CONCESSION CONTRACT

BETWEEN

METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

AND

TAXICAB COMPANY, INC.

TO OPERATE A TAXICAB CONCESSION AT

WASHINGTON DULLES INTERNATIONAL AIRPORT

CONTRACT NO. 6-13-C002
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THIS CONCESSION CONTRACT (herein after referred to as the "Contract"), made and entered into, by and between THE METROPOLITAN WASHINGTON AIRPORTS AUTHORITY, 1 Aviation Circle, Washington Dulles International Airport, Washington DC 20041-0045, (herein after referred to as the "Authority"), and TAXICAB COMPANY, INC., a corporation organized and existing under and by virtue of the laws of the State of Virginia and authorized to do business in the Commonwealth of Virginia, (hereinafter referred to as the "Contractor"), and the Authority and the Contractor together are referred to as the "Parties";

WHEREAS, the Authority is a public body corporate and politic, created by interstate compact between the Commonwealth of Virginia and the District of Columbia, operates Washington Dulles International Airport, (hereinafter referred to as the “Airport”); and

WHEREAS, the Authority has determined that having three taxicab contractors provide taxicab service at the Airport as part of the Authority’s Washington Flyer ground transportation system is beneficial to the effective operation of the Airport; and,

WHEREAS, the Authority wishes to assure that a safe, efficient taxicab service of high quality and reliability is available from the Airport at all times for the benefit and convenience of airline passengers and other visitors; and,

WHEREAS, the Authority has considered proposals submitted by interested taxicab service operators pursuant to Request for Proposals No. 6-13-C002; and

WHEREAS, the Authority’s Board of Directors has concurred with its President and Chief Executive Officer’s recommendation that Contractor be selected as one of the three taxicab firms to be granted Airport taxicab concession contracts.

NOW, THEREFORE, the Parties, for and in consideration of the rights and privileges granted herein and for the fees and covenants, agree as follows:

ARTICLE I - CONTRACT TERM

A. This Contract is awarded and binding upon the Parties as of the date it is fully executed by both Parties, which date is hereby established as July 1, 2013. The Contract Term is three years, commencing at 12:01 a.m. on July 1, 2013, and continuing until 11:59 p.m., on June 30, 2016, subject to earlier termination as provided for herein. The start of the Contractor’s operations under this Contract shall coincide with the start of the Contract Term.

B. For the purpose of this Contract, “Contract Year” shall mean the period of time beginning from July 1 of each year and ending June 30 of the next year.
C. Two (2) one- (1) year Option Periods may be exercised at the sole discretion of the Authority. The Authority shall notify the Contractor in writing whether it intends to exercise the option no later than 180 days prior to the expiration of the Contract Term or previous Option Period.

ARTICLE II - SCOPE OF SERVICES

The Contractor shall be one (1) of three (3) companies to provide WASHINGTON FLYER (hereafter referred to as “Washington Flyer Taxi”, “Washington Flyer” or “Flyer”) taxicab concession services. The Contractor shall perform in accordance with the provisions of this Contract, and as directed in writing by the Authority. The Contractor shall provide a minimum of 220 and maximum of 240 taxicabs which bear the Washington Flyer trademark and paint scheme as described in Article IV D.8. and in accordance with the terms of Article X herein.

A. Subject to the terms and conditions of this Contract, the Contractor shall share with the other Washington Flyer taxicab concession contractors the privilege to provide on-demand taxicab service from the Airport to points within the Washington DC-MD-VA Standard Metropolitan Statistical Area (SMSA). The Washington DC-MD-VA SMSA is defined as the District of Columbia; the Maryland counties of Montgomery, Prince George’s, Frederick, and Charles; the Virginia counties of Arlington, Fairfax, Loudoun, Stafford, and Prince William; and the Virginia independent cities of Alexandria, Fairfax, Falls Church, Herndon, Manassas, and Manassas Park. This privilege is subject to the following limitations:

1. Taxicab service may be provided from the Airport by taxicabs other than Flyer taxicabs to the extent permitted by the Metropolitan Washington Airports Regulations, as may be amended from time to time. These regulations presently allow passengers to be dropped off at the Airport by vehicles for hire other than Flyer taxicabs. In addition, these regulations permit vehicles for hire other than Flyer taxicabs to pick-up passengers at the Airport under the following circumstances:

   a. The driver of a vehicle for hire comes to the Airport to pick up a passenger in response to a request for taxi service received by the driver prior to coming onto Dulles Airport, and the driver’s manifest shows the date and time the request was received, the name of the person to be picked up and transported, the person’s designation, and the date, time, and point of the pickup.

   b. Motels, hotels, and similar establishments may provide "courtesy" ground transportation for their patrons.

   c. Fixed-route, scheduled bus service to and from the Airport may be operated by the Washington Metropolitan Washington Area Transit Authority and other entities.

   d. Vehicles for hire that have a contract with the Authority that authorizes pick-up of passengers for hire at the Airport. For example, the Authority has entered into contracts with Challenger Transportation, Inc., dba Supreme Shuttle and Washington Shuttle, Inc., dba SuperShuttle, to provide shared ride van service from the Airport, and with Capitol Executive Limousine, Inc., to provide scheduled bus service between the Airport and the

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West Falls Church Metrorail Station. The Authority expressly reserves the right to provide or to enter into contracts with others to provide ground transportation services other than taxicab services, such as, but not restricted to: door-to-door limousine service and executive sedan, van, and motor coach or transit bus service on a scheduled, unscheduled, regular route, or irregular route basis.

e. The Contractor shall not provide airline crew transportation or baggage delivery services under this Contract except in an emergency or on an interim basis not to exceed one week, until the airlines make alternate arrangements. The Contractor may seek to obtain the right to provide such services on a regular basis, using vehicles other than those dedicated to use under this Contract, from the Authority under a separate, non-exclusive permit or agreement. The Authority reserves the right to issue non-exclusive permits or agreements to others for airline crew transportation or baggage delivery.

B. In addition, the Contractor may, in its discretion, provide Washington Flyer taxicab service to the Airport from points in the Washington DC-VA-MD SMSA, subject to all applicable laws and regulations enacted by the governmental authorities with jurisdiction over such service and the terms and conditions under this Contract, provided the provision of such service to the Airport does not interfere with the Contractor’s compliance with its obligation to provide transportation from the Airport in accordance with the standards stated in this Contract.

ARTICLE III - PREMISES AND FACILITIES

For purposes of operating this concession, the Authority grants the Contractor the right of ingress to and egress from the premises and facilities on the Airport by the Contractor and its employees and taxicab operators; provided, however, that such rights of ingress and egress shall at all times be exercised in compliance with any and all reasonable regulations promulgated by lawful authority for the care, operation, maintenance, and protection of the Airport; and provided, further, that such rights of ingress and egress shall not be construed to prohibit the Authority from establishing and assessing a fee or charge for the privilege of entry upon the Airport when such fee or charge is levied upon all users of the Airport, nor to prohibit the Authority from assessing a fee or charge on the Contractor's employees for parking their personal vehicles in the Authority’s employee parking lots.

The Contractor is permitted use of and/or access to the following premises and facilities on the Airport as provided in Article III herein. The Authority reserves the right to require the Contractor to use alternative premises and facilities at any time during the Contract Term without advance written notice from the Contracting Officer to the Contractor. The Authority reserves the right to expand, or limit use of and/or access to the premises and facilities by the Contractor, its employees, or its taxicab operators, upon thirty (30) days advance written notice. Any such limit of use and/or access to the premises and facilities shall not unreasonably impair the ability of the Contractor to perform its contractual obligations.

A. Office Space Premises. The Contractor is assigned surface space within the Secondary Holding Lot (as shown in Exhibit A) in which to establish an office trailer for use in managing the Contractor’s fleet of Washington Flyer taxicabs during the term of this Contract. The Contractor shall have the option of erecting a new trailer or leasing space from the Authority in a current trailer located within the Secondary Holding Lot. If the Contractor chooses to erect a new trailer, the Contractor shall be
responsible at its own expense, for all costs associated with erecting the new trailer and connecting the trailer to the Authority’s utilities.

If the Contractor chooses to lease space within a current trailer, the Contractor shall pay the Authority the cost of twenty dollars ($20.00) per square foot per year. The Contractor shall be responsible at its own expense for providing any furnishing and/or equipment the Contractor deems necessary for the management of its fleet. The Contractor may make improvements to its leased office trailer at its own expense, provided the Contractor receives written approval from the Authority prior to making such improvements.

B. **Taxicab Terminal Loading Area Premises.** The Contractor and its taxicab operators are permitted shared access to the taxicab loading areas shown on Exhibit A, consisting of approximately 320 linear feet of curbside space at the East doors and 320 linear feet of curbside space at the West doors of the Main Terminal leading from the Ground Transportation Centers. The Contractor’s management personnel may observe Taxicab Terminal Loading Area operations from time to time with Authority permission, but the Contractor shall not conduct any management activities in these areas.

C. **Secondary Holding Lot Premises.** The Contractor and its taxicab operators are permitted shared access to a 9.9-acre Secondary Holding Lot, striped to accommodate approximately 1,000 vehicles. This lot is located northwest of the Main Terminal at the intersection of Autopilot Drive and Wind Shear Drive as shown on Exhibit A. The Secondary Holding Lot provides staging for the Contractor’s taxicabs waiting to feed the Taxi Surge Lot and the Taxicab Terminal Loading Areas.

D. **Taxi Surge Lot Premises.** The Contractor’s taxicab operators are permitted shared access to the Taxi Surge Lot (as shown in Exhibit A of this Contract). This lot is provided for use by the Taxicab Dispatch and Commercial Curb Management Contractor to stage taxicabs awaiting dispatch to the Taxicab Terminal Loading Areas. The Taxi Surge Lot serves the function of staging taxicabs before they are moved to the Taxicab Terminal Loading Areas. The Contractor’s management personnel may observe Taxi Surge Lot operations from time to time with Authority permission, but the Contractor shall not conduct any management activities in this area.

E. **Drivers’ Lounge/Dispatcher Building Facility.** The Contractor and its taxicab operators are permitted shared access to a 5,000 square foot building which serves as the drivers' lounge and dispatcher office located at the Secondary Holding Lot as shown on Exhibit A. The building includes offices for taxicab dispatch and administration, a drivers' lounge with men's and women's lavatories.

**ARTICLE IV - OPERATIONAL REQUIREMENTS**

A. **Service.** The Contractor shall establish and operate a taxicab service, in affiliation with the Authority’s Washington Flyer transportation system, providing service from the Airport to other points within the Washington SMSA. Unless otherwise provided in this Contract, the Contractor shall not deny for any reason, service to any passenger requesting taxicab service within the Washington SMSA. This service shall be operated consistent with the requirements of this Contract to meet the transportation requirements of airline passengers and their accompanying baggage. The Washington Flyer taxicab service shall be provided by three (3) Washington Flyer taxicab concession contractors that will each supply a minimum of 220 and a maximum of 240 Washington Flyer taxicabs that bear the “Washington Flyer” trademark, are painted in Washington Flyer colors, and are dedicated full-time to provide taxicab
passenger service to and from the Airport. At no time shall a Washington Flyer taxicab provide taxicab service to a passenger who does not begin or end their trip at the Airport. These Flyer taxicab concession contractors are referred to herein as the “Washington Flyer taxicab concession contractors” or “Flyer taxicab concession contractors.”

1. The Contractor shall ensure that its taxicabs provide a minimum of thirty percent (30%) of the all total daily outbound taxicab trips dispatched from the Taxicab Terminal Loading Area Premises at the Airport.

2. At all times during the term of this Contract or any option periods, the Contractor shall be completely independent from the other Washington Flyer taxicab concession contractors and from the Authority’s taxicab dispatch contractor at Dulles Airport. The Contractor, including its owners, subcontractors, affiliates and personnel, shall not, during the term of this Contract or during any option periods, be a contractor, partner, subcontractor, employee or affiliate of any firm participating in the taxicab dispatch contract. In addition, the Contractor, including its owners, subcontractors, affiliates and personnel, shall not, during the term of this Contract or during any option periods, be a contractor, partner, subcontractor, employee, or affiliate of any other Washington Flyer taxicab concession contractor. For purposes of this Contract, “affiliates” are business concerns, organizations, or individuals that control or have the power to control each other or over which a third party has control or the power to control. Control or the power to control need not actually be exercised in order for affiliation to exist. Indicators of affiliation include common ownership, common management, common family, or identity of interest, among others. Power to control exists when a party or parties have 50 percent or more ownership of another. It may also exist with considerably less than 50 percent ownership by contractual arrangement or when one or more parties own a large share compared to other parties. Concerns, organizations or individuals may be affiliated even if they conduct business in unrelated areas. In determining whether affiliation exists, the Authority may consider all relevant factors such as ownership, management, relationships (past and present) with or ties to a third party, and contractual relationships.

3. The Contractor shall conduct its activities under the Contract in accordance with all applicable laws and regulations.

4. If the Contractor elects to offer taxicab service to the Airport, such service shall be provided by the Contractor at its own cost and expense, and comply with the following requirements as well as all other requirements of this Contract:

a. Comply with the Authority’s procedures for acceptance of trips requested through the Airport’s inbound reservation system.

b. Establish and operate a taxicab dispatch and control system as described in the portion of its proposal attached to this contract as Exhibit B, using personnel who are trained to provide for the effective and efficient dispatch of taxicabs.

c. Acquire, install and operate communication equipment dedicated to the Contractor’s Washington Flyer taxicab concession to maintain contact between the Contractor's central dispatch system and all of its taxicab operators in the Washington DC-VA-MD SMSA as described in Exhibit B.
d. Establish and maintain twenty-four (24) hours daily, a telephone reservation operation at a location approved by the Authority.

e. Ensure all taxicabs are equipped with electronic credit card processing equipment that processes credit cards within a minimum average time of 30 seconds. At a minimum, all taxicabs must be able to accept and electronically process VISA, MasterCard, American Express, Discover, and Diners Club credit cards. The Contractor is required to provide credit card processing services for all drivers within its fleet. The Contractor shall be responsible for all costs for credit card equipment and any associated processing fees. Drivers shall not be permitted to use their own merchant accounts for processing credit card payments for Washington Flyer Taxi service.

5. To ensure a high level of customer service, the Contractor shall, during the Contract Term, at its own cost and expense:

   a. Require that all taxicab operators conduct themselves in a courteous manner to passengers at all times, and require them to load and unload passenger baggage at the beginning and end of each trip, promptly, carefully, courteously, and efficiently.

   b. Operate the concession with no less than the staffing shown in Exhibit C of this Contract. The Contractor's staffing may be reduced only after the Contractor receives written approval of such reduction from the Contracting Officer. The Contracting Officer shall be notified promptly of changes in management staff during the term of this Contract. There shall be a dedicated manager on site with full authority to make operating decisions for the taxicab concession operation 24 hours daily.

   c. Provide a written customer service plan for Authority review and approval on the commencement date of the Contract to include promptly and courteously responding to customer complaints made directly to the Contractor by the customer or made to the Authority or the Flyer taxicab dispatch contractor and referred to the Contractor. The Contractor shall promptly respond to all complaints in the fashion they were received and in accordance with the Authority approved customer service plan. All such complaints shall be maintained by the Contractor during the Contract Term. Upon request from the Authority, the Contractor shall submit to the Authority a copy of each complaint and the Contractor's documented response to the customer.

   d. Thoroughly inspect all taxicabs at least once every seven (7) calendar days to ensure full compliance with the standards required in this Contract. The Contractor shall 1) perform such inspections, 2) record in writing vehicle and operator deficiencies and establish a reasonable period of time for the resolution of said deficiencies, 3) retain all passing and/or failing inspection reports and make available for Authority review, and 4) remove from service any taxicab not meeting the standards required in this Contract. On a daily basis ensure that the operators of all taxicabs maintain a neat and clean appearance at all times when on duty, each taxicab is clean, and routine maintenance in performed.
e. Establish a notification form which will list all Authority and Washington Metropolitan Area Transit Commission (WMATC) rules and regulations applicable to operating taxicabs on the Airport. The purpose of this form is to ensure formal notification to each Flyer taxicab operator of the applicable rules and regulations governing the right to operate a taxicab on the Airport. The Contractor's notification form is included as Exhibit D.

f. Ensure that all Flyer taxicab operators have current, valid permits and licenses required to operate a "for hire" vehicle. Ensure that no Flyer taxicab operators providing service under this Contract have been convicted of a crime as described in Metropolitan Washington Airports Regulations Section 5.8(2).

g. Ensure that all taxicab operators obtain and at all times carry in their taxicab vehicles full-size (non-pocket size and non-folding), comprehensive, complete, and serviceable road maps no older than 2 years from print of the following areas: the District of Columbia, the State of Maryland and the Commonwealth of Virginia.

h. Ensure that all taxicabs within the Contractor's fleet are equipped with an electronic navigation device that communicates with a global positioning satellite for location of passenger destinations. The Contractor shall ensure that every device is maintained with the most recent update available from the manufacturer.

i. Ensure that all taxicab operators assist passengers as needed and maintain safe operations along the Airport roadways, including the Dulles Airport Access Highway.

j. Ensure that all taxicab operators are screened for controlled substances prior to employment and every 12 months thereafter throughout the term of this contract.

k. Ensure that all taxicab operators are nationally screened for criminal history prior to employment and every 12 months thereafter throughout the term of this contract.

l. Obtain and review the driving records of all taxicab operators prior to employment and every six months thereafter throughout the term of the Contract. The Contractor is also responsible for enforcing a minimum ten (10) day suspension of operator privileges for drivers who fail to report traffic violation conviction within five (5) business days from the date of the violation.

m. The Contractor is required to suspend for the period of one (1) year any vehicle operator who is convicted of traffic violations that, either collectively or individually, result in a total of six (6) or more demerit points being issued against his/her motor vehicle operator's license within a twelve (12) month period. The Contractor shall provide the vehicle operator with written notification of the suspension within five (5) business days of becoming aware that the vehicle operator has been assessed six (6) or more demerit points against his/her motor vehicle operator's license. No safe driving points or points earned for driver improvement clinics shall be used to offset a vehicle operator's demerit points.
Demerit points may be issued for violations such as: reckless driving; driving under the influence of alcohol or drugs; manslaughter and involuntary manslaughter; speeding; failure to stop at the scene of a crash (involving an injury or death); emergency vehicle violation; vehicular assault, passing a stopped school bus; attempting to elude police; operating an unsafe vehicle; driving on a suspended license; passing when unsafe; failure to drive to the right and stop for emergency vehicles; failure to drive on the right half of the highway or street; following too closely; failure to obey railroad crossing signals; aggressive driving; failure to stop at the scene of an accident; failure to obey traffic control devices; failure to obey highway lane markings; disregarding police officer’s signal to stop; impeding traffic; improper passing; failure to give way in favor of overtaking vehicle; improper turn (U-turn); violation of left turn on red; failure to obey highway signs; driving without lights; no driver’s license; failure to have license revalidated; no license plate; failure to stop at the scene of a crash; failure to leave the scene of a crash at the direction of the officer; drinking while driving; and parking within 500 feet of a fire apparatus.

n. Ensure that all taxicabs are equipped with an EZ-Pass transponder for use at tollbooths in the local area.

o. Establish and implement an annual training program for all Flyer taxicab operators which will assure that the said operators are:

i. Familiar with locations of streets, hotels/motels and other locations within the Washington Metropolitan Area.

ii. Capable of, and have demonstrated to the Contractor, an ability to read and find locations within the Washington Metro Area on maps and to readily comprehend oral English directions to a destination.

iii. Courteous, honest, and helpful and at all times conducting themselves in a manner which reflects positively on the Contractor and the Authority.

