

RALEIGH-DURHAM INTERNATIONAL AIRPORT
RENTAL CAR OPERATING AGREEMENT

RALEIGH-DURHAM AIRPORT AUTHORITY, Lessor

And



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NORTH CAROLINA

COUNTY OF WAKE

RENTAL CAR OPERATING AGREEMENT

THIS AGREEMENT, made and entered into this day of , by and between the RALEIGH-DURHAM AIRPORT AUTHORITY, a public body chartered by the General Assembly of North Carolina under Chapter 168 of the 1939 Public-Local Laws, as amended, hereinafter referred to as the “Authority”, as Lessor, and ADVANTAGE OPCO, LLC, a Delaware corporation authorized to transact business in North Carolina, hereinafter referred to as “Lessee”.

WITNESSETH:

That for and in consideration of the rents to be paid by Lessee to the Authority, and the mutual covenants and agreements hereinafter set forth to be kept and observed by the parties hereto, the Authority has let and leased, and by these presents does hereby let and lease to Lessee the premises hereinafter described, and grant unto Lessee the rights and privileges hereinafter set forth, subject to the following terms, conditions, covenants and agreements:

Article 1. Definitions

This Paragraph sets forth definitions for certain terms used throughout this Agreement:

- 1.1 Agreement means this Rental Car Operating Agreement.
- 1.2 Airport means the Raleigh-Durham International Airport, located in Wake County, North Carolina, and owned and operated by the Authority.
- 1.3 Authority means the Raleigh-Durham Airport Authority, a municipal corporation created by the General Assembly of North Carolina and empowered to establish, construct, control, lease, maintain, improve, operate, regulate and exercise complete authority over the Airport premises located in Wake County, North Carolina. References herein to the written approval of the Authority shall mean the written approval of the President and CEO of the Authority.
- 1.4 Brand Family refers to the rental car brand(s) identified by brand name(s) and/or trade name(s) in Schedule A that Lessee is permitted to operate at the Leased Premises. Lessee is prohibited from operating any other brand name(s) or trade name(s) except as identified in Schedule A.
- 1.5 Customer Facility Charge or “CFC” refers to a fee that will be imposed by the Authority as defined and described in Article 17 and shall be collected by Lessee from its rental car customers at the Airport and held in trust by Lessee until it is delivered to the Authority.

- 1.6 Leased Premises describes the real property and improvements leased to Lessee by the Authority as more particularly set forth in Article 2 and in Schedule A, attached hereto and made a part hereof.
- 1.7 Major Maintenance activities include, but are not limited to, all non-preventive maintenance activities, vehicle painting or color coating, and/or the replacement or repair of drive-train, chassis, suspension system or motor; and any other maintenance activity that results in the generation of Hazardous Waste as described in Article 7.
- 1.8 Minor Maintenance means any vehicle maintenance other than Major Maintenance and expressly includes tire repair and replacement, fueling, cleaning, replacing or adding engine oil, transmission fluid, engine coolant, and other fluids necessary to the normal operation of the vehicles; provided that such activities are performed in compliances with all Laws and in compliance with the rules and requirements of the Authority. Used tires shall not be stored on the premises for more than 30 days.

Article 2. Leased Premises

- 2.1 The Leased Premises. The Authority agrees to lease to Lessee, and Lessee agrees to lease from the Authority the ground area and the improvements existing thereon as of the beginning of the term of this Agreement, which are more particularly described and identified in Schedule A attached hereto and made a part hereof, hereinafter referred to as the “Leased Premises”. The Leased Premises are expressly leased to Lessee “as is” without warranty or obligation to repair or replace any existing facilities, systems or equipment located thereon. The Leased Premises shall be used as a rental car service center and parking facility (the “Service Center”) in the operation of Lessee’s rental car business activities at the Airport. Upon the development of a Consolidated Rental Car Facility by the Authority, Lessee will be relocated to such facilities.
- 2.2 Assessment and Improvement to Existing Facilities. The Authority inspected and evaluated the condition of the rental car campus and the existing facilities currently leased to Lessee, which also will be leased to Lessee under this Agreement, for the purpose of assessing the condition thereof and identifying maintenance, refurbishment and improvements required for the facilities. In an effort to improve the overall experience of customers using the Leased Premises and to improve operational efficiency, the Authority requires Lessee to make improvements to the Leased Premises that correct and address maintenance-related deficiencies and customer-focused improvements.
 - (a) The Authority has prepared and provided to Lessee a report describing maintenance-related deficiencies and the required facility improvements, which is attached hereto and made a part hereof in Schedule F, and is hereinafter referred to as the “Facility Assessment.” Upon receipt of the Authority’s report, Lessee shall develop concepts and plans, in compliance with the Authority’s design guidelines, which are attached hereto and made a part hereof in Schedule F, and hereinafter referred to as the “Campus Plan,” to accomplish the work necessary to repair, refurbish and improve the facilities to the reasonable satisfaction of the Authority.

- (b) Within 90-days of execution of this Agreement, Lessee shall provide the Authority with a design and development schedule with deadlines by which all customer experience and required improvements are completed within a 24-calendar month period. Lessee shall undertake all improvements in accordance with Section 8 below.
- (c) Time is of the essence in regard to the deadline to provide the design and development schedule and in regard to the deadlines agreed to in the schedule and the time to complete the improvements. Authority and Lessee acknowledge and agree that if Lessee fails to provide meet each such deadline and the completion of the work within the time periods agreed to, the Authority will suffer substantial damages which will be difficult to specifically calculate. These damages would include interference with the maintenance and operation of the Airport, interference with the use of existing facilities, and increased administrative costs for the Authority. Authority and Lessee agree that liquidated damages in the amount of \$250.00 for each calendar day are fair and reasonable and that such liquidated damages shall be assessed against the Lessee for every day that the design and development schedule is delayed beyond the ninety day time period allowed for it and also will be assessed for each calendar day that Lessee fails to meet any agreed to deadline(s) set forth in the schedule approved by the Authority, including the date for completion of all required improvements. Failure to complete these tasks in a timely and workmanlike manner may be deemed a default under Article 13 of this Agreement and, in addition or in the alternative in the sole discretion, the Authority may elect to proceed under Section 9.4 of this Agreement to complete the work and to recover its costs as provided therein

Article 3. Term of Lease

- 3.1 The term of this Agreement shall commence at 12:01 AM local time on [REDACTED] (the “Commencement Date”) and, unless sooner terminated as herein provided, shall expire at 11:59 PM local time on the 31st day of March 2026 (the “Expiration Date”). Each one-year period beginning on April 1 and ending on March 31 shall constitute a “Lease Year,” except that Lease Year 1 shall be a partial Lease Year commencing on the Commencement Date and expiring on March 31, 2017.
- 3.2 Extension/Termination of Term. There shall be no option to renew or extend, no right to negotiate, no right of first refusal or similar provision affording Lessee an opportunity to continue the term beyond the stated date.
- 3.3 Holding Over. In the event Lessee shall continue to occupy the Leased Premises after the expiration of the Term of this Agreement without any written agreement with the Authority as to the terms and conditions thereof, such continued occupancy shall be on a month-to-month basis under the same terms and conditions set forth herein, except that the rentals, fees and charges for such tenancy shall be such as are established from time to time by the Authority. Any continued occupancy by Lessee on a month-to-month basis may be terminated and cancelled by either party upon the giving of thirty (30) days written notice to the other party. In the event of such holding over, the Security Deposit and the insurance

that Lessee is required to furnish as specified herein shall be continued in effect through the period of extended occupancy.

Article 4. Rentals, Fees and Charges

- 4.1 As consideration for the use of the Leased Premises and the rights granted by this Agreement, Lessee agrees to pay to the Authority the rentals, fees and charges set forth in Schedule B attached hereto and made a part hereof by reference. All rentals, fees and charges payable to the Authority by Lessee shall be paid at the times stated in Schedule B at a location specified by the Authority, or at such other place as the Authority may hereafter designate in a written notice to Lessee. In addition, the Customer Facility Charge imposed by the Authority will be collected by Lessee from its rental car customers at the Airport and promptly remitted to the Authority as defined and described in Article 17.

Article 5. Rights Granted

- 5.1 The Authority grants to Lessee the specific rights and privileges set forth and described in Schedule C attached hereto and made a part hereof by reference.

- 5.2 Appurtenant Rights. The Authority also grants to Lessee the following appurtenant rights:

- (a) Public Areas Use. The right, in common with others, to use the public portions of the Airport and the appurtenances thereto, subject to all rules and regulations covering such use now in effect or hereafter promulgated by the Authority. Such rules and regulations shall include prohibition of (a) Lessee's rental vehicles being returned to Lessee by its customers at any location on the Airport other than its Service Center, (b) Lessee's employees driving or accompanying its customers in vehicles rented by the customers, or operating other vehicles, from the Service Center to either of the terminal buildings in order to drive the rental vehicles being returned by the customers back to the Service Center, without the express prior written consent and approval of the Authority, and (c) Lessee's employees delivering a vehicle to a customer at any location on the Airport other than its Service Center.
- (b) Ingress and Egress. The right, in common with others, of free ingress to and egress from the Leased Premises over Airport roads, driveways and common vehicular areas as specified from time to time by the Authority. The right to use Airport roads, driveways and other vehicle areas is subject to the Authority's automated vehicle identification system (AVI) and such other rules, regulations and procedure as may be promulgated by the Authority from time to time.
- (c) Signs. The right to install and operate at its own expense signs denoting its occupancy of the Leased Premises; PROVIDED, HOWEVER, that the number, size, type, design and location of all signs displayed or maintained in view of the general public shall be subject to the prior written approval of the Authority. Any signs not so approved may be removed by the Authority at the expense of Lessee,

the total costs of such removal shall be due and payable by the Lessee upon receipt of the Authority's invoice for same.

- 5.3 Rights Reserved. All rights not herein expressly granted, or reasonably incidental and necessary to the exercise of the rights specifically granted to Lessee, are retained and reserved by the Authority.

Article 6. Use of Premises

- 6.1 During the term of this Agreement, the Leased Premises shall be used and occupied by the Lessee solely for the purposes set forth and enumerated in Schedule C attached hereto. Lessee shall not use or permit the Leased Premises to be used for any other purpose(s) whatsoever without the prior written consent of the Authority.

Article 7. Compliance with Laws and Permits

- 7.1 During the term of this Agreement, Lessee shall at all times fully and promptly observe, obey and comply with all statutes, laws, ordinance, orders, rules, regulations and standards, whether now in effect or hereinafter enacted, adopted or promulgated by the Authority, any municipal, State or federal agency, or any other lawful authority having jurisdiction over the Leased Premises, the operation of the Airport, or the business conducted by Lessee at or from the Leased Premises, including, but not limited to, those relating to the safety, cleanliness, occupancy and use of the Leased Premises, to the nature, character and manner of operation of the business conducted in, at or from said Leased Premises, and to the conduct of Lessee's agents and employees while on Airport property.

For purposes of this Section 7, and where applicable, for purposes of this Agreement generally, the following additional definitions will apply:

- (a) Close and Closure, with respect to any tank, means permanent closure, as defined at 40 C.F.R. § 280.71 and adopted at 15A NCAC § 2N.0800.
- (b) DEQ means the North Carolina Department of Environment Quality, and any successor agency thereto.
- (c) Environmental Law means any law relating to the regulation or protection of human health, safety, occupational safety and health, the environment or natural resources, or the management of regulated substances.
- (d) EPA means the United States Environmental Protection Agency.
- (f) Hazardous Waste means "hazardous waste", as defined at 40 C.F.R. § 261 and adopted at 15A NCAC § 13A.
- (g) Indemnify, with respect to any claim, loss, liability or cost, means (1) to indemnify, save and hold harmless, reimburse and make whole on an after-tax basis, the

designated indemnitee and its affiliates and their respective officers, directors, trustees, executors, administrators, beneficiaries, successors, employees, partners and agents from any claim, loss, liability or cost imposed on or incurred by the indemnitee, or asserted by any third party against the indemnitee; (2) to defend any suit or other action brought against the indemnitee on account of any claim, loss, liability or cost and (3) to pay any judgment against, and satisfy any equitable or other requirement imposed on, the indemnitee resulting from any such suit or action, along with all costs and expenses relative to any such claim, including, without limitation, attorneys', consultants' and expert witness fees and expenses; regardless of whether any such claim or cost is covered by any policy of insurance.

- (h) Law means any federal, state or local law, statute, ordinance, regulation, common law theory of trespass, nuisance or ultra-hazardous activity and any judicial or administrative interpretation thereof, including any judicial or administrative order, consent decree, judgment or notice of noncompliance or violation, which now is in effect or is hereafter enacted or amended.
- (i) Manage or Management, with respect to any substance or material, means the manufacture, processing, distribution, use possession, generation, transportation, labeling, identification, treatment, handling, storage, release or threatened release thereof.
- (j) Regulated Substance means any chemical, material, substance or waste the exposure to, access to, or Management of which is now or may hereafter be prohibited, limited or regulated by any Law or governmental body. Regulated Substances include, without limitation, any new, used or spent petroleum product or solvent.
- (k) Regulatory Claim means any claim, action, damage, penalty, loss, liability or expense arising from a violation of any environmental regulation or any unpermitted release of a regulated substance.
- (l) Release, with respect to any substance or material, means any spilling, leaking, pumping, emitting, emptying, discharging, injecting, escaping, leaching, dumping or disposing of such substance into the environment, or any other act or event the occurrence of which would require containment, remediation, notification or similar response under any law.
- (m) Release Notification Requirement means any requirement imposed by any law to notify any regulatory agency of a release of regulated substances.
- (n) Solvent means tetrachloroethylene, trichloroethylene, methylene chloride, 1,1,1-trichloroethane, carbon tetrachloride, chlorinated fluorocarbons, chlorobenzene, 1,1,2-trichloro-1,2,2-trifluoroethane, ortho-dichlorobenzene, trichlorofluoromethane, 1,1,2-trichloroethane, xylene, acetone, ethyl acetate, ethyl benzene, ethyl ether, methyl isobutyl ketone, n-butyl alcohol, cyclohexanone, methanol, cresols,

cresylic acid, nitrobenzene, toluene, methyl ethyl ketone, carbon disulfide, isobutanol, pyridine, benzene, 2-ethoxyethanol, 2-nitropropane and any other substance which may now or in the future be listed at 40 C.F.R. § 261.31(a) (F001-F005) or 15A NCAC § 13A.

- (o) Third Party means any person or entity other than Lessee and the Authority and includes, without limitation, any governmental body, insurance carrier, private enterprise or individual.

7.2 Environmental Compliance.

- (a) Subject to the provisions of Subparagraph 7.2(b), Lessee shall, at Lessee's own expense, comply fully and in a timely manner with all Environmental Laws and all other Laws applicable to the Leased Premises or Lessee's business operations or other activities thereon. Lessee shall provide to the Authority on or before February 1 of each year a written certification of Lessee's compliance with the terms of this Paragraph 7.2. The certification shall identify any and all provisions of this Paragraph with which Lessee has not complied.
- (b) Challenges to Administrative Interpretations. Notwithstanding the provisions of Subparagraph 7.2(a), Lessee's noncompliance with an administrative interpretation of an Environmental Law shall not constitute a default under this Agreement so long as Lessee diligently challenges the validity or application to Lessee of such administrative interpretation in a judicial or administrative adjudicatory proceeding (which includes any appellate proceedings regarding the original adjudication). Should Lessee prevail in such proceeding, the administrative interpretation so challenged shall not constitute a Law for the purposes of this Agreement. Should the administrative interpretation ultimately be upheld in the adjudicatory proceeding, Lessee strictly shall indemnify the Authority against all losses or claims incurred by the Authority in connection with Lessee's noncompliance with the administrative interpretation.

