	Concessionaire is Independent Contractor	Page 29
17.07	Headings	Page 30
17.08	Survival of Obligations	Page 30
17.09	Entire Agreement	Page 30
SIGNATURE PAGE		Page 31
Exhibit "A"	Counter Space and Office Space	
Exhibit "B"	Ready/Return Parking Lot	
Exhibit "C"	Service Facility Area	

**Pee Dee Regional Airport Authority
Florence Regional Airport
Automobile Rental
Concession Agreement**

THIS CONCESSION AGREEMENT (“Concession Agreement”) made and entered into this 30th day of June 20XX (“Effective Date”) by and between the **Pee Dee Regional Airport Authority** (hereinafter referred to as “Authority”) and **Rental Car Company** (hereinafter referred to as “Concessionaire” or “Lessee”),

WITNESSETH

WHEREAS, the Authority, the governing body of the Pee Dee Regional Airport District, owns, controls and operates an airport known as Florence Regional Airport (hereinafter referred to as “Airport”), located at 2100 Terminal Drive, Florence, South Carolina, 29506; and

WHEREAS, automobile rental services at the Airport are essential for proper accommodations for passengers arriving and departing from the Airport; and

WHEREAS, the Authority wishes to grant the right for up to four (4) companies to operate automobile rental business (“Concessions”) at the Airport and has solicited competitive bids from qualified automobile rental operators for the right to operate one (1) of the Concessions; and

WHEREAS, the Authority wishes to award and Concessionaire wishes to accept a nonexclusive Concession under the terms hereof;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants in this Concession Agreement which is incorporated herein by reference thereto, Authority does hereby award Concessionaire and Concessionaire does hereby accept from Authority certain rights and privileges on and in connection with the Airport, along with the obligations described herein, and Authority and Concessionaire do furthermore agree to the following:

**ARTICLE I
DEFINITIONS**

Unless the context shall clearly indicate otherwise, the terms of the defined in this Article shall, for all purposes of the Concession Agreement, have the following meanings. The following definitions shall be equally applicable to both the singular and plural forms of any of the terms defined below.

1.01 Airport- The airport located in Florence County, South Carolina, known as Florence Regional Airport, together with additions thereto or enlargements thereof, located at 2100 Terminal Drive, Florence, South Carolina, 29506.

1.02 Annual Concession Fee- The total amount of payments to be made by Concessionaire to the Authority during any Contract Year pursuant to section 4.01 hereof.

- 1.03 Authority-**The Pee Dee Regional Airport Authority, and its employees, agents or representatives.
- 1.04 Concession-** The automobile rental business which is the subject of this Concession Agreement.
- 1.05 Concession Agreement-** This Concession Agreement between the Authority and Concessionaire.
- 1.06 Concession Premises-** The Counter Space, Ready/Return Lot parking spaces and Service Facility assigned to Concessionaire by this Concession Agreement and exhibits hereto as the place or places where the Concession may be conducted pursuant to this Concession Agreement
- 1.07 Concessionaire-** The automobile rental business operator which is signatory to this Concession Agreement
- 1.08 Counter Space-** The rental counter located in the Terminal Building assigned to the Concessionaire hereunder for the Concessionaire's operations, including heating, ventilation and air conditioning, overhead lighting and any electrical convenience outlets, telephone and computer outlets and/or jacks associated with such area.
- 1.09 Contract Facility Charge or CFC-** Shall mean the fee which may be imposed by the Authority for the purposes of recovering the costs associated with improvements which may be made by the Authority to the rental car facilities at the Airport and which fee shall be payable from each customer entering into rental contracts with Concessionaire. Said improvements may be made by the Authority in its sole discretion and may include the development of a new service facility site and the construction of new service facilities thereon. The date of the imposition method calculation and the resulting amount of any CFC shall be determined by the Authority in its sole discretion.
- 1.10 Contract Year-** A period of 365 days (366 days during leap year) beginning on the Commencement Date (defined in Article II hereof) or any anniversary thereof during the Term hereof.
- 1.11 Disadvantage Business Enterprises or DBE-** A business, whether it is a corporation, sole proprietorship, partnership or joint venture, as certified and verified by the Authority, of which at least fifty-one percent (51%) of the interest is owned and controlled by one or more socially and economically disadvantaged individuals as defined in the Airport and Airways Safety and Capacity Expansion Act of 1987 and the regulations promulgated pursuant hereto at 49 CFR Part 23.
- 1.12 Environmental Laws-** Shall mean any and all laws, rules, regulations, judgement, orders, permits, licenses, agreements, covenants, restrictions, requirements, policies or the like enacted now or hereafter by federal, state, regional, or local governments, agencies or authorities relating to or governing in any way the environmental condition of soil, air,

water, ground, or the presence of Hazardous Materials in or affecting all or any portion of the assigned Concession Premises.

1.13 Finished Space- Shall mean the heating and air conditioning, overhead lighting, electrical convenience outlets, telephone and computer outlets and/or jacks and water and sewer rough ins (where available).

1.14 Gross Revenue- As used herein shall mean the total sum of money paid or payable to the Concessionaire for or in connection with the use of any vehicle which was either contracted for by customer who shall have arrived at the Airport by aircraft within twenty four (24) hours prior to picking up the rental vehicle, contracted for by the customer while at the Airport, delivered to the customer at the Airport, or rented by the customer at the airport, regardless of where payment is made or where the vehicle is returned, and regardless of whether Concessionaire actually collects the amounts so payable by the customer, except only as hereinafter specifically excluded. Gross Revenue shall include all monies or other consideration of whatsoever nature paid or payable to Concessionaire by customers for all sales made and services performed for cash or credit in connection with automobile and vehicle rentals or other products or services provided to persons through Concessionaire's operation at the Airport, without regard to ownership, area fleet, or location assignment of vehicles and without regard to the manner in which or place at which the vehicles or other products or services are furnished to Concessionaire's customers and without regard to whether the vehicles or other products are returned to the Airport or some other location.

Without limiting the generality of the foregoing definition, Gross Revenue specifically shall include all of the following:

- A. Net fees generated from the rental or sale of mobile telephones, computerized navigation and similar services of whatsoever nature now or hereafter, such net fees to be determined as the difference between actual rental or selling price to customers and actual cost to Concessionaire for the purchase or said services;
- B. Fee generated from contractual services provided by Concessionaire to other airport concessionaires, users or third parties;
- C. Fees charged to customers for Concession Recoupment Fees and the like;
- D. Fees for the rental of child/infant car seats or restraints, ski racks, bicycle racks, recreational gear including bikes, ski equipment, boating equipment, fishing tackle, golf clubs, and personal computers, facsimile machines, and other vehicle accessories or services of whatsoever nature offered to customers now or hereafter; and
- E. All amounts net of customer discounts if said discounts are itemized on the customer rental agreement contract paid or payable for a vehicle originally rented at the Airport, even if the rental agreement for such vehicle may have been renewed at another location.