The Contractor shall provide a written copy of its training program to the Authority for review and approval within thirty (30) days prior to the commencement of the Contract.

6. The Contractor shall adopt written procedures, and make them available to the Flyer taxicab operators, to suspend or terminate an operator’s right to operate on the Airport for failure to obey the orders of the dispatcher, crossing guard, Authority designee, for failure to comply with this Contract and the standards and procedures set forth herein or a violation of the motor vehicle laws and regulations of any jurisdiction, including the Authority's.

7. The Contractor, its owners, contractors and affiliates, shall not engage in any business activities at the Airport without the specific written approval of the Contracting Officer, except for activities that are expressly granted under this Contract.

8. In the event the Contractor is unable to provide the level of service required herein solely because of the general non-availability of fuel supplies, the failure to provide the service required shall not be considered a default under Article XVI of the Contract. However, in such
event, the Authority reserves the right to contract with others to provide temporary taxicab service to and from the Airport until such time as the Contractor notifies the Contracting Officer of its ability to resume service in accordance with the provisions of the Contract.

9. The Contractor shall not permit its owners, employees, contractors, or affiliates to directly or indirectly enter into a lease, sale, purchase, subcontract, or any other agreement, arrangement or relationship with the Contractor’s taxicab operators whereby the Contractor’s owners, employees contractors or affiliates and the taxicab operators exchange money, gifts, gratuities, or services for their benefit, unless that agreement is expressly authorized by this Contract or is otherwise approved in writing by the Authority. By way of example, the acceptance, by Contractor or Contractor’s owners, employees, contractors or affiliates, of bribes or any consideration from taxicab operators or prospective taxicab operators, except the fees identified on the Fees Schedule attached to this Contract as Exhibit F, is strictly forbidden by this Contract.

B. Frequency of Service from Airport. Regardless of weather or traffic conditions, the Contractor must provide taxicab service from the Airport seven (7) days per week, twenty four (24) hours per day ensuring that its taxicabs provide a minimum of thirty percent (30%) of the all total daily outbound taxicab trips dispatched from the Taxicab Terminal Loading Area Premises at the Airport. The Authority will provide Automated Vehicle Identification (AVI) system activity reports to the Contractor on a weekly basis and at the end of each month.

C. Meters, Fares, and Information.

1. The Contractor shall ensure that electronic taxicab meters are installed and used in all Flyer taxicabs for computing passenger fares. All electronic meters shall be set to the rates prescribed by the Washington Metropolitan Ares Transit Commission (WMATC) for Flyer taxicabs. These rates shall be charged on all trips to and from the Airport by Flyer taxicabs.

2. The Contractor shall direct that each Flyer taxicab operator place on his/her taxicab rear right door window and front dashboard or glove box (frontal application must be easily visible to passenger riding in front seat), a description of the rates and the approximate fares to the most common locations. In addition, each Flyer and Non-Flyer taxicab operator is required to affix an identification card “face card” inside the vehicle in a place that is easily visible to all passengers. The required “face card” shall be supplied by the Dispatch Contractor after the Dispatch Contractor has received all required documentation. All taxicab operators must display a valid face card while providing service to passengers. The face card shall be immediately surrendered by the taxicab operator when demanded by any member of the Authority, or the Authority’s Police Department.

D. Equipment.

1. The Contractor shall furnish a minimum of 220 and a maximum of 240 Flyer taxicabs of a type, quantity, and quality necessary to provide a high-quality taxicab service capable of meeting the requirements of airline passengers and their accompanying baggage.

2. Flyer taxicabs may be obtained by the Contractor directly through lease or purchase, or indirectly through subcontract or other arrangements with taxicab owner/operators, or through a
combination of lease, purchase, or subcontract arrangements. The Contractor shall be limited to providing leasing agreements of not more than 25% of the allowable maximum number of taxicabs allocated to its fleet (i.e. 25% of 240 taxicabs or 60 taxicabs). The Authority may, at its sole discretion, increase the number or percentage of leasing agreements authorized herein at any time, if the maximum number of taxicabs allocated to the Contractor is increased by the Authority. The minimum vehicle standards for the Flyer taxicabs are:

a. A vehicle no older than four calendar years beyond the manufacturer’s model year;

b. A vehicle equipped with operating heating and air conditioning, painted, numbered, and marked with the distinctive Washington Flyer paint scheme;

c. A vehicle that maintains unaltered original manufacturer equipment in fully operating condition as designed by the manufacturer;

d. A vehicle equipped with four (4) matching aluminum wheels or steel wheels with four (4) matching full wheel covers;

e. A vehicle equipped with a securely mounted electronic taxi meter set to conform to rates established by the WMATC;

f. A vehicle equipped with an electronic navigation device that communicates in real-time with a global positioning satellite system;

g. A vehicle in which all wires and additional equipment are securely affixed to the vehicle and do not interfere with the comfort of a passenger;

h. A vehicle with a clean and odor-free interior, free of exterior and interior damage and equipped with operating front and rear seat belts; and

i. A vehicle equipped with an EZPASS transponder for accessing local toll roads.

3. All Flyer taxicabs may be titled new or used; provided the vehicle model year of the vehicle is no more than four (4) model years older than the current model year available from the manufacturer and the vehicle has an odometer reading of not more than 24,000 miles on the date the vehicle enters the fleet. Large-size sport utility vehicle models (as approved by the Authority) added to the Flyer taxicab fleet may have odometer readings no greater than 48,000 miles on the date the vehicle enters the fleet. The following table is provided to further define this Contract requirement:

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<tr>
<th>Current Model Year</th>
<th>Acceptable Model Years for New/Replacement Vehicles</th>
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All Flyer taxicabs shall be equipped with a seat configuration of not less than four (4) and not more than seven (7) including the driver. Other vehicle specifications or features provided by the Contractor shall be approved in writing by the Contracting Officer.

All Flyer taxicabs shall be one of the models approved by the Authority on the Washington Flyer Taxi Approved Vehicle List. All vehicles shall meet the seat configuration set forth herein at all times while operating as a Washington Flyer taxicab. The Contractor shall submit a written request of any additional vehicle models or specifications for the Contracting Officer’s approval.

All Flyer taxicabs shall be replaced on or before December 31 of the fourth year after the vehicle’s model year. After the fourth year after the vehicle model year, the vehicle will not be allowed in the Flyer fleet. The following table is provided to further define this requirement:

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<thead>
<tr>
<th>Manufacturer's Model Year</th>
<th>Replacement Date</th>
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<tbody>
<tr>
<td>2009</td>
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<tr>
<td>2010</td>
<td>December 31, 2014</td>
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<td>2011</td>
<td>December 31, 2015</td>
</tr>
<tr>
<td>2012</td>
<td>December 31, 2016</td>
</tr>
<tr>
<td>2013</td>
<td>December 31, 2017</td>
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</table>

The Authority reserves the right, at its sole discretion, to add or remove approved vehicle models from the Washington Flyer Taxi Approved Vehicles list. The Authority shall provide written notice to the Contractor of any changes made to the list within thirty (30) days prior to the effective date of the newly approved list. Any vehicles already operating within the Flyer fleet that are of the same model(s) being removed from the newly approved list shall be permitted to remain in the fleet until the date the vehicle(s) is/are due to be replaced based on the vehicle(s) age. However, no new vehicles of the removed model(s) may be introduced into the fleet after the effective date of the newly approved list.

4. Each Flyer taxicab shall have a unique number from the range of numbers assigned to the Contractor. The Contractor is assigned the range of numbers beginning at XXX through and including XXX for use on the Contractor’s taxicabs. Flyer taxicabs shall retain their number until the vehicle is retired. Taxicab numbers may not be sold by either the Contractor or taxicab operators. Sale of a taxicab numbers by either the Contractor or a taxicab operator of the Contractor shall be considered an event of Default which may result in termination of this Contract.

5. At any time during the Contract Term, the Authority, based on its own observations of public demand, or of service response times which repeatedly do not meet the on-demand service standards set forth by the Authority, may upon written notice, require the Contractor to place additional Flyer taxicabs into service in order to meet the service requirements of the public. Such additional vehicles shall be placed into service by the Contractor within sixty (60) days of written notice by the Contracting officer subject to market conditions and availability of
vehicles. The Contractor shall also have the right to add additional Flyer taxicabs subject to the approval by the Contracting Officer.

6. The following vehicle records shall be maintained and provided to the Authority by the Contractor upon request or as otherwise required herein:

   a. The Contractor shall maintain accurate records on all Flyer taxicabs in service as to mileage, owner, operator, and model year.

   b. Thirty (30) days prior to the commencement date of the Contract, the Contractor shall submit a list to the Authority of the Flyer taxicabs which will initially serve the Airport. The information shall include the vehicle make and model, mileage, model year, owner, operator, taxicab number assigned each vehicle, and the vehicle license number.

   c. Upon request by the Authority, the Contractor shall submit to the Authority a list of the Flyer taxicabs serving the Airport. This inventory shall include the vehicle make and model, mileage, model year, owner, operator, taxicab number assigned each vehicle, and the vehicle license number.

7. The Contractor shall ensure that all Flyer taxicabs are equipped with taxi domes, either permanently affixed or removable, and electronic digital readout meters. Meters and other equipment required by the Contract are subject to inspection by the Authority or its designated agent at any time. If the taxi operator owns the Flyer taxicab, the operator may install removable taxi domes and may utilize plastic magnetic covers to cover the vehicle markings when the taxicab is out of service.

8. The Contractor shall ensure that the Flyer taxicabs are clearly marked and painted with the manufacturer's standard paint or equal, in accordance with Authority approved and copyrighted color (YG Gray) and design specifications. All vehicles shall be identically painted and permanently marked. A permanent three digit taxicab identification number, 3 inches high shall be affixed on the right rear trunk, and on the right and left front fenders 3 inches high. The Washington Flyer Taxi phone number (703-572-TAXI), 3 inches high shall be affixed on the left rear trunk. The letters “Washington Flyer Taxi” 3 inches high with the "Washington Flyer" logo 25 inches x 25 inches with the current Washington Flyer Taxi phone number 3 inches high directly below shall be affixed on the right and left front doors. The Authority reserves the right to modify the size and placement of all vehicle markings due to variations in the design of vehicle models.

   All number and letter vehicle markings shall be in Washington Flyer logotype. All vehicle markings shall be made of 3M Brand #580-10 Plus white reflective .0075 vinyl adhesive sheet. No bumper stickers, window decals or any other vehicle appliqué are permitted except stickers required under this Contract, by local jurisdictions or for parking at the operator’s residence.

9. The exterior of the taxicabs shall be washed and the interiors vacuumed daily and kept free of any advertisements, trash, unnecessary papers, newspapers, and magazines (except the Washington Flyer magazine). The Contractor shall ensure that all taxicabs and other equipment used in the Airport service are maintained in safe and satisfactory working condition. The
Contractor shall perform a thorough inspection of each taxicab within its fleet at least once every seven (7) calendar days. If the Authority finds that any taxicab is not 1) in a safe and satisfactory working condition, 2) does not have a satisfactory interior and/or exterior appearance, or 3) is not maintained in a neat and clean condition, the Contractor shall immediately remove such a taxicab from service until the problem is corrected.

10. By the commencement date of this Contract, the Contractor shall provide to the Authority a specific plan to ensure that it is in compliance with the Americans with Disabilities Act (ADA) regulations currently in effect. The Contractor shall furnish a minimum of two ADA accessible taxicabs within its fleet. At a minimum, one of the two required vehicles shall remain parked at the Secondary Holding Lot for use by any qualified taxicab operator specifically trained to operate the vehicle when requested by the Dispatch Contractor. This vehicle shall not be counted as part of the maximum fleet size. However, all trips provided by this vehicle will be assessed a Trip Fee which will be required to be paid by the Contractor. The Contractor may choose to operate the second ADA accessible taxicab on a full-time basis within the fleet or utilize as another standby vehicle for use as needed. If the second ADA accessible taxicab is also parked at the Secondary Holding Lot on standby, that vehicle shall not be counted as part of the maximum fleet size.

11. The Contractor shall provide, or have available, a twenty-four (24) hour tow truck service on call to assist any Washington Flyer taxicab within the Washington SMSA.

12. Each Flyer taxicab shall be required to be equipped with an automated vehicle tracking device to be provided and installed by the Authority. The Contractor shall be responsible for remitting payment for the acquisition costs of any new or replacement automated vehicle tracking devices that are installed by the Authority in the Contractor’s fleet vehicles. The Contractor may pass the acquisition cost of $20.00 for the automated vehicle tracking device on to the taxicab drivers.

13. The Contractor shall not permit its taxicab operators or its employees to perform maintenance to taxicabs or private vehicles (except in an emergency), including washing, changing oil or filters, or making engine or body repair on the Airport, unless specifically authorized by the Contracting Officer. The Contractor shall take appropriate and reasonable steps to prevent such practices from occurring.

E. **Dress Code.** The Contractor shall require all Flyer taxicab operators to maintain a neat and clean appearance and be appropriately dressed at all times while on duty. All drivers shall wear clean, long pants, a collared shirt with sleeves, socks and shoes. Drivers on duty shall not be permitted to wear shorts, cut-off pants, tank tops, t-shirts, bathing suits, hats, sandals (sandals are defined as open-toe footwear or where the sock is visible through any part of the footwear), or any clothing which prominently displays the names or logos of commercial products or any clothing which displays offensive or obscene language or material.

F. **Taxicab Operators.** Taxicab operator is defined as any person driving a taxicab that has been marked as a Washington Flyer Taxi. The Contractor shall be responsible for knowing the name and address of all taxicab operators driving Washington Flyer taxis bearing a number assigned to the Contractor and shall have a current operator agreement with any and all such taxicab operators. The Contractor shall ensure that all such taxicab operators are properly insured at all times while providing Flyer taxicab service.
The Contractor is responsible for ensuring that any and all such Flyer taxicab operators are subject to the same training, hiring guidelines and pre-employment and annual screenings administered by the Contractor. The Contractor shall not charge taxicab operators any fees other than those fees that are specifically identified on the Fees Schedule attached to this Contract as Exhibit F.

**ARTICLE V - FINANCIAL CONSIDERATION**

A. **Annual Per Taxicab Fee.** As compensation for the rights and privileges granted to the Contractor by the Authority hereunder, the Contractor shall pay to the Authority an Annual Per Taxicab Fee (APT Fee) for each Contract Year. For the first Contract Year, the APT Fee shall be calculated by multiplying the APT Fee stated below for the first Contract Year by the maximum number of the Contractor’s taxicabs allotted by the Authority at the commencement of this Contract. For each Contract Year thereafter, the APT Fee shall be calculated by multiplying the APT Fee for that Contract Year by the maximum number of taxicabs allotted to the Contractor by the Authority as of the first day of that Contract Year. If the maximum number of allotted taxicabs are increased or decreased during any of the Contract Years, the APT Fee will be adjusted on a pro-rated basis to be effective on the first day of the month the maximum allotted taxicabs was modified.

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One-twelfth (1/12) of the APT Fee shall be paid in advance and without demand on the first day of each calendar month of each Contract Year for the Contract Term. For any period of less than one calendar month, the APT Fee shall be pro-rated. The APT Fee shall be deemed delinquent if payment is not received by the first (1st) calendar day of the month that the payment was due. The first payment of the APT Fee is due on the commencement date of this Contract.

B. **Access Fees.** For the privilege of accessing the Commercial Vehicle Curbside (CVC) through the Airport’s taxicab dispatch system, the Contractor shall pay the Authority an Access Fee of $2.65 per recorded exit from the CVC of taxicabs within the Contractor’s fleet. This fee shall be paid regardless of whether or not a passenger fare has been picked up while within the CVC.