7.3 Tanks.

- (a) Lessee represents and warrants to the Authority that Lessee has provided to the Authority a map or diagram depicting the locations of all underground storage tanks previously installed or previously and/or currently operated by Lessee on the Leased Premises, and warrants that the map attached hereto in Schedule A is a current and accurate representation of all such tanks.
- (b) Lessee has registered and/or shall register with the North Carolina Department of the Environmental Quality (DEQ) all known underground storage tanks and all above ground storage tanks (as required by DEQ) located on the Leased Premises and shall pay to DEQ in a timely manner all fees assessed upon the registration or use of such tanks.

- (c) Lessee shall notify the Authority at least thirty (30) days in advance and obtain the Authority's prior written approval of Lessee's proposed installation of any new tanks on the Leased Premises and/or modifications to or removal of any tanks therefrom.

7.4 Stormwater Management and Permits. Lessee shall promptly and timely provide the Authority copies of all information reasonably necessary to demonstrate or achieve compliance with any stormwater management requirements under any Environmental Law. Lessee shall comply with all provisions of the stormwater discharge permit (National Pollutant Discharge Elimination System (NPDES) permit) issued to the Authority by DEQ or EPA, whether such permit shall have been issued in the Authority's own name or with Lessee as a co-permittee. Lessee shall comply with the provisions of all implementation plans prepared to comply with the permit, including, without limitation, the Stormwater Pollution Prevention Plan, the Stormwater Management Plan and the Spill Response Plan contained therein, provided Lessee is given a copy of all implementation plans with which Lessee is expected to comply. Lessee shall not introduce any substance into the stormwater discharge system for the property of the Airport, whether separately or mixed with stormwater discharge, except as such introduction is allowed expressly by a proper stormwater discharge permit issued to the Authority, or to the Authority and Lessee as co-permittee. Lessee shall respond within seven calendar days to any written request from the Authority for information, documentation or other actions necessary to fully comply with any and all environmental permits, plans and other requirements. Failure to timely respond may result in a fine of up to \$500, plus reimbursement for any costs incurred by the Authority as a result of Lessee's failure to respond and may result in a suspension of Lessee's right to operate on the Airport.

7.5 Releases.

- (a) In the event Lessee shall release any regulated substance on or from the Leased Premises, Lessee immediately shall (1) comply with all applicable Release Notification Requirements, (2) notify the Authority of the release, and (3) clean up and remediate the release pursuant to any applicable Environmental Law and to the Authority's reasonable satisfaction.
- (b) In the event Lessee shall discover a Third Party's release of any regulated substance on or from the Leased Premises, Lessee immediately shall comply with all applicable Release Notification Requirements and notify the Authority of the release. This Subparagraph 7.5(b) does not limit the parties' rights and obligations to each other with respect to third party releases of regulated substances on or from the Leased Premises. Such rights and obligations shall be determined on incident-specific bases according to the other provisions of this Agreement and according to Law.
- (c) The Authority may require Lessee to conduct a soil and/or ground water sampling if the Authority suspects that a release has occurred, caused by the Lessee. If Lessee or its agents or customers caused a release, Lessee shall be responsible for the costs

of any and all actions required to respond to the release and to remediate the contamination under Environmental Law and regulations to the reasonable satisfaction of the Authority.

7.6 Security. Lessee reasonably shall secure the Leased Premises against unauthorized entry by Third Parties.

7.7 Authority's Right to Audit Lessee's Compliance.

- (a) The Authority reserves the right and privilege to audit Lessee (including, without limitation, the right to enter onto the Leased Premises at reasonable times during normal business hours and upon reasonable notice to Lessee) to determine Lessee's compliance with the environmental requirements set forth in this Agreement.
- (b) Within thirty (30) days of the Authority's written request, Lessee shall make available to the Authority for inspection and duplication all non-privileged documents and analyses prepared or generated by Lessee or on Lessee's behalf relating to Lessee's compliance with the environmental requirements of this Agreement. The Authority shall take all reasonable precautions to protect any information provided by the Lessee and clearly marked "Confidential Business Information" from disclosure to the extent permitted by North Carolina Law.
- (c) The Authority's failure at any time to audit Lessee's environmental compliance, or to identify to or discuss with Lessee any condition existing on the leased premises, shall not waive the Authority's rights, privileges or remedies under this Agreement. Further, no inspection or audit performed by the Authority shall constitute an approval or representation as to Lessee's compliance with this Agreement or with any Environmental Law.
- (d) The Authority's right and privilege under this Paragraph 7.8 is limited to those activities necessary to evaluate Lessee's compliance with Environmental Laws. The Authority reserves no right or privilege to participate in Lessee's decision-making with respect to environmental compliance matters.

7.8 Correspondence. Lessee shall copy the Authority simultaneously on all correspondence from Lessee to DEQ or the Environmental Protection Agency (EPA), which relates to the Leased Premises. Within ten (10) business days of receipt, Lessee shall forward to the Authority a copy of any correspondence received from DEQ or EPA, which relates to the Leased Premises. Lessee's obligations under this Paragraph shall survive the expiration or termination of this Agreement.

7.9 Permits, Response Plans. Lessee shall comply with any environmental permits issued by any public body, and all response plans required by any Environmental Law, which apply to the Leased Premises or Lessee's activities thereon.

- 7.10 Taxes and Licenses. Lessee shall pay when due all taxes, license fees, assessments and other charges levied or imposed upon it by any governmental authority because of Lessee's use and occupancy of the Leased Premises. A good faith contest of the validity of any such tax, license fee, assessment or other such charge, made with reasonable promptness, shall not be interpreted as a violation of this covenant until such good faith challenge shall have been abandoned or judicially determined.
- 7.11 Major Maintenance/Hazardous Waste.
- (a) Lessee shall not perform Major Maintenance on the Leased Premises, without prior written approval from the Authority.
 - (b) Lessee may use solvent on the Leased Premises but only within self-contained application units supplied by the manufacturer and only in strict accordance with the instructions for storage, use and servicing prescribed by the unit manufacturer and in compliance with all applicable Environmental Laws. Lessee shall not apply a solvent in any uncontained area or device. This authorization does not relieve Lessee of any obligation set forth elsewhere in this Lease.
 - (c) Lessee shall provide a Safety Data Sheet to the Authority no less than (15) days prior to employing a new solvent on the Leased Premises, when the Authority has not been previously notified.
 - (d) Except as expressly authorized hereunder, in the event that Lessee generates Hazardous Waste on the Leased Premises, Lessee immediately shall notify the Authority of such generation and shall arrange for the removal of such waste from the Leased Premises within sixty (60) days. At all times, Lessee shall comply with all Environmental Laws applicable to the generation, treatment, storage and disposal of such waste.

Article 8. Alterations and Installations

- 8.1 Alterations. Lessee shall make no alterations, improvements or capital replacements in or to the Leased Premises without first obtaining the prior written consent of the Authority; such consent shall not be unreasonably withheld or delayed provided that no improvements will be approved that would have an amortization period extending beyond 3/31/2026. All alterations made by Lessee shall be at its sole cost and expense and shall be made in a workmanlike manner without damage to the Leased Premises.
- 8.2 Improvements and Installations. Lessee may, at its own sole cost and expense and in accordance with applicable statutes, laws, codes, regulations, ordinances and design guidelines, construct, erect and install in or on the Leased Premises such buildings, furnishings, fixtures and equipment which it determines to be necessary for use in conducting its business operations; PROVIDED, HOWEVER, that prior to the commencement of any such construction, improvement or installation on or to the Leased Premises, the plans and specifications therefore shall be reviewed and approved in writing

by the Authority, which approval shall not be unreasonably withheld or delayed. Lessee must abide as follows:

- (a) The Authority may select and employ an architect or other qualified construction professional (or firm) to review Lessee's plans and specifications and to advise the Authority regarding approval thereof. The consultant may also be employed to make periodic inspections of the work in order to advise the Authority regarding compliance with the approved plans and specifications and with the approved schedule. The Authority will confer with Lessee and other rental car companies regarding the selection of the consultant, but the final decision will be made by the Authority. Alternatively, the Authority may elect to utilize one or more Authority employees for such purposes. In either case, the cost incurred by the Authority will be passed through to Lessee and added to the monthly Service Center Maintenance and Operations charge periodically as incurred.
- (b) Lessee must follow the guidelines set in the Campus Plan. Following Authority approval of the initial concept and design development documents, Lessee shall prepare construction documents as specified in the Campus Plan. Construction documents must be prepared by an architect or engineer licensed to practice in the State of North Carolina. No construction may begin until the Authority has approved all construction documents, in writing.
- (c) The Authority may refuse to permit the installation, alteration or modification of any portion of or appurtenance to the Leased Premises which would, in his opinion, damage, be detrimental to or detract from the appearance of Airport property and buildings, damage or endanger the structural soundness of Airport buildings; fail to comply with design guidelines; or fail to meet the Authority's requirements for the safe use of buildings and appurtenances.
- (d) All improvements, additions and alterations on or to the Leased Premises made by Lessee with the approval of the Authority shall be completed in a workmanlike manner without damage to the Leased Premises. The Authority (or its consultant as described above) shall inspect all work for compliance with approved plans and specifications.
- (e) Lessee shall pay all additional maintenance and operating costs that may be incurred because of any improvements, additions or alterations on or to the Leased Premises made by Lessee including the cost of inspections for compliance with approved plans and specifications.
- (f) For the purpose of this agreement, Lessee agrees that any and all improvements will be amortized over the life of the improvement under GAAP, but not for any time period extending beyond 3/31/2026 and amortized on a straight line basis.

8.3 Contractor's Insurance. At all times during construction, erection or installation, Lessee shall require each and every contractor and subcontractor performing construction, erection

or installation therefore to procure and maintain at its own cost and expense insurance of the types and in the minimum amounts specified by the Authority.

- 8.4 Realty Improvements. Except as set forth in Paragraph 20.3 hereof, all building, structures and other leasehold improvements which are constructed, erected or installed by Lessee on the Leased Premises shall be and become the property of the Authority immediately upon completion of construction, erection or installation thereof satisfactory to the Authority without any obligation on the part of the Authority to reimburse Lessee for the same other than as provided in Article 9.
- 8.5 Construction Payment and Performance Bonds. Prior to any commencement of any construction, alteration, or repair hereunder by Lessee which exceeds Fifty Thousand Dollars (\$50,000.00) in cost, Lessee shall furnish to the Authority, at Lessee's sole cost, a performance bond and a payment bond issued by a surety company licensed to transact business in the State of North Carolina and approved by the Authority, in a form approved by the Authority. The penal amount of each bond shall not be less than one hundred percent (100%) of the total contract cost of the contract or contracts for the construction, alteration, or repair. The payment bond required by this Article shall guarantee the prompt payment to all persons supplying labor, materials, provisions, supplies, and equipment used directly or indirectly by any contractor, subcontractor(s), and suppliers doing work provided for in the above-mentioned construction contract, and the performance bond shall guarantee the full performance of the work.
- 8.6 Lessee's Liens. Lessee shall not create, or permit or suffer to be created or to remain, any mechanics' or materialman's lien to be filed against the Premises or the Airport by reason of construction, labor, services or materials performed or furnished at request of Lessee; provided that Lessee may contest any such lien or claim in good faith. Notwithstanding such contest, Lessee shall, within fifteen (15) days after notice of the filing thereof, cause such lien to be release of record by payment, bond, order of a court of competent jurisdiction or otherwise. In the event of Lessee's failure to clear the record any such lien within the aforesaid period, the Authority may remove said lien by paying the full amount thereof or by bonding or in any other manner the Authority deems appropriate, without investigating the validity thereof, and irrespective of the fact that Lessee may contest the propriety or the amount thereof, and Lessee, upon demand, shall pay the Authority the amount so paid out by the Authority in connection with the discharge of said lien, together with interest thereon at the rate set forth in Schedule B, Paragraph K herein and reasonable expenses incurred in connection therewith, including reasonable attorneys' fees, which amounts are due and payable to the Authority as Additional Rent on the first day of the next following month. Nothing contained in this Lease shall be construed as a consent on the part of the Authority to subject the Authority's estate in the Leased Premises to any lien or liability under the lien laws of the State of North Carolina. Lessee's obligation to observe and perform any of the provisions of this Article shall survive the expiration of the Lease Term of the earlier termination of this Lease.

Article 9. Maintenance of Premises

- 9.1 Authority Maintenance Responsibilities. During the term of this Agreement, the Authority shall mow the grass and maintain the landscape plantings in common areas within the rental car area and shall maintain and make necessary repairs to the paved roadways adjacent to the Leased Premises; so as to keep and maintain the roadways in good condition and repair at all times, safe for use by the public and Lessee's customers and employees. Except as provided in this Article, the Authority shall have no responsibility to maintain, repair, or replace any portion of the Leased Premises.
- 9.2 Lessee Maintenance Responsibilities. Lessee shall keep and maintain the Leased Premises in safe, neat and clean condition at all times, furnish its own janitorial, cleaning and trash removal service, and keep all appurtenances clean and free of trash and debris.
- (a) During the term of this Agreement at its own sole cost and expense, Lessee shall maintain and keep in good repair and condition all of the components of the Leased Premises, including (i) the exteriors of all buildings and improvements situated on the Leased Premises, including foundations, exterior walls, roofs, doors and windows, including the door and window operating mechanisms; (ii) the interiors of all buildings and improvements situated on the Leased Premises, including heating, ventilating and air conditioning, electrical, plumbing and fire protection systems; (iii) all pavements and landscaped areas within the Leased Premises; (iv) the stormwater drainage system and water and sewer utilities lines, including utilities lines within buildings; and (v) any and all improvements on or to the Leased Premises made by Lessee so as to keep the same in good condition and repair at all times, safe for use by the public and Lessee's customers and employees, and to a standard consistent with the Campus Plan.
- (b) Upon the expiration or earlier termination of this Agreement, Lessee shall surrender and deliver up to the Authority all of the said buildings and improvements in good condition, reasonable wear and tear and damage by fire or other casualty excepted and pay the full cost of repairing and restoring any of the said facilities which have not been fully maintained as required herein. Lessee also shall keep and maintain all furnishings, fixtures, equipment and personal property which it has installed within or upon the Leased Premises in good condition and repair at all times and make all necessary repairs thereto.
- 9.3 Preventative Maintenance Program. Lessee shall develop and undertake a Preventative Maintenance Program which will include periodic thorough inspections and assessments of the Leased Premises. The Preventative Maintenance Program shall include, at a minimum, the inspection of the lease areas and equipment at the specified frequencies identified in the Tenant Preventive Maintenance Checklist form attached hereto and incorporated herein in Schedule G, hereinafter referred to as the "Maintenance Checklist." Lessee will utilize the Maintenance Checklist to record and report to the Authority quarterly on February 1, May 1, August 1, and November 1 the condition of all of the items listed on the Maintenance Checklist. Lessee will promptly repair, replace and/or refurbish, at its sole cost and expense, any and all items identified on the Maintenance Checklist as requiring maintenance, repair or replacement. Lessee will undertake to maintain the facility in a satisfactory operating condition and appearance. During the Term of this Agreement,

the Authority shall conduct periodic inspections of the Leased Premises to confirm the accuracy of the Maintenance Checklists submittals by Lessee and to confirm the status of maintenance and repairs undertaken by Lessee and for any other purpose that it deems necessary. The Authority will notify Lessee of any and all items requiring attention. Lessee shall cooperate with the Authority in regard to these inspections and shall promptly address any and all items noted on the Checklist or noted by the Authority as a result of its inspections to the reasonable satisfaction of the Authority.