Only the following items, set forth in subparagraphs F through K, shall be permitted as exclusions from Gross Revenues; provided that such items are segregated by rental agreement contract number:

- F. Federal, state, county, city or municipal sales, use or excise taxes now in effect or hereinafter levied on Concessionaire's operations which are separately stated and collected from customers of Concessionaire.
- G. Any amounts received by Concessionaire and conveyed to the Authority as a Contract Facility Charge;
- H. Amounts received as insurance proceeds or otherwise for damages to vehicles or other property of Concessionaire;
- I. Amounts received by Concessionaire from the disposal of Concessionaire's owned equipment or vehicles.
- J. Any charges collected from customers for refueling (customer option or purchase) an automobile rental pursuant to a rental agreement under which the customer is obligated to return the automobile with the same amount of gasoline furnished upon rental; and
- K. All amounts paid or payable to Concessionaire by its customers for acceptance of a collision damage waiver ("CDW"), a loss damage waiver ("LDW") or insurance including personal effects coverage ("PEC"), cargo, life insurance, supplemental liability insurance, safe trip insurance, extended protection, or other insurance offered to customers now or hereafter.

For the purpose of computing Gross Revenues, no deduction shall be allowed from Gross Revenues for the payment of franchise taxes, income taxes or other taxes levied on the activities, facilities or real or personal property of Concessionaire or the concession fees paid or payable by concessionaire to the Authority hereunder. Concessionaire shall have the right to conduct all or part of its business on a credit basis, provided that the risk of such operations shall be borne solely by Concessionaire and Concessionaire shall pay concession fees on such credited amounts and report all income, both cash and credit in its monthly reports to the Authority.

1.15 Hazardous Substances- Means and includes any and all substances, chemicals, waste, sewage or other materials, which are now or hereafter regulated, controlled or prohibited by any environmental law requiring removal, warning or restrictions of the use, generation, disposal or transportation thereof, including without limitation; (i) any substance defined as a "hazardous substance", "hazardous material", "hazardous waste", "toxic substance", or "air pollutant" in the Comprehensive Environmental Response Compensation and Liability Act (CERCLA), 42 U.S.C. Section 9601 et seq., the Hazardous Material Transportation Act (HMTA), 49 U.S.C. Section 1801 et seq., the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. Section 6901 et seq., or the Clean Air Act (CAA), 42 U.S.C. Section 7401 et seq., all as amended and amended hereafter; (ii) any substances defined as a "hazardous substance", "hazardous waste", or "toxic substance", "extremely hazardous

waste”, “RCRA hazardous waste”, “waste” or “hazardous material” in Section 25115 et seq. of the California Health and Safety Code, (iii) any hazardous material, waste, chemical, or compound described in any other federal, state, or local statute, ordinance, code, rule, regulation, order, decree, or other law now or at any time or hereinafter in effect, regulating, relating to or imposing liability or standards of conduct concerning hazardous, toxic or dangerous substance, chemical, material, compound or waste. As used herein, the term “hazardous substances” also means and included, without limitation, asbestos, flammable, explosive or radioactive materials, gasoline, oil, motor oil, waste oil, petroleum (including without limitation, crude oil, or any refraction thereof), petroleum based products, refrigerants, anti-freeze, paints and solvents, leads cyanide, DDT, printing inks, acids, pesticides, ammonium compounds polychlorobiphenyls, and other regulated chemical products.

- 1.16 Liabilities-** Shall mean liabilities, contingent liabilities, claims, potential claims, costs, judgement, penalties, fines, losses, orders, and the like, including without limitation; (i) damages for the loss or restriction of use of rentable or usable space or of any amenity of the Airport or the Concession Premises; (ii) sums paid in settlement claims, liabilities, damages, injuries, causes of action, judgements and expenses (including without limitation, attorney’s fees, consultant fees, and expert fees); (iii) damages caused by the breach or nonperformance by the Concessionaire of any covenant or other provision of this Concession Agreement (iv) costs incurred in connection with any investigation of site conditions and any cleanup, remediation, removal, or restoration work required as a result of the Concessionaire’s operation hereunder; and (v) rents, fees or other monetary obligations payable by the Concessionaire to the Authority.
- 1.17 Office Space-** The area, if any, assigned to the Concessionaire as office space.
- 1.18 Percentage Payment-** the sum of money due to the Authority as the Authority’s share of Gross Revenue as hereinafter provided.
- 1.19 Personnel-** Shall include agents, servants, officers and employees of the Concessionaire or Authority as the context may require.
- 1.20 Public Roads or Drives-** Those road or drives located within the Airport property, which are available to the general public for use. They shall not include any roads requiring security clearance nor any road on any portion of the Airport property within the area leased to any tenant of the Authority.
- 1.21 Ready/Return Lot-** Shall mean the existing automobile rental ready/return parking lot containing not less than 102 parking spaces located adjacent to the Terminal Building, as depicted on Exhibit “B” hereof.
- 1.22 Service Facility-** The Service Facility Area and any improvements thereon assigned to Concessionaire hereunder for the purposes of operating its Concession and used for cleaning, servicing and/or storing its fleet of rental automobiles.

- 1.23 Service Facility Area-** That portion of the Airport land assigned to Concessionaire pursuant to this Concession Agreement for the servicing, maintenance and/or storage of its rental automobiles.
- 1.24 Structure-** Shall include pavement, gravel, buildings, storage facilities, above or below grade, or any other item installed by or at the direction of the Concessionaire, which does not naturally occur upon Airport Property.
- 1.25 Solicitation-** Shall mean the Solicitation of Bids packages.
- 1.26 Term-** The term of this Concession Agreement as defined in Article II hereof.
- 1.27 Terminal Building-** The passenger terminal building as the Airport.

ARTICLE II TERMS OF THE CONCESSION AGREEMENT

This Concession Agreement shall be for the term of five (5) years commencing on June 30, 2017 (“Commencement Date”) and shall end on July 1, 2022 (“Expiration Date”).

ARTICLE III CONCESSION PREMISES

- 3.01 Counter Space-** Concessionaire shall have the exclusive right to use the area designated as “Counter Space” and circumscribed in red on Exhibit “A” attached hereto and made a part hereof. The Authority shall furnish the Counter Space with heat, ventilation, and/or air conditioning, overhead lighting and electrical convenience outlets not to exceed 25 amp demand.
- 3.01a Office Space-** Concessionaire shall have use of that area designated as “Office Space” and circumscribed in blue on Exhibit “C” hereof to use and office area in conjunction with the operation of its Concession.
- 3.02 Ready/Return Parking Spaces-** For the full Term of this Concession Agreement, The Concessionaire shall have the right to the use of a number of rental car parking spaces located in the Ready/Return Lot. During the full Term of this Concession Agreement the Concessionaire shall have use of Thirty-Four (34) parking spaces. The decision of the Executive Director in all disputes or questions relating to the allocation and location of spaces shall be final.
- 3.03 Service Facility-** Concessionaire shall have the use of the Service Facility area depicted and circumscribed in the red Exhibit “C” hereto and the Structures and other improvements which are located on the Service Facility Area for the servicing and/or storing of its fleet of rental automobiles in conjunction with the operation of its Concession.