For the privilege of providing service to the Airport under the Washington Flyer trademark, the Contractor shall pay the Authority an Access Fee of $2.65 per recorded trip through the Arrivals or Departures Level by any taxicabs within the Contractor’s fleet. This fee shall be paid regardless of whether or not the taxicab is carrying a passenger.
Each week the Authority will provide the Contractor with a detailed report of all trips by its fleet as recorded by the Authority’s (AVI) system. After the end of each month, the Authority will invoice the Contractor for all of that month’s taxicab trip activity as recorded by the AVI system.

The Contractor shall collect the $2.65 per recorded trip from the taxicab operator incurring the Access Fee. The Contractor shall not discount the Access Fee or apply any surcharge to it. The Contractor shall only charge the taxicab operators for the trips reported by the Authority.

The Access Fee is intended to cover the Authority’s costs associated with the AVI system, CVC, and airport taxi dispatch operation. The fee is subject to change by the Authority at the Authority’s sole discretion. The Contracting Officer will provide the Contractor with advance notice of any change to the Access Fee and the Contractor shall undertake reasonable measures to notify the taxicab operators.

C. **Annual Per Driver Fees.** In addition to the fees above, the Contractor shall remit an Annual Per Driver Fee (APD Fee) in the Amount of $250 per year to the Authority. One-twelfth (1/12) of the APD Fee will be invoiced monthly to the Contractor for each valid face card on record for the Contractor for the respective month. The Contractor is solely responsible for the payment of the APD Fee and shall not pass this fee on to any of its drivers.

**Remittances.** All payments shall be remitted by electronic funds transfer to the Authority’s designated bank account. The Contractor shall remit payment for any and all invoices received from the Authority within thirty (30) calendar days from the date of invoice. If the Contractor fails to make a payment to the Authority when due, late charges may be assessed as provided in Paragraph D of this Article.

D. **Monthly Certified Statement.** By no later than the fifteenth (15th) day of the following month or the first business day after the fifteenth (15th) if it falls on a weekend or holiday the Contractor shall provide to the Authority a Monthly Certified Statement showing its Gross Receipts, and the number of dispatches to and from the Airport under the Contract for the preceding month using the form shown in Exhibit E. At any time during this Contract, the Authority may revise the Monthly Certified Statement form shown in Exhibit E of this Contract and request further activity information from the Contractor, including a level of detail equivalent to the Contractor's own general ledger delineations. The Statement shall be certified as true, accurate, and complete by an authorized representative of the Contractor. The Contracting Officer must approve any changes to the format of the Monthly Certified Statement in advance in writing. The Monthly Certified Statement shall be forwarded to the Authority at the addresses below:

**Certified Statement and Supporting Documentation**
Contracting Officer
MA-230
Metropolitan Washington Airports Authority
P.O. Box 17045
Washington Dulles International Airport
Washington, DC  20041

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Without waiving any other right of action available to the Authority in the event of default in payment of charges and fees hereunder, if the Contractor fails to make a payment to the Authority when due, late charges may be assessed. Late charges may consist of interest and penalties. Late charges will be assessed for each day or portion thereof that the payment is late.

The interest rate shall be at the per annum rate which is four percent (4%) higher than the prime rate as published in The Wall Street Journal on the date such payment was due.

In addition to interest, monthly late penalty charges at the rate of six percent (6%) per annum (or as established periodically) of the amount due will be assessed on the unpaid portion of accounts more than thirty (30) days past due.

**Annual Audited Financial Statements/Annual Certified Statement.** Within ninety (90) days following the end of each Contract Year, the Contractor, at its own cost and expense, shall provide to the Authority audited financial statements of the revenue, expenses, and fees paid for the Flyer taxicab concession. The audit must be conducted by an independent certified public accountant (CPA). The statements must include an opinion by the independent CPA that revenue, expenses, and fees have been presented in accordance with Generally Accepted Accounting Principles (GAAP), have been audited in accordance with Generally Accepted Auditing Standards (GAAS), and are in accordance with the terms and conditions of this Contract, including the definitions of Gross Receipts, expenses, and net income in the format as set forth in the pro forma financial statement as presented in the Contractor’s Proposal. The audited financial statements shall also contain a statement of the Gross Receipts and expenses, and provide a reconciliation of all fees previously paid to the Authority during the Contract Year, by month, as shown on the books and records of the Contractor and which were used to compute the Annual Fee paid to the Authority during the Contract Year covered by the Annual Certified Statement. The Authority reserves the right to reject the Contractor's choice of independent CPA if said independent CPA does not, in the Authority's view, have the appropriate standing and reputation.

1. **Additional Payment if Fees Underpaid.** If the Fee schedules provided by the Contractor to the Authority with respect to any Contract Year indicate that the amount of the Fees which the Contractor actually paid to the Authority with respect to such Contract Year was less than the amount of the Fees due and owing for such Contract Year under the terms of this Contract, then the Contractor shall pay the difference plus interest (at the rate specified in Article V.D. herein) to the Authority at the same time it provides the Annual Statement to the Authority.

2. **Credit if Fees Overpaid.** If the Fee schedules provided by the Contractor to the Authority with respect to any Contract Year indicate that the amount of the Fees which the Contractor actually paid to the Authority with respect to such Contract Year was greater than the amount of the Fees due and owing for that Contract Year under the terms of this Contract, then the amount of such excess shall, at the option of the Authority, either be paid in lump sum within a thirty (30) day
period or credited to the fees next due and owing from the Contractor to the Authority, unless the Contract Term has expired, in which event such amount shall be promptly refunded by the Authority to the Contractor. The Contractor shall not assume any credit and shall not apply any credit to fees due to the Authority until the Contractor receives written approval from the Contracting Officer for such credit.

G. **Books and Records.** The Contractor shall maintain such books and records to enable the Authority to perform an audit of the amount of Gross Receipts claimed by the Contractor. Such books or records shall contain records of all Gross Receipts in an auditable form consistent with generally accepted accounting principles.

1. **Location of Books and Records.** The Contractor shall maintain the books and records on the Premises or at the Contractor’s local home office and separate from the Contractor’s books and records that do not pertain to this Contract. The books and records shall be retained by the Contractor for a period of no less than three (3) years following the end of the Contract Year to which such books and records relate (notwithstanding the expiration or earlier termination of this Contract).

2. **Books, Records, and Information.** Books, records, and information to be made available to the Authority during an audit shall include, but not be limited to:

   a. All accounting source documents necessary for the Authority’s ability to audit in accordance with generally accepted accounting principles;

   b. The complete (cumulative) corporate general ledger for the Contractor’s operation under this Contract for the period under audit;

   c. A detailed description of the Contractor’s accounting system, including: a flow chart tracing transactions through all accounting records used to prepare the Monthly Certified Statements; a description of the accounting system used for tracking control numbers assigned to each location.

   d. A complete copy of the chart of accounts and a detailed description of the accounts shown thereon;

   e. Bank statements and canceled checks applicable to the operation of this Contract.

   The Contractor shall also provide upon the written request of the Authority, the name and telephone number of the Contractor’s accounting manager who has a thorough knowledge of the accounting system as it pertains to this Contract and who will assist the Authority with its audit.

3. **Books and Records Available for Inspection.** The books and records required to be maintained by the Contractor shall be available for inspection by the Authority or its duly authorized representative; provided, however, that such inspection shall be made during reasonable business hours and shall not be conducted in a manner or at a time which is unduly disruptive of the Contractor’s business. Upon ten (10) days written notice from the Authority, the Contractor shall make available such books and records at the Premises for examination by the Authority.
4. **Authority’s Right to Audit.** The Authority shall have the right, upon reasonable notice to the Contractor, to cause an audit to be made of the Contractor’s books and records in order to determine the correctness of the Gross Receipts for any Contract Year which ended no more than three (3) years prior to the date of commencement of such audit.

5. **Fees and Interest if Underpayment Discovered by Audit.** If, as a result of the audit, it is established that additional payments are due from the Contractor to the Authority, the Contractor shall immediately, upon written demand from the Authority, pay to the Authority such additional payments, together with interest on the amount of such additional payments at the rate specified in Article V.E. herein from the date such additional payments should have been paid. Further, if such audit establishes that the Contractor has understated the Gross Receipts for any Contract Year by one half of one percent (0.5%) or more, then the entire expense of such audit, whether internal or external, shall be paid by the Contractor.

6. **Delinquent Audit Fees.** In the event that it is established through an audit conducted by the Authority that fees otherwise due to the Authority have not been paid as a result of the Contractor’s improper recording of Gross Receipts, the Contractor shall pay to the Authority the amount of fees reasonably estimated to have been lost to the Authority, plus interest in accordance with Article V.E.

   If the Contractor disagrees with the Authority’s audit conclusions, the Contractor may appeal those conclusions to the Authority’s Contracting Officer within ten (10) business days following the Contractor’s receipt of the Authority’s demand for payment. Said appeal shall be in writing and shall include a complete detailed statement of the Contractor’s reasons.

7. **Inspection and Audit Rights Survive Expiration.** The Authority’s right to inspect and audit the books and records of the Contractor shall survive the expiration or earlier termination of this Contract.

H. **Other Charges.** The Contractor shall pay all fees, assessments, taxes, and other charges levied under federal, state, and local statutes and ordinances as are applicable to the services to be conducted under the Contract.

I. **Flyer Operator Fees.** The Contractor shall charge fees to each full-time and part-time Flyer taxicab operator in accordance with the Fees Schedule in the Contractor’s proposal and attached hereto as Exhibit F. Exhibit F is incorporated into this Contract. The Contractor shall not charge its taxicab operators fees other than those provided in Exhibit F. The Authority expects the Contractor to adhere to the Fees Schedule throughout the Contract Term. Nevertheless, after the first Contract Year, the Contractor may, no more than once during each Contract year, request to revise its proposed Fees Schedule based on 1) the number of taxicabs using the Contractor’s dispatch system, 2) the amount of the Contractor's actual Gross Receipts and expenses for the previous Contract Year, 3) a comparison to the Contractor's pro forma for Gross Receipts and expenses to actual Gross Receipts and expenses, and 4) specific economic conditions that differ from those used in developing the pro forma income and balance sheet statements and that therefore require a change in the proposed Fees Schedule. The Authority shall have the sole discretion to approve or disapprove such a request.
J. **Scrip Reimbursement.** From time to time, the airlines serving the Airport may provide passengers with “scrip” for use on Washington Flyer taxicabs. The Contractor shall accept all valid scrip remitted by taxicab drivers and immediately reimburse the drivers for the full value of the scrip. The Contractor shall be responsible for invoicing the issuing airlines for reimbursement of any scrip collected, in accordance with the procedures of the issuing airline. The Authority shall have no liability to the Contractor for reimbursement of the value of the scrip.

K. **Definition of Gross Receipts.** The term "Gross Receipts" as used herein shall mean the total amount of all receipts received or realized by, or accruing to the Contractor or on behalf of the Contractor from all cash or credit sales by the Contractor of services, materials, or other merchandise made pursuant to the privileges authorized by this Contract including, but not limited to: 1) Stand Due Fees, 2) Access Fees, and 3) other receipts received from fuel sales, taxicab vehicle sales, taxicab vehicle financing, taxicab vehicle rentals, equipment rentals, taxicab vehicle repair, service and maintenance revenue, and other services provided to taxicab operators and Contractor employees under the Contract. The Contractor shall also include in its Gross Receipts those receipts, derived by any companies affiliated with the Contractor providing services to Flyer taxicab operators, including, but not limited to, taxicab vehicle rentals, equipment rentals, and taxicab vehicle maintenance and repair services. A sale shall be deemed made by the Contractor if the merchandise or services are ordered from or through the Contractor for use under this Contract. All revenue shall be deemed to be received at the time of determination of the amount due the Contractor for each transaction, whether for cash or credit, and not at the time of billing or payment, unless otherwise specifically stated in this Contract.

The term "Gross Receipts" shall not include:

1. Amounts of any federal, state, or municipal sales or similar taxes collected by the Contractor;

2. Sums received by the Contractor for damage to taxicab vehicles or the Contractor's property or premises and facilities, or for loss, conversion, or abandonment of taxicab vehicles. Such sums received by the Contractor, as described above, that exceed the actual cost of repair or replacement, however, shall be considered as Gross Receipts; and

3. Sums received by reason of the Contractor's disposal of equipment, operating facilities, or personal property.

**ARTICLE VI - PERFORMANCE GUARANTEE**

A. The Contractor shall, at its own cost, deliver a performance guarantee to the Authority within ten (10) calendar days after the execution of the Contract, in the amount of Fifty Thousand Dollars ($50,000.00). Any amounts expended by the Contractor to obtain such Performance Guarantee shall not be reimbursed to the Contractor by the Authority.

B. This performance guarantee shall be subject to claim in full or in part by the Authority in the event of default of the Contractor for failure to fully perform the Contract. The Contractor must ensure that the performance guarantee is maintained at all times in the proper amount throughout the Contract Term.
C. The amount of said performance guarantee may be adjusted at the beginning of each Contract Year at the sole discretion of the Authority to an amount not to exceed fifty percent (50%) of the total Annual Per Taxicab Fee for that Contract Year.

D. The Performance Guarantee shall be maintained in effect for at least one year after the expiration or earlier termination of the Operating Period of this Contract.

E. The performance guarantee, at the option of the Contractor, may be in the form of an irrevocable letter of credit from a bank (with a bank rating of "B" or better by LACE Financial Corporation), or by a certified check, cashier's check, or money order, acceptable to the Authority and made payable to the Authority. The performance guarantee may also be in the form of a performance bond, issued by an insurance company that is acceptable to the Authority.

F. Failure of the Contractor to provide or maintain the performance guarantee in effect at any time during the Contract Term constitutes a default.

ARTICLE VII - INDEMNIFICATION AND INSURANCE

A. Indemnification: The Contractor shall defend, indemnify, and hold the Authority and its agents, officers, and employees completely harmless from and against any and all claims, suits, demands, actions, liabilities, loses, damages, judgments, or fines arising by reason of injury or death of any person, or damage to any property, including all reasonable costs for investigation and defense thereof (including, but not limited to, attorney fees, court costs and expert fees) of any nature whatsoever arising out of the Contractor’s activities under this Contract, or in its use or occupancy of the Facilities, regardless of where the injury, death, or damage may occur. The Authority shall give to the Contractor reasonable notice of, and opportunity to defend against, any such claims or actions, and the Authority shall take reasonable actions to mitigate its damages.

Notwithstanding the above indemnification, the Contractor shall notify the Authority in writing and within three (3) business days after the Contractor’s receipt of notice of litigation against the Contractor, or any of its subcontractors, that may have a material affect on the performance of this Contract. A copy of the complaint is not available, the Contractor shall provide as much information as possible about the complaint, including, but not limited to, the identity of the plaintiffs and defendants, allegations made by the plaintiffs, relief sought by the plaintiffs, and the date the complaint was served on the Contractor or subcontractor.

If the Authority is deemed to be in noncompliance with laws or regulations governing access to secure areas of the Airport and to the areas of the airfield and said noncompliance is the result of or due to the negligence or willful act or omission of the Contractor or of any of the Contractor’s employees, agents, subcontractors, or sub lessees and such breach results in a civil penalty action against the Authority, the Contractor agrees to reimburse the Authority in for all expenses, including reasonable attorney fees incurred by the Authority in defending against the civil penalty action and for any civil penalty action. The Authority shall give the Contractor reasonable notice of any allegation, investigation, or proposed or actual civil penalty which relates to acts or omissions of the Contractor.
The Contractor shall defend, indemnify, and hold the Authority, and its agents, officers, and employees, completely harmless from and against any claim, suit, demand, action, liability, loss, damage, judgment, fine, or civil penalty and all costs and expenses of whatever kind or nature (including, but not limited to, attorney fees, court costs and expert fees) associated therewith in any way arising from or based upon the violation of any Federal, state, or municipal laws, statutes, resolutions, or regulations by the Contractor, its agents, employees, subcontractors, or sub lessees, in conjunction with the Contractor’s activities under this Contract. The Authority shall give the Contractor reasonable notice of, and opportunity to defend against, any such claims or actions, and the Authority shall take reasonable actions to mitigate its damages.

The provisions of this Article VII.A shall survive the expiration, termination, or early cancellation of this Contract.

B. **Insurance:** The Contractor shall maintain, in force and effect, prior to the commencement of the Contract and throughout the Operating Period of the Contract, a policy or policies of insurance, with a reputable insurance company authorized to conduct business in the Commonwealth of Virginia having a rating of A or better and a financial size category of VII or better from A.M. Best Company, or an equivalent rating service. All policies shall be issued on an occurrence basis, and shall cover the entire Premises, and all activities of the Contractor on the Premises and on the Airport and all indemnifications made in the Contract. All Contractors’ policies shall be primary and Contractor agrees that any insurance maintained by the Authority shall be excess of and non-contributing with respect to the Contractor’s insurance. The Authority reserves the right to waive the insurance requirements for good cause. Insurance shall be provided with the policy limits thereof to be in the minimum(s) as set forth below:

1. **Worker’s Compensation and Employer’s Liability** shall be in compliance with Virginia Statutory Limits including an All States Endorsement, and One Million Dollars ($1,000,000) in Employers’ Liability.

2. **Commercial General Liability Insurance** shall be a limit of not less than Five Million Dollars ($5,000,000) per occurrence. Coverage must include Broad Form Contractual, Broad Form Property Damage, Personal Injury and Advertising Injury, Premises-Operations, Products-Completed Operations, Independent Contractors and Subcontractors, and Fire Legal Liability.