- 9.4 Failure to Maintain or Repair. If Lessee refuses or neglects to undertake the prompt maintenance, repair, or replacements requested by the Authority within a reasonable time of being notified of such; or if the Authority is required to make any repairs necessitated by the acts or omissions of Lessee, the Authority shall have the right to make such repairs on behalf of and for Lessee. Such work shall be paid for by Lessee within fifteen (15) days following written demand by the Authority for said payment. The Authority shall charge Lessee the cost of repairs at the Authority's labor rates, cost of materials and/or the direct cost to the Authority of its labor, materials and customary equipment use charges employed in rendering such services, plus a fifteen percent (15.0%) administrative cost, or, if the work is performed by the Authority's contractor, the Authority's actual cost and its administrative costs.

Article 10. Relocation of Leased Premises

- 10.1 Excluding the relocation of Lessee to the Consolidated Rental Car Facilities described in Article 17 of this Agreement, if, at any time during the Term of this Agreement, the Authority determines that the Leased Premises, or any portion thereof, is needed to permit development of planned long-term Airport improvements proposed by the Authority and approved by the Federal Aviation Administration (or its successor), upon one (1) year's prior written notice to Lessee, the Authority shall have the right to relocate Lessee to another location on the Airport which, in the reasonable judgment of the Authority, is an appropriate and suitable location for Lessee's use and operations. Such notice shall inform Lessee of the proposed new location and specify the date on which the proposed relocation is to become effective, which date shall not be earlier than one (1) year following the date of such notice. Upon issuance of such notice and without delay, the Authority shall consult with Lessee as to the location and other aspects of replacement space for its Service Center. No such Service Center relocation shall be required by the Authority for the purpose of replacing Lessee's Service Center with another such facility at the same location to be occupied by a tenant other than Lessee.
- (a) If Lessee does not agree in writing to such relocation within ninety (90) days after notice thereof from the Authority, Lessee's occupancy of the Leased Premises subject to relocation shall terminate on the date one hundred eighty (180) days after the date of such notice of relocation and the Authority shall thereafter be under no obligation to provide any replacement space for such Service Center to be vacated by Lessee.
 - (b) If Lessee agrees to such relocation, it shall commence and continue to completion at its own sole cost and expense the construction, erection and installation of all

necessary buildings and improvements upon the new location, or removal to and re-erection of existing improvements upon the new location. In either event, the Authority shall review and approve in writing the plans and specifications for such new or relocated buildings and improvements prior to commencement of any construction or relocation. Upon completion of construction or relocation of the buildings and improvements, the new location shall thereupon become the “Leased Premises” within the definition of such term as used in this Agreement, and all rights of Lessee to the use of any portion of the Leased Premises described in Article 2 shall terminate. All other provisions of this Agreement shall apply to the new location as fully as if it were the original location of the Leased Premises covered by this Agreement.

- (c) In the event of relocation of the Leased Premises and construction or relocation of buildings and improvements upon the new location in accordance with the provisions of Subparagraphs 10.1(a) and 10.1(b) above, the Authority agrees either to extend the Term of this Agreement to permit Lessee a minimum of ten (10) years of beneficial use of the new facilities, or to pay to Lessee an amount equal to the undepreciated portion of Lessee’s costs of construction of the buildings and improvements on the relocated Leased Premises at the end of the Term of this Agreement, if the Authority is unwilling at that time to extend the Term for a period that would allow Lessee to enjoy at least ten (10) years of beneficial use thereof. For purposes of this paragraph, all improvements will be depreciated on a straight-line basis over the lesser of the period which normally applies to such property under generally accepted accounting practices or the remainder of the lease Term, whichever is less. In addition, the Authority shall compensate Lessee for the undepreciated value of any improvements constructed by Lessee during the initial Term which cannot reasonably be relocated, calculated by use of a straight-line method of depreciation, amortized for a period ending not later than the Expiration Date of the initial Term. Said amount shall be determined as of the effective date of relocation or the date of termination of Lessee’s occupancy of the Leased Premises, whichever shall be the case. The costs of construction by Lessee of any buildings and improvements on the original Leased Premises or on the relocated Leased Premises shall be documented by Lessee by original bills, invoices and construction contracts and cancelled checks, copies of which shall be provided by Lessee to the Authority within ninety (90) days following completion of construction. Within a period of sixty (60) days after receipt of such documentation, Lessee and the Authority shall agree on an amount that represents the total costs of construction and the amortization period applicable for each category of capital improvement. The Authority shall not be responsible to reimburse Lessee for any costs or investment in the leasehold that occurred prior to the Commencement Date of the Term.

Article 11. Services by Authority

- 11.1 During the term of this Agreement, the Authority shall provide Lessee with security and fire protection services in common with those provided other tenants of similar premises on Airport property and water and sewage service, if facilities for provision of the same are available to a location within the Leased Premises, all at such cost and expense to Lessee as is set forth in Schedule B attached hereto.
- 11.2 Limitation of Liability. The Authority shall not be liable to Lessee, its agents, servants, invitees or guests for any loss or damage resulting from the acts or omissions of the Authority in providing the services enumerated in Paragraph 11.1 above, excepting, however, loss or damage which is caused by the intentional wrongdoing or gross negligence of the Authority. It is further specifically understood and agreed between the parties that the Authority shall not at any time be or become liable to Lessee on account of any loss of revenue which results from any act, omission or neglect of the Authority in the maintenance and operation of the Airport and its facilities, or in the performance of the services set forth in Paragraph 11.1.

Article 12. Damage to Leased Premises

12.1 Partial Damage

- (a) Authority Improvements. If, at any time during the Term of this Agreement, any improvements to the Leased Premises constructed by the Authority or owned by the Authority at the commencement of the Term shall be partially damaged by fire or other casualty, but not rendered untenable, Lessee shall repair the same with due diligence and in reasonable time at its own costs and expense; provided that Lessee shall be entitled to receive any and all insurance proceeds available as a result of such casualty.
- (b) Lessee Improvements. If, at any time during the Term of this Agreement, any part of the Leased Premises constructed by Lessee shall be partially damaged by fire or other casualty, but not rendered untenable, Lessee shall repair the same with due diligence and in reasonable time at its own cost and expense.

12.2 Extensive Damage.

- (a) Authority Improvements. If, at any time during the Term of this Agreement, the Leased Premises or any part thereof owned by the Authority at the commencement of the Term is completely destroyed by fire or other casualty, or damaged to such an extent that the same is untenable, the Authority shall repair or reconstruct said premises with due diligence and in reasonable time at its own cost and expense, and the rent and other charges payable by Lessee hereunder for the destroyed or untenable portion of the Leased Premises shall abate until such time as said premises are restored and again available for use and occupancy by Lessee in the conduct of its business operations at the Airport.

- (b) Tenant Improvements. If, at any time during the Term of this Agreement, the Leased Premises or any part thereof constructed by Lessee during the Term is completely destroyed by fire or other casualty, or damaged to such extent that the same is untenable, the Lessee may repair or reconstruct, or remove the remains from, said premises with due diligence and in reasonable time at its own cost and expense. Should Lessee elect to remove the remains from the Leased Premises rather than repair or reconstruct the same, then the provisions of Paragraph 8.1 shall again apply to any replacement structure and improvements thereto proposed for installation by Lessee; PROVIDED, HOWEVER, that Lessee shall have the right, with or without approval by the Authority, to rebuild said structure as it was originally constructed so long as it still complies with all governmental laws, rules and regulations; PROVIDED, FURTHER, if the Lessee, in its sole discretion, elects not to repair or reconstruct the Leased Premises or the damaged portion thereof, it may tender the proceeds of all insurance that it maintains on such improvements to the Authority and terminate this Agreement.

Article 13. Default

- 13.1 The occurrence of any one or more of the following events (hereinafter referred to as “event(s) of default”) shall constitute a breach of this Agreement by Lessee, entitling the Authority to take action as provided in Article 14. Rights of Authority upon Default below:
- (a) The failure of Lessee to pay any rents, fees, charges, or other amounts due the Authority within ten (10) days of written notice after the same become due and payable pursuant to the provisions of this Agreement.
- (b) Except for the payment of rents, fees, charges, or other amounts due, the failure of Lessee to fully and promptly perform any act which it is required to perform pursuant to the provisions of this Agreement, or to otherwise comply with any term or provision hereof within thirty (30) days after receipt of written notice from the Authority to do so; provided that any act or action that cannot reasonably be completed within thirty days must be commenced as early as possible within the thirty day period and pursued continuously to completion as expeditiously as possible.
- (c) The commencement in any court or tribunal of any proceeding, voluntary or involuntary, to declare Lessee insolvent or unable to pay its debts; the appointment by any court, or under any law, of a receiver, trustee, or other custodian of the property, assets or business of Lessee; the assignment by Lessee of all or any part of its property or assets for the benefit of creditors; the levy of execution, attachment, or other taking of the leasehold interest of Lessee, by process of law or otherwise, in satisfaction of any judgment, debt or claim, provided, however, that such proceeding or action is not dismissed or otherwise abrogated within sixty (60) days.

- (d) A delay of more than ten (10) days after written notice of a failure to report or a material inaccuracy in reporting to the Authority the collection of Customer Facility Charges or a failure to pay to the Authority the full amount of any and all Customer Facility Charges collected by Lessee on or before the date that such payment is due. Time is of the essence with regard to Lessee's responsibilities under Article 13.1 (d) of this Agreement.

13.2 Waiver. No waiver by the Authority of any event of default, or performance of any of the terms, covenants or conditions of this Agreement which are required to be kept, observed or performed by Lessee, shall be interpreted or construed to be a waiver of any subsequent event of default or failure to perform by Lessee. Acceptance of rent or performance by the Authority of any of its obligations under this Agreement for or during any period(s) after a default by Lessee shall not be deemed a waiver of any right on the part of the Authority to declare a default or terminate this Agreement for a subsequent breach of this Agreement by Lessee.

Article 14. Rights of Authority upon Default

14.1 Election by Authority. Upon the occurrence of any event of default by Lessee as defined in Paragraph 13.1 above, the Authority may, at its option and to the extent permitted by law, either: (a) terminate the Term of this Agreement; or (b) terminate Lessee's right to possession and occupancy of any or all of the Leased Premises without terminating the Term of this Agreement. Upon the exercise of such election by the Authority, written notice thereof shall be given to Lessee. The date of either such termination shall be the date of written notice of the same to Lessee, and Lessee shall thereupon immediately vacate the Leased Premises and surrender possession thereof to the Authority.

14.2 Termination of Lease. In the event the Authority elects to terminate this Agreement as provided in Paragraph 14.1 above, the Authority shall be entitled to enter upon the Leased Premises and take exclusive possession of the same, using such reasonable force as is necessary and without additional legal process and without being or becoming liable for trespass. Upon such entry, the Authority may remove or store any personal property situated therein at Lessee's expense without being liable to Lessee for damage or loss sustained thereby.

14.3 Termination of Possession. In the event the Authority elects to terminate Lessee's right to possession and occupancy of the Leased Premises, without terminating the Term of this Agreement, as provided in Paragraph 14.1 above, the Authority shall have the right to enter upon the Leased Premises, remove Lessee's property therefrom, and take and hold possession of the Leased Premises without terminating the Term of this Agreement, or otherwise releasing Lessee in whole or in part from its obligation to pay all rents, fees and charges called for to be paid by Lessee for the remainder of the Term of this Agreement.

- (a) In the event the Authority elects to terminate Lessee's right to possession and occupancy of the Leased Premises, without terminating the Term of this Agreement, the Authority may lease or relet the premises, or any part thereof, to

any other tenant(s) who may be satisfactory to the Authority, for such term and upon such conditions as the Authority may deem advisable; PROVIDED, HOWEVER, that in such event, the Authority shall seek to lease or relet the Leased Premises upon such conditions and in such a manner as to yield the maximum amount of revenue as is reasonably obtainable under the circumstances then existing.

- (b) Upon any such repossession and reletting of the Leased Premises, the Authority shall apply rents received therefrom to the account of rents, fees and charges due from Lessee according to the terms of this Agreement, and Lessee covenants and agrees to pay to the Authority the difference or deficit between the rents received from such reletting and the rents called for to be paid according to the terms of this Agreement, together with all of the actual costs incurred by the Authority of clean up, repairs, alterations and redecorations reasonably necessary in order to relet the Leased Premises.

Article 15. Delinquent Payments

- 15.1 In the event Lessee fails to pay timely all or any part of any rents, fees or charges due and payable to the Authority, such delinquent amounts shall be subject to late payment charges and shall bear interest at a rate and as further stipulated in Schedule B, Paragraph K below. Lessee covenants and agrees to pay such charges and interest promptly upon demand.

Article 16. Cancellation

- 16.1 Cancellation by Authority. In the event the United States Government, or any authorized agency thereof, assumes the operation, control or use of the Airport facilities, or a substantial portion thereof, to such an extent as to substantially restrict Lessee from operating its business at the Airport for a period of not less than ninety (90) days, the Authority may cancel this Agreement in its entirety by giving written notice thereof to Lessee. In such event, the Authority shall pay to Lessee the amount determined by application of the provisions of Subparagraph 10.1(c) of this Agreement as compensation for the undepreciated portion of Lessee's costs of construction of buildings and improvements on the Leased Premises.
- 16.2 Cancellation by Lessee. Upon the occurrence of any one of the following events, Lessee may cancel this Agreement and terminate all of its obligations hereunder at any time when it is not in default in the payment of any amounts due the Authority pursuant to the provisions hereof, by giving written notice to be served as hereinafter provided:
 - (a) The inability of Lessee to use the Airport for a period in excess of ninety (90) days because of the issuance of any order, rule or regulation by the Federal Aviation Administration or any other State of Federal government agency having jurisdiction, which serves to prevent Lessee from conducting its business operations at the Airport.

- (b) Default by the Authority in the performance of any obligation required to be performed by it pursuant to the terms of this Agreement on which remedial action has not been commenced by the Authority within a period of thirty (30) days after written notice to remedy the same has been served by Lessee as hereinafter provided; PROVIDED, HOWEVER, that no notice of cancellation shall be effective if the Authority has remedied the default prior to receipt of notice of cancellation from Lessee.
- (c) The assumption of the operation, control or use of the Airport facilities, or a substantial portion thereof, by the United States Government, or any authorized agency thereof, to such an extent as to substantially restrict Lessee from operating its business at the Airport for a period of not less than ninety (90) days.

In the event of cancellation of this Agreement by Lessee as hereinabove provided in Subparagraph 16.2(b), the Authority shall pay to Lessee the amount determined by application of the provisions of Subparagraph 10.1(c) of this Agreement as compensation for the undepreciated portion of Lessee's costs of construction of buildings and improvements on the Leased Premises. If Lessee cancels this Agreement as provided in either Subparagraph 16.2(a) or (c), the Authority will not be obligated to compensate Lessee for the undepreciated portion of Lessee's improvements.

- 16.3 Waiver by Lessee. Lessee's performance of any of its rights granted by the Authority under this Agreement during any period of time after a default by the Authority in the performance of any of its obligations under this Agreement shall not be deemed a waiver of any right which Lessee has to cancel this Agreement as provided in Subparagraph 15.2 above; nor shall such performance by Lessee be construed to be or interpreted as a waiver of any subsequent default by the Authority.