- 3.04 Relocation of Concession Premises-** the Authority reserves the right to relocate all or part of the Concession Premises in accordance with the reasonable needs of the Authority to make changes in use of the area or areas upon which the Concession Premises are located. Authority shall give Concessionaire ninety (90) days written notice of its intention to implement its rights under this Section 3.04. If such relocation occurs, appropriate adjustments will be made in rental rates payable of the new space assigned to the Concessionaire. The decision of the Executive Director in all disputes or questions relating to the relocation of the Concession Premises shall be final.
- 3.05 Utilities-** The Concessionaire shall furnish all utilities, heat, ventilation, air conditioning, routine maintenance and janitorial services as needed for its own Service Facility Area and for any structure located thereon. Concessionaire shall be solely responsible for all utility charges which are separately metered and/or separately charged for by any utility provider or the Authority.
- 3.06 Employee Parking-** The Authority shall provide a reasonably convenient area for use for parking by Concessionaire's employees. The Authority may impose a reasonable charge for the use of the employee parking area. The Authority reserves the right in its sole discretion to relocate such employee parking area from time to time.
- 3.07 Concessionaire Improvements-** Concessionaire may erect on said Service Facility Area such structures as it may require subject to the requirements of this Concession Agreement. Concessionaire shall request in writing and receive approval from the Authority before making any such improvements. Any such Authority approval shall not be unreasonably withheld.

ARTICLE IV RENTALS, FEES, AND RELATED PROVISIONS

- 4.01** Concessionaire agrees to pay the Authority for the use of the premises, facilities, and privileges herein granted the following rentals, fees, and charges: Ten percent (10%) of gross receipts per each year of the contract. Annual Concession Fee for each Contract Year is to be paid in monthly installments.
- 4.02 Office Space/Counter Rent-** The Concessionaire shall pay to the Authority as rental for the use of the Office and Counter Space and amount equal to \$30.25 per square foot annum for each square foot of the Office and Counter Space. Office and Counter Space rent shall be due and payable in advance and without demand on or before the 20th day of each month during the Term hereof in the amount of Two Thousand Eighty-Two dollars and 21/100 (\$2,082.21). (826 sq ft *\$30.25= \$24,986.50/yr.= \$2,082.21 per month)
- 4.03 Ready/Return Car Parking Space Rent-** The Concessionaire shall pay to the Authority monthly in advance, and without demand on or before the 20th day each month during the Term hereof the amount of \$25 for each parking space allocated to the Concessionaire under this Concession agreement. The amount due to the Authority each month is Eight hundred fifty dollars (\$850). (34 parking space *\$25 per month= \$850) Additional

parking spaces may be added with the agreement of the Authority and Concessionaire and fees adjusted at such time.

- 4.04 Service Facility Rent-** For the privilege of occupying and using the Service Facility assigned to the Concessionaire hereunder the Concessionaire agrees to pay the Authority an annual Service Facility rental consisting of the total of the Land Rental and applicable Building Rental calculated as provided in subsections 4.04(A) and 4.04(B) below:
- A. Land Rental-** Concessionaire shall pay a land rental to the Authority equal to \$0.30 per square foot annum for Forty-three Thousand Five Hundred and sixty (43,560) square feet of land (one acre), the area that comprises Concessionaire's Service Facility Area. The land rental for said land area shall be divided into twelve (12) monthly installments, each the sum of One Thousand Eighty-nine dollars (\$1,089), due payable on the twentieth (20th) day of the month following the occupancy or delivery as set forth above, and a like payment each month thereafter for the full Term hereof. In the event the Term shall start or terminate on any day other than the twentieth (20th) day of the month, the rent shall be prorated on a daily basis until the twentieth (20th) of the month following the inception and from the twentieth (20th) of the month preceding and the conclusion of this Concession Agreement.
 - B. Building Rental-** If a Service Facility building is located on the Service Facility Area assigned to Concessionaire hereunder, Concessionaire shall pay a building rental to the Authority in an amount equal to Five Dollars and 25/100 (\$5.25) per square foot per annum for enclosed space comprising One Thousand One Hundred Fifty-six (1,156) square feet and equaling a building rental of Six Thousand Forty-eight dollars (\$6,048) per annum divided into twelve (12) monthly installments, each in the sum of Five Hundred Four dollars (\$504), due and payable on the twentieth (20th) day of the month following the occupancy of delivery as set forth above, and a like payment each month thereafter for the full Term hereof. In the event the Term shall start or terminate on any other day other than the twentieth (20th) day of the month, the rent shall be prorated on a daily basis until the twentieth (20th) of the month following the inception and from the twentieth (20th) of the month preceding and the conclusion of this Concession Agreement. The Service Facility rental provision for this Concession Agreement may be adjusted periodically for any investment made to the Service Facility by the Authority for the benefit of the Concessionaire.
 - C. Maintenance Fee-** At the Concessionaire's request the Authority shall perform routine grounds and building maintenance on non-Concessionaire's equipment for a fee of Six Hundred dollars per month (\$600), due and payable on the twentieth (20th) day of the month.
- 4.05 Statement-** All sums due hereunder and all reports of Gross Revenue and any reports required by the Authority shall be paid or delivered to the Authority through its Executive Director at the administrative offices of the Airport or to any other person or at any other place as may be hereafter designated in writing by the Authority. Simultaneous with the monthly payment of the Concession Fee, Concessionaire shall furnish to the Authority

one copy of a monthly Gross Revenue and activity report for such month in a format and detail acceptable to the Authority. The aforementioned report shall be certified by a responsible officer of the Concessionaire. Said information will be used to determine traffic flow or planning and other management purposes.

- 4.06 Contract Facility Charge-** The Authority hereby reserves the right to impose a Contract Facility Charge as the term is defined herein. The Authority shall consult with Concessionaire regarding the need for, use of, date of imposition, method of calculation and the amount of the Contract Facility Charge; provided however the final decision shall be made by the Authority in its sole discretion and the proceeds of any such fee shall be used solely for the payment of costs relating to rental car facilities at the Airport.
- 4.07 Collection and Remittance of Contract Facility Charges-** In the event that the Authority imposes a Contract Facility Charge, Concessionaire shall collect the Contract Facility Charge from each customer with which Concessionaire enters into an automobile rental contract at the Airport. The Contract Facility Charge shall be identified on a separate line on all rental car customer contracts after taxes, and shall be described as the "Airport Contract Facility Charge." All Contract Facility Charges collected and/or held by Concessionaire shall (i) be collected from all customers, including without limitation all customers receiving complimentary or discounted car rentals under the Concessionaire's bona fide marketing plans; and (ii) be held in trust by concessionaire for the Authority's benefit. All Contract Facility Charges so collected shall be remitted to the Authority within twenty (20) days after the end of the calendar month during which such fees were collected.
- 4.08 Accounting Records for Contract Facility Charges-** Concessionaire shall maintain records and controls, as prescribed by the Authority which are sufficient to demonstrate the correctness of any such Contract Facility Charges collected by Concessionaire and the amount of any Contract Facility Charges remitted to the Authority. Said records shall be available for inspection and examination by the Authority or its duly authorized representatives at all times.
- 4.09 Prompt Payment of Taxes and Fees-** Concessionaire covenants and agrees to pay promptly all lawful general taxes, special assessments, excises, license fees, and permit fees of whatever nature applicable to its operation at the Airport and to take out and keep current all licenses, municipal, state or federal, required for the conduct of its business at or upon the Airport, and further covenants and agrees not to permit any of said taxes, assessments, excise fees, or charges to become delinquent. Concessionaire may, however, employ all legal means available to appeal unjust assessments.
- 4.10 Unpaid Rents and Fees-** Any amounts payable by Concessionaire to the Authority hereunder that is not paid or received by the Authority before the twentieth (20) day of the month shall bear a service charge of one and one-half percent (1.5%) per month until paid. Concessionaire agrees that it shall pay and discharge all costs and expenses, including reasonable attorney's fees, incurred or expended by Authority in collection of any delinquent amounts due.