3. **Commercial Automobile Liability Insurance** shall be a limit of not less than Three Hundred Fifty Thousand Dollars ($350,000) for each accident and shall cover liability arising out of owned (Symbol 1 or Symbol 2), hired, and non-owned automobiles. Contractor shall not be permitted to operate any automotive equipment on the Air Operations Area, which is defined as that area of the Airport which is located inside the perimeter security fence surrounding the airside portion of the Airport. NOTE: Owned coverage refers to automobiles owned by the Contractor. Hired coverage refers to automobiles that the Contractor leases or rents for the Contractor’s business. Non-owned coverage refers to those automobiles that the Contractor does not own, lease, or rent, but that are used in connection with the Contractor’s business.

4. **Commercial Crime Insurance** shall be a limit of not less than One Hundred Thousand Dollars ($100,000) per occurrence for loss of, and loss from damage to covered property such as money and securities. The policy shall cover, but not be limited to, loss arising from employee theft,
employee dishonesty, forgery or alteration, robbery, burglary, embezzlement, disappearance, destruction; money orders and counterfeit currency; depositors forgery; computer fraud, on-premises, and in-transit.

5. **Other Insurance** as the Authority may from time to time, in its reasonable discretion, request the Contractor to provide, with such limits, in such form, with such reasonable terms and conditions and with such companies as the Authority shall approve.

The Contractor shall deliver each certificate of required coverage to the Authority for approval upon execution of the Contract and at least annually thereafter, and no later than five (5) days after the expiration of any then current policy. Certificates shall be issued to:

  Contracting Officer, MA-230  
  Metropolitan Washington Airports Authority  
  P.O. Box 17045  
  Washington Dulles International Airport  
  Washington, DC 20041

Said policies of insurance shall contain a Cancellation, Material Change, or Non-Renewal Endorsement providing the Authority with at least thirty (30) days, or ten (10) days for non-payment of premium, advance notice, in writing, of cancellation, non-renewal, or material change. All policies, except Worker’s Compensation and Employer’s Liability, shall be endorsed to identify the Metropolitan Washington Airports Authority as an additional insured in a manner satisfactory to the Authority. Said policies shall cover only claims arising from events addressed in the Contract.

In the event that the Contractor shall at any time fail to provide the insurance required under this Article VII, the Authority may, at its option, immediately terminate this Contract. The Authority reserves the right to withhold payments to the Contractor in the event of a material noncompliance with the insurance outlined above.

If, in the Authority’s opinion, the minimum limits of the insurance herein required have become inadequate during the Contract Term, the Contractor agrees that it will increase such minimum limits by reasonable amounts on request of the Authority provided that said coverage is available at standard commercial rates.

The failure of the Authority, at any time, to enforce the insurance provisions, to demand such certificate(s) or other evidence of full compliance with the insurance requirements, or to identify a deficiency from evidence that is provided shall not constitute a waiver of those provisions nor in any respect reduce the obligations of Contractor to maintain such insurance or to defend and hold the Authority harmless with respect to any items of injury or damage covered by this Contract.

The Contractor is also responsible for ensuring that all subcontractors independently carry appropriate insurance to cover the subcontractor's exposures. Insurance types and amounts shall be set forth in each subcontract. Each taxicab operator shall be required by the Contractor to carry Comprehensive Automobile Liability Insurance with a minimum of Three Hundred Fifty Thousand Dollars ($350,000) combined single limit for bodily injury and property damage per occurrence, unless the taxicab operator’s automobile is covered by the Contractor’s Commercial Automobile Liability Insurance.
ARTICLE VIII - QUALITY OF PERFORMANCE AND LIQUIDATED DAMAGES

A. Liquidated Damages. The following Contract requirements are among those that relate directly to the quality of the taxicab service that the Authority expects to be provided to the public under the Contract. The Contractor agrees that less than full performance of the following requirements denigrates the quality of the service, is in violation of this Contract, and that the following liquidated damages are a reasonable approximation of the Authority's actual damages for such violations. The Authority will notify the Contractor within forty-five (45) days following the violation if liquidated damages will be imposed. Failure to impose liquidated damages for a particular violation shall not bar the Authority from imposing liquidated damages for subsequent violations of the same nature. The availability of liquidated damages shall not bar the Authority from exercising other remedies, including Contract termination. The Authority will invoice the Contractor for Liquidated Damages that are assessed and payment of the invoice is due upon receipt by the Contractor.

1. Customer Complaints. For each passenger complaint verified by the Authority concerning taxicab service provided by the Contractor or its taxicab drivers which shows that the service provided did not meet the service standards required by this Contract, including but not limited to “short trips” and failure to help with luggage, liquidated damages may be assessed to the Contractor, at the option of the Contracting Officer, in the amount of one hundred dollars ($100.00) for each complaint received.

2. Denial of Service. For each time the Authority or its Taxicab Dispatcher observes a passenger being denied taxicab service by the Contractor or one of its taxicab drivers unless such denial is permitted by this Contract, liquidated damages may be assessed to the Contractor, at the option of the Contracting Officer, in the amount of five hundred dollars ($500.00) for each passenger denied service.

3. Vehicle Maintenance. For each time the Authority observes taxicab operators and/or employees performing maintenance to taxicabs or private vehicles on the Airport (except in an emergency), including such activities as washing, changing oil or filters, or making engine or body repair on the Airport, liquidated damages may be assessed to the Contractor, at the option of the Contracting Officer, in the amount of five hundred dollars ($500.00) for each observation.

4. Vehicle Standards. For each time the Authority or its Taxicab Dispatcher observes one of the Contractor’s taxicabs that is on-duty (on-duty is defined as a vehicle observed transporting a passenger or staged in the Taxi Surge Lot or Terminal Loading Area) and that does not meet the vehicle standards set forth within this contract, liquidated damages may be assessed to the Contractor, at the option of the Contracting Officer, in the amount of one hundred dollars ($100.00) for each observation.

5. Failure to Submit Reports in a Timely Fashion. Should the Contractor fail to provide to the Authority any of the reports required by Articles IV and V of this Contract by the specified submittal date, except where the Contractor has obtained written permission
from the Authority to delay or omit a particular report(s), liquidated damages may be assessed to the Contractor, at the option of the Contracting Officer, in the amount of five hundred dollars ($500.00) per day, per report, for each day the report(s) are late.

6. **Non-compliance with Uniform and Equipment Requirements.** Liquidated damages may be assessed to the Contractor, at the option of the Contracting Officer, in the amount of one hundred dollars ($100.00) per occurrence for the failure of any taxicab operator to adhere to the dress code requirements prescribed by the Operations and Procedures Manual.

7. **Frequency of Service From Airport.** Liquidated damages may be assessed to the Contractor, at the option of the Contracting Officer, in the amount of five hundred dollars ($500.00) for each day the Contractor’s taxicabs do not provide a minimum of thirty percent (30%) of the total daily outbound taxicab trips dispatched from the Taxicab Terminal Loading Area Premises at the Airport.

8. **Driving Privileges and Records.** Each time the Authority determines that the Contractor has failed to meet any of the requirements outlined within Article IV.A.5.k.,l., and m., of the Contract, the Contractor will be required to pay the Authority liquidated damages in the amount of five hundred dollars ($500) per incident.

**ARTICLE IX - INCORPORATION OF CONTRACTOR’S PROPOSAL AND CONFIDENTIALITY**

Portions of Contractor’s proposal are attached hereto as Exhibit G. Exhibit G is incorporated into this Contract and the Contractor shall be obligated to meet all portions of its proposal contained in Exhibit G, provided, however, that where an express provision of this Contract is in conflict with any provision of the Contractor’s proposal in Exhibit G, this Contract shall control.

The executed Contract is a public document that may be released to members of the public upon request in accordance with the Authority’s Freedom of Information Policy and Contracting Manual. If the Contract incorporates portions of the Contractor’s proposal, disclosure of these portions of the proposal will also be governed by the Authority’s Freedom of Information Policy and Contracting Manual. The Authority is not required to disclose to the public confidential information of the Contractor if the Contractor claims a privilege for the information and gives reasons why such protection is necessary.

**ARTICLE X - TRADEMARKS, SERVICE MARKS, LOGOS, TELEPHONE NUMBERS, AND WEB ADDRESSES**

A. The Washington Flyer Taxicab System is part of the Washington Flyer Transportation System. The Washington Flyer Transportation System was developed by the Authority to provide quality ground transportation options for Dulles Airport passengers. The Washington Flyer Transportation System also includes the Washington Flyer Coach service, and the share ride van service.

B. The Authority is the owner of the trademarks and service marks relating to the “Washington Flyer” Name, Logo, and Design (hereinafter called “Marks”).
C. The Marks and any other trademarks, service marks or logos created or developed by the Authority or the Contractor for the Flyer taxicab concession are and shall remain the property of the Authority. The Authority hereby grants to the Contractor, and the Contractor hereby accepts, a limited, non-exclusive, royalty-free nontransferable license to use the Marks in connection with its Flyer taxicab concession at the Airport subject to the following conditions:

1. The Contractor acknowledges and is familiar with the high standards, quality and image of the Authority and shall, at all times, conduct its business associated with its licensed use of the Marks, in a manner consistent with these standards, quality and image.

2. The Contractor acknowledges the Authority’s ownership of the Marks, agrees it will do nothing inconsistent with such ownership, and that all use of the Marks by the Contractor shall inure to the benefit of the Authority. The Contractor agrees that nothing in this license shall give the Contractor any right, title of interest in the Marks other than the right to use the Marks in accordance with this license and the Authority expressly reserves all rights not expressly granted to the Contractor hereunder.

3. The Contractor shall not dispute, challenge or assist any person in disputing or challenging the Authority’s rights and title to the Marks or validity of this license. Nor will the Contractor apply for or obtain, or assist any person in applying for or obtaining any registration of any trademark, service mark, trade name or other indicia confusingly similar to the Marks.

4. The Contractor shall use the Marks only in the form and manner and with appropriate legends as prescribed from time to time by the Authority, solely in connection with the provision of the services described in Article II during the Contract Term.

5. Without the Authority’s prior consent, the Contractor shall not use the Marks (or any mark confusingly similar thereto), individually or in combination, as part of its corporate or trade name, any domain name or any phone number.

6. The Contractor shall notify the Authority of any unauthorized use of the Marks by others promptly as it comes to the Contractor’s attention. The Authority shall have the sole right and discretion to bring infringement or unfair competition proceedings involving the Marks.

7. Upon either the end of the Contract Term, or earlier termination of this Contract pursuant to the terms herein, the Contractor shall cease all use of the Marks and all rights and licenses granted pursuant to this Contract shall cease.

D. The Authority is the owner of one or more telephone numbers and web addresses that it has designated for its own use and for use by the Contractor to provide information and reservations for Washington Flyer customers. The Contractor shall not use any other telephone numbers or web addresses in any marketing, advertising or other materials concerning the Washington Flyer or the Contractor’s operation of its Washington Flyer taxicab concession that are disseminated to the public without the Authority’s prior written permission. The Contractor may use its own phone numbers and web addresses for purposes of internal communication and communication with its taxicab operators.
Calls to the Washington Flyer telephone numbers owned by the Authority will be answered by the Authority's Dispatch and Curbside Management Contractor, which will be responsible for providing callers with information concerning the Washington Flyer taxicab operation. Calls from customers who wish to make a reservation for an inbound taxicab trip to the Airport shall be routed through a call routing system that will automatically send the calls to each of the companies in succession so that the calls are equitably distributed.

ARTICLE XI - DEFAULT AND TERMINATION

A. Default Events. Each of the following events shall constitute a Default:

1. If an event of insolvency of the Contractor should occur, including, but not limited to, an assignment for the benefit of creditors.

2. The occurrence of any act which operates to deprive the Contractor of the powers and privileges necessary for the proper conduct of this Contract.

3. The discontinuance of operation of the Flyer taxicab concession.

4. If the Contractor's interest in this Contract is assigned by operation of law.

5. If the Contractor fails to pay charges and fees to the Authority when due.

6. If the Contractor fails to perform, keep or observe any of the other terms, covenants and obligations under the Contract.

B. Consequences of a Default.

1. If a Default occurs, the Authority may give to the Contractor a notice of Default and an opportunity to cure. If the Contractor has not cured, or made reasonable progress to cure the Default within fifteen (15) days from the Contractor's receipt of the notice, the Authority may immediately terminate the Contract by written notice to the Contractor. If the Authority elects to terminate this Contract, every obligation contained in this Contract to be performed by the Authority shall cease.

2. When this Contract is terminated, the Contractor shall immediately vacate the Premises and Facilities and the Authority or its agents or employees may immediately or at any time thereafter, re-enter the Premises and Facilities and remove the Contractor, its agents, subcontractors, invitees, and property. Re-entry and removal may be effected by summary dispossess proceedings, by any suitable action or proceeding at law, by force, or otherwise. The Authority shall be entitled to the benefits of all provisions of law respecting speedy recovery of the Premises and Facilities held over by the Contractor. Any other notice to re-enter the Premises and Facilities is hereby expressly waived by the Contractor. The Authority shall not be liable in any way in connection with any action it takes pursuant to this Section. The Contractor's liability shall survive the Authority's re-entry, the institution of summary proceedings, and the issuance of any warrants with respect thereto.
3. If this Contract is terminated, the Contractor shall remain liable (in addition to accrued liabilities) to the extent legally permissible for the amounts that the Contractor would have been required to pay to the Authority had the Contract not been terminated. In addition, the Contractor shall pay to the Authority such sums as the court which has jurisdiction there over may adjudge as reasonable attorneys fees with respect to any successful lawsuit or action instituted by the Authority to enforce the provisions of this Contract.

4. The Authority may enter into a new contract with another contractor that will provide taxicab services for all or any part of the unexpired portion of the Contract Term or for any longer period. The Authority has the sole and absolute discretion with respect to the selection of a new contractor and its use of the Premises and Facilities.

5. If the Contractor is in Default under this Contract, the Authority may, after providing written notice to the Contractor of the Default, cure the Default at any time through any action deemed appropriate by the Authority for the account and at the expense of the Contractor. The Contractor shall reimburse the Authority for any amounts expended by the Authority in connection with the cure. Such cure shall not constitute a waiver of the Authority's rights with respect to that or any other Default, unless otherwise expressly stated in writing by the Contracting Officer.

6. The Authority's rights and remedies set forth herein shall be in addition to any other right or remedy now and hereafter provided by law. All rights and remedies shall be cumulative and not exclusive of each other. No delay by the Authority in exercising a right or remedy shall constitute a waiver or acquiescence to the Default. No waiver of a Default shall be effective unless it is in writing. No waiver of a Default shall extend or affect any other Default or impair any right or remedy with respect thereto.

7. The right to lien on the personal property of the Contractor is expressly granted to the Authority in any case where the Contractor fails to pay amounts due to the Authority under this Contract.

8. The Authority shall not be liable for any damage, including, but not limited to, loss of profit, and the Contractor shall not make a claim of any kind whatsoever against the Authority, its agents or representatives, by reason of any action taken pursuant to this Section.

9. To the extent that the Authority's right to terminate this Contract is determined to be unenforceable under the Bankruptcy Code of 1978, as amended from time to time (the "Code"), or under any other statute, then the Contractor and any trustee who may be appointed agree: (1) to perform promptly every obligation of the Contractor under this Contract until this Contract is either rejected, assumed or deemed rejected under the Code; (2) to reject or assume this Contract within sixty (60) days of a filing of a petition under the Code; (3) to give the Authority at least forty-five (45) days prior written notice of any proceeding relating to assumption of this Contract; (4) to cure or provide adequate assurance of a prompt cure of any Default of the Contractor under this Contract; and (5) to provide to the Authority adequate assurance of future performance under the Contract.
ARTICLE XII - TAXICAB ADVISORY PANEL

The Authority has established a Taxicab Advisory Panel to review the handling of customer and taxicab operator complaints and recommendations regarding the Washington Flyer system. The panel consists of a representative of the Contractor, a representative from each of the Flyer taxicab concession contractors, a representative from the Taxicab Dispatch contractor, representatives from the Flyer taxicab operators, a representative of the Authority, a representative from the Authority police department, and a representative of the traveling public appointed by the Authority Advisory Committee. The Panel is informal and advisory in nature and reports to the Authority President and Chief Executive Officer. It does not decide disputes or give any binding interpretations of the Contract or other operating procedures of the Contractor or the Flyer taxicab concession. It gives recommendations that may be passed on to the Contractor and the Contractor may be asked to respond. While advisory in nature, it is intended to be a forum for constructively addressing issues of concern for both the public (taxicab customer) and the Flyer operators. The Authority is responsible for providing the Panel with appropriate logistical support at the Airport.

ARTICLE XIII - MISCELLANEOUS PROVISIONS

A. Changes to the Scope of Operations: The Contracting Officer may, at any time by written notice after contract award, make changes within the general scope of the Contract, including, but not limited to, changes in: (1) permitted access and use of Premises and Facilities; (2) the fees to be charged for access to the system; (3) the number of taxicabs allotted to each Flyer taxicab concession contractor; and (4) the hours of operation. The Contractor shall institute such changes without delay.

B. Incorporation of Standard Provisions: The Standard Provisions for Concession Contracts, dated April 20, 2008, attached hereto, are hereby incorporated into and made a part of this Contract. The Contractor shall be obligated to meet all requirements described in the Standard Provisions, PROVIDED, HOWEVER, that where an express provision of this Contract is in conflict with any provision of the Standard Provisions, this Contract shall control.

C. Inconveniences During Construction: The Contractor recognizes that from time to time during the term of the Contract, it will be necessary for the Authority to initiate and carry forward extensive programs of construction, reconstruction, expansion, relocation, maintenance and repair in order that the Airport and its facilities may be suitable for the volume and character of air traffic and flight activity which will require accommodation, and that such construction, reconstruction, expansion, relocation, maintenance and repair may inconvenience the Contractor in its operation at said Airport. The Contractor agrees that no liability shall attach to the Authority, its officers, agents, employees, contractors, subcontractors, and representatives by way of such inconveniences and the Contractor waives any right to claim damages or other consideration therefore.