Article 17. Consolidated Rental Car Facilities

- 17.1 The Authority has begun a process to evaluate the future relocation of all rental car operations at the Airport to a Consolidated Rental Car Facility (the "CONRAC"). It is anticipated that the CONRAC will be planned, developed and constructed during the Term of this Agreement and that all of the rental car tenants will be relocated to the CONRAC prior to the end of the Term. The location of the CONRAC has not been established and multiple locations and designs are under consideration. Some or all of the cost of the CONRAC, and of any and all additional facilities developed and constructed in relation thereto, shall be paid from a Customer Facility Charge (the "CFC") imposed and collected by the Authority before, during and after the construction of the CONRAC. Lessee understands and agrees that Authority may construct improvements and coordinate the transition of Lessee and other tenants to the CONRAC, and the Authority shall act in its best interest when determining the schedule, the location, design and construction of all such improvements, and when determining how Lessee and any and all other rental car tenants will transition into or out of any facility. The Authority shall not be responsible to reimburse Lessee for the cost of relocation to the CONRAC. In the event Lessee is required to relocate to the CONRAC prior to the expiration of this

Agreement, the Authority shall compensate Lessee for the undepreciated value of any improvements constructed by Lessee during the initial Term which cannot reasonably be relocated, calculated by use of a straight-line method of depreciation, amortized for a period ending not later than the Expiration Date of the initial Term. The costs of construction by Lessee of any buildings and improvements on the Leased Premises shall be documented by Lessee by original bills, invoices and construction contracts and cancelled checks, copies of which shall be provided by Lessee to the Authority within ninety (90) days following completion of construction. Within a period of sixty (60) days after receipt of such documentation, Lessee and the Authority shall agree on an amount that represents the total costs of construction and the amortization period applicable for each category of capital improvement. The Authority shall not be responsible to reimburse Lessee for any costs or investment in the leasehold that occurred prior to the Commencement Date of the Term.

- 17.2 The Authority is in the process of planning and implementing improvements to the facilities and services at the Airport. The Authority reserves the right to pursue the planning, financing and construction of new facilities of any nature as it may determine to accommodate its business and operational needs, and the Authority may take any action that it deems desirable in connection therewith. Lessee agrees to work cooperatively and in good faith with the Authority and other tenants to facilitate prompt and effective transition to such new or renovated facilities. Failure to give full and timely cooperation will result in the reduced tenant input into the planning design and construction of the planning, design and construction, which will result in delays and additional project costs.
- 17.3 Customer Facility Charge. A Customer Facility Charge (“CFC”) will be collected from Lessee's Airport customers, for the purpose of recovering the Authority's costs associated with facilities used for rental car concessions, as deemed necessary by the Authority. The Authority will implement the CFC and begin collection thereof by adoption of an ordinance. Without limiting the broad authority of the Authority set forth above, the CFCs may be used to pay, or reimburse the Authority for the cost of rental car facilities and related rental car equipment at the discretion of the Authority. Any or all of the CFCs may be used for the cost of rental car facilities and related equipment, airport infrastructure related to the CONRAC facilities, and to create and maintain reasonable reserves, or for such other rental car related purpose as the Authority determines. The method of calculating the CFC and the amount of such customer facility fee shall be determined by the Authority in its sole discretion. For the purposes of computing Gross Revenues, as herein defined, it is agreed that the CFC is not included in the definition of Gross Revenues. The Authority may, at any time and for any reason, change the amount of the CFC, or discontinue it upon written notice to Lessee.
- (1) Lessee shall list the CFC separately on its Airport customer invoice, describing it as a "Customer Facility Charge," or with such other words as are approved by the Authority in advance in writing, and shall charge such CFC as directed by the Authority. Lessee shall include the CFC in all forms of reservations for contracts that begin after the effective date of the CFC. Upon CFC rate change, Lessee shall include the new rate in all reservations that begin after the CFC rate change

effective date. The Authority shall provide Lessee at least sixty (60) days prior written notice of any CFC rate change.

- (2) The CFC collected by Lessee is the property of the Authority. Lessee agrees that the CFC is not income, revenue, or any other asset of Lessee; that Lessee has no ownership or property interest in such CFCs; and that Lessee hereby waives any claim to a possessory or ownership interest in the CFCs. Lessee agrees that it holds all CFCs in trust for the benefit of the Authority, that Lessee is a fiduciary in holding the CFCs, and that the Authority (or a trustee on its behalf) has complete possessory and ownership rights to all CFCs. Consistent with the nature of the CFC, as funds held in trust for the Authority, Lessee shall segregate, separately account for, and disclose all CFCs as trust funds in their financial statements, and shall maintain full, adequate and complete records that account for all CFCs charged and collected. Failure by Lessee to segregate the CFCs shall not alter or eliminate the trust fund nature of such funds. Lessee acknowledges the CFCs collected and held by a Lessee are property in which the Lessee only holds a possessory interest and not an equitable interest. Failure by Lessee to accurately report the CFCs as required herein shall be an event of default under Article 13.
- (3) Lessee shall remit, on a monthly basis to the Authority, all CFCs that were collected or should have been collected the prior month, together with a monthly statement of transactions that shall include transaction days, which shall be in the form attached as **Exhibit 1**. The CFCs shall be remitted by electronic funds transfer or other means approved by the Authority, and received by the Authority no later than the 15th of each month as directed by the Authority from time to time. Failure to strictly comply with this requirement shall be considered an event of default under Article 13 of this Agreement and a material breach of Lessee's authorization to do business at the Airport.
- (4) Lessee shall provide to the Authority upon execution of this Agreement, and in conjunction with its Annual Report, and at any time requested by the Authority, a list of all accounts of Lessee through which CFCs are collected and all accounts into which CFCs are deposited, specifically including without limitation all merchant card accounts.
- (5) Penalty for Untimely Delivery of CFCs. Lessee agrees to pay to the Authority a late fee equal to 25% of the amount of the delinquent CFCs for failure to timely deliver CFCs to the Authority and also to pay one and one half percent interest (18% APR) per month or any part of a month that payment of CFCs is delayed.
- (6) The Authority shall have the right to audit all records of Lessee with respect to the CFCs charged and collected and may conduct the audit during normal business hours. The Authority will endeavor to provide Lessee with at least seven (7) days' notice of an audit.

- (7) The Authority shall regularly, and not less than annually, establish the level of the CFC and provide Lessee not less than sixty (60) days advance written notice of any change in the anticipated level of the CFC.
- (8) Under no circumstances, and notwithstanding any contrary language in this Agreement, will Lessee's obligation to collect and remit the CFC to the Authority, be subject to abatement, offset, or deduction whatsoever. Lessee's obligation to collect and remit the CFCs to the Authority shall be absolute and unconditional and shall continue in any event notwithstanding any event of damage or destruction of the Leased Premises or any termination of this Agreement.
- (9) Lessee shall not, directly or indirectly, divert Airport customers away from the on-airport rental car facilities or assist any Airport customer in avoiding payment of the CFC.

Article 18. Insurance

- 18.1 Coverages. Lessee shall procure and maintain in full force and effect at all times during the term of this Agreement each of the insurance coverages listed in Schedule D attached hereto and made a part hereof by reference.
- 18.2 Certificates. Lessee shall provide the Authority with certificates of insurance evidencing all required coverages, and such additional documentation thereof as the Authority may reasonably require.
- 18.3 Policy Endorsement. Each insurance policy and certificate, except Workers Compensation, shall be endorsed to list the Authority as an additional insured and shall provide that such coverages are primary and non-contributory and shall contain a waiver of subrogation in favor of the Authority.
- 18.4 Notice of Cancellation. Each insurance policy and certificate, except Workers Compensation, shall be endorsed with the following provision:

“This policy cannot be cancelled, reduced in amount or any coverage eliminated in less than thirty (30) days after mailing written notice to the insured and the Authority of such alteration or cancellation, sent by certified mail.
- 18.5 Application of Insurance Proceeds. In the event of partial or complete destruction of the Leased Premises by fire or other casualty, the full extent of the proceeds of fire and casualty insurance coverage shall be applied to the cost of repairs to the Leased Premises, except as otherwise provided in Article 12 hereinabove.

Article 19. Indemnification

19.1 Lessee's Indemnity Obligations.

- (a) Lessee shall indemnify the Authority against any and all regulatory claims arising from Lessee's acts or omissions on the Leased Premises.
- (b) To the proportional extent of its fault, Lessee shall indemnify the Authority against any claims, actions, damages, losses, liabilities and expenses (other than regulatory claims) arising from (1) Lessee's use of the Leased Premises and any appurtenances thereto or occasioned wholly or in part by any act or omission of Lessee, its employees, agents, contractors or customers, or (2) Lessee's failure to comply with the terms of Article 7. Compliance with Laws and Permits hereof.
- (c) Lessee shall have no duty to indemnify the Authority with respect to any claim, action, damage, liability or expense caused by the negligence, acts or omissions of the Authority.

19.2 Payment of Expense. In case the Authority shall be made a party to any litigation commenced by or against Lessee, its employees, agents, contractors or customers, then Lessee shall protect and hold the Authority harmless and shall pay all costs and expenses, including reasonable attorney's fees, incurred or paid by the Authority in connection with such litigation. Lessee also shall pay all costs and expenses, including reasonable attorney's fees, incurred or paid by the Authority in successfully enforcing the covenants, conditions and agreements contained in this Agreement, whether or not incurred as a result of litigation.

Article 20. Quiet Enjoyment

20.1 Upon Lessee's payment of the rentals, fees and charges and performance of all of the covenants and agreements called for in this Agreement, Lessee shall have and enjoy peaceful and quiet possession of the Leased Premises and exercise of the rights and privileges granted herein.

Article 21. Surrender of Possession

21.1 Upon the expiration or other termination of this Agreement, Lessee's right to occupy and use the Leased Premises and exercise the rights herein granted shall cease. Lessee shall thereupon promptly surrender the Leased Premises to the Authority in as good condition as the same existed at the commencement of this Agreement, reasonable wear and tear excepted and damage by fire or other casualty excepted.

21.2 Removal of Furnishings, Fixtures and Equipment. On or before the termination of this Agreement, Lessee shall have the right to remove any furnishings, fixtures and equipment that it has installed in or on the Leased Premises, and any improvements that it has constructed thereon which are not Realty Improvements as described in Paragraph 8.4

above; PROVIDED, HOWEVER, that Lessee is not in default in the performance of any of its obligations hereunder; and PROVIDED FURTHER that Lessee shall pay the full cost and expense of repairing all damage to the Leased Premises which results from any removal of furnishings, fixtures, equipment or installations therefrom, or shall reimburse the Authority the full cost and expense of repairing all such damage. All property, with the exception of motor vehicles, remaining in or upon the Leased Premises after the said termination of this Agreement shall immediately become and remain the property of the Authority without any obligations on the part of the Authority to reimburse Lessee for the same; PROVIDED, HOWEVER, that the Authority may, at its option, require Lessee to remove all of its property from the Leased Premises, and, in default of which, the Authority may cause the removal thereof, the full cost and expense of which shall be paid by Lessee.

- 21.3 Status and Removal of Tanks. Paragraph 21.2 hereinabove shall not apply to storage tanks, containers and appurtenances (e.g., pumps, valves, lines, fittings), whether aboveground or underground, which are located on the Leased Premises at any time during the term of this Agreement. Lessee acknowledges ownership (as personal property) and operation of all such storage tanks, containers and appurtenances. At the Authority's direction upon the termination or expiration of this Agreement (unless the Agreement is mutually extended by the parties), Lessee shall remove from the Leased Premises all such storage tanks, containers and appurtenances at Lessee's sole cost and expense, and restore the area to a condition satisfactory to the Authority. In the event contamination of any sort caused by Lessee or Lessee's agents is found on the Leased Premises, Lessee shall be responsible for cleanup and remediation as stipulated in paragraph 7.5.

Article 22. Inspection of Premises

- 22.1 Authorized representatives of the Authority may enter upon the Leased Premises at reasonable times during Lessee's normal business hours for the purpose of making inspections of said Leased Premises, or for any other purpose necessary for, reasonably incidental to or connected with the performance of the Authority's obligations under the terms of this Agreement.

Article 23. Agreement Subject to Agreements with United States

- 23.1 This Agreement shall be subject to the provisions of any existing or future agreement between the Authority and the United States relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport. Lessee, for itself, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that in the event improvements are constructed, maintained, or otherwise operated on the premises described in this Agreement for a purpose for which a Department of Transportation ("DOT") program or activity is extended or for another purpose involving the provision of similar services or benefits, the Lessee 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 49 CFR Part 27, *Nondiscrimination on the Basis of*

Disability in Programs or Activities Receiving Federal Financial Assistance as said Regulations may be amended.

Article 24. Agreement Subject to Non-discrimination

- 24.1 Lessee, for itself, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that: (a) no person on the grounds of race, color, disability national origin or sex shall be **excluded** from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities on the grounds of race, color, national origin, disability or sex; (b) that in the construction of any improvements on premises and the furnishing of services thereon, no person on the grounds of race, color, disability, national origin or sex shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and (c) that the Lessee shall use the premises in compliance with all other requirements imposed or pursuant to 49 CFR Part 21, *Nondiscrimination in Federally Assisted Programs of the Department of Transportation* and 49 CFR Part 27, *Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance* as said Regulations may be amended.

Article 25. Affirmative Action

- 25.1 Lessee shall, if required, undertake an affirmative action program as provided by 14 CFR Part 152, Subpart E, to ensure that no person shall be excluded from participating in any employment activities covered therein on the grounds of race, creed, sex, color or national origin. Lessee assures that no person will be excluded from participating in or receiving the services or benefits of any program or activity covered by said Subpart E on such grounds. Lessee further assures that it will require its covered sub-organizations to provide similar assurances to Lessee that they will similarly undertake affirmative action programs and require assurances from their sub-organizations to the same effect.

Article 26. Assignment

- 26.1 Lessee shall not assign, transfer, sublease, pledge, hypothecate, surrender, or otherwise encumber, or dispose of this Lease or any interest created by this Lease, or any interest in any portion of the same, or permit any other person or persons, company or corporation to occupy the Premises, without first obtaining the written consent of the Authority, which consent may be granted or denied in the sole discretion of the Authority. These restrictions on assignment shall also apply to assignment of activities, uses, privileges, and obligations authorized under this Lease.

Lessee shall not have the right, without the prior specific written consent of the Authority, which consent may be withheld in the Authority's sole discretion, to assign, transfer, subcontract (except as specifically authorized herein), or in any way dispose of the rights and obligations of Lessee under this Lease.

If Lessee is a corporation, limited liability company or partnership, then any transfer of the Lease by merger, consolidation or liquidation, or any change in ownership of shares of voting stock or other ownership interests resulting in a change of the present effective voting control of Lessee by the person, persons and/or entity having the present effective voting control of Lessee shares on the date of the Lease, shall constitute an assignment of this Lease, and as such, shall require the prior written consent of the Authority. It is expressly agreed by Lessee that, in the event consent by the Authority is given as herein provided, the assignee shall be required to assume and agree to perform the covenants of this Lease, and that notwithstanding any such subletting or assignment, Lessee shall be and remain liable for the performance of all covenants and conditions contained herein for the Lease Term unless the Authority specifically releases Lessee.

Notwithstanding anything to the contrary contained herein, nothing in this Agreement shall be deemed to prohibit, and Lessee shall not require the Authority's consent to, any assignment resulting from (i) a merger of the Lessee with an affiliate or subsidiary or (ii) the purchase of all or substantially all of the stock or assets of the Lessee, provided that the net worth of the assignee shall not be less than the net worth of the Lessee at the time of the proposed transaction. Any change in control of Lessee's parent company shall not be deemed to be an assignment of this Agreement.

Each and every agreement, term, provision and condition of the Lease shall extend to and be binding upon the successors and assigns of the parties hereto.

- 26.2 Lessee to Remain Bound. In the event of assignment or subletting as provided in Paragraph 26.1 above, Lessee shall remain bound and responsible for performance of all of the terms, covenants, agreements, conditions and provisions of this Agreement, including the payment of rents, fees and charges, to the same extent as if there had been no assignment or sublease.

Article 27. Airport Concessions Disadvantaged Business Enterprise Policy

- 27.1 It is the policy of the Department of Transportation that disadvantaged business enterprises, as defined in 49 CFR Part 23, shall have the maximum opportunity to participate in the performance of leases as defined in 49 CFR 23.5. Consequently, this Agreement is subject to 49 CFR Part 23, as applicable or if applicable. Lessee agrees that no person shall be excluded from participation in, denied the benefits of, or otherwise discriminated against in connection with the award and performance of any contract, including leases, if covered by 49 CFR Part 23, on the grounds of race, color, national origin, or gender. Lessee agrees to include the above statements in any sub-concession, subcontractor and supplier agreements that it enters.

Article 28. ACDBE Monitoring & Compliance

- 28.1 Use of Airport Concession Disadvantaged Business Enterprises. As required by 49 CFR Part 23, Lessee shall use its best efforts to utilize Authority approved Airport Concession Disadvantaged Business Enterprises ("ACDBEs") wherever possible in the construction,

administration and operation of the concession continually throughout the term of this Agreement.

28.2 ACDBE Participation Goal. Lessee shall make a good faith effort to obtain the annual ACDBE participation goal set by the Authority, as said goal may change during the term of this Agreement, by utilizing one or more ACDBEs or other qualified ACDBE participation in the Lessee's performance of this Agreement. Concessionaire shall make good faith efforts, and keep documentation of all such efforts, in accordance with the ACDBE Rules, to provide for a level of ACDBE participation in the purchase of goods and services to conduct rental car operations at the Airport equal to or greater than 6%. When the ACDBE participation goal is modified in accordance with CFR 49 Part 23.45, the Authority shall provide written notice of the new goal to Lessee at least 90 days in advance. Upon receipt of such notice, Lessee shall amend its good faith efforts to meet the new goal.

28.3 ACDBE Program Monitoring. The Authority will utilize the following monitoring and enforcement mechanisms to ensure compliance with 49 CFR Part 23. The Authority will report to the Department of Transportation ("DOT") all false, fraudulent, or dishonest conduct in connection with the ACDBE program. The DOT may initiate any or all actions stipulated in CFR 49 Part 26.107 (e.g. referral to the Department of Justice for criminal prosecution, referral to the DOT Inspector General, action under suspension and debarment or Program Fraud and Civil Penalties rules) in response to notice by the Authority.

28.3.1 Joint Ventures. Lessee shall submit all joint venture agreements and supporting documentation to the Authority and Authority's Small Business Program Office for review prior to contract award. For the purpose of ACDBE participation, the Authority will review the following areas of the joint venture agreement for compliance with CFR 49 Part 23. Lessee and the proposed ACDBE partner shall provide access to all documentation requested to review the proposed joint venture. Failure to provide requested documentation will result in rejection of the proposed joint venture for ACDBE participation purposes. The Authority shall notify Lessee and the ACDBE partner in writing of the final approval of the joint venture ACDBE participation rate.

- a) Capital Contributions - The capital contributions of each party should be clearly stated in the agreement.
- b) Control - The ACDBE participant(s) should have control in proportion to their ownership interest and proportionate control of the governance of the joint venture.
- c) Management - The ACDBE participant(s) must share in the overall and day to day management of the joint venture.
- d) Risks - Each of the participants in the joint venture must share in the risks of the business in proportion to their ownership interest.
- e) Profits - Each of the participants must share in the profits and losses in proportion to their ownership interest.
- f) Funding Sources - Loans from the non-ACDBE participant(s) and to the ACDBE participant(s) will be reviewed.

- g) Charges for Inventory, Supplies or Services - The agreement should not mandate that the ACDBE participant(s) or joint venture to purchase inventory, supplies, or services from the non-ACDBE participant.
- h) Length of Term - The term of the joint venture should not exceed the term of the concession agreement with the airport.
- i) ACDBE Certification Matches the Work of the Joint Venture - The ACDBE firms must be certified in the type of work to be undertaken by the joint venture.
- j) Dissolution Language - The agreement should specify the terms and condition for dissolution of the joint venture.

28.3.2 Subleases. Lessee shall submit ACDBE sublease agreements and supporting documentation to the Authority and Authority's ACDBE Liaison Officer for review prior to contract award. For purpose of ACDBE participation, the Authority will review the following areas of the proposed sublease agreement for compliance to CFR 49 Part 23. Lessee and the proposed ACDBE sublessee shall provide all documentation requested to review the proposed sublease agreement. Failure to provide requested documentation will result in rejection of the sublease agreement for ACDBE participation purposes. The Authority shall notify Lessee and the ACDBE partner in writing of the final approval of the sublease ACDBE participation rate.

- a) Management - The ACDBE participant(s) must share in the overall and day to day management of the joint venture.
- b) Funding Sources - Loans from the non-ACDBE participant(s) and to the ACDBE participant(s) will be reviewed
- c) Length of Term - Loans from the non-ACDBE participant(s) and to the ACDBE participant(s) will be reviewed.
- d) ACDBE Certification Matches the Work of the Joint Venture - The ACDBE firms must be certified in the type of work to be undertaken by the joint venture.

28.3.3 Vendor Contracts. Lessee shall submit ACDBE management contracts and service fees with supporting documentation to the Authority and Authority's ACDBE Liaison Officer for review. The Authority will review management contracts and service fees for industry standards in counting ACDBE participation. The Authority will also verify that the certification of ACDBE vendor matches roles of the ACDBE vendor in the agreement. Lessee and the ACDBE vendors shall provide all documentation requested to review the vendor contract. Failure to provide requested documentation will result in rejection of the vendor contract for ACDBE participation purposes. The Authority shall notify Lessee and the ACDBE partner in writing of the final approval of the ACDBE-vendor contract participation rate.

28.4 ACDBE Participation Reports. On or before December 1st of each Lease Year, Lessee shall furnish a report certified by an officer of the Lessee's company that indicates the total value of participation from certified ACDBEs for its' Airport operations during the twelve-month period from October 1 of the prior year through September 30 of the current year. ACDBE participation can be counted towards the goal for items referenced in 49 CFR Part 23.55.

Lessee shall use the certified ACDBE participation report attached as **Exhibit “E”** unless an alternate form of report has been approved in advance in writing by the Authority. This annual certified report shall be titled “Airport Concession Disadvantaged Business Enterprise ACDBE Activity Report” and shall clearly identify the Airport for which the report is prepared, the specific period of the report (ex. October 1, 2015 to September 30, 2016) and shall include the name and contact information of the company representative who prepared the report.

- 28.5 Compliance. If Lessee is delinquent for ten (10) days or more in furnishing to the Authority any of the ACDBE Participation Report required under this Agreement, Lessee shall pay the Authority a One Hundred Dollar (\$100.00) late fee for each month or partial month that the ACDBE Participation Report is delinquent, as liquidated damages for the additional administrative costs incurred by the Authority in processing, reviewing, and demanding the ACDBE Participation Report.

Article 29. Standards of Operation

- 29.1 Lessee shall provide good, prompt and efficient service which is adequate to meet all reasonable demands made upon it at the Airport for the rental of automobiles and other passenger motor vehicles. Lessee also shall, at its sole expense, provide rental vehicles that are new, clean, neat, attractive, and free from known mechanical defects. All vehicles maintained in the rental fleet shall be current models or prior models which have been available for not more than 24 months; PROVIDED, HOWEVER, that Lessee may have until November 30 of each year to remove from airport service vehicles that have become obsolete within the definition herein. Lessee shall, insofar as is reasonably possible, at all times have available at the Airport for rental and use by its customers a sufficient number of automobiles and other passenger motor vehicles to supply the normal demand for vehicle rentals at the Airport.
- 29.2 Solicitation. Lessee shall restrict to its Leased Premises any on-Airport personal solicitation for automobile rental services by Lessee, except for display advertising located in areas approved by the Authority for such purpose.

Article 30. Notices

- 30.1 All notices, consents and approvals required or authorized by this Agreement to be given by or on behalf of either party to the other shall be in writing and signed by a duly authorized representative of the party by or on behalf of whom the same are given, and shall be deemed complete at the time sent or delivered in accordance with the requirements of Sections 30.4 and/or 30.5, respectively.
- 30.2 Lease Point of Contact for Authority. The Authority’s Lease administrator shall be the Director of Business Development, who shall communicate and coordinate all matters related to this Agreement through and with Lessee’s designated point of contact. The Director of Business Development can be reached at the office of the Raleigh-Durham Airport Authority, 1000 Trade Drive, P.O. Box 80001, RDU Airport, North Carolina

27623-0001 or to such other place as the Authority may designate by notice to the Lessee in writing.

- 30.3 Lease Point of Contact for Lessee. Initially, the Lessee's Lease administrator shall be the VP Airport Relations & Properties, who shall communicate and coordinate all matters related to this Agreement through and with the Authority's designated point of contact. In the event of a change to Lessee's Lease administrator, Lessee shall provide notice to the Authority of the new Lease administrator with contact information within 30 days of the change.
- 30.4 Notice to Authority. Notices to the Authority shall be addressed to President and CEO at the office of the Raleigh-Durham Airport Authority, 1000 Trade Drive, P.O. Box 80001, RDU Airport, North Carolina 27623-0001, and sent by first class U.S. Postal Service mail properly addressed and postage prepaid, sent by registered or certified mail, return receipt required, or by electronic mail to President@rdu.com or by a generally recognized express delivery service or by hand delivery to the address stated hereinabove or to such other place as the Authority may designate by notice to the Lessee in writing.
- 30.5 Notice to Lessee. Notices to the Lessee shall be sent by first class U.S. Postal Service mail properly addressed and postage prepaid, sent by registered or certified mail, return receipt required, or by electronic mail sent to the email address(es) provided below or by a generally recognized express delivery service. Initially, notices to the Lessee shall be addressed to:

Attention:
Email:

Attention:

and

Attention:
Email:

to such other place or person as the Lessee may designate by notice to the Authority in writing.

Article 31. Employee Parking

- 31.1 It is expected that Lessee shall provide parking on the Leased Premises for all of its employees' personal vehicles. In response to a written request from Lessee, the Authority may, at its option, make available to Lessee space for the parking of some or all of Lessee's employees' personally owned passenger vehicles during the hours of their employment only, and Lessee shall restrict the parking of vehicles owned or used by its employees to such areas as may be designated from time to time by the Authority as shall be described in a written agreement between the parties. The Authority may withdraw the parking

privilege of any employee who occupies any parking space or space other than that designated by the Authority for the use of the Lessee's employees, or fails to park as directed in an application signed by the employee for a permit to park. Lessee is advised and agrees that the Authority may make a reasonable charge for issuing parking stickers, cards or identification to employees of Lessee and may, during the term of this Agreement, make reasonable charges for providing parking space for employees of Lessee.

Article 32. Miscellaneous Provisions

- 32.1 Binding upon Successors. This Agreement, and all of the terms and provisions hereof, shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns.
- 32.2 Governing Law. This Agreement shall be governed by and construed under the laws of the State of North Carolina.
- 32.3 Headings. All headings appearing in the text of this Agreement are inserted and intended solely for convenience of reference. They shall not constitute a part of this Agreement, nor shall they have any effect upon the meaning, construction, effect or intent hereof.
- 32.4 Independent Contractor. The parties mutually agree that Lessee is an independent contractor in all respects and not subject to direction or control by the Authority, except as specified in this Agreement and by Ordinances, rules and regulations adopted by the Authority for the control, operation and regulation of the Airport and its facilities.
- 32.5 Severability. If any provision of this Agreement be declared invalid or unenforceable, the remainder of the Agreement shall continue in full force and effect.
- 32.6 Execution by Electronic Means. The Authority and Lessee agree that the parties may execute this Agreement by manual signatures or by any form of electronic signature that is permitted under the Uniform Electronic Transaction Act as enacted and codified in Article 40 of Chapter 66 of the General Statutes of North Carolina.
- 32.7 Entire Agreement. This Agreement constitutes the entire agreement between the parties as of the date hereof and supersedes all prior and independent agreements between the parties respecting the subject matter of this Agreement and the Leased Premises, whether written or unwritten. Any provisions of prior agreements between the parties which may in any manner conflict with the provisions of this Agreement are hereby specifically declared void and of no effect. This Agreement shall not be amended, altered, modified or otherwise changed except by written instrument duly executed the President and CEO of the Authority and by a duly authorized representative of Lessee.

- NEXT PAGE -

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officials in duplicate originals, one of which is retained by each of the parties, this the day and year first above written.

LESSEE:

By: _____
Title:

LESSOR:
RALEIGH-DURHAM AIRPORT AUTHORITY

By: _____
President and CEO

Approved as to form.

Airport Counsel

Schedule A - Description of Leased Premises

Lessee's Brand Family includes the following rental car brands: [REDACTED].

[REDACTED] is prohibited from operating any other rental car brand name(s) under any other trade name(s) on the Leased Premises.

Service Center Lot 8

The Leased Premises shall consist of and include the Service Center space designated as Lot No. 8 on the drawing entitled "Leased Premises – Advantage Opco, LLC, Lot #8" prepared by the Raleigh-Durham Airport Authority, dated June 8, 2016 and attached to this Agreement and made a part hereof by reference. Said Lot No. 8 contains 1.49 acres and has a gross land area of 64,774.05 square feet. The following brand(s) are authorized to operate on Lot 8:

[REDACTED]

The Leased Premises includes the following improvements:

1. One-story Service Center containing offices, customer service counter and vehicle service area with 3,290.76 square feet of leasable space
2. Vehicular parking areas
3. Area lighting
4. Security fencing
5. Paved vehicular entry/exit driveway
6. Signs
7. Water, sanitary sewer, electric power, natural gas and telephone utilities.

Car Carrier Staging Lot

[To be added by amendment]

Schedule B - Rentals, Fees & Charges

For the use of the Leased Premises and the rights granted to Lessee by the Authority during Term of this Agreement, as specified, Lessee shall pay to the Authority the fees set forth below:

A. Concession Fees.

Lessee shall pay to the Authority Concession Fees for each rental car brand described in Schedule A. If Lessee operates more than one rental car brand, Lessee shall identify and pay Concession Fees separately for each rental car brand. Concession Fees shall be due and payable in accordance with Schedule B, Section H below.

1. Percentage Fee: Percentage Fee shall be [REDACTED] of the Gross Sales as defined in Schedule B, Section B hereinbelow. Lessee shall pay Percentage Fee during each calendar month of the Term of this Agreement. Percentage Fee shall be due and payable to the Authority on or before the 15th day of each calendar month next succeeding the month in which the same shall accrue, including the 15th day of the month next following the month of expiration or other termination of this Agreement. Percentage Fee shall be computed on the total of the Gross Sales received during the month (as defined in Schedule B, Section B below).

B. Definition of "Gross Sales".

The term "Gross Sales", as used in this Agreement and Schedule B hereof, is hereby defined and shall be construed to be the total amount of the dollar value of all sales of merchandise and services and all revenues of every kind, character and description received by Lessee which are derived from, arise out of, or become payable on account of the business done, services performed, and business transactions conducted at or from the Leased Premises by or for the account of Lessee, whether for cash or credit, regardless of when or whether paid, including all orders for merchandise or services taken or sold at or from the Leased Premises and filled or delivered at or from any other place or location. Further, Gross Sales shall mean that the amount shown on the face of the rental agreement equals the revenue for the rental transaction.

1. The "Gross Sales" specifically includes, but is not limited to, the following amounts:
 - (a) Charges for rental or leasing of motor vehicles pursuant to daily or time charges and/or mileage;
 - (b) All revenue derived from any current or future fee or charge in connection with the rental or delivery of automobiles to customers by Lessee at or from the Leased Premises shall be included in Gross Sales unless such fee or

charge has been expressly and particularly excluded from the definition of Gross Sales under the terms of this Agreement;

- (c) All revenue that may be derived from sources similar, but not identical to those described herein shall be included in Gross Sales, expressly including revenue from the retail sale of rental vehicles from the Leased Premises;
- (d) Premiums charged or collected on account of the purchase of personal accident insurance by customers of Lessee;
- (e) Revenue arising out of or collected on account of charges made by Lessee to its customers in return for which Lessee agrees to waive its rights to recover from said customers for damage to rental automobiles, otherwise known as collision damage waiver (CDW) and or loss damage waiver (LDW) charges;
- (f) Revenue arising out of Lessee's attempt to recover its costs of operating under this Agreement through a concession fee recovery process; and
- (g) Charges for rental of accessories including, but not limited to, mobile and/or cellular telephones, infant and/or child seats, facsimile machines, satellite radio service, and Global Positioning System (GPS) equipment;
- (h) "One Way Fees", drop charge fees, intercity fees or similar fees;
- (i) Revenue from the sale of fuel or petroleum products charged upon the return of a rented vehicle;
- (j) Any charge or fee for a customer's late return of a rental vehicle beyond the return date and time stated in the rental contract and/or beyond any "grace period" provided to the customer by Lessee;
- (k) Fees charged to a customer and retained by Lessee for the customer's use of a rental vehicle contrary to the terms of the vehicle rental contract including, but not limited to, speeding, driving under the influence of an intoxicant or controlled substance, taking the vehicle out of state or otherwise out of an approved area as defined in that contract, regardless whether the customer is arrested, cited or otherwise penalized by law enforcement authorities for such conduct;
- (l) Any additional charge or fee for a driver who is either under the age of twenty-five (25) years or any similar age which Lessee might establish for the imposition of such fee, or over some age which Lessee might establish for the imposition of such fee;

- (m) Any additional charge or fee imposed for allowing two (2) or more persons to drive the rental vehicle;
- (n) All revenue from rental car activities and/or from the sale of merchandise and other services originating either directly or indirectly from the conduct by Lessee of a rental car business at or from any place or location, other than the Leased Premises, within five (5) miles of the most closely proximate passenger terminal building on the Raleigh-Durham International Airport.

2. Excluded from “Gross Sales” shall be the following amounts:

- (a) North Carolina Sales Taxes and any other Federal, State or municipal sales, excise or other similar taxes which are separately stated to and paid or payable by customers of Lessee, now or hereafter levied or imposed;
- (b) The amount of any cash or quantity discounts received by Lessee from sellers, suppliers or manufacturers;
- (c) The dollar value of bona fide refunds or credit granted customers of Lessee for the actual return of merchandise, supplies, equipment or services;
- (d) Receipts from the sale by Lessee of uniforms or clothing to employees of Lessee where such uniforms or clothing are required to be worn by such employees;
- (e) Receipts from the sale or trade-in value of automobiles and any equipment, materials or supplies used by Lessee on the Leased Premises, except that receipts from the retail sale of automobiles on or from the Leased Premises by Lessee shall not be excluded;
- (f) Any sums received from insurance or otherwise for damage to automobiles or other property of Lessee or for loss, conversion or abandonment of such automobiles;
- (g) Customer coupons and/or discounts when taken before or at the time of rental; provided, however, that Lessee may not exclude customer or corporate volume discounts applied retroactively after the time of rental, nor any discount or similar benefit accrued or provided in relation to any credit card discount or other special or promotional program;
- (h) The dollar value of any amounts received as payment for the actual amount of red-light tickets, parking tickets, other governmental fines and fees, tolls, towing and impounded vehicles; and

(i) Customer Facility Charges proceeds.

3. Deductions for Bad Accounts. No deduction shall be made by Lessee from “Gross Sales” for bad accounts.

C. Service Center Facility Rent. Lessee shall pay to the Authority as Service Center Facility Rent for the period beginning on the Commencement Date the sum of [REDACTED] per month at the rate of [REDACTED] per year, per square foot of Service Center building described in Schedule A above, due and payable in advance, without notice or demand, and the same amount due and payable in advance without notice or demand on the first day of each succeeding calendar month thereafter through the 1st day of the last month of the term of this Agreement. The monthly amount of the Service Center Facility Rent is subject to adjustment as provided herein. The per square foot rate for Service Center Facility Rent will increase by three percent (3.0%) annually during the Term with the first increase taking effect on April 1, 2024.

D. Service Center Service Fees.

1. Service Center Ground Rent. Lessee shall pay to the Authority as Service Center Ground Rent for the period beginning on the Commencement Date the sum of [REDACTED] per month at the rate of [REDACTED] square foot of Service Center ground area per year, payable in advance without notice or demand, and the same amount on the first day of each succeeding calendar month thereafter throughout the Term of this Agreement. The monthly amount of the Service Center Ground Rent is subject to adjustment as provided herein. The per square foot rate for Service Center Ground Rent will increase by three percent (3.0%) annually during the Term with the first increase taking effect on April 1, 2024.

2. Service Center Maintenance and Operations. Maintenance, repair and operating costs on which the Service Center Maintenance and Operations charge is based shall include the direct expenses of fire and extended coverage insurance, including payment of claims within the loss deductible, law enforcement, emergency services, electrical power for area lighting, maintenance/repair of all public paved areas, sewer and water, facilities, systems and grounds, or parts thereof for which the Authority is responsible, the cost of conducting periodic inspections to ensure compliance with the Preventative Maintenance Program, and other direct complex expenses and pro-rata indirect costs of Airport operation and management reasonably allocated by the Authority to the rental car complex. The sum of [REDACTED] per square foot of Service Center ground area per year, payable in advance without notice or demand at the same time the Service Center Ground Rent becomes due and payable, beginning on the DBO of the Leased Premises defined in Article 3, Paragraph 3.1 hereof, and continue on the first day of each succeeding calendar month thereafter through the Term of this Agreement; subject, however, to the provisions of Subparagraph 5 below.

3. During the development and construction phases for the improvement of the existing facilities as described in Section 2.2 of the Agreement, the Authority will add to the monthly Service Center Maintenance and Operations charge an amount necessary to reimburse the Authority for the cost of reviewing plans and specifications and the cost of periodic inspection of Lessee's improvements during construction to assure compliance with the approved plans.
4. Services rendered to Lessee by the Authority at the request of Lessee shall be the actual cost of labor, equipment, parts, supplies and other itemized charges invoiced to the Authority and/or the direct cost to the Authority of its labor, materials and customary equipment use charges employed in rendering such services, plus a fifteen percent (15.0%) administrative charge, the total of which shall be due and payable by Lessee within thirty (30) days following Lessee's receipt of the Authority's invoice therefore.
5. The service fees for Maintenance and Operations are subject to periodic adjustment by the Authority upon written notice to Lessee to reflect the then current cost of providing such services to Lessee.

E. Car Carrier Staging Lot Fees. [Subject to Activation at the Discretion of the Authority]

1. Car Carrier Staging Lot Ground Rent. Beginning on the date that a Car Carrier Staging Lot assigned by the Authority to Lessee has been approved by the Authority for use by Lessee, the sum of \$_[to be determined]_ per month, computed at the same rate per square foot as the then current Service Center Ground Rent rate, shall be applied to the Car Carrier Staging Lot ground area per year, payable in advance without notice or demand, on the first day of each succeeding calendar month thereafter throughout the Term of this Agreement. Car Carrier Staging Lot Ground Rent will be adjusted at the same time and in the same manner as Service Center Ground Rent is adjusted as provided in Schedule B, Section D.1. above. Should the Car Carrier Staging Lot Ground Rent begin on any day other than the first day of the calendar month, then the Car Carrier Ground Rent due and payable for that month shall be prorated from that specified for the calendar month in the proportion that the number of days remaining in the month bears to the total number of days in the month.
2. Car Carrier Maintenance and Operations. Maintenance, repair and operating costs on which the Maintenance and Operations charge is based shall include the direct expenses of fire and extended coverage insurance, including payment of claims within the loss deductible, law enforcement, emergency services, electrical power for area lighting, maintenance/repair of all public paved areas, sewer and water, facilities, systems and grounds, or parts thereof for which the Authority is responsible, other direct complex expenses and pro-rata indirect costs of Airport operation and management reasonably allocated by the Authority to the rental car complex. Should the Car Carrier Staging Lot Ground Rent begin on any day other than the first day of the calendar month, then the Car Carrier Maintenance and

Operations Fee due and payable for that month shall be prorated from that specified for the calendar month in the proportion that the number of days remaining in the month bears to the total number of days in the month. The sum of \$ _____ per month, computed at the rate of \$ _____ per square foot of Car Carrier ground area per year, and the sum of \$ _____ per month, payable in advance without notice or demand at the same time the Car Carrier Ground Rent becomes due and payable, on the first day of each succeeding calendar month thereafter through the Term of this Agreement; subject, however, to the provisions of Subparagraph 4 below.

3. Services rendered to Lessee by the Authority at the request of Lessee shall be the actual cost of labor, equipment, parts, supplies and other itemized charges invoiced to the Authority and/or the direct cost to the Authority of its labor, materials and customary equipment use charges employed in rendering such services, plus a fifteen percent (15.0%) administrative charge, the total of which shall be due and payable by Lessee within thirty (30) days following Lessee's receipt of the Authority's invoice therefore.
4. The service fees for Maintenance and Operations are subject to periodic adjustment by the Authority upon written notice to Lessee to reflect the then current cost of providing such services to Lessee.

F. Security Deposit. Lessee shall deposit with the Authority, and continuously maintain throughout the term of this Agreement, a Security Deposit in the amount of _____ which shall equal approximately ninety (90) days Concession Fees, ground rent and maintenance and operations fees. The Security Deposit must be in the form of an irrevocable Letter of Credit ("LC"), a surety bond or cash, when permitted in the sole discretion of the Authority. A Security Deposit in the form of a LC or bond must be drawn on a bank, insurance or other financial institution acceptable to the Authority and shall be in a form acceptable to the Authority. The Security Deposit shall be subject to annual increases or decreases each Lease Year and shall be adjusted at the same time each year. Lessee shall have thirty (30) days after receipt of the new Security Deposit amount to adjust the Security Deposit by amending the LC, bond or, when permitted, the amount of cash on hand with the Authority. The Security Deposit shall secure Lessee's full and faithful performance and observance of all of Lessee's obligations under this Agreement and under any other written agreement between Lessee and the Authority specifically referring to this Security Deposit. The Security Deposit shall not be considered to be held in trust by the Authority for the benefit of Lessee, and shall not be considered an advance payment of Rent or a measure of the Authority's damages in the case of an Event of Default by Lessee. The Authority may, but shall not be obligated to, draw upon and apply the Security Deposit to: (a) pay any Rent or Additional Rent not paid on or before the date it is due and the Authority shall not be required to give notice or opportunity to cure before drawing on the Security Deposit; and/or (b) remedy any other violation of this Agreement, after Lessee has received notice and opportunity to cure as provided in Article 13. Default of this Agreement. Further, the Authority may draw down the entire Security Deposit immediately, without notice to Lessee, upon receipt of a notice of non-renewal of the Letter of Credit or surety bond. If the Authority applies any of the Security Deposit to any of the above, Lessee shall,

immediately upon demand, replenish the Security Deposit to its full amount. If Lessee fully performs all of its obligations under this Agreement, the Security Deposit, or any balance remaining, will be released within thirty (30) days from the expiration date or termination of this Agreement and delivery of the Leased Premises to the Authority. However, if any question exists concerning Lessee's full compliance with the Agreement or if there is any obligation under this Agreement to be performed after the expiration date or earlier termination of this Agreement, the Authority shall be entitled to require that the Security Deposit remain in place until the Authority is fully satisfied that there has been no violation of the Agreement and all obligations due under this Agreement have been fully performed, even if it takes the Authority longer than ninety (90) days to make such a determination to the Authority's satisfaction.

G. Advertising and Customer Invoices.

1. Concession Recovery Fee: Lessee acknowledges that the payments by Lessee to the Authority under this Agreement are for Lessee's use of the facilities at the Airport, and that none of those payments reflects a fee that is imposed by the Authority upon customers renting cars from Lessee. Lessee understands that the Authority does not support the practice of transferring Lessee's obligations for payment of operating fees and rent due herein to its customers. Lessee is prohibited from identifying any surcharge Lessee may impose on customers as a tax, concession fee, access fee or any other type terminology that is misleading and/or implies the fee is imposed by any entity other than Lessee. Lessee may only identify such surcharges as a "concession fee recovery" or "concession fee recoupment". Any charges made by Lessee on its customers in an attempt to recover its costs of operating under this Agreement must appear adjacent to the time and mileage charges, and shall not exceed eleven and eleven one-hundredths percent (11.11%) of the amount charged by Lessee to its customer without including any such recovery charge. All revenues generated from such charges are included in Gross Sales. Lessee is prohibited from stating or implying, in writing or verbally, that the Airport or Authority imposes or approves of any such direct charge to a customer.
2. Advertisement of Fuel Prices: Lessee shall prominently post, in an area easily read by customers before they sign a rental agreement, a statement of gasoline prices charged by Lessee if a customer returns a car without a full tank of gas. If Lessee charges for gasoline at different rates depending upon the customer's election among alternative plans, Lessee shall display all of the rates and shall include in the display a legible and easily read explanation of when each rate applies.

H. Monthly Reports and Payments. Lessee shall prepare and deliver to the Authority via email at SalesReport@rdu.com by or before the 5th day of each calendar month, beginning with the 5th day of the month next following Lessee's occupancy of the Leased Premises, and continuing thereafter through and including the month next following the expiration, or earlier termination of this Agreement, a preliminary complete and accurate statement in writing setting forth in reasonable detail the Gross Sales during the preceding month from its business operations at, within, or from the Leased Premises and those originating either

directly or indirectly from the conduct by Lessee of a rental car business at any other place or location within five (5) miles of the most closely proximate passenger terminal building of the Raleigh-Durham International Airport.

In addition, Lessee shall prepare and deliver to the Authority at the payment location stated below in Section H.2 by or before the 15th day of each calendar month, beginning with the 15th day of the month next following Lessee's occupancy of the Leased Premises, and continuing thereafter through and including the month next following the expiration, or earlier termination, of this Agreement, a complete, accurate and signed statement in writing setting forth in reasonable detail the Gross Sales during the preceding month from its business operations at, within, or from the Leased Premises and those originating either directly or indirectly from the conduct by Lessee of a rental car business at any other place or location within five (5) miles of the most closely proximate passenger terminal building of the Raleigh-Durham International Airport, and payment of the balance due for the previous month's Percentage Fee, if the Percentage Fee due to the Authority exceeds the monthly MAG previously paid.

1. Monthly Statement: The Monthly Statement shall show: 1) Lessee's entire Gross Sales during the preceding month in the form attached as **Exhibit 2** as specified in Schedule B, Paragraph H above, 2) the total amount of North Carolina Sales Taxes paid or payable on account of said business operations, 3) the number and dollar amount of all refunds and credits for return of merchandise, supplies, equipment or services, if any, made during such period, 4) any other deductions from the Gross Sales which are claimed by Lessee according to the provisions of this Agreement, 5) a listing of the number of rental transactions, rental transaction days, and average rental price occurring during the calendar month. Each statement shall be signed by a principal officer of Lessee and, upon request by the Authority, certified under oath. These items shall be submitted by Lessee to the Authority even if no Percentage Fee is due for the preceding month.
 2. Payment Location: A signed, original copy of the Monthly Statement and the monthly Percentage Fee payment shall be submitted to the Authority by mail to: Raleigh-Durham Airport Authority, PO Box 63240, Charlotte, NC 28263-3240. The Authority may, at any time upon written notice to Lessee, require Lessee to change the timing of the Monthly Statement and/or Rent Due Date, or modify the form of the Monthly Statement.
 3. Electronic Payments: Authority shall also have the option of having some or all Rents and Charges made by automatic deposit (ACH) or other electronic method, at the Authority's discretion. All sums shall be made in lawful money of the United States of America.
- I. Records. During the Term of this Agreement and for a period of three (3) years after termination of this Agreement, Lessee shall maintain and keep at the Leased Premises or such other location approved by the Authority full, complete and accurate permanent records and accounts of 1) all sales of merchandise and services, 2) all sums of money received or payable for, on account of, or arising out of the business and all business

transactions conducted at or from the Leased Premises by or for the account of Lessee, for each day of the Term of this Agreement, and 3) all records of Lessee with respect to the CFCs charged and collected, including all bank accounts and merchant accounts through which CFCs are charged or into which the CFCs are deposited, transferred or held at any time and may conduct the audit during normal business hours. All of such records and accounts, and all supporting documents and information, including, but not limited to, copies of North Carolina Sales Tax reports, invoices, sales slips, customer credit records, cash register tapes and other related papers, shall be open to inspection and audit by the Authority and its duly authorized agents or representatives at all reasonable times during ordinary business hours, and, upon written request of the Authority, shall be delivered to the office of the Authority for inspection and audit. All of such records and accounts, and all supporting documents and information shall be available for inspection and audit or delivered to the office of the Authority within ten (10) business days of the Authority written request. If the records are not delivered to the Authority or made available to the Authority locally in a timely manner, then the Authority may send an auditor to inspect the records at an alternate location, and Lessee shall pay the Authority auditor's expenses incurred to travel to the place where the records are being kept.

- J. Audit. The Authority may audit Lessee's books and records at any time to verify compliance with this Lease. The Authority may use its own staff to perform audits under this Section, or may engage an independent certified public accountant to perform the audits. If an audit reveals that Lessee has understated its Gross Receipts by three percent (3%) or more, the entire reasonable expense of the audit shall be borne by Lessee. In any case, Lessee shall immediately pay any additional amounts that the audit determines are due to the Authority, with interest at the Authority's then prevailing Delinquency Charge. Interest shall accrue from the date the Rent was due under this Lease. Additionally, if requested in writing by the Authority, Lessee shall also provide the Authority with an audit of all CFCs charged and/or collected by Lessee, including all bank accounts and merchant accounts through which CFCs are charged or into which the CFCs are deposited, transferred or held at any time.
- K. Reporting and Payment Compliance. The charging of interest, fees or penalties by the Authority or the payment thereof by Lessee pursuant to the provisions of this Paragraph shall not constitute: (i) an extension of time for the payment of any amount due to be paid by Lessee pursuant to this Agreement; (ii) constitute or be interpreted to be a loan by the Authority to Lessee of any amount due to be paid by Lessee pursuant to this Agreement; (iii) constitute a waiver by the Authority or relieve Lessee of any default in the payment of any amount due to be paid by Lessee pursuant to this Agreement; and/or (iv) affect in any manner the right of the Authority to exercise any and all remedies available to it under the terms of this Agreement or by operation of law. The Authority may accept late or partial payments, even though marked or designated as "payment in full" or words of similar import, without accepting or treating any such payment of less than the entire amount due as payment as full, and without waiving, compromising, or settling any of its rights pursuant to the provisions of this Agreement.

1. Delinquent Rent Payment: If Lessee is more than ten (10) days delinquent in paying to the Authority any Ground Rent, MAG Rent, Percentage Fee or other monthly rents and charges of any kind (hereinafter "Rents and Charges") owed to the Authority under this Agreement, Lessee shall pay to the Authority a Late Payment Charge equal to four percent (4.0%) of the delinquent amount and shall also pay a Delinquency Charge at the Authority's then prevailing Delinquency Rate as further defined below, and which shall accrue from the date the Rents and Charges are due until paid.
2. Delinquency Rate: All Rents and Charges shall incur a "Delinquency Charge" at the rate of eighteen percent (18%) per annum or the maximum rate of interest allowed by law, whichever is less (the "Delinquency Rate"), from the date such Rents and Charges are due until same are paid in full. The Delinquency Rate is subject to periodic change by the Authority. No change in the Delinquency Rate shall occur, however, without at least thirty (30) days prior written notice to Lessee. Imposition of a Delinquency Charge shall not constitute a waiver of any other remedies available to the Authority for failure to timely pay Rents and Charges.
3. Delinquent Monthly Statement: If Lessee is delinquent for ten (10) days or more in furnishing to the Authority any of the Monthly Statements required under this Agreement, Lessee shall pay the Authority, in the addition to the delinquency rate, a One Hundred Dollar (\$100.00) late fee per delinquent Monthly Statement, for each month or partial month that the Monthly Statement is delinquent, as liquidated damages for the additional administrative costs incurred by the Authority in processing, reviewing, and demanding the delinquent Monthly Statement.
4. Returned Checks: If Lessee's check for payment of Rents and Charges due under this Agreement is returned to the Authority for any reason, the payment shall be considered not to have been made and shall be delinquent. In addition to the Delinquency Charge and Late Fee set forth in Schedule B, Paragraph K, the Authority may charge Lessee a returned check fee of One Hundred Dollars (\$100.00) per returned check. The Delinquency Charge shall continue to accrue until the returned check fee is paid, the check is replaced and the funds are received by the Authority.
5. Remedies Non-exclusive: The remedies provided by this Schedule B, Paragraph K are in addition to all other rights and remedies that the Authority may have for a breach or violation of this Agreement. Nothing in this Section shall be deemed to be a waiver by the Authority for any breach or violation or to estop the Authority from terminating this Agreement or from asserting any other of its other rights or remedies under this Agreement or at law or in equity. Nothing contained herein shall be construed to require the Authority to accept late Rents and Charges. Acceptance of full or partial payment of delinquent Rents and Charges shall not constitute a waiver of any of the Authority's other rights and remedies under Article 12. Default of this Agreement.

6. Annual Report: On or before July 1 of each Lease Year, Lessee shall furnish an Annual Report (“Annual Report”) to the Authority audited by an independent certified public accounting firm. The accounting firm shall attest that the Rents, Fees and Charges paid by Lessee during the preceding Lease Year was properly calculated and paid, and that all information included in the Annual Report is complete, accurate and correctly calculated. The Annual Report shall contain a Statement of Gross Sales, Part A and Part B, which shall be in the form attached as **Exhibit 3**. The Statement of Gross Sales shall contain a complete, monthly itemized statement of Lessee's: (a) total Gross Sales listed by brand as shown on the books and records of Lessee, that were used to compute Percentage Fee during the period covered by the Statement of Gross Sales; (b) the total Percentage Fee due; (c) the total amount paid; and (d) the total number of rental transactions, rental transaction days, and average rental price for each month of the lease year. In the event the Annual Report reveals an error in Rent payment that equals or exceeds 3% of Rent due, the MAG and Security Deposit shall be recalculated by the Authority. The new MAG and Security Deposit shall become effective immediately upon written notice to Lessee. In addition, the Annual Report shall contain a CFC Annual Transaction Report, which shall be in the form attached as **Exhibit 4**, and shall contain a complete itemized statement of: (a) all CFC collected or that should have been collected, (b) transactions, and (c) transaction days.
7. Delinquent Annual Report: If Lessee is delinquent for ten (10) days or more in furnishing to the Authority any Annual Reports required under this Agreement, Lessee shall pay the Authority, in addition to the Delinquency Rate, a One Hundred Dollar (\$100.00) late fee for the delinquent Annual Report, for each month or partial month that the Annual Report is delinquent, as liquidated damages for the additional administrative costs incurred by the Authority in processing, reviewing, and demanding the delinquent Annual Report.
8. Annual Adjustment: The Annual Report will be used to determine whether Lessee owes the Authority additional Rent or is entitled to a refund from the Authority. If Lessee has paid Rent in excess of the greater of the annual MAG amount or the annual Percentage Fee, then the excess Rent paid shall be applied towards any outstanding Rents, Fees and Charges. The Authority may refund the remaining credit amount due or may issue a credit memo for such amount that Lessee may then apply toward Lessee's next Rent payment(s) due under this Agreement. If the Agreement terminates before all credit has been given, the balance will be refunded to Lessee after final audit of the lease.
9. Rents, Fees and Charges: The term Rents, Fees and Charges as used herein includes all rent payments required to be paid by Lessee under this Agreement, including Ground Rent, MAG and Percentage Fee, and also includes all other sum payable hereunder including, but not limited to, Maintenance and Operation charges, AVI Charges, Delinquency Charges, Returned Check Fees, Late Fees, Liquidated Damages, car carrier fines, all other fees incurred by Lessee as a result of operating

under this Agreement, and all other sums paid by the Authority on behalf of Lessee pursuant to this Agreement.

10. **Cost of Enforcement, Collection and Attorneys' Fees:** Any and all costs, expenses, and attorneys' fees incurred by the Authority in enforcing Lessee's compliance with the terms of this Agreement and/or collecting any Rents, Fees or other amounts due the Authority hereunder shall be added to amounts due the Authority and shall be immediately due and payable upon written notice from the Authority to Lessee of the basis of the charges and of the amount due.

Schedule C - Use of Leased Premises and Prohibited Activities

1. Lessee may use the Leased Premises described and identified in Article 2 and more fully described in Schedule A to provide automobile rental service at Raleigh-Durham International Airport and to arrange such service for travelers and the general public using the Airport for destinations where automobile rental service is furnished by Lessee or by licensees of Lessee's licensor.
2. Lessee may advertise its presence and its offering of automobile rental service on the rental car call board in the baggage claim section of each terminal if arranged with the in-terminal advertising concessionaire.
3. Lessee may use the Leased Premises as a Service Center and to provide offices for its business operations on the Airport and for rental to and check-in from customers of its automobiles.
4. Lessee may use the Service Center to perform minor maintenance on and wash and store automobiles and other passenger motor vehicles comprising Lessee's Airport rental fleet and passenger vans or busses used to transport Lessee's customers and employees.
5. Lessee may use the Service Center to store motor fuel, oil and lubricants used in Lessee's automobile rental business at the Airport, but only in full compliance with applicable Laws and Airport rules and regulations. Lessee's use of the Leased Premises for the purposes set forth in this paragraph is preconditioned upon Lessee's compliance with Subparagraph 7.3(a) of this Agreement.
7. Lessee's right to operate an automobile rental business at the Airport as granted in this Agreement shall not be construed as an exclusive right. The Authority shall and does have the right to deal and contract with any other person(s) or entity(ies) for the provision of like or similar activities at the Airport, as it is doing at the date of this Agreement and may do so at any time hereafter. However, the Authority shall not enter into an agreement(s) with any such person(s) or entity(ies) granting more favorable terms or conditions than those contained herein except in the case of any agreement(s) which may be entered into with a disadvantaged (minority and female) business enterprise(s) as defined by the federal government.
8. Customer Shuttle Service. Lessee shall have the right to operate on the Airport, at its sole expense and using either its own employees or a contract provider of such service, passenger vans or busses for the sole purpose of transporting its customers and employees between its Service Center and the Airport's passenger terminal buildings; PROVIDED, HOWEVER, that such vehicles shall be operated fully in compliance with the AVI Policy and Procedures as amended, and all other rules and regulations for said operation from time to time prescribed by the Authority; and FURTHER PROVIDED that if the CONRAC becomes operational during the Term of the Lease, the Authority's grant of the right to

operate a customer shuttle service may be withdrawn upon written notice from the Authority.

- (a) It is the goal of the Authority to reduce emissions and to reduce roadway congestion. To that end, the Authority strongly encourages Lessee to reduce the size of its passenger vans or busses to a size that corresponds with its current ridership. The passenger capacity, including the driver, of such vehicles shall be subject to the written approval of the Authority prior to such vehicles being placed in service.
 - (b) If Lessee operates more than one branded rental car concession on the Airport, Lessee may use the same passenger vans or busses to transport customers from more than one of its on-Airport brands; provided that the passenger vans or busses must be dual-branded such that the paint and color scheme reflect each rental car brand served.
 - (c) Such passenger vans or busses operated by Lessee shall discharge and pick up customers and employees only within the marked limits of the courtesy vehicle loading and unloading zones in front of each passenger terminal building, shall stop and stand (but not park) in said zones only so long as is required to discharge and pick up those customers and employees waiting on the sidewalk adjacent thereto, and shall promptly obey the directives of the Authority's law enforcement and traffic control officers at all times while being operated on the Airport.
 - (d) No additional rent shall be payable to the Authority by Lessee on account of its operation of such transportation service, nor shall any charge for such service be made by Lessee to its customers and employees.
 - (e) The passenger vans or busses operated by Lessee for such purpose shall be maintained in safe condition, good repair, clean, properly licensed and operated by trained and licensed drivers at all times while in service. Any such van or bus failing to meet such standards shall be promptly removed from service and the defect(s) of whatever nature fully corrected before the vehicle is returned to service.
9. Car Carrier Operations. Lessee may be granted the right to use designated areas of the public roadway to load and unload vehicles from car carriers, when loading and unloading cannot be accomplished on the Leased Premises. However, the Authority reserves the right to deny Lessee the use of any and all public roadways for the purpose of loading and unloading car carriers. Lessee is at all times responsible for the operations of car carriers serving Lessee including, but not limited to, ensuring car carrier operators park in designated parking areas only, remediation of any spills or environmental damage caused by the car carrier and/or operator, and ensuring vehicle loading/unloading and transportation between the car carrier and the Leased Premises is conducted in a safe and orderly manner. Car carriers may be limited to loading and unloading in areas leased to Lessee that are designated for such purposes and which may be an area designated for use by some or all rental car tenants. Any violation of the restrictions on parking, loading and

unloading car carriers will result in a fine of \$250 imposed on Lessee for each violation by a carrier transporting Lessee's vehicles, and, in addition, such other fines and penalties as may be imposed on Lessee or on the car carrier operator under the Authority's parking and traffic ordinances or other regulations. Such fines will be deemed to be additional fees and charges under this Agreement and shall be due and payable on the first day of the following month at the same time and in the same manner as Ground Rent and other fees and charges.

10. Lessee shall have the right to engage in the bona fide wholesale sale of used rental automobiles to used car dealers duly licensed by the State of North Carolina at or from the Service Center without the amount of such sales being included in the Gross Amount of Sales as herein defined. However, the right to engage in the retail sale of automobiles at or from the Leased Premises or any part thereof is not granted in or under this Agreement, nor shall any interpretation hereof be so construed as to confer any such right upon Lessee.
11. Lessee is prohibited from engaging in any of the following activities at Raleigh-Durham International Airport:
 - (a) The retail sale of automobiles at or from any part of the premises;
 - (b) The rental of box, cargo or similar trucks, excluding SUVs and up to pick-up trucks for personal use;
 - (c) Short and/or long-term parking, whether free or for a fee;
 - (d) Valet-style customer transportation to and from the terminals or any other area on the Airport for drop-offs or pick-ups, unless such transport is provided in compliance with a specific VIP transport service approved in writing by the Authority;
 - (e) All other activities not specifically approved in the lease.

Schedule D - Insurance Requirements

Lessee shall procure and maintain in full force and effect at all times during the term of this Agreement, at its sole cost and expense, the following insurance coverages with the minimum limits set forth. Lessee shall provide the Authority with policy endorsements and other documentation as required by Section 18 of the lease, including without limitation certificate(s) of insurance evidencing insurance coverage of the following types and within the minimum limits specified below for the Authority's review and acceptance:

A. Commercial General Liability and Property Damage

\$1 million per occurrence

\$2 million aggregate

Including Damage to Premises Rented to 'You' of not less than \$1 million

B. Commercial Auto Liability

\$1 million combined single limit

C. Umbrella Excess Liability

Excess coverage on insurance required in (A) and (B) above in the amount of \$5,000,000.

D. Workers Compensation Employers Liability

\$1,000,000/\$1,000,000/\$1,000,000 bodily injury by accident or disease

E. Workers Compensation

Such coverage as is required by law.

F. Fire and Extended Coverage

Lessee shall provide insurance coverage for all buildings erected and improvements and betterments made to the Service Center Leased Premises by Lessee during the term of this Lease, for the benefit of the Authority, Lessee and any assignee of Lessee as their interests may appear, against loss from fire and loss from other casualty for one hundred percent (100%) of the full replacement cost of said buildings, improvements and betterments.

F. Contractual Liability \$500,000 per occurrence

G. Environmental Liability \$1,000,000 per occurrence

If Lessee satisfies the financial requirements set forth at 40 C.F.R. § 280.95, as adopted at 15A NCAC § 2N.0300, Lessee shall be exempted from the requirements of Items "F" (Contractual Liability) and "G" (Environmental Liability).

Schedule E - ACDBE Activity Report

Sample form attached. Lessee must complete the electronic version of this form, which shall be provided by the Authority.

**AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE)
 ACDBE ACTIVITY REPORT**
(Use additional sheets as necessary, for each car rental agency)

Reporting Period: October 1, 20____ to September 30, 20____

Concessionaire Name: Click here to enter text.	Operating As (if different): Click here to enter text.
Contact Person: Click here to enter text.	Mailing Address: Click here to enter text.
Contact Telephone: Click here to enter text.	Click here to enter text.
Contact E-mail: Click here to enter text.	Concession Type: Click here to enter text.

Concessionaire's Gross Receipts (October 1, 20____ to September 30, 20____)
 \$ _____

DBE VENDOR NAME (1)	Description of ACDBE Services or Goods Supplied (indicate fleet purchases, if applicable)	Total Dollar Value of Purchases/ Services
<i>(1) Enter corresponding contact information on VENDOR PROFILE</i>		
Sample Vendor of Goods		\$ 500.00
Total ACDBE Purchases/Services		\$

 Signature of authorized representative / Date

 Phone

 Print name of authorized representative

Vendor Profile
 (Complete one profile for each vendor listed above)

Vendor Name: Click here to enter text.	Contact Name: Click here to enter text.
Mailing Address: Click here to enter text.	Service Type: Click here to enter text.
Contact Telephone: Click here to enter text.	Contact Telephone: Click here to enter text.
Certification Status: <input type="checkbox"/> Pending <input type="checkbox"/> Certified <input type="checkbox"/> Unknown	Certification Agency: Click here to enter text.
Certification Code: <input type="checkbox"/> African American <input type="checkbox"/> Asian-Pacific Americans <input type="checkbox"/> Hispanic American	<input type="checkbox"/> Subcontinent Asian Americans <input type="checkbox"/> Non-minority Female <input type="checkbox"/> Other

Vendor Profile
 (Complete one profile for each vendor listed above)

Vendor Name: Click here to enter text.	Contact Name: Click here to enter text.
Mailing Address: Click here to enter text.	Service Type: Click here to enter text.
Contact Telephone: Click here to enter text.	Contact Telephone: Click here to enter text.
Certification Status: <input type="checkbox"/> Pending <input type="checkbox"/> Certified <input type="checkbox"/> Unknown	Certification Agency: Click here to enter text.
Certification Code: <input type="checkbox"/> African American <input type="checkbox"/> Asian-Pacific Americans <input type="checkbox"/> Hispanic American	<input type="checkbox"/> Subcontinent Asian Americans <input type="checkbox"/> Non-minority Female <input type="checkbox"/> Other

Vendor Profile
 (Complete one profile for each vendor listed above)

Vendor Name: Click here to enter text.	Contact Name: Click here to enter text.
Mailing Address: Click here to enter text.	Service Type: Click here to enter text.
Contact Telephone: Click here to enter text.	Contact Telephone: Click here to enter text.
Certification Status: <input type="checkbox"/> Pending <input type="checkbox"/> Certified <input type="checkbox"/> Unknown	Certification Agency: Click here to enter text.
Certification Code: <input type="checkbox"/> African American <input type="checkbox"/> Asian-Pacific Americans <input type="checkbox"/> Hispanic American	<input type="checkbox"/> Subcontinent Asian Americans <input type="checkbox"/> Non-minority Female <input type="checkbox"/> Other

Schedule F - Campus Plan & Facility Assessment

Attachment

Schedule G - Maintenance Checklist

Attachment



TENANT PREVENTIVE MAINTENANCE CHECKLIST

Facility Name: _____
 Facility Address: _____
 Reporting Period: _____

Submit Report **Semiannually To:**
 Raleigh-Durham Airport Authority
 Business Development Department
 P.O. Box 80001
 RDU Airport, NC 27623
 tel: (919) 840-7700
 fax: (919) 840-0175

Instructions: Review each item below for: 1. Condition 2. Operation 3. Integrity	Required frequency of inspection				Check "Acceptable" or "Repair(s) Needed" box below	Date item was repaired (leave blank if repairs are not needed). Provide description of repair on last page	Initials of person performing the inspection	Date item was inspected
	1 Month	3 Months	6 Months	1 Year				
Shell								
Booths at Lot Entrance / Exit			X					
Exterior Man Doors			X					
Exterior Roll Up Doors			X					
Metal Panels				X				
Paint			X					
Roof				X				
Roof Drains			X					
Roof Penetrations			X					
Storefront				X				
Windows				X				
Canopy								
Canopy Roof Drains			X					
Exposed Steel			X					
Paint			X					
Panels				X				
Roof				X				
Interior								
ACT Ceilings			X					
Base			X					
Carpet			X					
Casework / Millwork			X					
Ceramic Tile			X					



RALEIGH-DURHAM AIRPORT AUTHORITY

1000 Trade Drive
P.O. Box 80001
RDU Airport, NC 27623

Instructions: Review each item below for: 1. Condition 2. Operation 3. Integrity	Required frequency of inspection				Check "Acceptable" or "Repair(s) Needed" box below		Date item was repaired <i>(leave blank if repairs are not needed).</i> Provide description of repair on last page	Initials of person performing the inspection	Date item was inspected	
	Building Element	1 Month	3 Months	6 Months	1 Year	Acceptable	Repair(s) Needed	Date Repaired	Inspected By: (Initials)	Date
Furniture			X							
Gypsum Board Ceilings			X							
Interior Doors			X							
Paint			X							
VCT			X							
Walls (condition)			X							
Restrooms										
Ceilings			X							
Ceramic Tile			X							
Paint			X							
Toilet Partitions			X							
Walls (condition)			X							
Mechanical Equipment										
Diffusers		X								
Filters	X									
Gas Unit Heaters			X							
Heat Pump			X							
Intake (Unobstructed)		X								
Packaged A/C Units			X							
Piping & Insulation to A/C Units			X							
Thermostats (functional)		X								
Plumbing										
Backflow preventers (annual test)				X						
Fire Suppression Systems (Sprinklers & Fire Extinguishers)	X									
Floor Drains			X							
Insulation Kits on HC Sinks			X							
Oil / Water Separators				X						
PRV				X						
Sinks	X									
Storage Tanks (above and underground)				X						
Urinals	X									
Vehicle Wash			X							



RALEIGH-DURHAM AIRPORT AUTHORITY

1000 Trade Drive
P.O. Box 80001
RDU Airport, NC 27623

Instructions: Review each item below for: 1. Condition 2. Operation 3. Integrity	Required frequency of inspection				Check "Acceptable" or "Repair(s) Needed" box below		Date item was repaired (leave blank if repairs are not needed). Provide description of repair on last page	Initials of person performing the inspection	Date item was inspected
	1 Month	3 Months	6 Months	1 Year	Acceptable	Repair(s) Needed			
Building Element							Date Repaired	Inspected By: (Initials)	Date
Water Closets	X								
Water Heater (functional & temperature)	X								
Electrical									
Conduit Penetrations (sealed)			X						
Electrical Panels (clear access)		X							
Electrical Panels (condition)			X						
Exit Signage (annual battery test)				X					
Exit Signage (monthly test)	X								
GFCI Receptacles (properly functioning)			X						
Light Fixtures - site	X								
Light Fixtures (all lamps burning)	X								
Light Fixtures (operational)	X								
Receptacles (all wall plates installed)			X						
Site									
ADA Signage / Pavement Marking			X						
Drive Lanes - Condition			X						
Fuel Systems				X					
Handrails				X					
Parking Lot Pavement Condition			X						
Pavement Markings			X						
Sidewalks in good condition				X					

I certify this report to be correctly stated to the best of my knowledge.

Signature: _____ Date: _____

Title: _____



RALEIGH-DURHAM AIRPORT AUTHORITY

1000 Trade Drive
P.O. Box 80001
RDU Airport, NC 27623

<u>Building Element</u>	<u>Description of Issue and Repairs Performed</u>

Exhibit 1 - CFC Monthly Transaction Report

Attachment

CFC MONTHLY TRANSACTION REPORT
 RALEIGH-DURHAM INTERNATIONAL AIRPORT
TENANT NAME, BRAND - (INSERT NAME)

Month: _____ Year: _____

Total Transaction Days ¹	CFC Rate	Total Amount Due
	\$	
	-	

Transaction Days Detail

Length of Transaction (# of Transaction Days)	# of Transactions (per Month)	Total Transaction Days (per Month)	CFC Amount Owed
1		0	\$ -
2		0	\$ -
3		0	\$ -
4		0	\$ -
5		0	\$ -
6		0	\$ -
7		0	\$ -
8		0	\$ -
9		0	\$ -
10		0	\$ -
More than 10		0	\$ -
TOTAL	0	0	\$ -

The Monthly Transaction Report shall be submitted no later than the 15th day of the month following the month in which CFCs were collected. The undersigned hereby certifies that the figures above represent a true account statement for the transactions, transaction days, and CFC revenues collected.

Signature	Date	Email
Prepared By	Title	Phone

¹ "Transaction Day" shall mean a 24-hour period or fraction thereof for which a rental car customer is provided the use of a rental car regardless of the duration or length of the rental term. If the same rental car is rented to more than one customer within such continuous 24-hour period, then each such rental shall be calculated as a Transaction Day, except that a partial day that is a grace period of no more than two (2) hours after the last 24-hour day booked shall not be considered a Transaction Day.

Exhibit 2 - Monthly Gross Receipts Report

Send Report to:
Raleigh-Durham Airport Authority
PO Box 63240
Charlotte, NC 27263-3240

MONTHLY GROSS RECEIPTS REPORT
("MONTHLY STATEMENT")

"TENANT NAME "
RALEIGH-DURHAM INTERNATIONAL AIRPORT

Month: _____ Year: _____

Note: Report Sales and Rent by Brand.

Gross Sales \$ _____

Percentage Fee X %

Percentage Fee Payable \$ _____

Monthly Minimum Guarantee \$ _____

Additional Amount Due in

Excess of Guarantee: \$ _____

NC State Sales Tax \$ _____

Refunds and Credits \$ _____

Deduction _____ \$ _____

Number of Rental Transactions _____

Rental Transaction Days _____

Average Rental Price during the Calendar Month \$ _____

I certify this amount to be correctly stated to the best of my knowledge.

Signed: _____ Title: _____ Date: _____

Print Name: _____ Email: _____ Phone: _____

Exhibit 3 - Statement of Gross Sales

Send Report to:
 Raleigh-Durham Airport Authority
 Finance Department
 P. O. Box 80001
 RDU Airport, NC 27623

STATEMENT OF GROSS SALES – PART A
REPORT FOR RENTAL CAR BRAND - _____
 Raleigh-Durham International Airport
 04/01/___ to 03/31/___

Instructions: Complete a Statement of Gross Sales - Part A form for each rental car brand operated under the Agreement, and attach it to the Annual Report. Sales and rent reported using Part A of the Statement of Gross Sales form must be included in total sales and rent reported in Part B of the Statement of Gross Sales form. Electronic form available on request. The Annual Report is due by July 1st of each Lease Year.

Month	(Column 1) Gross Sales	(Column 2) Percentage Fee Due	(Column 3) Amount Paid
April	\$	\$	\$
May			
June			
July			
August			
September			
October			
November			
December			
January			
February			
March			
Totals	\$	\$	\$

Number of Rental Transactions _____ Rental Transaction Days _____
 Average Rental Price for Lease Year _____

I certify this amount to be correctly stated to the best of my knowledge and to have been properly calculated and paid in accordance with the terms of the Lease.

Signed: _____ Title: _____ Date: _____
 Print Name: _____ Email: _____ Phone: _____

Send Report to:
 Raleigh-Durham Airport Authority
 Finance Department
 P. O. Box 80001
 RDU Airport, NC 27623

STATEMENT OF GROSS SALES – PART B
SUMMARY OF ALL RENTAL CAR BRANDS
 Raleigh-Durham International Airport
 04/01/___ to 03/31/___

Instructions: Summarize all sales and rent reported using Part A and include in total sales and rent on this Part B of the Statement of Gross Sales form. Attach Part B to the Annual Report. Electronic form available on request. The Annual Report is due by July 1st of each Lease Year.

Month	(Column 1) Gross Sales	(Column 2) Percentage Fee Due	(Column 3) Amount Paid
April	\$	\$	\$
May			
June			
July			
August			
September			
October			
November			
December			
January			
February			
March			
Totals	\$	\$	\$

Minimum Annual Guarantee (MAG) Rent \$ _____
 Additional Rent due in Excess of Guarantee, **OR** \$ _____
 Amount Paid in Excess of MAG and Percentage Fee \$(_____)
 Number of Rental Transactions _____ Rental Transaction Days _____
 Average Rental Price for Lease Year _____

I certify this amount to be correctly stated to the best of my knowledge and to have been properly calculated and paid in accordance with the terms of the Lease.

Signed: _____ Title: _____ Date: _____
 Print Name: _____ Email: _____ Phone: _____

Exhibit 4 - CFC Annual Transaction Report

Attachment

Send Report to:
 Raleigh-Durham Airport Authority
 Finance Department
 P. O. Box 80001
 RDU Airport, NC 27623

CFC ANNUAL TRANSACTION REPORT
 RALEIGH-DURHAM INTERNATIONAL AIRPORT
TENANT NAME, BRAND - (INSERT NAME)
 04/01/____ to 03/31/____

This CFC Annual Transaction Report is due by July 1st of each Lease Year.

Total Transaction Days ¹	CFC Rate ²	Total Amount Due
-	\$	

Transaction Days Detail

Length of Transaction (# of Transaction Days)	# of Transactions for Year	Total Transaction Days for Year	CFC Amount Owed	CFC Amount Paid
1		0	\$ -	\$ -
2		0	\$ -	\$ -
3		0	\$ -	\$ -
4		0	\$ -	\$ -
5		0	\$ -	\$ -
6		0	\$ -	\$ -
7		0	\$ -	\$ -
8		0	\$ -	\$ -
9		0	\$ -	\$ -
10		0	\$ -	\$ -
More than 10		0	\$ -	\$ -
TOTAL	0	0	\$ -	\$ -

The undersigned hereby certifies that the figures above represent a true account statement for the transactions, transaction days, and CFC revenues collected.

Signature	Date	Email
Prepared By	Title	Phone

¹ "Transaction Day" shall mean a 24-hour period or fraction thereof for which a rental car customer is provided the use of a rental car regardless of the duration or length of the rental term. If the same rental car is rented to more than one customer within such continuous 24-hour period, then each such rental shall be calculated as a Transaction Day, except that a partial day that is a grace period of no more than two (2) hours after the last 24-hour day booked shall not be considered a Transaction Day.

² If the CFC Rate changes during the review period, use a separate Report sheet to report transaction for each CFC Rate during the review period.