4.11 Books of Accounting and Auditing- Concessionaire shall keep at the Airport true complete records and accounts of all Gross Revenue. All rental contract forms used by Concessionaire in its operations at the Airport shall be numbered and Concessionaire shall maintain records and controls insuring that the rental contracts accurately reflect all Gross Revenue of Concessionaire. Annually, within ninety (90) days after the end of each Contract Year, Concessionaire shall furnish a true and accurate statement for the preceding year of all such Gross Revenues during such preceding year (showing authorized deductions or exclusions made in computing the amounts of such Gross Revenues), which statement shall be certified to be correct by an authorized representative of Concessionaire. Concessionaire agrees to give the Authority access during reasonable hours for inspection of Concessionaire's books and records, and Concessionaire agrees that throughout the Term of this Concession Agreement and for three years following the expiration of the term hereof it will keep and preserve all rental contracts or exact duplication thereof and other evidence of Gross Revenue for each of the said fiscal years. The Authority shall have the right at any time and from time to time to audit all of the records of Concessionaire relating to business transacted at the Airport including, but not limited to, Gross Revenues, and the Concessionaire, upon request, shall make all such information available for such examination at the Assigned Premises. If, as a result of such audit, it is established that Concessionaire or any Sub-concessionaire has understated Gross Revenues or business transacted for any year by two percent (2%) or more (after the deductions and exclusions provided for herein), the entire expense of said audit shall be borne by Concessionaire. Any additional Percentage Fees due as a result of such audit shall forthwith be paid by Concessionaire to Authority with interest thereon at the rate of eighteen percent (18%) per annum from the end of the month in which the discrepancy occurred.

The Authority's rights hereunder shall survive the expiration or earlier termination of this Concession Agreement. Any financial report submitted by the Concessionaire that remain unaudited for a three (3) year period shall be deemed final and accepted by the Authority.

4.12 Independent Certified Public Accountant- Whenever an independent certified public accountant is required, it is agreed that said accountant shall not be in any way a member of Concessionaire's staff or firm.

ARTICLE V RIGHTS OF CONCESSIONAIRE

During the Term hereof, Concessionaire shall have, and the Authority hereby gives and grants to Concessionaire, the following rights;

5.01 Signs-The right, at the Concessionaire's sole expense, to install and thereafter to operate and maintain illuminated company identification signs at the Counter Space, Ready/Return Lot and Service Facility. Signs shall be of a type, size and design approved by the Authority, which approval shall not be unreasonably withheld.

- 5.02 Terminal Building-** Concessionaire shall also be entitled to use, in common with others so authorized, of the Terminal Building appurtenances, together with all facilities, equipment, improvements and service which have been or may hereinafter be provided at or in connection with the Terminal Building for common uses insofar as the same shall be reasonably necessary for the purposes of the operation of an automobile rental concession.
- 5.03 Improvements-** The right after prior written approval by the Authority and at Concessionaire's sole expense to make or install such improvements to its Concession Premises as may be required in connection with the Concessionaire's operation hereunder and to install therein and thereon such Structures, buildings, equipment, furnishings, and fixtures as the Concessionaire may deem necessary or desirable in compliance with all laws, statutes, codes ordinances or regulations.
- 5.04 Approval of Improvements-**No improvements such as provided for in Section 5.03 above shall be made or installed by Concessionaire without the prior written consent of the Authority. Concessionaire covenants and agrees prior to installation or the making of any such improvements to submit the general plan, location, design and character thereof to the Executive Director for Authority's approval, which approval shall not be unreasonably withheld.
- 5.05 Removal of Improvements-**The right upon termination of this Concession Agreement and within a reasonable time thereafter as determined by the Authority to remove Concessionaire's equipment, signs, and other trade fixtures as such items may have been installed in or upon the Concession Premises.
- 5.06 Roadway-**Concessionaire shall also have the right to the joint use with others of Airport roads and driveways necessary in the conduct, operation, and maintenance of Concessionaire's rights hereunder.

ARTICLE VI SERVICE STANDARDS

Concessionaire hereby covenants and agrees:

- 6.01 Quality of Service-** To furnish good, prompt and efficient service adequate to meet all reasonable demands for an automobile rental concession at the Airport, on a fair and reasonable basis during the time and under the conditions described in this Concession Agreement.
- 6.02 Schedule of Rates-** The Concessionaire shall, upon request, file with the Authority a complete schedule of rates charged for automobile rental including any and all separately stated charges and fees.

A printed copy of the filed schedule of prices shall be available at the Airport at all times for the use of the Concessionaires' customers.

- 6.03 Condition of Automobiles-** Rental automobiles made available for customer use by Concessionaire shall be new and late model cars (no more than two model years old) in such numbers as are required to satisfy the reasonable demand for same, and shall be maintained at Concessionaire's sole expense, in good operative order, free from known mechanical defects and in clean, neat and attractive condition inside and outside.
- 6.04 Period of Operations-** The Concession Premises are provided to Concessionaire hereunder for the sole purpose of operating a Rental Car Concession. Such Concession shall remain open, conduct business and furnish services seven (7) days a week at a minimum for all regularly scheduled airline flights.
- 6.05- Personnel-** Personnel performing service hereunder shall be neat, clean, and courteous. Concessionaire shall not permit its agents, servants, or employees to engage in or to conduct business in a loud, noisy, boisterous, offensive, or objectionable manner or to solicit business outside the Counter Space of the Service Facility assigned to it in manner whatsoever except through the use of signs constructed and maintained in accordance with the preceding paragraphs hereof.
- 6.06- Facility Manager-** The Concessionaire shall select and appoint a manager of the Concessionaire's operation at the Airport who shall be qualified and experienced and vested with full power and authority as may be necessary to fulfill Concessionaire's obligation hereunder. Such Manager or supervisor shall be assigned to a duty station at the Airport where he or she shall ordinarily be available to the Authority during regular business hours. Whenever such manager is absent, a qualified subordinate shall be in charge of Concessionaire's operations and available at such duty station.
- 6.07- Rules and Regulations-** Concessionaire and its personnel shall abide by and be subject to all reasonable rules, regulations, ordinances and statutes applicable to the conduct of the Concessionaire's business, by whomsoever issued, which are now or may from time to time be promulgated by the Authority and/or any other regulatory body or agency having jurisdiction over the operation and use of said Concession and/or the Airport.

Upon written notice of any violations from any authority having jurisdiction, Concessionaire agrees to promptly comply or provide a written response within five (5) days explaining any delays in compliance. Concessionaire shall be responsible for, at its sole cost and expense, the correction, removal or replacement of any item which is found not to be in compliance with any applicable rule or regulation of the type indicated above.

Likewise, Concessionaire shall be responsible, at its sole cost and expense for any fees, fines, or penalties assessed by any agency or regulatory body as a result of any violation for which the Concessionaire is or may be found to be responsible. Concessionaire shall not allow any of its personnel to perform any maintenance, operation or task which by any statute, rule, regulation, or applicable industry standards requires any safety measures

or protective clothing or gear without also making provisions for and/or requiring said personnel to observe such regulations and to wear or use the proper protective clothing or other safety gear.