D. Notices: All notices, consents and approvals required under the terms of this Contract shall be given by a designated representative of the party by or in whose behalf they are given and delivered either by hand or certified mail, postage prepaid, return receipt requested, and addressed as follows:
1. To the Authority:

Contracting Officer, MA-230
Metropolitan Washington Airports Authority
P.O. Box 17045
Washington Dulles International Airport
Washington, DC 20041

2. To the Contractor:
IN WITNESS WHEREOF, the Parties hereto have executed this Contract as of ____________.

METROPOLITAN WASHINGTON AIRPORTS AUTHORITY

__________________________________  ______________________________________
Date                     Mike Stewart, Contracting Officer and Manager,
Airport Administration Department

__________________________________
WITNESS

TAXICAB COMPANY, INC.

__________________________________  __________________________________
Date                                                                 Name

__________________________________
Title

__________________________________
WITNESS

SECRETARY'S CERTIFICATE

I, ________________________, certify that I am Secretary of the corporation named as Contractor herein,
that ________________________ who signed this Contract on behalf of said Contractor was then
_______ of said corporation; that said Contract was duly signed for and on behalf of said corporation by
authority of its governing body and is within the scope of its corporate powers.

______________________________________(Corporate Seal)

(Secretary's Signature)
EXHIBIT A

EXISTING PREMISES AND FACILITIES EXHIBITS
EXISTING TAXICAB CIRCULATION PATHS

Source: Ricondo & Associates, Inc.
EXHIBIT B

CONTRACTOR’S PROPOSAL

(To Be Incorporated at Contract Award)
EXHIBIT C

CONTRACTOR'S STAFFING CHART AND JOB DESCRIPTIONS

(To Be Incorporated at Contract Award)
EXHIBIT D

NOTIFICATION TO DRIVERS OF AUTHORITY AND WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION (WMATC) RULES AND REGULATIONS

(To Be Incorporated at Contract Award)
EXHIBIT E

MONTHLY CERTIFIED STATEMENT FORM
<table>
<thead>
<tr>
<th>Item</th>
<th>Amount ($)</th>
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</thead>
<tbody>
<tr>
<td><strong>Operator Fees:</strong></td>
<td></td>
</tr>
<tr>
<td>Stand Due Fees</td>
<td></td>
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<tr>
<td>Second Driver Fees</td>
<td></td>
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<tr>
<td>Relief Driver Fees</td>
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<tr>
<td>Outbound Access Fees</td>
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<tr>
<td>Inbound Access Fees</td>
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<tr>
<td>Vehicle Leasing Fees</td>
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<tr>
<td>Vehicle Financing Revenues</td>
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<tr>
<td>Vehicle Sales Revenue</td>
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<tr>
<td>New AVI Tag/Replacement Fee</td>
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<tr>
<td>Application Fees</td>
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<tr>
<td>Other Fees: Specify</td>
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<tr>
<td><strong>Total Operator Fees</strong></td>
<td></td>
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<tr>
<td><strong>Fees Paid to Authority:</strong></td>
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<tr>
<td>Outbound Access Fees</td>
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<tr>
<td>Inbound Access Fees</td>
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<tr>
<td>Annual Per Driver Fees</td>
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<tr>
<td>Annual Per Taxicab Fees</td>
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<tr>
<td><strong>Total Fees Paid to Authority</strong></td>
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<tr>
<td><strong>Operating Expenses:</strong></td>
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<tr>
<td>Payroll</td>
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<tr>
<td>Benefits</td>
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<td>Dispatching</td>
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<tr>
<td>Office Supplies</td>
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<tr>
<td>Equipment Purchase/Rental</td>
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<tr>
<td>Equipment Maintenance</td>
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<td>Telephone</td>
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<td>Insurance</td>
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<td>Legal</td>
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<td>Credit Card Processing</td>
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<td>Taxicab Maintenance</td>
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<td>Taxes/Tags/Licensing</td>
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<td>Taxicab Depreciation</td>
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<td>Depreciation Communications Equipment</td>
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<td>Depreciation Other Equipment</td>
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<td>Interest Expense</td>
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<td>Facility Rent</td>
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<td>Utilities</td>
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<td>Other Expenses: Specify</td>
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<tr>
<td><strong>Total Operating Expenses</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Note:** The table includes various fees and expenses related to airport operations, such as operator fees, fees paid to the authority, and operating expenses. Each item has a corresponding dollar amount.
### CALCULATIONS

<p>| | |</p>
<table>
<thead>
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<tr>
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<tr>
<td>Total Recorded Departures/Arrivals Levels Accesses</td>
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<tr>
<td>Total Inbound/Outbound Trips</td>
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<tr>
<td>Total Fees Due to Authority (from above)</td>
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</tr>
<tr>
<td>Scrip Credit Due</td>
<td>(-) $ -</td>
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<tr>
<td>Previously Paid Amounts</td>
<td>(-)</td>
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<tr>
<td>Net Amount Due to Authority</td>
<td>$ -</td>
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</table>

### Vehicle/Driver Counts

<table>
<thead>
<tr>
<th>Number of Washington Flyer Registered Vehicles at Month End</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Washington Drivers Permitted at Month End</td>
<td></td>
</tr>
</tbody>
</table>

I certify that this is a true and accurate statement of gross receipts in accordance with the terms of the Concession Contract.

Signature: ____________________________________________  
Title: ________________________________________________  
Phone Number: _________________________________________  
Date: ________________________________________________

Mail payment & Certified Statements, by Metropolitan Washington Airports Authority  
the 15th of the following month to: P.O. Box 402816  
Atlanta, Georgia 30353-2816  
Attn: Accounts Receivable

Mail Copy of payment & Certified Statements to: Metropolitan Washington Airports Authority  
Contract Management Division, MA-236  
Washington Dulles International Airport  
P.O. Box 17045  
Washington, DC 20041  
Facsimile: 703-572-8213
EXHIBIT F

FEES SCHEDULE

(To Be Incorporated at Contract Award)
Standard Provisions

for

Concession Contracts

April 30, 2008
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Article 1. Definitions and Interpretation

1.01 Definitions. Except as otherwise clearly indicated by the context, the following words, terms and phrases wherever used in this Contract shall for the purpose of this Contract have the following meanings:

"Airport" or "Airports" means either or both Ronald Reagan Washington National Airport (DCA) or Washington Dulles International Airport (IAD) as the context of this Contract shall indicate.

"Airline" shall mean a company operating scheduled air transportation services that has entered into a standard airline use and lease agreement with the Authority.

"Authority" means the Metropolitan Washington Airports Authority, the entity that operates and controls Washington National and Washington Dulles International Airports, or its successor.

"Contracting Officer" means the Manager, Concessions and Property Development for the Airports Authority, or, for the ground transportation, rental car, Fixed Base Operator or parking concession contracts, the Manager of Airport Administration for the Airport at which the contract will be performed. The Manager is authorized to change any of the terms and conditions of the Contract and is also the party responsible for the on-site administration and enforcement of the terms and conditions of this concession Contract in all areas.

"Contractor" means the person or entity that has been awarded the right to establish and operate the Airport concession activity that is authorized by this Contract.

"Day" means business day unless otherwise specified.

"Expiration Date" means the scheduled last day of the period of this Contract. If the period of this Contract is extended, the Expiration Date shall be the scheduled last day of the period so extended. If the Contract is canceled or terminated, prior to the originally fixed Expiration Date, then the Expiration Date shall be the effective date on which this Contract is canceled or terminated, as established by the Authority; provided, that if this Contract is canceled or terminated prior to the originally fixed Expiration Date for default by the Contractor, this definition shall not be construed to preclude the Contractor's liability to the Authority for the period beyond the effective date of the termination or cancellation.

"Fixed Improvement" means any alteration, addition, annexation or improvement to the Premises or a portion thereof that cannot be removed or changed without material damage to, or destruction of, either itself or the Premises or a portion thereof.

"Gross Receipts" means the total amount received or realized by, or accruing to the Contractor from all cash or credit sales at the Airport of services, materials, or other merchandise made pursuant to the privileges authorized by this Contract. Losses due to "bad" checks or credit cards are the responsibility of the Contractor and shall not be deducted from gross receipts. A sale shall be deemed made at the Airport if: (1) the merchandise or services are ordered at the Airport and filled at the Airport or elsewhere; or (2) if the merchandise or services are ordered elsewhere, but the order is filled at the Airport or the merchandise or services are delivered from the Airport. All revenue shall be deemed to be received at the time of determination of the amount due the Contractor for each transaction, whether for cash or credit, and not at the time of billing or payment, unless otherwise specifically stated in this Contract; PROVIDED, HOWEVER, Gross Receipts exclude (1) refunds made by the Contractor to its customers for merchandise returned to the Contractor and (2) any taxes imposed by law which are separately stated and paid by the customer, and directly payable to the taxing authority by the Contractor.
"Interior Maintenance" means the maintenance and keeping in good repair of the assigned Premises. This includes, but is not limited to, janitorial services, removal of trash, pest control, painting and maintenance of wall coverings, relamping and maintenance of light fixtures, interior and exterior washing of windows, repainting of Premises, and replacement of floor covering. It does not include maintenance and repairs required because of structural defects.

"Operating Equipment" means furniture, furnishings, special lighting fixtures, carpeting, draperies, decorations or other special finishing work, signs, appliances and trade fixtures and equipment that is furnished, installed or used by the Contractor in its operations on the Airport. It does not include Fixed Improvements, or repair or maintenance of Operating Equipment or Fixed Improvements or displays or decorations that are of a seasonal or temporary promotional nature.

"Premises" includes the areas at the Airports that the Contractor is authorized to use under this Contract, including any alterations, additions, repairs or Fixed Improvements made thereto.

"President" means the President and Chief Executive Officer, Metropolitan Washington Airports Authority, or such person or persons as may from time to time be authorized by the President to act for the President on matters pertaining to this Contract.

1.02 Interpretation. In this Contract, unless the context otherwise requires:

1. The terms "hereby," "herein," "hereof," "hereto," and "hereunder" and any similar terms used in this Contract refer to this Contract.

2. Words importing persons shall include firms, associations, partnerships, trusts, corporations, and other legal entities, including public bodies as well as natural persons.

3. Any headings preceding the text of the Articles and Sections of this Contract, and any table of contents, shall be solely for convenience of reference and shall not constitute a part of this Contract, nor shall they affect its meaning, construction or effect.

4. Words importing the male gender shall include the female gender and vice versa.

5. Words importing the singular shall include the plural and vice versa, unless the context clearly indicates otherwise.

6. A provision of this Contract that prohibits a party from performing an action shall be construed so as to prohibit the party from performing the action or permitting others to perform the action.

7. A provision of this Contract that requires a party to perform an action shall be construed so as to require the party to perform the action or cause the action to be performed.

8. "Including" means "including but not limited to."

9. The parties agree that this Contract sets forth the entire Contract between the parties, and that there are no promises or understandings other than those stated herein. Except as otherwise provided in this Contract, none of the provisions, terms, and conditions contained in this Contract may be added to, modified, superseded, or otherwise altered, except by written instrument executed by the parties hereto.

10. All attachments to this Contract shall be deemed to be a part of this Contract.
11. In the event of a conflict between the body of the Contract and these Standard Provisions, the Contract shall take precedence.

Article 2. Incorporation of Proposal and Rights In Data

2.01 Incorporation of Proposal. Unless otherwise provided in this Contract, the Contractor's proposal is hereby made a part of the Contract. The Contractor's proposal may be subject to public disclosure in accordance with the Authority's Freedom of Information Policy. Notwithstanding the foregoing, however, the Authority will not publicly disclose commercial or financial information contained in the proposal which the Contractor specifically designates as confidential and provides the Authority with specific reasons protection is necessary.

2.02 Rights in Data. If the Contractor is required during the period of the Contract to submit data regarding revenue generated under the Contract, the Authority has the right to use such data in contract solicitations and the data may also be subject to public disclosure pursuant to the Authority's Freedom of Information Policy.

Article 3. Use of Premises and Operation of Concession

3.01 Use of Premises. The Contractor shall use the Premises only to operate the concession specified herein. No other uses are permitted unless previously authorized by the Authority in writing, which authorization may be withheld in the Authority's sole discretion.

3.02 Operation of Concession. Except as otherwise authorized by the Authority in writing, the Contractor shall:

1. Operate this business during such hours as may be deemed reasonably necessary by the Authority, or as specifically stated elsewhere herein.

2. Keep its Premises used for retail business fully staffed with knowledgeable, helpful, courteous, considerate and efficient employees. The Contractor shall require its employees to observe a strict impartiality as to services. The Contractor shall prohibit and restrain its agents, servants, and employees from loud, noisy and/or persistent announcement of its services on or about the Premises or the Airport.

3. Make every reasonable and lawful effort to maintain, develop and increase the business conducted by it under this Contract. The Contractor shall use its best efforts to achieve a maximum sales volume for the concession. It further agrees not to divert, or cause or allow to be diverted, any business from the Airport.

4. Use for office, clerical, storage or other non-selling purposes only such space in the Premises as is reasonably necessary for Contractor's business therein, and shall not perform any office, clerical, storage or other functions in the Premises for any other concession, business or store.

5. Not use the space outside or adjacent to the Premises for displays, sales or any other similar undertaking.

6. Not place any load on any floor in the Premises that exceeds the floor load per square foot that such floor was designed to carry.

7. Not use any roof over the Premises for any purpose. Contractor shall not use exterior walls of the Premises except that the Contractor may use any display windows that are part of the Premises and except that the Contractor may erect signs approved by the Contracting Officer.
8. Not use the Premises for any illegal trade or business, or for any other illegal purpose.

9. The Contractor shall not employ or retain in its service, or permit to remain upon the Premises, any person reasonably found by the Contracting Officer to be objectionable or unfit for such employment.

10. Not install or have installed or allow to be installed upon the Premises any sign, either lighted or unlighted, display, video, poster, magazine or other printed materials containing advertising. The Contractor expressly acknowledges that the Authority maintains separate exclusive advertising concessions at the Airport for the dissemination of local and national advertising and the distribution of a complimentary magazine relating to the Airports. The Contractor warrants that it shall not engage in any conduct which conflicts with such other concessions. Any sign, video, poster, magazine or printed material containing advertising, or other displays not approved by the Authority shall be removed from the Premises by the Contractor within one (1) day after notice from the Authority. The Authority may enter the Premises and remove the unapproved item(s) if the Contractor does not remove the item(s) itself.

11. Not install vending machines, public telephones and other similar coin-operated equipment on the Premises unless authorized by the Contracting Officer.

3.03 Merchandise; Prices to be charged. The Contractor shall keep the concession continuously stocked with high quality, saleable merchandise and establish reasonable prices to be charged for the products and services to be sold or exchanged that are consistent with the pricing set forth in its proposal. The Contractor may, subject to the written consent of the Contracting Officer, grant complimentary or reduced rates to certain persons as are customary in businesses of similar character.

1. Reasonableness of prices shall be judged by comparison with the Contractor’s pricing contained in its proposal and by comparison to prices currently charged for comparable goods or services furnished or sold outside the Airport in the Washington, DC Metropolitan Area under similar conditions with due allowance for accessibility, availability, cost of labor and materials, type of patronage and other conditions customarily considered in determining charges. However, consideration may also be given to such other factors as the Contracting Officer may reasonably deem significant. The Contractor shall within forty-eight (48) hours after notice from the Contracting Officer, reduce any prices judged by the Contracting Officer to be unreasonable under this Section 3.03.

2. The Contractor shall sell only the merchandise and services specifically authorized herein and provide the Operating Equipment, Fixed Improvements, management, personnel, goods and commodities necessary therefor. The Authority reserves the right to determine the nature and type of merchandise and services that may be sold or furnished by the Contractor. The Contractor shall, within forty-eight (48) hours after receipt of written notice from the Contracting Officer, discontinue the sale of any product or service that the Contracting Officer reasonably determines to be in violation of the rights granted hereunder.

3.04 Insurance Rate. The Contractor shall comply with all insurance requirements relating to or affecting the Premises. If insurance premiums payable by the Authority for the Premises or the Airport exceed the rate that would have been applicable, because of a failure by the Contractor to comply with insurance requirements, or as a result of or in connection with the use to which the Premises are put by the Contractor (if such use is other than a use authorized under this Contract), Contractor shall, upon demand by the Authority, immediately reimburse the Authority for the excess insurance premiums paid by the Authority.
3.05 Hazardous Materials. Any Hazardous Materials shall be handled, stored, transported and disposed of in accordance with all applicable Federal, state and local statutes, ordinances, and regulations. The term "Hazardous Materials" shall mean any substance, chemical, or waste which at any time shall be defined as hazardous, toxic, or dangerous under applicable federal, state or local laws or regulations that govern (1) the existence, cleanup, or remedy of contamination on property; (2) the protection of the environment from spilled, deposited or otherwise emplaced contamination; (3) control of hazardous wastes; or (4) the use, generation, transport, treatment, removal or recovery of hazardous substances, including building materials.

Article 4. Condition of Premises, Alterations, Discharge of Liens

4.01 No Representations or Warranties. The Authority makes no representations, covenants or warranties with respect to the Premises except as expressly set forth in this Contract.