- 6.07a Motor Vehicle Operation/Regulations on Airport Property-**Concessionaire shall be responsible for the actions of its employees who are operating a motor vehicle on Airport Property. A violation of applicable law or laws and or Airport Authority rules/regulations will be reported to the local station manager. The Manager will have twenty-four hours (during regular scheduled work days) to report in writing to the Airport Chief of Police and Executive Director the corrective action taken. If deemed necessary the Executive Director reserves the right to contact the Regional Manager and or Company Owner in regards to any serious violation or a continuous pattern of violations by an employee. Furthermore, the Director reserves the right to bar an employee from operating a vehicle (personal and/or company) if said employee refuses or fails to abide by set rules, regulations and/or laws. **NOTE:** All local and state laws will be enforced by Airport police and other law enforcement agencies of jurisdiction in addition to the actions outlined in 6.07a.
- 6.08 Maintenance of Concession Premises-** Concessionaire shall keep at its sole expense the Concession Premises and any other structures, buildings, furniture, fixtures and equipment installed therein and thereon clean, in good working order, condition and repair, normal wear and tear accepted, free from all danger of fire and personal injury and shall refrain from activities which may destroy or damage the Concession Premises. No flammable materials other than such items and products regularly used in the conduct of business shall be stored in the Concession Premises or be used for any purpose which shall increase the rate of insurance thereon.
- 6.09 Inspection-** The Authority reserves the right to enter the Concession Premises shall to inspect said Concession Premises for compliance with fire and safety standards during regular business hours and in a manner that minimizes any interference with the Concessionaire's operation.
- 6.10 Sale of Automobiles-** The sale of automobiles at the Concession Premises shall be limited to disposal of automobiles from the fleet actually kept at or assigned to the Airport. The importation of automobiles from any other location for the purpose of sale is prohibited without the express written consent of the Executive Director. It shall be the Concessionaire's burden to establish that automobiles to be sold are part of the fleet at the Airport.

ARTICLE VII AUTHORITY CONCERNS

- 7.01 Independent Contractor-** Concessionaire shall, at times during the Term of this Concession Agreement, or any extensions hereof, be regarded as an independent contractor, and Concessionaire shall not at any time act as agent for or of the Authority.

- 7.02 Non-Interference-** Concessionaire shall, at all times, conduct its operations as not to interfere with, impinge upon, delay or hinder the operations of the Authority, the Airport or any other concessionaire or operator operating in or at the Airport.
- 7.03 Hazardous Substance Compliance Indemnity-** Concessionaire shall not cause or permit any Hazardous Substance to be brought upon, generated, stored or used in or about the Concession Premises by its agents, employees, contractors, or invitees except for such Hazardous Substances of the type and quantity as is necessary to Concessionaire's business as long as said Hazardous Substance are used, stored, and/or generated in full compliance with all laws.

Any Hazardous Substance permitted on the Concession Premises as a provided herein, and all containers therefore, shall be used, kept, stored and disposed of in a manner that complies with all Federal, state and local laws or regulations applicable to hazardous substances.

Concessionaire shall not permit its agents, servants, or employees to release, discharge, leak or emit any Hazardous Substances into the atmosphere, ground, storm or sewer system or any body of water, ditch or stream if that Hazardous Substance (as is reasonably determined by the Authority or any governmental authority) does or may pollute or contaminate the same, or may adversely effect: (i) the health, welfare or safety of persons whether located on the Concession Premises or elsewhere on the Airport; or (ii) the condition, use or enjoyment of the building, facilities or any other real or personal property at the Airport.

Concessionaire shall, at Concessionaire's sole cost and expense, clean-up, remove and remediate (i) any Hazardous Substance in, on or under the Concession Premises in excess of allowable levels established by all applicable federal, state and local laws and regulations and (ii) all contaminants and pollutants in, on or under Concession Premises that create or threaten to create a substantial threat to human health or the environment and that are required to be moved, cleaned-up or remediated by any applicable federal, state, or local law, regulation, standard or order. This obligation does not apply to a release of Hazardous Substances, pollutants, contaminants or petroleum products that existed on the Concession Premises prior to the occupancy of the Concession Premises by the Concessionaire and cause solely by the act or omission of the Authority or third party for whom the Concessionaire is not responsible (e.g., not a customer, invitee, employee, agent or person having any contractual or business relationship with Concessionaire).

Concessionaire hereby agrees that it shall be liable for all costs and expenses related to the use, storage, and disposal of Hazardous Substances kept on the Concession Premises by Concessionaire and Concessionaire shall give immediate notice to the Authority of any violation of the provision hereof. Without limiting any provisions of this Concession Agreement, Concessionaire shall defend indemnify and hold harmless the Authority and its officers, agents and employees from and against any Liabilities and claims, demands, penalties, fines, settlements, damages, costs or expenses (including, without limitation,

attorney's and consultant's fees, court costs and litigation expenses) of whatever kind or nature known or unknown, contingent or otherwise, arising out of or in any way related to: (i) any liabilities, or damages, suits, penalties, judgements and environmental clean-up, removal, response, assessment or remediation costs, arising from actual, threatened or alleged contamination of the Concession Premises; (ii) the presence, disposal, release, or threatened release of any hazardous substances that is on, from or affecting the soil, water, vegetation, buildings, personal property, persons, animals or otherwise; (iii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to that hazardous substance; (iv) any lawsuit brought or threatened, settlement reached, or government order relating to that hazardous substance; or (v) any violation of any laws applicable thereto. The provisions hereof shall be in addition to any other obligations and liabilities Concessionaire may have to the Authority at law or equity and shall survive the termination of this Concession Agreement for the longest of any period prescribed by any statute, rule, regulation, executive order, code or ordinance, or until remediation or closure is completed.

Nothing herein shall prevent the Concessionaire from shifting or imposing or attempting to do so any obligation or liability to any other person(s) who may be jointly or severally liable to the Concessionaire, Authority or others. Concessionaire shall have the right to assert any and all defenses, claims or cross or counterclaims and any and all legal proceedings.

Any violations for which the Concessionaire may be found responsible shall be considered by the Authority to be a business risk and expenses of the Concessionaire and Concessionaire shall not allow any liability cost, fines, fees or expenses to be imposed upon or incurred by the Authority as a result of the Concessionaire's activities and shall defend, indemnify and hold harmless the Authority from the same.

- 7.04 Environmental Audit-** Concessionaire, if assigned a different location at any time, may at its expense and prior to committing to leasing said different location cause an environmental audit to be conducted to establish background levels and/or to determine the existence or lack of existence of any contaminants. Concessionaire's failure to exercise its option to complete an environmental audit which establishes the base line shall create a conclusive presumption that any contamination, which may be found on the Concession Premises at the termination of this Concession Agreement, as a result of an audit or otherwise, was caused by the Concessionaire who shall then be responsible for conducting any necessary remediation or removal of said contaminants.
- 7.05 Environmental and Safety Records-** In conjunction herewith, Concessionaire shall keep and maintain all pertinent records as may be required by any agency having authority over the enforcement and compliance with any environmental laws and safety regulations.

Concessionaire shall defend, indemnify and hold harmless the Authority from any and all loss, costs, damages, fees, including attorneys' fees, or expenses which the Authority may incur as a result of any violation of this Article VIII.