4.02 Construction, Alterations or Repairs to Premises.

1. Contractor shall not make or permit anyone to undertake any construction or make any alterations, additions or improvements, structural or otherwise, or install any Fixed Improvements or Operating Equipment (hereinafter collectively referred to as "Alterations"), in or to the Premises without the prior written consent of the Contracting Officer. Prior to the commencement of work on any Alterations, the Contracting Officer's written approval must be obtained as to comprehensive plans and specifications showing all the proposed Alterations, including detailed descriptions of the effect of the proposed Alterations on the mechanical and electrical systems of the building in which the Premises are located and the compatibility of the Alterations with the design and general character of the Airport and the area in which the Premises are located. The Authority shall have the right to stop such work if the Authority or its designated agent determines that such work is not being done in a workmanlike manner or in accordance with the plans and specifications provided to the Authority. In such event, the Contractor shall promptly correct the problem that gave rise to the work stoppage. If the Contractor fails to do so within a time period determined by the Authority to be reasonable, then the Authority may, at its sole option, and at Contractor's expense, correct such problem(s), and complete the Alterations.

2. Said Alterations shall in all respects comply with the Virginia Uniform Statewide Building Code, the Authority's Design Manual; Authority regulations and directives; Federal Aviation Administration regulations, orders and advisory circulars; federal and state environmental regulations; the Authority's Construction Safety Manual; Authority insurance requirements; Virginia Occupational Safety and Health standards; applicable food and beverage codes and other health regulations (Arlington, Fairfax or Loudoun County, U.S. Public Health Service); and any other applicable federal, state and local laws and regulations. All construction, alterations or repairs to the Premises shall also be required to meet any other standards specifically referenced or stated elsewhere in this Contract.

3. Within a reasonable time after this Contract has been fully executed, the Contractor shall apply to the appropriate authorities for any permits that may be required in connection with the Alterations to be done by the Contractor pursuant to this Contract. The time in which the Contractor is required to comply with this subparagraph shall take into account the time needed to develop and obtain the Contracting Officer's approval of plans, drawings and specifications.

4.03 Discharge of Liens. If any mechanic's or materialman's lien is filed against the Premises as a result of any work or act of the Contractor, the Contractor shall discharge the lien within twenty (20) days after the filing of the lien. In addition to any other remedies available to the Authority, if the Contractor fails to discharge the lien, the
Authority may bond or pay the lien or claim for the account of the Contractor without inquiring into the validity thereof. The Contractor is required to reimburse the Authority for any funds so spent by the Authority.

4.04 Incorporation of Plans, Drawings and Specifications. Upon approval, the final plans, drawings and specifications associated with any Alterations shall be deemed to be a part of this Contract. All Alterations done by the Contractor pursuant to this Contract shall be consistent with the plans, drawings and specifications approved by the Contracting Officer for this Contract.

4.05 Fire Extinguishers. The Contractor agrees to supply and maintain such adequate and readily accessible fire extinguishers, approved by fire underwriters for the protection of the Premises, it being understood and agreed that the Contractor shall not be required to maintain equipment necessary to fight successfully a fire of major proportions in the Premises.

4.06 Locks. The Contractor agrees to install a Best lock keying system compatible with the Authority’s system on all entrances to the Premises and mechanical room entrances, for police, security, fire protection and maintenance reasons.

Article 5. Maintenance and Utilities

5.01 Maintenance by Contractor. Contractor shall keep the Premises (including but not limited to, surfaces of walls, windows and window casings and sills, both inside and outside, ceilings, floors, inside and outside doors and door jambs, and interior and exterior lighting) and Fixed Improvements and Operating Equipment located within the Premises in safe, neat, and clean condition and good order and repair, cause no waste or injury thereto, shall make any necessary repairs or replacements, and will, at the expiration or other termination of this Contract, surrender the same, broom clean, in the same order and condition in which they are on the commencement date of this Contract, ordinary wear and tear excepted. Maintenance, repair, and replacement of all Operating Equipment and/or Fixed Improvements within or for the exclusive benefit of the Premises, including but not limited to, air conditioning or heating equipment (except at Dulles Airport), bathroom fixtures, or any other type of equipment or improvements, shall be the sole responsibility of Contractor. The Contractor shall promptly undertake any maintenance, or replacement as may be considered necessary by the Authority and shall be done with material and personnel approved by the Contracting Officer. The Contractor shall also keep and maintain in good order any loading platform, truck dock and/or truck maneuvering space used by it.

5.02 Releases of Hazardous Materials. Promptly respond to and clean up any release or threatened release of any Hazardous Material (see definition in Article 3.05) into the drainage systems, soils, groundwater, waters or atmosphere, in a safe manner, in accordance with applicable federal, state, and local statutes, ordinances, and regulations, and as authorized or approved by all federal, state or local agencies having authority to regulate the permitting, handling and cleanup of Hazardous Materials. The Authority and the Airport Fire Department shall be notified immediately of any release or threatened release of any Hazardous Material.

5.03 Structural Maintenance by the Authority. The Authority shall maintain in good repair the foundation, sprinkler system, exterior structural walls excluding doors, windows, and interior surfaces of any walls, roof, utility distribution systems leading to the Premises, and the common areas adjacent to the Premises. Reasonable notice and opportunity to cure must be provided by the Contractor to the Authority in the event the Contractor believes that the Authority has failed to comply with this provision before the Authority may be considered in default. The Authority shall not be required to undertake any maintenance or repair required by reason of any act or omission of the Contractor, or caused by any alteration, addition, construction, or improvement by the Contractor.
5.04 Facilities and Services to be provided by the Authority. The Authority shall:

1. Provide outlets as they presently exist, or which the Authority may approve in writing to be installed at the cost and expense of the Contractor, for public utility services, including light, electric power, gas, running water, heat, air conditioning, CATV, data lines and telephone for such area.

2. Provide reasonable and normal requirements of heat, air conditioning, electricity and water to the Premises through such utility distribution system as may exist in the building in which the Premises are located. The Authority shall not be liable for failure to furnish or for suspension or delay in furnishing any or all of such utilities or services for any cause whatsoever.

5.05 Contractor Undertakings; Utilities. The Contractor covenants and agrees that, at its own cost and expense, it will arrange for, and pay for, all utilities consumed by it during the period of the Contract except for those utilities specified by this Contract to be provided by the Airport at no additional cost to the Contractor. The Authority shall have the right to charge the Contractor, and all other users of public utilities systems (including sewerage systems) serving Airport users, a reasonably allocated share of any costs that the Authority incurs in providing these services. Such charges shall be apportioned among the Contractor and all other users of the Airport systems, in a manner reasonably calculated to distribute such cost fairly in proportion to the respective use of such systems.

Article 6. Fixed Improvements and Operating Equipment

6.01 General. The Contractor covenants and agrees that, at its own cost and expense, it will provide and install all Fixed Improvements and Operating Equipment required for proper and adequate furnishing and performance of the concession services and goods to be provided under the terms of this Contract. All such installations are subject to the Contracting Officer's approval as specified in Article 4.

6.02 Title. Except as otherwise specifically provided herein, title to any Fixed Improvements and Operating Equipment installed by or assigned to the Contractor under this Contract, shall rest with the Contractor during the period of the Contract. The Contractor shall be responsible for maintaining such Fixed Improvements and Operating Equipment in good condition, ordinary wear and tear excepted. The Contractor shall not demolish, replace or modify Fixed Improvements or Operating Equipment already in place or installed by it unless otherwise authorized by the Contract or by prior written permission from the Authority. At the expiration or termination of this Contract, title to all Fixed Improvements and Operating Equipment shall vest in the Authority or its designee, unless otherwise authorized by the Contract. The Contractor agrees to execute all documents requested and deemed necessary by the Authority as evidence of said transfer of title.

6.03 Certified Statement of Costs of Fixed Improvements and Operating Equipment. Except as otherwise provided herein, within ninety (90) days after the substantial completion of the Fixed Improvements and Operating Equipment, the Contractor shall furnish to the Contracting Officer a certified statement setting forth in detail the total cost of the Fixed Improvements and Operating Equipment. The total cost of Fixed Improvements and Operating Equipment to be included on the statement is limited to construction, equipment and material costs, architectural and engineering fees (for Fixed Improvements only), taxes, freight fees, and performance and payment bond premiums attributable to construction. Overhead, "in-house", or personnel costs of the Contractor or its affiliates are not allowable except as otherwise provided herein. The costs of Fixed Improvements and Operating Equipment are subject to Authority audit.

Article 7. Authority Performance of Contractor Obligations

The Authority reserves the option with regard to maintenance, alterations, repairs, or improvements, if any, to be made by the Contractor under this Contract, to perform, or have performed, such maintenance, alterations, repairs or improvements itself and charge the Contractor the cost and expense thereof, whenever:
1. The Contractor has failed to take all practicable steps promptly to perform such maintenance, alterations, repairs, or improvements, after five (5) days written notice from the Authority requiring the same; or,

2. Performance of any such maintenance, alterations, repairs or improvements by other than the Authority is prohibited by law.

**Article 8. Defaults; Termination by the Authority**

8.01 General. Each of the following events shall constitute a Default:

1. The occurrence of an event of insolvency of the Contractor, including, but not limited to, an assignment for the benefit of creditors.

2. The occurrence of any act that operates to deprive the Contractor of the rights, powers and privileges necessary for the proper conduct of the concession.

3. Failure to operate the concession for a period of five consecutive days without prior written authorization from the Authority.

4. The assignment of the Contractor's interest in this Contract by operation of law.

5. The failure of the Contractor to perform, keep or observe any of the terms, covenants and obligations under the Contract and the failure continues for ten (10) days after written notice by the Authority of such failure.

8.02 Notices of Termination. This Contract is subject to the limitation that, if a Default occurs, the Authority may give to the Contractor a Notice of Termination of this Contract. The Notice shall specify the termination date. The termination date may occur no sooner than seven (7) calendar days from the date of the Notice. In the event the Default involves a failure to perform obligations and such failure occurs more than once in any twelve-month period, the Authority shall not be required during the remaining period of the Contract to provide any notice and opportunity to cure prior to issuing a Notice of Termination. At the termination date, the period of this Contract shall expire and all of the rights and interests of the Contractor under this Contract shall end. The Contractor shall then surrender the assigned Premises to the Authority. The Contractor's liability under all of the provisions of this Contract shall continue as though the termination had not occurred, however.

8.03 Re-entry by the Authority. If this Contract is terminated because of a Default, the Authority or its agents, employees or designee may immediately or at any time thereafter, re-enter the Premises and remove the Contractor, Contractor's agents, subcontractors, invites and property from the assigned premises. Re-entry and removal may be affected by summary dispossess proceedings, by any suitable action or proceeding at law, by force, or otherwise. The Authority shall be entitled to the benefits of all provisions of law respecting speedy recovery of the assigned Premises held over by the Contractor or the proceedings in forcible entry and retainer. Contractor waives any right to the service of any notice of the Authority's intention to re-enter provided for by any present or future law. The Authority shall not be liable in any way in connection with any action it takes pursuant to this subparagraph. The Contractor's liability shall survive the Authority's re-entry, the institution of summary proceedings, and the issuance of any warrants with respect thereto.

8.04 Contractor Remains Liable. If this Contract is terminated under this Article, the Contractor shall remain liable (in addition to accrued liabilities) to the extent legally permissible for the amounts that the Contractor would have been required to pay to the Authority under this Contract had the contract not been terminated. The Contractor
shall pay, as damages, the difference between amounts obtained by adding the amounts owed to the Authority plus the Authority's expense in reentering or repossessing the Premises, putting the Premises in proper repair, altering the assigned Premises for a new contractor, protecting the Premises, and contracting expenses to obtain a new contractor, minus the revenue to be paid to the Authority by a new contractor occupying the Premises for the remaining contract period. In addition, the Contractor shall pay to the Authority such sums as the court which has jurisdiction there over may adjudge as reasonable attorney's fees with respect to any lawsuit or action instituted by the Authority to enforce the provisions of this Contract. If this Contract requires the payment of a percentage of gross receipts to the Authority, the percentage of gross receipts owed after a Default shall be based upon the average of the Contractor's gross receipts under this Contract during the last twelve months of the contract or during the period of the contract, whichever is shorter.

8.05 Replacement Contractor. The Authority may enter into a new contract with another contractor that will occupy the Premises for all or any part of the unexpired portion of the period of this Contract or for any longer period. The Authority has the sole and absolute discretion with respect to the selection of a new contractor and the use of the Premises. The Authority shall be under no obligation to enter into or attempt to enter into a new contract for the Premises.

8.06 Cure by Authority. If the Contractor is in Default under this Contract, the Authority may cure the Default at any time through any action deemed appropriate by the Authority for the account and at the expense of the Contractor. Contractor shall reimburse the Authority for any amounts expended by the Authority in connection with the cure. Such cure shall not constitute a waiver of the Authority's rights with respect to that or any other Default, unless otherwise expressly stated in writing by the Authority.

8.07 No Waiver by Authority. The Authority's rights and remedies set forth herein shall be in addition to any other right and remedy now and hereafter provided by law. All rights and remedies shall be cumulative and not exclusive of each other. No delay by the Authority in exercising a right or remedy shall constitute a waiver or acquiescence to the Default. No waiver of a Default shall be effective unless it is in writing. No waiver of a Default shall extend or affect any other Default, excuse future similar Defaults, or impair any right or remedy with respect thereto.

8.08 Right of Authority to Lien. The right to lien on the inventory and other property of the Contractor is expressly granted to the Authority in any case where the Contractor fails to pay amounts due to the Authority under this Contract.

8.09 No Authority Liability for Damage. The Authority shall not be liable for any damage, including, but not limited to, loss of profit, and the Contractor shall not make a claim of any kind whatsoever against the Authority, its agents or representatives, by reason of any action taken pursuant to this Article.

8.10 Bankruptcy or Reorganization of the Contractor. To the extent that the Authority's right to terminate this Contract in accordance with this Article is determined to be unenforceable under the Bankruptcy Code of 1978, as amended from time to time (the "Code"), or under any other statute, then Contractor and any trustee who may be appointed agree: (1) to perform promptly every obligation of Contractor under this Contract until this Contract is either rejected, assumed or deemed rejected under the Code; (2) to pay on a current basis, as set forth herein, the monthly payments; (3) to reject or assume this Contract within sixty (60) days of a filing of a petition under the Code; (4) to give the Authority at least forty-five (45) days prior written notice of any proceeding relating to assumption of this Contract; (5) to cure or provide adequate assurance of a prompt cure of any default of Contractor under this Contract; (6) to provide to the Authority adequate assurance of future performance under the Contract.
Article 9. Laws, Regulations and Compliance

9.01 Laws and Regulations. The Contractor and the Authority shall each comply with all applicable Federal, state and local laws, codes, regulations, including regulations of the Authority, ordinances, rules and orders now or hereafter enacted.

9.02 Safety and Fire Regulations. The Contractor shall conduct its operations and activities under this Contract in compliance with all safety regulations and directives of the Authority and applicable Federal, state and local laws. The Contractor shall procure and maintain such fire prevention and extinguishing devices as required by the Authority and shall at all times be familiar with and comply with the fire regulations and orders of the Authority.

9.03 Airport Security. The Contractor shall be familiar with and conduct its operations in accordance with all regulations and directives of the Authority and the Transportation Security Administration, and any other federal, state or local government having jurisdiction over the airport, with respect to the maintenance of airport security.

9.04 Authority Issuance of Rules and Regulations. The Authority shall have the right to prescribe, in its sole discretion, such reasonable rules and regulations that in the Authority's reasonable judgment are necessary or appropriate for the general well-being, safety, security, care, and cleanliness of the Airport.

9.05 Compliance by Other Concessionaires and Tenants. The Authority shall, whenever possible, make reasonable efforts to obtain uniform compliance with the Authority's rules and regulations; however, the Authority shall not be liable to the Contractor for any violation or non-observance of such rules and regulations by any user, tenant, concessionaire, invitee, licensee, or trespasser at the Airports nor shall such violation or non-observance by a user, tenant, concessionaire, invitee, licensee, or trespasser at the Airports, constitute a waiver of the Contractor's obligation to comply with Authority rules and regulations.

9.06 Notification of Theft or Damage. The Contractor shall inform the Authority and the Airport Police Department, in writing, within twenty-four (24) hours after the Contractor becomes aware of any damage to or alleged theft of Authority or private property.

Article 10. Damage or Destruction of the Premises

10.01 Partial Damage. If all or a portion of the Premises are partially damaged by fire, explosion, the elements, the public enemy, or other casualty, but not rendered untenable, the same will be repaired with due diligence by the Authority at its own cost and expense, and there will be no abatement of rent, subject to the limitations of Section 10.04; provided, however, that if the damage is caused by the act or omission of the Contractor, its sublessees, agents, or employees, to the extent that such damage is not covered by insurance, the Contractor shall be responsible for reimbursing the Authority for the cost and expense incurred in such repair.

10.02 Extensive Damage. If the damages referred to in Section 10.01 shall be so extensive as to render the Premises untenable, but capable of being repaired in thirty (30) days, the same shall be repaired with due diligence by the Authority at its own cost and expense, subject to the limitations of Section 10.04. An appropriate portion of the concession fee shall abate unless the damage is caused by the act or omission of the Contractor, its subcontractors, agents or employees. If the damage is caused by the act or omission of the Contractor, its subcontractors, agents or employees, to the extent that such damage or destruction is not covered by insurance, the Contractor shall be responsible for reimbursing the Authority for the cost and expense incurred in such repair.

10.03 Complete Destruction.

1. Except as stated in Section 10.03(2), in the event the Premises are completely destroyed by fire, explosion, the elements, the public enemy, or other casualty or so damaged that they are
untenantable and cannot be repaired or replaced except after more than thirty (30) days, the Authority shall undertake the repair, replacement, and reconstruction of the Premises. All or a portion of the concession fees shall abate as of the time or such damage or destruction until such time as said Premises are fully restored and certified by the Authority's Engineers as ready for occupancy, provided, however, if within twelve (12) months after the time or such damage or destruction said Premises shall not have been repaired or reconstructed, the Contractor may give the Authority written notice of its intention to cancel this Contract in its entirety.