**ARTICLE VIII
INDEMNIFICATION AND INSURANCE**

- 8.01 Indemnification- Authority Held Harmless-** Except where otherwise specifically provided herein or where caused by the willful acts or negligence of the Authority, its agents or employees, it is an express condition of this Concession Agreement that the Authority and the appointed officials, officers, agents and employees of the Authority shall be free from any and all liabilities and claims, debt, demands or causes of action of every kind or character, whether in law or equity, but reason of death, injury or damage to any person or persons, or loss of damage or destruction of property or loss of use thereof, whether it be the person or property of Concessionaire, its agents or employees, or of any other persons, from any cause or causes whatsoever arising from any event or occurrence in or upon the Concession Premises or any part thereof, or otherwise arising from Concessionaire's operations at the Airport or as the result of anything done or omitted by Concessionaire, and Concessionaire shall indemnify and save harmless the Authority, its appointed officials, officers, agents and employees against and from any and all such Liabilities and claims, demands, debts, and causes of action including reimbursing the Authority for all expenses, including reasonable attorney's fees, incurred in connection therewith. The Authority shall give to Concessionaire prompt and reasonable written notice of any such claim or action known to it, and Concessionaire shall have the right to investigate, compromise, and defend the same to the extent of its own interest.
- 8.02 General Insurance Requirements-** The following general provisions shall apply to the insurance required of Concessionaire under this Concession Agreement:
- 8.03 Minimum Financial Security Requirements-** Any and all companies providing insurance required by the Agreement must meet the following minimum financial security requirements: (i) a Best's Rating not less than B+ and (ii) current Best's Financial Category not less than Class VII. These requirements conform to the ratings published by A.M. Best and Co. in the current Best's Key Rating Guide-Property-Casualty. The ratings for each company must be indicated on any Certificate of Insurance provided to Authority.
- 8.04 Insurance Required for the Term of Agreement-** Any and all insurance required by this agreement shall be maintained by the Concessionaire during the entire length of this Concession Agreement, including any extensions thereto. The Authority shall have the right to inquire in to the adequacy of the insurance coverages set forth in this Agreement. The Concessionaire and the Authority understand and agree that the minimum limits of the insurance herein required may become inadequate, and the Concessionaire agrees that it shall increase such minimum limits as reasonable required from time to time by the Authority.
- 8.05 Mandatory 30-day Notice of Cancellation or Material Change-** The Authority shall, without exception, be given not less than thirty (30) days written notice prior to cancellation for other than non-payment of premium or prior to any material change of

any insurance required by this Concession Agreement. Non-payment of premium shall require ten (10) days notice of cancellation. Confirmation of this mandatory thirty(30) days notice of cancellation shall appear on the Certificate of Insurance submitted to the Authority and on all insurance policies required by this Concession Agreement.

- 8.06 Authority as Additional Insured-** The Authority shall be covered as additional insured under any and all insurance required by this Concession Agreement, and such insurance shall be primary with respect to additional insured. Confirmation of this shall appear on the Certificate of Insurance submitted to the Authority, and on any applicable insurance policies.
- 8.07 Evidence of Insurance-** At the commencement of the term of the Concession Agreement and at least thirty (30) days prior to the expiration of any such policy required hereunder, the Concessionaire shall submit to the Authority a certificate or other proof of the insurance required in this article showing that such insurance coverage has been renewed. If such coverage is cancelled or reduced, the Concessionaire shall, within fifteen (15) days after the date of such written notice of such cancellation or reduction of coverage, file with the Authority a Certificate showing that the required insurance has been reinstated or provided through another insurance company or companies. The coverages required herein may be provided through a combination of primary, excess or umbrella coverages. Each and every agent acting as Authorized Representative on behalf of a company affording coverage shall warrant when signing such certificate of insurance that specific authorization has been granted by the companies for the agent to bind coverage as required and to execute said Certificate of Insurance evidence of such coverage. In addition, each and every agent shall warrant when signing such Certificate of Insurance that the agent is licensed to so business in the State of South Carolina and that the company or companies are currently approved by the South Carolina Department of Insurance.
- 8.08 Adjustment of Claims-** Concessionaire shall provide for the prompt and efficient handling of all claims for bodily injury, property damage, or theft arising out of the activities of the Concessionaire under this Concession Agreement.
- 8.09 General Liability Insurance-** The Concessionaire, at its sole expense, at all times during the Term hereof, shall cause the Authority and the Concessionaire to be insured against the claims of any and all persons for personal and/or bodily injury, property damage and general liability in the following minimum amounts:
- A. Commercial general liability policy/bodily injury and property damage- \$1,000,000 per occurrence.
 - B. Automobile Liability- \$1,000,000 combined single limit;
 - C. Loss of or Damage to Property of Customers/Passengers- \$1,000,000

Such insurance is to cover contractual liability coverage of the indemnification obligations of Concessionaire contained in this Concession Agreement and as required to

cover all accidents/injuries occurring on the Concession Premises, on the Airport or incidental to the operations of the Concessionaire hereunder.

- 8.10 Worker' Compensation and Employer's Liability Insurance-** Concessionaire shall procure and maintain Worker's Compensation and Employers Liability Insurance in the following limits, such insurance to cover each and every employee of the Concessionaire:
- A. Workers Compensation Employer's Liability—Statutory;
 - B. Employer's Liability; (i) Bodily Injury by Accident/Disease-\$100,000 each accident; (ii) Bodily Injury by Accident/Disease- \$1,000,000 each employee; and (iii) Bodily Injury by Accident/Disease- \$500,000 policy limit
- 8.11 Fire Insurance-** The Concessionaire shall procure from an agent authorized to do business in South Carolina and shall keep in force, fire and extended coverage insurance on its Service Facility to the full insurable value thereof and shall furnish the Authority with a Certificate of Insurance as evidence that such coverage has been procured. Said insurance shall contain loss payable endorsements in favor of the parties as their respective interests may appear hereunder. The Authority agrees that any payments received by its shall be applied toward repair and reconstruction of said Service Facility and improvements located thereon, but only in the event that any required repairs or reconstruction can be completed prior to the termination of the Concession Agreement.
- 8.12 Airport's Relief-** Notwithstanding anything herein to the contrary, if the Concessionaire fails or neglects to obtain the insurance above described, or if said policies are terminated, altered or changed in any manner not acceptable to the Authority, the Authority may cancel and terminate this Concession Agreement without penalty, on five (5) days written notice to Concessionaire.
- 8.13 Non Limitation on Liability-** It is understood and agreed that the specified amounts of Insurance in no way limits the liability of the Concessionaire.

ARTICLE IX TERMINATION BY AUTHORITY

The Authority shall have the right upon thirty (30) days prior to written notice to the Concessionaire to cancel this Concession Agreement in its entirety, upon the happening of one or more of the following events if said event shall be continuing:

- 9.01 Assignment-** Concessionaire shall make a general assignment for the benefit of creditors.
- 9.02 Remedies Under Federal Bankruptcy Laws-** Upon filing by or against Concessionaire of any proceeding under federal bankruptcy laws, and provided that if Concessionaire has defaulted in the performance of any provision of this Concession Agreement within six (6) months preceding such filing, the Authority shall have the right to cancel this Concession Agreement in addition to other remedies provided under provisions of the Federal Bankruptcy Rules and Regulations and Federal Judgeship Act of 1984, as such

may be subsequently amended, supplemented or replaced. Such cancellation shall be by written notice to the Concessionaire within sixty (60) days from the date of Concessionaire's filing in bankruptcy court.

- 9.03 Authority Authorization Required-** Notwithstanding any provision hereof, any party to this Concession Agreement which seeking protection under the Bankruptcy Code or is currently operating under the protection of the Bankruptcy Code (herein called "Debtor") shall be prohibited from conveying its interest under this Concession Agreement to any other entity without written authorization of the Authority. In the event that such Debtor intends to assume the Concession Agreement or assume and assign the Concession Agreement pursuant to 11 U.S.C. Section 365, or any amendment thereof, the Debtor shall be required to immediately cure any and all defaults and provide adequate assurance of future performance under the Concession Agreement.
- 9.04 Appointment of Receiver-** Concessionaire shall consent to the appointment of a receiver, trustee or liquidator of all or substantially all of the property of the Concessionaire.
- 9.05 Abandonment-**Concessionaire shall voluntarily abandon and discontinue its operations at the Airport for a period of thirty (30) days.
- 9.06 Failure to Pay Fees Timely-** Concessionaire shall fail to pay to the Authority the fees or other money payments required by this Concession Agreement and such failure shall not be remedied within thirty (30) days following receipt by the Concessionaire of a written demand from Authority.
- 9.07 Default in Terms and Conditions-** Concessionaire shall default in fulfilling any of the terms, covenants or conditions required to be performed by this Concession Agreement and shall fail to commence with due diligence any remedy of said default within thirty (30) days following receipt by the Concessionaire of a written demand from the Authority to do so.
- 9.08 Time to Vacate Concession Premises-** In the event of any cancellations or termination of this Concession Agreement by the Authority for any reasons specified above, Concessionaire shall have thirty (30) days within which to remove all trade fixtures and personal property installed in or upon the Concession Premises by Concessionaire. If said trade fixtures or personal property cannot be removed within the thirty (30) day period as herein provided, Concessionaire may request from the Authority in writing an additional amount of time thereafter to complete the removal.
- 9.09 Hold-over Rent-** If the Concessionaire ha not totally vacated Concession Premises after the expiration of the thirty (30) day period provided in section 9.08 above, the Concessionaire shall be responsible to pay the Authority an occupancy fee equal to 1/365 of the last applicable Annual Concession Fee or one hundred dollars (\$100), whichever is greater, for each consecutive day that it fails to vacate all or any part of the Concession Premises.

- 9.10 Abandonment of Trade Fixtures-** Any structures, trade fixtures or personal property remaining in or upon the Concession Premises following the expiration of the thirty (30) day period or any written extension thereof granted by the Authority, shall be considered abandoned by the Concessionaire and the Authority may enter upon and into Concession Premises, take possession of all remaining trade fixtures or personal property and dispose of the same in any manner deemed appropriate by the Authority including, but not limited to sale or disposal of the same.
- 9.11 Cost Expense of Concessionaire-** Any costs, fees or expenses incurred by the Authority in disposing of or removing any of Concessionaire's structures, buildings, trade fixtures or personal property shall be for the account of the Concessionaire and therefore are payable by Concessionaire to the Authority.
- 9.12 Attorney's Fees-** Should the Authority be required to obtain a court order ordering the Concessionaire to vacate the Concession Premises, the Authority shall be entitled to collect its fees, costs and expenses including reasonable attorney's fees for obtaining same from Concessionaire.

ARTICLE X TERMINATION BY CONCESSIONAIRE

Concessionaire shall have the right, upon thirty (30) days written notice to the Authority, to terminate or suspend this Concession Agreement upon the happening of one or more of the following events, if said event or events shall be continuing:

- 10.01 Injunction-** the issuance by any court of competent jurisdiction of an injunction order or decree preventing or restraining the use by the Concessionaire of all or any substantial part of the Concession Premises preventing or restraining the use of the Airport for normal Airport purposes or the use of any part thereof which may be used by the Concessionaire or which is necessary for the Concessionaire's operations on the Airport and which remains in force for a period of a minimum of sixty (60) consecutive days.
- 10.02 Authority Default-** The Authority shall default in fulfilling any of the terms, covenants or conditions to be fulfilled by it under this Concession Agreement and shall fail to cure said default within thirty (30) days following receipt of a written demand from the Concessionaire to do so.
- 10.03 Destruction of Airport-** All or any material part of the Airport or Concession Premises shall be destroyed by fire, explosion, earthquake, or other casualty or other acts of God or the public enemy.
- 10.04 Reversion to U.S. Government-** The United States Government or any of its agencies shall occupy the Airport or any substantial part thereof to such extent as to interfere materially with Concessionaire's operations for sixty (60) or more consecutive days.

10.05 Substantial Loss of Airline Service- The majority of scheduled airline service at the Airport shall no longer operate from Airport. If this condition occurs, Concessionaire shall have the additional right to continue to operate under this Agreement and request and appropriate adjustment of the Annual Concession Fee pursuant to Section 5.02 above, in lieu of terminating this Concession Agreement.

ARTICLE XI ASSIGNMENT AND SUBLETTING

It is expressly agreed and understood that any and all obligations of Concessionaire hereunder may be fulfilled or discharged either by Concessionaire, any subsidiary thereof, or by a Licensee member, and that any and all privileges of every kind granted. Concessionaire hereunder may extend to and be enjoyed by such subsidiary or Licensee so appointed; provided, however that notwithstanding the method or operation employed by Concessionaire hereunder, Concessionaire shall continue always to remain directly liable to Authority for the performance of all terms and conditions of this Agreement. Except as herein above set out, the Concession Premises may not be sublet, in whole or part and the Concessionaire shall not assign this Concession Agreement without the prior written consent of Authority, not permit any transfer of operation by law of Concessionaire's interest created hereby, other than by merger or consolidation or sale of substantially all of Concessionaire's assets.

ARTICLE XII MODIFICATIONS FOR GRANTING FAA FUNDING

12.01 FAA Required Modifications- In the event the Federal Aviation Administration ("FAA") requires, as a condition precedent to granting of funds for improvement to the Airport, modifications or changes to this Concession Agreement, Concessionaire agrees to consent to such amendments, modifications, revisions, supplements, or deletions of any of the terms, conditions or requirements of this Concession Agreement, as may be required to enable the Authority to obtain such FAA funds provided that in no event shall such changes impair the right of the Concessionaire hereunder.

ARTICLE XIII NONDISCRIMINATION

13.01 Non-Discrimination- Concessionaire, for itself and its successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree that (i) no person on the ground of race, color, or national origin shall be excluded from participation in, denied the benefit of, or be otherwise subject to discrimination in the above use of said facilities; (ii) that in construction of any improvement on, over or under the Concessionaire Premises ("Premises") and the furnishing of services thereof, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefit of, or be otherwise subject to discrimination; and (iii) that Concessionaire shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted

Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as such Regulation may be amended.

In the event of the breach of any of the above non-discrimination covenants, the Authority shall have the right to terminate this Concession Agreement and to re-enter and re-possess said premises, and hold the same as if this Concession Agreement had never been made or issued, provided, however that this provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed including exercise or expiration of appeal rights.