2. Notwithstanding the foregoing, if said Premises are completely destroyed as a result of the act or omission of the Contractor, its subcontractors, agents or employees, rentals and fees shall not abate and the Authority may, at its discretion, require the Contractor to repair and reconstruct the Premises within twelve (12) months of such destruction and pay the costs therefor; or the Authority may repair and reconstruct the Premises within twelve (12) months of such destruction and the Contractor shall be responsible for reimbursing the Authority for the costs and expenses incurred in such repair to the extent such costs and expenses exceed the insurance proceeds.

10.04 Limits of the Authority's Obligations Defined. It is understood that, in the application of the foregoing Sections in this Article, the Authority's obligations shall be limited to repair and reconstruction of the terminal buildings, to, as nearly as possible, a condition and quality as existed at the commencement of their operations hereunder. Redecoration and replacement of furniture, fixtures, equipment and supplies shall be the responsibility of the Contractor and any such redecoration and refurnishing/re-equipping shall be of equivalent quality to that originally installed hereunder.

**Article 11. Additional Bond Security**

When the Contract requires the posting of a bond, guarantee or security, the Contractor shall promptly furnish additional security required to protect the Authority under this Contract when:

1. Any surety upon any bond required furnished with this Contract becomes unacceptable to the Authority;

2. Any surety fails to furnish reports on its financial condition as required by the Authority; or

3. The revenue payable to the Authority by the Contractor is increased so that the penal sum of any bond or guarantee as set forth in the contract becomes inadequate in the opinion of the Contracting Officer.

**Article 12. Damage and Injury; Indemnification and Insurance**

12.01 Damage Caused by the Contractor. All damage to the Premises or to the Airport in any way caused by the Contractor or its agents, employees, contractors, visitors, guests or invitees, shall be repaired at the expense of the Contractor. In the event of such damage, the Authority shall have the option to make such repairs as are necessary, and any charge, costs, or damages so incurred by the Authority shall be paid by the Contractor.

12.02 Indemnification - General. The Contractor shall defend, indemnify, and hold the Authority and its agents, officers and employees completely harmless from and against any and all claims, suits, demands, actions, liabilities, losses, damages, judgments, or fines, including all reasonable costs for investigation and defense thereof (including, but not limited to, attorney fees, court costs and expert fees), of any nature whatsoever arising out of the Contractor's conduct of its business on the Airports, or in its use or occupancy of the Premises, except to the extent caused by the negligence of the Authority. The Authority shall give to the Contractor reasonable notice of, and an
opportunity to defend against, any such claims or actions, and the Authority shall take reasonable actions to mitigate its damages.

12.03 Indemnification - Violation of Laws. The Contractor shall defend, indemnify, and hold the Authority, and its agents, officers, and employees, completely harmless from and against any claim, suit, demand, action, liability, loss, damage, judgment, fine, or civil penalty and all costs and expenses of whatever kind or nature (including, but not limited to, attorney fees, court costs and expert fees) associated therewith in any way arising from or based upon the violation of any Federal, state, or municipal laws, statutes, resolutions, or regulations by the Contractor, its agents, employees, subcontractors, or sublessees, in conjunction with the Contractor’s use and/or occupancy of the Airport. The Authority shall give the Contractor reasonable notice of, and an opportunity to defend against, any such claims or actions, and the Authority shall take reasonable actions to mitigate its damages.

12.04 Indemnification - Airport Security. If the Authority is deemed to be in noncompliance with laws or regulations governing access to secure areas of the Airport and said non-compliance is the result of or due to the act or omission of the Contractor or of any of the Contractor’s employees, agents, subcontractors or sublessees, and such breach results in an action against the Authority by the Transportation Security Administration or any other federal, state or local government with authority over security at the airport, the Contractor agrees to reimburse the Authority for all expenses, including reasonable attorney fees incurred by the Authority in defending against the action and for any fine, penalty or settlement amount paid by the Authority as a result of the action. The Authority shall give the Contractor reasonable notice of any allegation, investigation, or proposed or actual penalty that relates to acts or omissions of the Contractor.

12.05 Survival of Indemnification. The provisions of Sections 12.02, 12.03 and 12.04 shall survive the expiration, termination, or early cancellation of this Contract.

12.06 Notice by Contractor; Types of Insurance Coverage. Notwithstanding the above indemnification, the Contractor shall give the Authority notice of any matter that may be covered by the indemnification and shall forward to the Authority every demand, notice, summons, or other process received in any claim or legal proceeding covered thereby. Further, the Contractor, at its sole cost and expense, shall throughout the Period of this Contract, keep all of its operations on the Airports, and its obligation to indemnify the Authority pursuant to this Article, continuously and fully insured, and shall provide a certificate of insurance evidencing all required coverages are in effect, prior to the commencement of this Contract. The following types of insurance are required; the specific minimum amounts and limits of such insurance, as well as any additional types of required insurance, are specified elsewhere in this Contract. Said limits shall in no event be construed to limit or modify the Contractor’s obligation to indemnify the Authority as set forth above.


2. Commercial General Liability Insurance. Coverage must include Broad Form Contractual, Property Damage, Products-Completed Operations, Personal Injury, Premises-Operations, Independent Contractors and Subcontractors, Liquor Legal Liability and Fire Legal Liability. Such policy or policies shall be issued on an occurrence basis.

3. Comprehensive Automobile Liability Insurance. Coverage must include bodily injury and property damage per occurrence for owned, non-owned and hired vehicles.

4. Property coverage for the Contractor’s personal property used on Authority property. Policy must provide replacement cost and contain a waiver of subrogation by the carrier for all claims and suits against the Authority, including recovery of any deductibles.
12.07 Insurance Requirements.

1. All insurance maintained by the Contractor pursuant to this Contract shall be obtained from an insurance company or companies possessing a rating of A VII or higher from the A.M. Best Company or an equivalent rating.

2. Said policy or policies of insurance shall contain a provision that written notice of cancellation, alteration, or any material change thereof shall be delivered to the Authority not less than thirty (30) days in advance of the effective date of this Contract, and in no event shall such policies be canceled by the Contractor without the Authority's prior written consent unless equivalent replacement policies are then issued and available. All policies, except Workers' Compensation and Employer's Liability shall identify the Authority, its agents, employees, and representatives, if any, as additional insured in a manner satisfactory to the Authority. Said policy shall cover only claims arising from events addressed in the Contract.

3. If, in the Authority's opinion, the minimum limits of the insurance herein required have become inadequate during the period of the Contract, the Contractor shall increase such minimum limits by reasonable amounts on request of the Authority provided that said coverage is available at standard commercial rates.

4. The Contractor shall deliver each policy and certificate of required coverage to the Contracting Officer for approval upon the Contractor's execution of the Contract.

Article 13. Method of Payment; Late Charges; Gross Receipts Reports

13.01 Commencement of Payment Obligation. The Contractor's obligation to make payments to the Authority under this Contract shall commence on the effective date of the Contract, unless otherwise specified in the Contract. All payments shall be made in coin or currency of the United States of America, which at the time of payment is legal tender for public and private debts.

13.02 Payment by Checks. All checks shall be made payable to the "Metropolitan Washington Airports Authority" and forwarded to the address designated in this Contract for receipt of payment.

13.03 Payment by Other Methods. Payment may also be made by Automated Clearing House Debit or by bank wire transfer.

13.04 Late Charges. Without waiving any other right of action available to the Authority in the event of default in payment of charges and fees hereunder, if the Contractor fails to make a payment when due, late charges will be assessed from the date payment was due. Late charges may consist of interest and penalties.

13.05 Interest. The interest rate shall be at the rate per annum which is four percent (4%) higher than the "prime rate" published in The Wall Street Journal on the date such payment was due.

13.06 Charges. In addition to interest, monthly penalty charges at the rate of six percent (6%) per annum (or as established periodically) of the amount due will be assessed on the unpaid portion of accounts more than thirty (30) days past due.

13.07 Certified Statements.

1. Monthly Statement. Contractor shall submit to the Authority not later than the fifteen (15th) day of each calendar month during the period of this Contract, or at such other intervals as specified herein, a certified statement setting forth the Contractor's Gross Receipts for the preceding
calendar month. Said statement shall be in the format specified by the Authority, shall include all information required by the Authority and be certified as complete by the Contractor’s principal financial officer.

2. **Annual Statement.** Within ninety (90) days following the end of each Contract Year, the Contractor, at its own cost and expense, shall provide to the Authority an Annual Statement of Gross Receipts and concession fees paid to the Authority for the Contract Year just ended. The Annual Statement shall also include a statement by the independent CPA that in its opinion such Gross Receipts and fees paid have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) and in accordance with the terms and conditions of the Contract including the definition of Gross Receipts set forth herein. Such Annual Statement shall also contain a list of the Gross Receipts, by month, as shown on the books and records of the Contractor and which were used to compute the fees paid to the Authority during the period covered by the Annual Statement. The Authority reserves the right to reject the Contractor's choice of independent CPA if said independent CPA does not, in the Authority's view, have the appropriate standing and reputation.

3. **Additional Payment if Fees Underpaid.** If the Annual Statement provided by the Contractor to the Authority pursuant to Section 13.07 herein with respect to any Contract Year indicate that the amount of percentage and fixed concession fees, which the Contractor actually paid to the Authority with respect to such Contract Year was less than the amount of fees due and owing for such Contract Year under the terms of this Contract, then the Contractor shall pay the difference to the Authority at the same time it provides the Annual Statement to the Authority, together with interest on the amount of such difference at the rate specified in Section 13.05 and 13.06 herein.

4. **Credit if Fees Overpaid.** If the Annual Statement provided by the Contractor to the Authority pursuant to Section 13.07(b) with respect to any Contract Year indicate that the amount of concession fees which the Contractor actually paid to the Authority with respect to such Contract Year was greater than the amount of concession percentage fees due and owing for that Contract Year under the terms of this Contract, then the amount of such excess shall, at the option of the Authority, either be paid in lump sum within a thirty (30) day period or credited to the concession fees next due and owing from the Contractor to the Authority, unless the period of the Contract has expired, in which event such amount shall be promptly refunded by the Authority to the Contractor.

5. **Proration for Portion of Contract Year.** For the purposes of paying the concession fees due for any portion of a Contract Year, the fees shall be prorated on the basis of the actual number of days in such portion of such Contract Year.

**Article 14. Records and Books; Inspections; Audits**

14.01 **Contractor to Maintain Certain Books and Records.** Contractor shall maintain in a true and accurate manner and in accordance with GAAP, such accounts, books, records and data as would reasonably be expected to be examined by an independent certified public accountant in performing an audit or examination of Contractor's revenue and expenses in accordance with GAAP and with generally accepted auditing standards.

14.02 **Location of Books and Records.** The Contractor may keep the books and records it is required to maintain under Section 14.01 at its corporate office, or available for inspection under the provisions of Section 14.05 herein. Such books and records shall be kept segregated from the Contractor's books and records relating to operations other than pursuant to this Contract.
14.03 Books, Records and Information. Books, records, and information to be made available to the Authority shall include, but not be limited to all supporting documentation that is fundamental for the performance of an audit in accordance with Generally Accepted Auditing Standards.

14.04 Controls. In addition to maintaining the books and records required by Article 14 herein, Contractor shall install on the Premises, and shall at all times use, cash registers, invoicing machines, sales slips and other accounting equipment, devices and forms necessary to record properly, accurately and completely all sales of goods and services under any part of this Contract on or from the Premises.

14.05 Authority's Right to Inspect and Audit

1. Books and Records Available for Inspection. Contractor may keep the books and records required under Article 14 herein at the Contractor’s corporate office or elsewhere available for inspection. Such books and records shall be kept segregated from the Contractor’s books and records relating to other operations. Contractor shall make such books and records available to the Authority or its designee within seven (7) business days of receiving said request from the Authority. Should Contractor not wish to make the corporate books and records available in the Washington, D.C. area, then the Contractor shall pay reasonable travel and accommodation expenses for the Authority or the Authority’s authorized representatives to travel to the Contractor’s office to conduct the audit.

2. Authority’s Right to Audit. The Authority shall have the right, upon reasonable notice to Contractor to audit the corporate books and records relating to the operation of the Contractor in order to determine the correctness of the fees paid to the Authority for any Contract Year. The Authority’s right to inspect and audit extends to the books and records of all subcontractors and/or partners under this Contract as they relate to this Contract. If the audit discloses intentional inaccuracies, this Contract, at the option of the Authority, may be terminated. The Authority reserves the right to require an agreed upon procedures audit and will provide the procedures for such audit.

3. Fees and Interest if Underpayment Discovered by Audit. If, as a result of the audit performed under Article 14 herein, additional fees are due from the Contractor to the Authority, the Contractor shall immediately pay to the Authority such additional fees, together with interest on the amount of such additional fees at the rate specified herein from the date such additional fees should have been paid. Further, if the audit establishes that the Contractor has understated and underpaid fees by three percent (3%) or more for any Contract year, then the entire expense of such audit, whether internal or external, shall be paid by the Contractor.

4. Delinquent Audit Fees. In the event that it is established through an audit conducted by the Authority that fees or charges otherwise due to the Authority under this Contract have not been paid to the Authority as a result of the Contractor’s improper recording of its Gross Receipts, the Contractor shall pay to the Authority as delinquent fees and charges (with interest and charges in accordance with Sections 13.05 and 13.06 herein) an amount equal to the amount of fees or charges reasonably estimated to have been lost to the Authority.

5. Inspection and Audit Rights Survive Expiration. The Authority’s rights under Article 14 to inspect and audit the books and records of the Contractor shall survive the expiration or earlier termination of this Contract. The Contractor shall retain and keep available all documents and records relating to this Contract for not less than three (3) years after the expiration or termination date of the Contract term or any extension, on in the event of litigation or claims relating to this Contract until such litigation or claims are completely disposed of and all time limits for appeal have expired.
Article 15. Applicability of Contract Terms to Subcontractors

15.01 Inclusion of Contract Terms. Any restriction or requirement imposed upon the Contractor under this Contract shall be deemed to extend to Contractor's agents, employees, subcontractors, and guarantors. It shall be the Contractor's obligation to cause these persons to comply with the restrictions and requirements.

15.02 Inclusion of Contract Terms in Contractor's Documents. The Contractor shall include all of the clauses and Standard Provisions of this Contract in all subcontracts it enters into pursuant to this Contract. The clauses and provisions shall be altered only as necessary to identify properly the contracting parties and the Contracting Officer under this Contract or as otherwise deemed necessary by the Authority. Notwithstanding anything to the contrary herein, the damage and indemnification provisions contained in Sections 12.01, 12.02, 12.03, 12.04, 12.05, and 12.06 herein, when incorporated into a subcontract, shall clearly state that the subcontractor's indemnification relates only to the subcontractor's activities on the Airport, not to all of the Contractor's activities on the Airport.

Article 16. Surrender of Occupancy; Abandonment

16.01 Surrender of Occupancy. Except as otherwise provided in this Contract, when this Contract expires or is terminated in whole or in part as provided for elsewhere in this Contract, the Contractor shall surrender its assigned Premises and all Fixed Improvements and Operating Equipment therein broom clean and in good condition and repair, with the exception of reasonable wear and tear and damage by loss or casualty not covered by insurance which the Contractor is required to maintain pursuant to this Contract and not otherwise attributable to the Contractor's fault or negligence.

16.02 Abandonment. The Contractor shall be deemed to have abandoned to the Authority any property that it has failed to remove from its assigned Premises within fifteen (15) calendar days after the end of the period of the Contract or the effective date of termination thereof, unless the Authority grants additional time for this purpose in writing. After the expiration of the fifteen-day period, or any extension thereof granted by the Authority, the Contracting Officer shall have the right to remove the property and restore the area to a satisfactory condition and hold the Contractor liable for all costs incident thereto. In the event it is necessary for the Authority to remove such property, the Authority shall not sustain or be charged with any liability by reason of the removal or custodial care of the same.

Article 17. Impact of Construction Activities

The Contractor recognizes that from time to time during the period of this Contract, it will be necessary for the Authority to initiate and carry forward extensive programs of construction, reconstruction, expansion, relocation, maintenance and repair on the Airport, and that such construction, reconstruction, expansion, relocation, maintenance and repair may inconvenience or impair the Contractor in its operation at the Airport. The Contractor agrees that no liability shall attach to the Authority, its officers, agents, employees, contractors, subcontractors and representatives by way of such inconveniences or impairment, and the Contractor waives any right to claim damages or other consideration for such inconveniences or impairment.

Article 18. Assignment

18.01 Prohibition. Contractor shall not transfer or assign this Contract or its interest in this Contract or subcontract its rights under this Contract without the express written consent of the Authority. Transfers or assignments occurring by operation of law are also prohibited. Any attempted transfer, assignment or subcontract shall be void and confer no rights upon any third person. No assignment or subcontract shall relieve Contractor of any obligations under this Contract. The consent by the Authority to any transfer, assignment or subcontract shall not be deemed to be a waiver on the part of the Authority to any prohibition against any future transfer, assignment or subcontract.
18.02 Sale of Stock or Sale of Partnership Interest. Except as provided below, the sale of any of the stock of Contractor, or, if the Contractor is a partnership, sale of any partnership interest therein, shall constitute an assignment of the Contract in the context of this Section if, after giving effect to all previous transfers of the stock or partnership interests after the date of this Contract, more than fifty (50) percent of the stock of, or partnership interests in, the Contractor shall have been transferred. This clause shall not apply to the sale of stock or to a merger or consolidation of a public corporation; to the sale of a subsidiary of a public corporation to its parent or another subsidiary of the public corporation; to a merger or consolidation of a public corporation with one or more of its subsidiaries; or to a merger or consolidation of one or more subsidiaries of a public corporation with each other.

18.03 Transfers. The term "transfer" includes, but is not limited to, transactions in which the Contractor's interest in the Contract or Premises is mortgaged or otherwise encumbered, or in which the Contractor sublets, rents or otherwise permits occupancy or use of the Premises by a third party.

18.04 Consent. If the Authority consents to any transfer, assignment or subcontract, that consent shall not be effective unless and until Contractor gives notice of the transfer or assignment and a copy of the transfer, assignment or subcontract agreement to the Authority, and the transferee, assignee, or subcontractor assumes all of the obligations and liabilities of the Contractor under this Contract.

**Article 19. Federal Regulations**

19.01 Relationship to Federal Lease. The Contractor shall be and remain subordinate to the provisions of the Federal Lease dated March 2, 1987, between the United States Department of Transportation and the Authority, providing for the Authority's lease of the Airports effective June 7, 1987. The Authority will use its best efforts to notify the Contractor of any material amendments to the Federal Lease that would affect the Contractor.

19.02 Other Government Agreements. This Contract shall be and remain subordinate to the provisions of the Federal Lease and any other existing or future agreements between the Authority and the United States government or other governmental authority, relative to the operation or maintenance of the Airports, the execution of which has been or will be required as a condition precedent to the granting of Federal or other governmental funds for the development of the Airports, to the extent that the provisions of any such existing or future contracts are generally required by the United States or other governmental authority of other civil airports receiving such funds. The Authority agrees to use its best efforts to notify the Contractor of any provision of which the Authority becomes aware which would materially and adversely modify the material terms of this Contract.

19.03 Federal Government's Emergency Clause. All provisions of this Contract shall be subordinate to the rights of the United States of America to operate or close the Airports or any portion thereof during time of war or declared national emergency in accordance with established lawful procedures. Such rights shall supersede any provision of this Contract that is inconsistent with the operation of the Airports by the United States of America during time of war or national emergency.

**Article 20. Non-discrimination, DBE Participation**

20.01 Subject to 49 CFR Part 23. The following clauses are required to be included in this contract by the U.S. Department of Transportation, under 40 CFR Part 23: (1) The concessionaire or Contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management Contract or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23; (2) The Contractor agrees to include the above statement in any subsequent concession agreement or contract covered by 49 CFR Part 23 that it enters and cause those businesses to similarly include the statements in further agreements.
20.03 Nondiscrimination. The Contractor himself, his personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree that: (1) in the event facilities are constructed, maintained, or otherwise operated on the said property described in this contract for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, the contractor shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended; (2) no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of or employment in said facilities; (3) that in the construction of any improvements on, over or under such land and the furnishing of services thereon, no person on the grounds of race, color or national origin shall be excluded from, denied the benefits of, or otherwise be subject to discrimination; and, (4) the Contractor shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, and as said Regulations may be amended.

20.04 General Civil Rights Provision. The Contractor assures that it will comply with pertinent statutes, Executive Orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision obligates the Contractor or its transferee for the period during which Federal assistance is extended to the airport program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or the structures or improvements thereon. In these cases, this provision obligates the Contractor or any transferee for the longer of the following periods: (a) the period during which the property is used by the Authority or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or (b) the period during which the Authority or any transferee retains ownership or possession of the property. In the case of contractors, this Provision binds the Contractor from the bid solicitation period through the completion of the Contract.

20.05 Compliance with DBE Requirements. Unless otherwise provided in the Contract, if this Contract has a Disadvantaged Business Enterprises (DBE) participation goal, the Contractor is obligated to implement DBE participation consistent with its proposal immediately upon the commencement of the contract and to maintain this participation throughout the period of this Contract unless otherwise approved by the Authority. Alteration of any aspect of the DBE participation shall not occur without the prior written consent of the Authority.

Article 21. Strikes or Picketing Affecting Access to Airport

If the Contracting Officer notifies the Contractor in writing that a strike or picketing: (1) is directed at the Contractor and/or subcontractor or any employee or either, and (2) impedes or threatens to impede access by any person to the facility or facilities where the site(s) of the work is (are) located, the Contractor shall take all appropriate action to end such strike or picketing, including, if necessary, the filing of a charge of unfair labor practice with the National Labor Relations Board or the utilization of any other available judicial or administrative remedies. In the event the Contractor's operations are curtailed, interrupted, or otherwise handicapped, in whole or in part, because of an employee strike against the Contractor, such condition shall not operate to relieve the Contractor of its obligation to pay charges and fees required under this Contract, except as otherwise specifically provided for elsewhere in this Contract.

Article 22. Disputes

22.01. It is the Authority's policy to encourage resolution of disputes by mutual agreement between the Contracting Officer and the contractor. Consistent with this intent, the Authority requires, as a condition precedent to the initiation of litigation, the exhaustion of the administrative dispute procedure contained in the Contract. If the dispute is not resolved by the administrative disputes procedure, the Contractor may proceed to court litigation.
22.02. The Contractor shall proceed diligently with performance of the Contract’s requirements, included the disputed portions, pending resolution of any dispute.

22.03. In order to initiate the administrative disputes procedure, the Contractor shall submit a written monetary or non-monetary claim, certified as true and accurate by a duly authorized officer of the Contractor. The written claim or statement shall at a minimum include a) a full explanation of the claim or reason why the Contractor believes the Authority has acted contrary to the Contract; b) the relief requested; c) a full explanation of the reason why the Contractor believes it is entitled to this relief or why the Authority is liable; c) the claim must state that it is made in good faith, that the supporting facts and data are current, accurate, and complete as of the date of certification, and that the relief requested by the Contractor reasonably reflects the damage the Contractor believes it has incurred; and c) the claim must include or specifically reference all records, data or facts that relate to the Contractor’s claim.

22.04. Monetary claims based on anticipatory profits are prohibited.

22.05. Discussions between the Contracting Officer and the Contractor concerning the claim presented shall occur within a reasonable time after submission of the claim and receipt by the Contracting Officer of sufficient information, including information resulting from an audit, if deemed necessary. Discussions shall be conducted in good faith for the resolution of the dispute, including the exchange of relevant information. The Contractor shall provide any additional information or audit access deemed necessary by the Contracting Officer. Failure to provide requested information or audit access shall be a bar to further consideration of the Contractor’s claim or issue.

22.06. The Contracting Officer and the Contractor may agree to engage in non-binding evaluative mediation or some other reasonable method of alternative disputes resolution before the Contractor may litigate the claim or issue. Such mediation or alternative dispute resolution shall be conducted in accordance with the Virginia Code. Each party shall bear its own costs of such alternative dispute resolution, and shall evenly split the costs of the mediation proceeding or other alternative dispute resolution proceeding.

22.07. If discussions with the Contracting Officer, or if required, alternative dispute resolution, do not result in an agreement, an impasse can be declared. Upon the declaration of an impasse, the Contractor shall request a written final decision by the Contracting Officer. The Contracting Officer shall issue a final decision within sixty (60) days following receipt of the request and adequate documentation, unless the dispute is determined to be complex in nature by the Contracting Officer in which case the Contracting Officer shall establish a reasonable deadline for the issuance of the final decision. The final decision of the Contracting Officer shall be final and conclusive unless within thirty (30) days from the receipt of the Contracting Officer’s final decision, the Contractor mails or otherwise furnishes a written notice of appeal to the Vice President of Business Administration or, if the contract is a ground transportation, rental car, fixed base operator or parking concession contract, to the appropriate Vice President and Airport Manager.

22.08. Following completion of the administrative process, including providing the notice of appeal, the dispute may be resolved by litigation without a jury before a court of competent jurisdiction within the Commonwealth of Virginia. To the extent allowed by law, the venue for any action arising from this Contract shall be Arlington County, Virginia, for National Airport and Loudoun County, Virginia, for Dulles Airport.

22.09. The Contractor hereby waives all right to trial by jury in any claim, action, proceeding or counterclaim by either the Contractor or the Authority against each other or any matters arising out of or in any way connected with this Contract.

22.10. In the event the Contractor makes a claim that is found by a court to be based upon any reckless statement contained in the certification of the claim or is found by a court to be of frivolous nature or materially overstated in amount, then the Contractor shall be liable to the Authority and shall pay to it a percentage of the costs incurred by the Authority in investigating, analyzing, negotiating, mediating and litigating (including attorney fees) the frivolous
or overstated claim. The percentage of costs referenced shall be equal to the percentage of the Contractor's total claim which is determined through litigation to be the result of a reckless statement or frivolous claim. “Frivolous” shall mean having no basis in law or in fact. This remedy is a contractual remedy and does not otherwise affect the other rights of the Authority in law or in equity.

22.11 Any claim by the Contractor that is based on false or misleading statements or material misrepresentations shall entitle the Authority to a full recovery of all costs incurred by the Authority in investigating, analyzing, negotiating, mediating and litigating (including attorney fees) the claim. This remedy is a contractual remedy and does not otherwise affect the other rights of the Authority in law or in equity.

Article 23. Miscellaneous

23.01 Rights Reserved to the Authority. All rights not specifically granted to the Contractor by this Contract are reserved to the Authority.

23.02 Authority Not Liable. Except as specifically provided for in this Contract, the Authority shall not be under any duty or obligation to the Contractor to repair or maintain the Premises, or any portion thereof, or any facilities or equipment constructed thereon. The Authority shall not be responsible or liable to the Contractor for any claims, losses, damages, or injury, including lost profits, sustained by the Contractor or any of its joint venturers or subcontractors, resulting from any failure of water supply, heat, air conditioning, electrical power, or sewer or drainage facility, or from natural physical conditions on the Airport, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado or other physical event, or from any act of God, state of war, civilian commotion or riot, act of the Federal government or any other cause beyond the reasonable control of the Authority.

23.03 Security. The Contractor understands that the police security protection provided by the Authority is finite and limited to that generally provided to any other businesses on the Airports and expressly acknowledges that any special security measures deemed necessary or desirable for additional protection of the Premises, equipment, improvements, and the Contractor's personal property, and that of its employees and invitees shall be the sole responsibility of the Contractor and shall involve no cost to the Authority.

23.04 Inspection. The Contractor shall allow the Authority's authorized representatives entry to the Premises for the purpose of examining and inspecting said Premises, for purposes necessary, incidental to, or connected with the performance of the Authority's rights and obligations under this Contract or in the exercise of its governmental functions. Except in the case of an emergency, or except if a Default has occurred, the Authority shall conduct such inspections during reasonable business hours, and in the presence of the Contractor's representative.

23.05 Relationship of the Parties. The Contractor is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts and omissions, and the Authority shall in no way be responsible therefor. Nothing in this Contract shall be construed as making the Contractor an agent or representative of the Authority for any purpose whatsoever. Further, nothing in this Contract is intended or shall be construed as in any way creating or establishing the relationship of copartners between the Parties hereto.

23.06 Ingress and Egress. For the purpose of Contract performance, the Contracting Officer will grant the Contractor without charge therefor, the right of ingress and egress from said Premises by the Contractor, its employees, contractors, suppliers, servicemen, licensees, guests, patrons, and invites. PROVIDED that such right of ingress and egress shall at all times be exercised in compliance with any and all regulations promulgated by lawful authority for the care, operation, maintenance, and protection of the Airport that apply to all users of the Airport. PROVIDED further, that such right of ingress and egress shall not be construed to prohibit the Airport Manager from establishing and assessing a fee or charge for the privilege of entry upon the Airport when such fee or charge is levied upon all users of the Airport, nor to prohibit the Airport Manager from assessing a fee or charge
on the Contractor's employees for parking their personal vehicles in the employee parking areas or on persons conducting a business on the Airport. For purposes of this Article, a person shall be deemed to conduct business on the Airport if he occupies any space on the Airport or if he provides any services on the Airport, other than utilities, on a regular or continuing basis.

23.07 Waiver of Performance. The failure of the Authority or the Contractor, in any one or more instances, to invoke a provision, term, covenant, reservation, condition, or stipulation of this Contract, or to enforce or take action to enforce, or to demand performance by the other party hereto, or to insist upon a strict performance by the other of any of the provisions, terms, covenants, reservations, conditions or stipulations contained in this Contract shall not be considered a waiver or relinquishment of the rights to invoke enforce, demand, or insist thereon, but the same shall continue and remain in full force and effect, and no waiver by either party of any provision, term, covenant, reservation, condition, or stipulation hereof shall be deemed to have been made in any instance unless expressed in writing. In the event any provision contained in this Contract is breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to be a waiver of any other breach hereunder.

23.08 Force Majeure. Except as herein provided, neither the Authority nor the Contractor shall be deemed to be in default hereunder if either party is prevented from performing any of the obligations of this Contract, by reason of circumstances beyond the party's reasonable control, such as strikes, boycotts, labor disputes, embargoes, shortages of energy or materials, acts of God, acts of the public enemy, acts of the federal government, riots, rebellion, or sabotage; provided, however, the Contractor shall pay all rentals, fees, and charges associated with performance prior to the force majeure event when due, even if such rentals, fees, and charges are not due and payable until after the occurrence of the force majeure event.

23.09 Severability. If any article, section, provision, term or condition of this Contract is held to be invalid by a court of competent jurisdiction, the remainder of this Agreement, including the remaining rights and obligations of the Authority and the Contractor, shall not be affected thereby.

23.10 Prohibition Against Exclusive Rights. It is hereby specifically understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right to provide aeronautical services to the public as prohibited by Section 308(a) of the Federal Aviation Act of 1958, as amended, and the Authority reserves the right to grant to others the privileges and right of conducting any or all activities of an aeronautical nature.

23.11 No Third Party Beneficiaries. This Contract is for the benefit of the parties hereto only and is not intended to and shall not create any rights in or confer any benefits upon any person or entity other that the parties hereto.

23.12 Covenant Against Contingent Fees. The Contractor warrants that no person or agency has been employed or retained to solicit or obtain this Contract upon an agreement or understanding for a contingent fee, except a bona fide employee or agency. For breach or violation of this warranty, the Authority shall have the right to annul this Contract without liability or, in its discretion, to deduct from the Contract price or consideration, or otherwise recover, the full amount of the contingent fee.

1. "Bona fide agency", as used in this clause, means an established commercial or selling agency, maintained by the Contractor for the purpose of securing business, that neither exerts nor proposed to exert improper influence to solicit or obtain Authority contracts nor holds itself out as being able to obtain any Authority contract or contracts through improper influence.

2. "Bona fide employee", as used in this clause, means a person, employed by the Contractor and subject to the Contractor's supervision and control as to time, place, and manner of performance, who neither exerts nor proposes to exert improper influence to solicit or obtain Authority contracts
nor holds himself out as being able to obtain any Authority contract or contracts through improper influence.

3. "Contingent fee", as used in this clause, means any commission, percentage, brokerage, or other fee that is contingent upon the success that a person or concern has in securing an Authority contract.

4. "Improper influence", as used in this clause, means any influence that induces or tends to induce an Authority employee or officer to give consideration or to act regarding an Authority contract on any basis other than the merits of the matter.

23.13 Prohibition Against Board Member Participation. No member of the Authority's Board of Directors shall be admitted to any share or part of this Contract or to any benefit that may arise therefrom.

23.14 Governing Law. This Contract shall be governed by and in accordance with the laws of the Commonwealth of Virginia.

23.17 Notices. All notices to be given to the Parties hereto shall be in writing unless otherwise stated and shall be properly given when personally delivered to the address specified in the Contract and left with a responsible person, or delivered by overnight service such as Federal Express, and, in both instances, an appropriate receipt is obtained, or when sent by facsimile to the facsimile numbers specified in the Contract and an appropriate receipt is obtained, or when sent by registered or certified mail addressed to the Parties at their respective addresses specified in the Contract. The Parties may change the below information upon ten (10) days written notice given as herein specified. The date of notice shall be deemed, when notice is mailed, to be the date of mailing so long as the Postal Service certified actual delivery. A refusal of overnight service or a registered or certified mail notice shall constitute actual delivery hereunder.

23.18 Effectiveness. The submission of an unsigned copy of this Contract to the Contractor for the Contractor's consideration does not constitute an offer to enter into a Contract. This Contract shall not be binding upon either party until executed by both parties.

23.19 Duplicate Counterpart Originals. This Contract may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

23.20 Capacity to Execute. The individuals executing this Contract warrant that they each have full authority to execute this Agreement on behalf of the Contractor or the Authority as the case may be.

23.21 Execution. The parties hereto acknowledge that they have thoroughly read this Contract, including any exhibits or attachments hereto and have sought and received whatever competent advice and counsel was necessary for them to form a full and complete understanding of all rights and obligations herein.

23.22 Clear Title. The Authority covenants that at the granting and delivery of this Contract, it has the right and authority to lease or assign the Premises to the Contractor as set forth in this Contract.

23.23 Binding Effect. The terms, conditions, and covenants of this Contract shall inure to the benefit of, and be binding upon, the parties hereto and upon their successors and assigns, if any. This provision shall not constitute a waiver of any conditions regarding assignments contained in this Contract. No party shall be bound by this Contract until it is executed by both parties.

23.24 Modifications. This Contract may be modified in writing by mutual agreement of the Contractor and the Authority. Modifications beyond the scope of the original Contract may require approval of the Authority’s Board of Directors.
EXHIBIT H

CUSTOMER COMPLAINT PROCEDURES

(To Be Incorporated at Contract Award)
EXHIBIT I

FLYER TAXICAB OPERATOR AGREEMENT(S)

(To Be Incorporated at Contract Award)
EXHIBIT J

STANDARD OPERATING PROCEDURES

(To Be Incorporated at Contract Award)