- 13.02 Affirmative Action-** Concessionaire assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to the extent the same may be applicable to Concessionaire or to the use of the Premises, to insure that no person shall be on the grounds of race, creed, color, national origin shall or sex be excluded on these grounds, from participation in or receiving the services or benefits of any program or activity covered by its Subpart; that it will require that its covered subtenants or concessionaires, if any, provided assurances to Concessionaire that they similarly will undertake affirmative action programs and that they will require assurance from their sub organizations, as required by 14 CFR Part 152, Subpart E to the same effect.
- 13.03 Accessibility to Physically-Handicapped-** To the extent the requirements of Section 504 of the Rehabilitation Act of 1973 and 49 CFR Part 27 apply to the construction of any facilities by Concessionaire and on the Premises or any part thereof, such facilities shall be designed, constructed and operated so that the facility is accessible to, and usable by, handicapped persons; and in order to assure such design, construction and use, Concessionaire will design and construct the facility in accordance with American National Standards Institute “Standard Specification for Making Buildings an Facilities Accessible to, and Usable by, the Physically Handicapped (ANSIA 117.1 1961 [r-1971])”, which standards are incorporated herein and made a part of this Concession Agreement.
- 13.04 Disadvantaged Business Enterprise Program-**Concessionaire acknowledges that the Authority is subject to the requirements of 49 CFR Part 23, Subpart F (the “Regulation”) to maximize the business opportunities at the Airport to Disadvantaged Business Enterprises, and the interpretations of the Regulations that may be made and enforced upon the Authority (“DBE Requirements”) from time to time by the Department of Transportation (“DOT”). Concessionaire agrees to honor and abide by any and all provisions of its Bid with respect to DBEs. Concessionaire also agrees that its rights hereunder shall be subordinate to any such DBE Regulations that shall be placed on the Authority by DOT pursuant to the Regulation and to amend or adjust its practices hereunder to the extent necessary to enable the Authority to comply with such DBE Requirements: provided however, should Concessionaire in its discretion exercised in good faith, determined that it cannot comply with any such DBE Requirements, then it shall have the right, upon sixty (60) days written notice, to cancel this Concession Agreement, and further provided, that should Concessionaire fail to comply with such DBE Requirements but not exercise its right to cancel this Concession Agreement,

Authority may cancel this Concession Agreement on sixty (60) days written notice to Concessionaire.

**ARTICLE XIV
NOTICES**

All notices or demands provided for or which may be given by either party or the other under the terms of this Concession Agreement shall be in writing signed by the party giving the notice or making the demand and shall be deemed validly serve upon deposit in the United States mail, Registered, Restricted Delivery, Return Receipt Requested, postage and registration fees prepaid, addressed as follows:

**TO AIRPORT AUTHORITY:
Executive Director
Florence Regional Airport
Pee Dee Regional Airport Authority
2100 Terminal Drive
Florence, SC 29506**

**TO CONCESSIONAIRE:
Rental Car Company
Address**

or to such other address as the addressee may designate by written notice to the other Party delivered in accordance with the provisions of this Article.

**ARTICLE XV
NON-EXCLUSIVE USE**

It is understood and agreed that the rights and remedies of the Authority and Concessionaire Specified are not intended to be and shall not be exclusive of one another or exclusive of any common law right of either party hereto.

During the term of this Concession Agreement, the Authority shall limit the number of on-airport automobile rental concessions to four (4) and no contract with any other on-airport automobile Concessionaire shall include terms more favorable to it than the terms hereof as to Concessionaire.

**ARTICLE XVI
FORCE MAJEURE**

In computing the time in which either party is obligated to cure any default as required by this Concession Agreement, there shall be excluded all delays due to strikes, lockouts, acts of God, massive civil disobedience, and the public enemy and by order or direction or other interference by any other municipal, state, federal or other governmental department board or commission having jurisdiction or other causes beyond Concessionaire's control.

**ARTICLE XVII
AMENDMENT AND INTERPRETATION**

- 17.01 Amendment-** This Concession Agreement may be amended only by instrument in writing signed by the party against whom enforcement of such an amendment may be sought.
- 17.02 Failure to Enforce-** The failure by the Authority to enforce, for any period or periods, any of the terms, covenants and conditions herein contained shall not be deemed a waiver of any rights on the part of the Authority to enforce said terms, covenants and conditions at a later date, nor shall any failure by the Authority to enforce any of the terms of this Concession Agreement be constructed to be or act as a waiver by the Authority of any Subsequent rights so to enforce.
- 17.03 Invalid Provisions-** It is expressly understood and agreed by and between the parties hereto that in the event any covenant, condition or provision herein contained is held to be invalid, the invalidity of any such covenant, condition or provision shall in no way effect any other covenant, condition or provision herein contained; provided, however that the invalidity of any such covenant, condition or provision does not materially prejudice either the Authority or Concessionaire in their respective rights and obligations contained in the valid covenants, conditions or provisions of the Concession Agreement.
- 17.04 Non-Waiver-** The payment or acceptance of rentals and fees by the parties hereto for any period after a default of any of the terms, covenants, and conditions herein contained to be kept, performed and observed by said parties shall not be deemed as a waiver of any rights on the part or either of them to terminate this Concession Agreement for any subsequent failure or for the continued failure by the other party so to perform, keep and observe the terms, conditions or covenants hereof to be performed, kept and observed by such other party. No waiver by either party of any of the terms of this Concession Agreement to be kept, performed, and observed by other party shall be construed to be or act as a waiver of any subsequent default on the part of the party.
- 17.05 Interpretation-** This Concession Agreement shall be construed in accordance with the laws of the State of South Carolina. Nothing in this Concession Agreement shall be construed or interpreted in any manner whatsoever as limiting, relinquishing, or waiving any rights of ownership enjoyed by the Authority in the Airport property or in any manner waiving or limiting its control over the operation or maintenance of Airport property on in derogation of such governmental rights as the Authority may possess, except as is specifically provided for herein.
- 17.06 Concessionaire is Independent Concessionaire-** It is expressly understood and agreed by and between the parties hereto that the Concessionaire is and shall be independent Concessionaire responsible to all parties for all of its acts or omissions and the Authority shall be in no way responsible for its acts or omissions.

- 17.07 Headings-** The article and paragraph headings are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of any provision for this Concession Agreement.
- 17.08 Survival of Obligations-** Any obligation of either of the parties, including the obligation to pay rents, preserve records, provide indemnity, or to do any other act or thing which is required to be performed after the expiration of the Term hereof, or which by its nature is to be performed after the expiration of the Term hereof, shall survive the expiration of such Term and shall remain binding upon the party which is required to keep or perform the same until such obligations has been discharged by such party in full.
- 17.09 Entire Agreement-** This instrument contains all the agreements and conditions made between the parties hereto with respect to the matters contained herein and may not be modified orally or in any manner other than by agreement in writing, signed by both parties hereto or their respective successors.

IN WITNESS WHEREOF, the parties hereto have caused this Concession Agreement to be executed by their duly authorized officers the day and year first above written.

**AUTHORITY:
PEE DEE REGIONAL AIRPORT AUTHORITY**

By: _____
CHAIRMAN

ATTEST:

By: _____
EXECUTIVE DIRECTOR

WITNESSES:

**CONCESSIONAIRE:
Rental Car Company**

By: _____

Title: _____

ATTEST:

By: _____

Title: _____

WITNESSES:

