

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Operating Revenues	<u>(146,410)</u>	<u>(146,410)</u>	<u>(146,410)</u>	<u>(146,410)</u>	<u>(146,410)</u>
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>(146,410)</u>	<u>(146,410)</u>	<u>(146,410)</u>	<u>(146,410)</u>	<u>(146,410)</u>
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes No _____
 Budget Account No: Fund 4100 Department 120 Unit 8451 Revenue 4408
 Reporting Category _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Approval of the Catering Permit will provide an estimated annual revenue of \$146,410.

C. Departmental Fiscal Review: CM Summer

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:

Elizabeth Cross 11/30/06
 OFMB
 11/30/06
 atn 11:30-06
 pm 11-30-06

Dr. J. Jawet 12/15/06
 Contract Dev. and Control
 12/15/06 This Permit continues an ongoing relationship. The terms of conditions comply with our review requirements.

B. Legal Sufficiency:

Anna Bube
 Assistant County Attorney

C. Other Department Review:

 Department Director

IN-FLIGHT CATERING PERMIT
PALM BEACH INTERNATIONAL AIRPORT

Department of Airports
Palm Beach County, Florida

Gate Gourmet, Inc.

Permitee

IN-FLIGHT CATERING PERMIT
PALM BEACH INTERNATIONAL AIRPORT

TABLE OF CONTENTS

		<u>PAGE</u>
ARTICLE I	<u>TERM OF PERMIT</u>	1
1.01	Effective Date	1
1.02	Commencement Date	1
ARTICLE II	<u>PRIVELEGES, USES AND RIGHTS</u>	2
2.01	Description of General Privileges, Uses and Rights	2
2.02	Description of Specific Privileges, Uses and Rights	2
2.03	Restrictions of Privileges, Uses and Rights	2
ARTICLE III	<u>PAYMENTS AND REPORTS</u>	3
3.01	Permit Fee	3
3.02	Permit Fee Reports	3
3.03	Permit Fee Adjustment	
3.04	Definition of Gross Revenues	3
3.05	Unpaid Permit Fees	4
3.06	Security for Payment	4
3.07	Accounting Records	4
3.08	Sales and Use Tax	5
3.09	Payment of Fees	5
3.10	Audit Requirement	5
ARTICLE IV	<u>OBLIGATIONS OF PERMITEE</u>	6
4.01	Net Agreement	6
4.02	Service Standards	6
4.03	Security	6
ARTICLE V	<u>INSURANCE</u>	6
5.01	Commercial General Liability, Business Automobile Liability, Worker's Compensation Insurance and Employers Liability, and Umbrella or Excess Liability	7
5.02	Insurance Conditions and Other Requirements	7
5.03	COUNTY's Right to Review	8
ARTICLE VI	<u>RELATIONSHIP OF THE PARTIES</u>	8

TABLE OF CONTENTS
(continued)

		<u>PAGE</u>
ARTICLE VII	<u>INDEMNIFICATION</u>	8
ARTICLE VIII	<u>EXPIRATION OF PERMIT, DEFAULTS, REMEDIES AND TERMINATION</u>	9
8.01	Expiration	9
8.02	Violation	9
8.03	Remedies	9
8.04	County's Right to Propose New Permit	9
ARTICLE IX	<u>LAWS, REGULATIONS AND PERMITS</u>	10
9.01	Compliance with Law	10
9.02	Permits and Licenses	10
9.03	Safety Regulations	10
9.04	FAA & TSA Regulations	11
9.05	Criminal History Background Checks	11
ARTICLE X	<u>DISCLAIMER OF LIABILITY</u>	12
ARTICLE XI	<u>GOVERNMENTAL RESTRICTIONS</u>	12
11.01	Federal Right to Reclaim	12
11.02	Governmental Review	12
11.03	County Tax Assessment Right	13
11.04	Right of Flight	13
11.05	Operation of Airport	13
ARTICLE XII	<u>NON-DISCRIMINATION</u>	13
ARTICLE XIII	<u>COUNTY NOT LIABLE</u>	13
ARTICLE XIV	<u>AUTHORIZED USES ONLY</u>	14
ARTICLE XV	<u>MISCELLANEOUS</u>	14
15.01	Waiver	14
15.02	Subordination	14
15.03	Consent and Approval	15
15.04	Rights Reserved to the COUNTY	15
15.05	Invalidity of Clauses	15
15.06	Governing Law	15

TABLE OF CONTENTS
(continued)

	<u>PAGE</u>	
15.07	Venue	15
15.08	Inspections	15
15.09	COUNTY's Governmental Authority	15
15.10	Notices	15
15.11	Paragraph Headings	16
15.12	No Recording	16
15.13	Binding Effect	16
15.14	Performance	16
15.15	Non-Exclusivity of Remedies	16
15.16	Construction	17
15.17	Public Entity Crimes	17
15.18	Entirety of Agreement	17

**IN-FLIGHT CATERING PERMIT
PALM BEACH INTERNATIONAL AIRPORT**

THIS PERMIT is made and entered into _____, by and between PALM BEACH COUNTY, a Political Subdivision of the State of Florida (hereinafter referred to as the "COUNTY") and Gate Gourmet, Inc., a Delaware corporation, having its office and principal place of business at 11710 Plaza America Drive, Suite 800, Reston, Virginia 20190 (hereinafter referred to as the "PERMITEE").

WITNESSETH:

WHEREAS, COUNTY, by and through its Department of Airports (hereinafter referred to as the "Department"), owns and operates Palm Beach International Airport, located in Palm Beach County, Florida (hereinafter referred to as the "Airport"); and

WHEREAS, PERMITEE is engaged in the business of providing in-flight catering services for commercial air carriers operating at the Airport; and

WHEREAS, PERMITEE has indicated a willingness and demonstrated the ability to properly conduct said business activities at the Airport on a non-exclusive basis in common with others authorized to do so and in accordance with the terms of this Permit.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained, and for such other good and valuable consideration, the receipt of which the parties hereby expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions:

ARTICLE I

TERM OF PERMIT

1.01 Effective Date. This Permit is expressly contingent upon the approval of the Palm Beach County Board of County Commissioners, and shall become effective only when executed by both PERMITEE and COUNTY (the "Effective Date").

1.02 Commencement Date. The term of this Permit shall be for five (5) years, which shall commence upon the 1st day of January 2007 (the "Commencement Date"), and shall terminate the 31st day of December 2011. Notwithstanding the foregoing, this Permit may be terminated prior to the expiration date by either party, upon thirty (30) days advance written notice to the other party. Any such expiration or termination shall not relieve the parties of rights and obligations arising prior to such expiration or termination.

ARTICLE II
PRIVILEGES, USES AND RIGHTS

2.01 Description of General Privileges, Uses and Rights. COUNTY hereby grants to PERMITEE the following non-exclusive general privileges, uses and rights, all of which shall be subject to the terms, conditions and covenants hereinafter set forth:

- A. The general use, in common with others, of all public airport facilities and improvements which are now or may hereafter be connected with or appurtenant to said Airport, to be used by PERMITEE, its agents and employees, patrons and invitees, suppliers of service, and furnishers of material, in connection with its operations hereunder. For the purpose of this Permit, "public Airport facilities" shall include all necessary roadways, sidewalks, and or other public facilities appurtenant to said Airport, not specifically leased to or under the contractual control of others.
- B. The right of ingress to and egress from the Airport over public roadways serving the Airport for PERMITEE, its agents and employees, patrons and invitees, suppliers of service, furnishers of material.

Nothing herein contained shall be construed to grant to PERMITEE the right to use any space or area improved or unimproved which is under the contractual control of a third party, or except as expressly set forth in Article 2.01 (A) and 2.01(B), which COUNTY has not leased herein.

2.02 Description of Specific Privileges, Uses and Rights. In addition to the general privileges, uses and rights, hereinabove described, COUNTY hereby grants PERMITEE, subject to the terms, conditions and covenants hereinafter set forth, the non-exclusive right to provide in-flight catering services to those certain commercial air carriers operating at the Airport with which PERMITEE has agreed to provide such services. The provision of said services shall be on a non-exclusive basis in common with others authorized to do so. PERMITEE shall limit the conduct of its business activities at the Airport to the delivery and sale of such merchandise and services as are customarily provided by such business operations.

2.03 Restrictions of Privileges, Uses, and Rights. The rights granted hereunder are expressly limited to the conduct of PERMITEE's business activities at the Airport pursuant to the terms of this Permit. Provided, however, all rights granted hereunder shall be subject to such laws, rules, regulations, and orders as now or may hereafter have application at the Airport.

ARTICLE III
PAYMENTS AND REPORTS

3.01 Permit Fee. Commencing upon the Commencement Date hereof, PERMITEE shall pay to COUNTY a Permit Fee of seven percent (7%) of all Gross Revenues derived from the operation of PERMITEE's business at the Airport as defined herein.

3.02 Permit Fee Reports. Within fifteen (15) days after the close of each calendar month throughout the term of this Permit, PERMITEE shall submit to COUNTY, at the office of the Department, in a form and in detail satisfactory to COUNTY, a statement of Gross Revenues indicating total revenues received and the Permit Fee applicable thereto for the preceding calendar month. Said statement shall be accompanied by payment of the amount of the Permit Fee reflected therein. Said statement shall be signed by an authorized officer of PERMITEE who shall certify the accuracy of such Gross Revenues.

3.03 Permit Fee Adjustment. The Permit Fee, as provided for in Article 3.01 hereinabove, the calculation formula and method of payment hereof, shall be subject to adjustment by COUNTY from time-to-time, in accordance with any general Permit Fee adjustments for similar operations at the Airport. Notwithstanding any provision of this Permit to the contrary, PERMITEE acknowledges that COUNTY shall have the right to establish and maintain Permit Fees hereunder to ensure compliance with Section 710 of the Palm Beach County Airport System Bond Resolution dated April 3, 1984, ("Bond Resolution") as amended and supplemented.

3.04 Definition of Gross Revenues. For purposes of this Permit, Gross Revenues shall mean the aggregate amount of all sales of goods and services made or performed for cash or for credit or otherwise, of every kind, name and nature, regardless of whether paid for or not, together with the aggregate amount of any exchanges of goods or services at the selling price thereof as if the same had been sold for cash or the fair and reasonable value thereof, whichever is greater. Gross Revenues shall include all monies paid or payable to PERMITEE and to all subcontractors and/or management companies of PERMITEE for goods or services supplied by PERMITEE or any such subcontractors and or management companies to its customers on the premises of the Airport without regard to the manner in which, or the place at which, PERMITEE received the order for such goods or services. The term Gross Revenues shall include all surcharges "port fees" or other similar amounts reflected on any invoice. The term Gross Revenues shall not include the sale of equipment used in connection with the operation of PERMITEE's business at the Airport which PERMITEE wishes to discontinue, any sales taxes or similar excise taxes paid by PERMITEE, nor the value of meals furnished by PERMITEE to its employees as incidental to their employment.

3.05 Unpaid Permit Fees. In the event PERMITEE fails to make timely payment of any Permit Fees due and payable in accordance with the terms of this Permit, within fifteen (15) days after same become due and payable, interest at the rate established from time-to-time by the Board of County Commissioners (currently set at one and one-half percent [1½%] per month) shall accrue against the delinquent payment(s) from date due until the date payment is received by the Department. Notwithstanding the foregoing, COUNTY shall not be prevented from terminating this Permit for default in the payment of Permit Fees or from enforcing any other provisions of this Permit.

3.06 Security for Payment. Prior to the Effective Date of this Permit, PERMITEE shall forward to the Department a Surety Bond or Clean Irrevocable Letter of Credit ("Permit Security"), in an amount equal to the Department's estimate of three (3) months Permit Fees payable by PERMITEE. The Permit Security shall be kept in full force and effect throughout the entire term of this Permit and any extension thereof and shall be in a form and drawn on such a company as is acceptable to COUNTY, in its sole discretion. The Department may adjust the amount of the Permit Security at any time that it is determined by the Department that the estimated three (3) months' Permit Fees are ten percent (10%) or more than the existing Permit Security. In such event, PERMITEE shall submit such adjusted Permit Security within thirty (30) days of receipt of the Department's notice thereof. If PERMITEE fails to pay any sums to COUNTY when due or fails to perform any of its obligations under this Permit or is otherwise in violation of this Permit, then, in addition to any other rights and remedies available to COUNTY at law or in equity, COUNTY shall be entitled to draw on the Permit Security and apply same to all amounts owed. The Department shall notify PERMITEE of any such draw, whereupon PERMITEE shall immediately replace the Permit Security with a new Letter of Credit or Surety Bond in the full amount of the Permit Security required herein. Not less than thirty (30) days prior to the expiration date of the Permit Security, PERMITEE shall submit evidence in form satisfactory to COUNTY that such security instrument has been renewed. Failure to renew the Permit Security as required by this paragraph shall: (a) entitle COUNTY to draw down the full amount of the Permit Security, and (b) shall be a violation of this Permit entitling COUNTY to all available remedies. The Permit Security shall not be returned to PERMITEE until PERMITEE has performed and satisfied all its obligations under this Permit. The obligations arising under this paragraph shall survive the expiration or termination of this Permit. PERMITEE's failure to provide and maintain current the Permit Security shall constitute a material default of this Permit by PERMITEE.

3.07 Accounting Records. PERMITEE shall keep, throughout the entire term of this Permit or any extension thereof, all books of account and records customarily used in this type of operation, and as from time-

to-time may be required by Department, in accordance with Generally Accepted Accounting Principals (GAAP). Such books of accounts and records shall be retained and available for three (3) years following termination of this Permit. COUNTY, at all times, throughout the term of this Permit or any extension thereof, shall have the right to audit and examine during normal working hours all such records and books or account relating to PERMITEE's operation hereunder. PERMITEE shall not be required to retain such books of account and records for more than three (3) years following the termination of this Permit unless otherwise directed by the Department. If the books of account and records are kept at locations other than the Airport, PERMITEE shall arrange for them to be brought to a location convenient to the auditors for the COUNTY in order for the COUNTY to conduct the audits and inspections as set forth in this Article.

3.08 Sales and Use Tax. PERMITEE hereby covenants and agrees to pay monthly to COUNTY, any sales, use or other tax, or any imposition in lieu thereof (excluding State and/or Federal Income Tax) now or hereinafter imposed upon the Permit Fees by the United States of America, the State of Florida, or Palm Beach County, notwithstanding the fact that the statute, ordinance or enactment imposing the same may endeavor to impose the tax upon COUNTY.

3.09 Payment of Fees. All sums due hereunder shall be delivered, without any deduction, setoff or holdback whatsoever, to the Palm Beach County Department of Airports, 846 Palm Beach International Airport, West Palm Beach, Florida 33406-1470.

3.10 Audit Requirement. At the close of each of PERMITEE's fiscal years during the term of this Permit or any extension thereof, PERMITEE shall cause an audit to be completed of its accounting transactions relating to its operations under this Permit for such fiscal year by an independent Certified Public Accountant, not a regular employee of PERMITEE, acceptable to COUNTY. A report of each audit shall be delivered to the Department within one-hundred and twenty (120) calendar days of the close of such fiscal year, unless an extension is approved by the Department, in advance, in writing. Each such audit shall set forth with respect to such fiscal year:

- A. a schedule, by month, of Gross Revenues derived from the operation of PERMITEE's business at the Airport; and
- B. a schedule of the amounts of all monthly Permit Fee payments due the COUNTY pursuant to this Permit, and the actual amounts remitted by PERMITEE to COUNTY.

The first such audit report shall commence as of Commencement Date hereof and the last said audit report shall cover through PERMITEE's last day of operation pursuant to this Permit. Delivery of an audit containing a qualified opinion, an adverse opinion, or a disclaimer of opinion as defined in the STATEMENT OF AUDITING STANDARDS, or as same may from time to time be amended or superseded, issued by the Auditing

Standards Board of the American Institute of Certified Public Accountants, or any successor Board or Agency thereto, shall be deemed to be a material breach of the terms and conditions hereof and grounds for automatic termination of this Permit.

ARTICLE IV

OBLIGATIONS OF PERMITEE

4.01 Net Agreement. This Permit in every sense shall be without cost or expense to COUNTY.

4.02 Service Standards. Throughout the entire term of this Permit and any extensions thereof, PERMITEE shall offer, supply and sell to its customers at the Airport only those goods and services for which this Permit has been entered into. The goods and services offered by PERMITEE shall be of a first class quality, consistent with good business practice and at least equal to similar such goods and services offered, supplied and sold at comparable commercial airports. PERMITEE shall at all times observe and comply with the following standards:

- A. Upon execution of this Permit, PERMITEE shall designate in writing to Department, the names, addresses and telephone numbers of the manager and assistant managers who at all times shall be the authorized representatives of PERMITEE for all matters relating to activities of PERMITEE at the Airport. PERMITEE shall provide five (5) days advance written notice to Department of any change in its managers or assistant managers and shall include any change of address or telephone number.
- B. PERMITEE agrees to provide service of a quality consistent with industry standards and furnish its services and sales on a fair, equal, and non-discriminatory basis to all its customers, and to charge fair, reasonable, and non-discriminatory prices for sales and services.
- C. PERMITEE, its agents, employees, or suppliers shall not block any areas used for ingress and egress by Airport traffic unless required in an emergency, and further, shall not interfere with the activities of COUNTY, its agents or employees, or any Airport tenant.
- D. PERMITEE shall not enter into any business activity at the Airport other than as permitted herein.
- E. PERMITEE shall properly train all its employees in safe driving procedures in accordance with Department's policy before they are allowed to work on the Airport operating area.
- F. PERMITEE shall not disturb any Airport tenants or users.

ARTICLE V

INSURANCE

PERMITEE shall, at its sole expense, maintain in full force and effect throughout the term and any extensions of this Permit all insurance coverages, limits, including endorsements, as required herein. Such

insurance requirements shall in no way limit or qualify any of the liabilities and obligations assumed by PERMITEE under this Permit.

5.01 Commercial General Liability, Business Automobile Liability, Worker's Compensation Insurance and Employers Liability, and Umbrella or Excess Liability.

- A. Commercial General Liability. PERMITEE shall maintain Commercial General Liability Insurance at a limit of liability not less than **\$1,000,000** Each Occurrence. Coverage shall not contain any endorsement excluding Contractual Liability or Cross Liability unless approved in advance by the COUNTY's Risk Management Department. Such coverage shall be provided on a primary basis. When coverage is written on a Claims-Made form the Retroactive Date of such coverage shall be no later than the effective date of this Permit. In the event of: (i) cancellation or non-renewal of such coverage; (ii) coverage is changed to Occurrence form, or (iii) the Retroactive date of such coverage is adjusted, or any other event occurs to cause the purchase of a Supplemental Extended Reporting Period (SERP), such SERP shall provide for a minimum thirty-six (36) month reporting period.
- B. Business Automobile Liability. PERMITEE shall maintain Business Automobile Liability Insurance at a limit of liability not less than **\$5,000,000** Each Occurrence for all owned, non-owned and hired automobiles as the scope and conduct of PERMITEE's operations under this Permit require vehicle access to areas designated for the parking and maneuvering of aircraft (ramp area). The requirements of this amended provision may be satisfied by an endorsement to the Commercial General Liability, or separate Business Auto coverage form. Such coverage shall be provided on a primary basis.
- C. Worker's Compensation Insurance & Employers Liability. PERMITEE shall maintain Worker's Compensation Insurance & Employers Liability in accordance with Florida Statute Chapter 440. Such coverage shall be provided on a primary basis.
- D. Umbrella or Excess Liability. PERMITEE may satisfy the minimum limits required above for Commercial General Liability, Business Auto Liability, or Employer's Liability coverage under Umbrella or Excess Liability. The Umbrella or Excess Liability shall have an Aggregate limit not less than the highest "Each Occurrence" limit for either Commercial General Liability, Business Auto Liability, or Employer's Liability. COUNTY shall be specifically endorsed as an "Additional Insured" on the Umbrella or Excess Liability, unless the Certificate of Insurance notes the Umbrella or Excess Liability provides coverage on a "Follow-Form" basis.

5.02 Insurance Conditions and Other Requirements.

- A. Additional Insured. PERMITEE shall endorse COUNTY as an Additional Insured with a CG 2026 Additional Insured - Designated Person or Organization Endorsement, or its equivalent, to the Commercial General Liability. The Additional Insured endorsement shall be specifically included on all certificates as follows: "Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents". Such Additional Insured endorsements shall provide coverage on a primary basis.
- B. Certificate(s) of Insurance. Prior to the Effective Date of this Permit, PERMITEE shall deliver to COUNTY a Certificate(s) of Insurance evidencing that all types and amounts of insurance

coverages required by this Permit have been obtain and are in full force and effect. Such Certificate of Insurance(s) shall include a minimum thirty (30) day endeavor to notify COUNTY in the event of cancellation or non-renewal of coverage.

- C. Self-Insurance Plan and Self-Insured Retention. PERMITEE may satisfy the insurance requirements and conditions of this Permit under a self-insurance plan. PERMITEE shall notify COUNTY, or indicate on the Certificate of Insurance, when self-insurance is relied upon or when a self-insured retention or deductible exceeds **\$100,000.00**. COUNTY reserves the right, but not the obligation, to request and review a copy of PERMITEE most recent annual financial statements, subject to a mutually agreeable confidentiality agreement.

5.03 COUNTY's Right to Review.

COUNTY, by and through its Risk Management Department, in cooperation with the Department, reserves the right to review, modify, reject or accept any required policies of insurance, including limits, coverages, or endorsements, herein from time-to-time throughout the term and any extensions of this Permit. In such event, COUNTY shall provide PERMITEE written notice of such and PERMITEE shall comply within thirty (30) days of receipt thereof. In addition, COUNTY reserves the right, but not the obligation, to review and reject any insurer providing coverage because of its poor financial condition or failure to operate legally.

ARTICLE VI

RELATIONSHIP OF THE PARTIES

PERMITEE is and shall be deemed to be an independent contractor and operator responsible to all parties for its respective acts or omissions, and COUNTY shall in no way be responsible therefor.

ARTICLE VII

INDEMNIFICATION

PERMITEE agrees to protect, defend, reimburse, indemnify and hold COUNTY, its agents, employees and elected officers and each of them, free and harmless at all times from and against any and all claims, liability, expenses, losses, costs, fines and damages (including attorney fees at trial and appellate levels) and causes of action of every kind and character against, or in which COUNTY is named or joined, arising out of this Permit or from the operation of PERMITEE's business at the Airport, including, without limitation those arising by reason of any damage to property or the environment, or bodily injury (including death) incurred or sustained by any party hereto, or of any party acquiring any interest hereunder, any agent or employee of any party hereto or of any party acquiring an interest hereunder, and any third or other party whomsoever, or any governmental agency, arising out of or incident to or in connection with PERMITEE's performance under this Permit, PERMITEE's acts, omissions or operations hereunder, or the performance, non-performance or purported performance of PERMITEE or any breach of the terms of this Permit; provided however PERMITEE

shall not be responsible to COUNTY for damages resulting out of bodily injury or damages to property or the environment which is attributable to the negligence or willful misconduct of COUNTY. PERMITEE recognizes the broad nature of this indemnification and hold-harmless clause, and acknowledges that COUNTY would not enter into this Permit without the inclusion of such clause, and voluntarily makes this covenant and expressly acknowledges the receipt of Ten Dollars (\$10.00) and such other good and valuable consideration provided by COUNTY in support of this indemnification in accordance with laws of the State of Florida. The obligations arising under this clause shall survive the expiration or termination of this Permit.

ARTICLE VIII

EXPIRATION OF PERMIT, DEFAULTS, REMEDIES AND TERMINATION

8.01 Expiration. This Permit shall automatically terminate at the end of the term, as set forth in Article I hereof, unless sooner terminated in accordance with the provisions of this Permit.

8.02 Violation. The occurrence of any one or more of the following events shall constitute a violation of this Permit by PERMITEE:

- A. PERMITEE's failure to make payment of any fees or charges required to be made by PERMITEE under this Permit, as and when due, where such failure continues for a period of fifteen (15) days after written notice thereof from County.
- B. The failure by PERMITEE to observe or perform any of the covenants, conditions or provisions of this Permit to be observed or performed by PERMITEE.
- C. The discovery by Department that any information given by PERMITEE to COUNTY relating to this Permit was materially false.

8.03 Remedies. In the event PERMITEE is in violation of this Permit, COUNTY may immediately terminate this Permit by giving PERMITEE fifteen (15) days' prior written notice to this effect. PERMITEE shall cease its operations on the Airport on the effective date of such notice of termination. Such termination shall be without prejudice to any of COUNTY's remedies for arrearages, payments due herein, or any other damages or remedies whatsoever.

8.04 COUNTY's Right to Propose New Permit. This Permit is issued upon the terms and conditions required by COUNTY for all permittees on the Airport that engage in the activities permitted herein. Upon thirty

(30) days' prior written notice, COUNTY may, at its option, terminate this Permit and propose to enter into a new Permit with PERMITEE upon such modified terms and conditions as COUNTY seeks to uniformly apply to all other similarly situated permittees. The Department may exercise the termination rights provided in this Permit on behalf of COUNTY.

ARTICLE IX

LAWS, REGULATIONS AND PERMITS

9.01 Compliance with Law. Throughout the term of this Permit, PERMITEE shall be and remain in full and complete compliance with all applicable federal, state and local laws, statutes, regulations, rules, rulings, orders, ordinances and directives of any kind or nature without limitation, as now or hereafter amended or enacted, including but not limited to FAA Advisory Circulars and Airport Rules and Regulations (Resolution No. 98-220, as amended).

9.02 Permits and Licenses. PERMITEE shall, at its sole cost and expense, be responsible for obtaining, paying for, fully complying with, and maintaining current any and all applicable permits, licenses or other governmental authorizations, however designated, as may be required at any time throughout the term of this Permit by any federal, state or local governmental entity or any court of law having jurisdiction over PERMITEE or PERMITEE's operations and activities, for any activity or operation conducted by PERMITEE on the Airport. Upon written request by the Department, PERMITEE shall provide to the Department certified copies of any and all permits and licenses that the Department may request.

9.03 Safety Regulations. PERMITEE shall conduct its activities and operations under this Permit in a safe manner and in compliance with all applicable safety regulations of the Department and with applicable safety standards imposed by applicable Federal, State and local laws and regulations. PERMITEE shall also require the observance thereof by all its employees and agents. PERMITEE shall procure and maintain such fire prevention and extinguishing devices as required by COUNTY and by applicable law and shall at all times be familiar and comply with the fire regulations and orders of COUNTY and the fire control agency with jurisdiction over the Airport. Neither PERMITEE, nor employee, agent, or any person working for or on behalf of PERMITEE, shall require any personnel engaged in the performance of PERMITEE's operations to work in surroundings or under working conditions that are unsanitary, hazardous, or dangerous to individual safety or health, as determined by standards adopted pursuant to the Occupational Safety and Health Act of

1970, as same may be amended from time to time, as well as all applicable State and local laws, regulations, and orders relative to occupational safety and health.

9.04 FAA and TSA Regulations. PERMITEE shall observe all applicable security regulations and other requirements of any agency of the federal government, including, but not limited to, the FAA and TSA, as such regulations or requirements have been or may be amended including, without limitation, Title 14, Part 139 and Title 49, Parts 1500 et al., of the Code of Federal Regulations. PERMITEE shall comply such rules and regulations as may be reasonably prescribed by COUNTY and Palm Beach County's Sheriff Office ("PBSO") and take such steps as may be necessary or directed by COUNTY or PBSO to ensure that its employees observe these requirements. If as a result of the acts or omissions of PERMITEE, COUNTY incurs any fines and/or penalties imposed by the FAA or TSA; any expense in enforcing the regulations of the FAA or TSA or the rules or regulations of COUNTY; or any expense in enforcing the Airport Security Program, then PERMITEE agrees to pay to COUNTY all such costs and expenses, including, but not limited to, all costs of administrative proceedings, court costs, and reasonable attorney's fees and costs, incurred by COUNTY in enforcing this provision. PERMITEE further shall promptly rectify any security deficiency or other deficiency as may be determined by COUNTY, PBSO, the FAA or TSA, and if PERMITEE fails to do so, COUNTY may take whatever action is necessary to rectify such deficiency. PERMITEE agrees that it shall require its appropriate managers, supervisors, and employees to attend such training and instructional programs as the Department may, from time to time require, in connection with policies and procedures related to certification of the Airport under Title 14, Part 139 of the Code of Federal Regulations or the rules and regulations of the Department.

9.05 Criminal History Background Checks. PERMITEE acknowledges that PERMITEE and its employees, contractors and agents may be subject to federal and state criminal history record check requirements under federal, state and/or local laws, as may now exist or as may hereafter be enacted, including, but not limited to the Palm Beach County Criminal History Record Check Ordinance (Ordinance No. 2003-030), which laws may require PERMITEE to remove or restrict access of individuals who are not in compliance with the requirements of such laws. PERMITEE agrees to comply with and to require its employees, contractors and agents to comply with all federal, state and local criminal history record check requirements, including, but not limited to, the Palm Beach County Criminal History Record Check Ordinance and any access restrictions imposed thereunder. PERMITEE acknowledges and agrees that its employees, contractors and agents, who will have access to a "critical facility", as defined in the Palm Beach County Criminal History

Record Check Ordinance, will be subject to a national and state fingerprint based criminal history records check. PERMITEE shall be solely responsible for the financial, scheduling and staffing implications associated with complying with the Palm Beach County Criminal History Record Check Ordinance.

ARTICLE X

DISCLAIMER OF LIABILITY

COUNTY HEREBY DISCLAIMS, AND PERMITEE HEREBY RELEASES COUNTY, FROM ANY AND ALL LIABILITY, WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE AND NUISANCE), FOR ANY LOSS, DAMAGE, OR INJURY OF ANY NATURE WHATSOEVER SUSTAINED BY PERMITEE, ITS EMPLOYEES, AGENTS, OR INVITEES DURING THE TERM OF THIS PERMIT OR ANY EXTENSION THEREOF INCLUDING, BUT NOT LIMITED TO, LOSS, DAMAGE OR INJURY TO THE PERSONAL PROPERTY OF PERMITEE OR PERMITEE'S BUSINESS INVITEES THAT MIGHT BE LOCATED OR STORED AT THE AIRPORT, UNLESS SUCH LOSS, DAMAGE OR INJURY IS CAUSED BY COUNTY'S NEGLIGENCE OR WILLFUL MISCONDUCT. THE PARTIES HERETO EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL COUNTY BE LIABLE FOR INDIRECT, CONSEQUENTIAL, SPECIAL, OR EXEMPLARY DAMAGES WHETHER IN CONTRACT OR TORT (INCLUDING STRICT LIABILITY, NEGLIGENCE, AND NUISANCE), SUCH AS, BUT NOT LIMITED TO, LOSS OF REVENUE OR ANTICIPATED PROFITS OR ANY OTHER DAMAGE RELATED TO THE PRIVILEGES, USES, AND RIGHTS PERMITTED HEREIN. PERMITEE ACKNOWLEDGES AND AGREES THAT COUNTY SHALL HAVE NO LIABILITY WHATSOEVER AND PERMITEE RELEASES AND AGREES TO HOLD HARMLESS COUNTY FROM ANY AND ALL LIABILITY RELATING TO ANY INFORMATION PROVIDED BY COUNTY, INCLUDING, WITHOUT LIMITATION, ANY HISTORICAL AND FORECASTED AIR TRAFFIC OR PASSENGER TRAFFIC FLOW INFORMATION, OR THE ACCURACY THEREOF, OR THE ACTUAL AIR OR PASSENGER TRAFFIC. FURTHERMORE, PERMITEE ACKNOWLEDGES AND AGREES THAT ITS USE OF ANY SUCH INFORMATION WAS AT ITS SOLE RISK.

ARTICLE XI

GOVERNMENTAL RESTRICTIONS

11.01 Federal Right to Reclaim. In the event a United States governmental agency shall demand and take over the entire facilities of the Airport or the portion thereof wherein PERMITEE's operations are conducted, for public purposes, then COUNTY may terminate this Permit, whereupon COUNTY shall be released and fully discharged from any and all liability hereunder.

11.02 Governmental Review. PERMITEE acknowledges that this Permit is subject to review or inspection by the United States government, State of Florida and agencies and departments thereof, including the FAA, to determine satisfactory compliance with state and federal law and/or grant assurance requirements. PERMITEE agrees that this Permit shall be in full force and effect and binding upon both parties pending such review or inspection, if applicable; provided, however, that upon such review or inspection the parties agree to modify any of the terms of this Permit that are determined by the United States government, State of Florida or any agency or department thereof to be in violation of any applicable laws, regulations, grant assurances or other requirements.

11.03 County Tax Assessment Rights. None of the terms, covenants and conditions of this Permit shall in any way be construed as a release or waiver on the part of the COUNTY, as a political subdivision of the State of Florida, or any of the public officials of the County of Palm Beach, of the right to assess, levy, and collect any ad valorem, non ad valorem, license, personal, intangible, occupation, or other tax which shall be lawfully imposed on the business or property of PERMITEE.

11.04 Right of Flight. COUNTY reserves unto itself, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Airport together with the right to cause in said airspace such noise as may be inherent in the operations of aircraft now known or hereafter used, for navigation of or flight in the said airspace for landing on, taking off from, or operating on the Airport.

11.05 Operation of Airport. PERMITEE expressly agrees for itself, its subcontractors, successors and assigns, to refrain from and to prevent any use of the Airport which would interfere with or adversely affect the operation, maintenance, or development of the Airport.

ARTICLE XII

NON-DISCRIMINATION

PERMITEE for itself, its successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree (a) that no person on the grounds of race, creed, color, national origin, sex, sexual orientation, religion, marital status, age, or disability shall be excluded from participation in or denied the use and benefit of the privileges, uses, and rights permitted herein, (b) that in the furnishing of services, no person on the grounds of race, creed, color, national origin, sex, sexual orientation, religion, marital status, age, or disability shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (c) that PERMITEE shall operate in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended. In the event of the breach of any of the foregoing non-discrimination covenants, COUNTY shall have the right to terminate this Permit. This cancellation provision shall not be effective until the procedures of Title 49, Code of Federal Regulations, Part 21, are followed and completed including exercise or expiration of appeal rights.

ARTICLE XIII

COUNTY NOT LIABLE

COUNTY shall not be responsible or liable to PERMITEE for any claims for compensation or any losses, damages or injury sustained by PERMITEE resulting from (a) cessation for any reason of air carrier

operations at the Airport, or (b) diversion of passenger traffic to any other airport. COUNTY shall not be responsible nor liable to PERMITEE for any claims for compensation or any losses, damages, or injury sustained by PERMITEE resulting from failure of any water supply, electrical current, sewerage or drainage facility, or caused by natural physical conditions on the Airport, whether on the surface or underground, including stability, moving, shifting, settlement of ground, or displacement of materials by fire, water, windstorm, tornado, hurricane, act of God or state of war, civilian commotion or riot, or any cause beyond the control of COUNTY. All personal property placed on or moved onto the Airport shall be at the sole risk of PERMITEE or owner thereof and PERMITEE expressly acknowledges and agrees that COUNTY shall not be liable for any damage to or loss of said personal property.

ARTICLE XIV

AUTHORIZED USES ONLY

Notwithstanding anything to the contrary herein, PERMITEE shall not use or permit the use of the Airport for any use other than the purposes specifically provided for by this Permit or permit use of the Airport for any illegal or improper purpose or for any purpose which would invalidate any policies of insurance, now existing or hereafter written on the Airport for COUNTY or PERMITEE.

ARTICLE XV

MISCELLANEOUS

15.01 Waiver. The failure of COUNTY to insist on a strict performance of any of the agreements, terms, covenants and conditions hereof shall not be deemed a waiver of any rights or remedies that COUNTY may have for any subsequent breach, default, or non-performance, and COUNTY's right to insist on strict performance of this Permit shall not be affected by any previous waiver of course or dealing.

15.02 Subordination.

A. Subordination to Bond Resolution. This Permit and all rights granted to PERMITEE hereunder are expressly subordinated and subject to the lien and provisions of the pledge, transfer, hypothecation or assignment made by COUNTY in the Bond Resolution, and COUNTY and PERMITEE agree that to the extent permitted by authorizing legislation, the holders of the Bonds or their designated representatives shall exercise any and all rights of COUNTY hereunder to the extent such possession, enjoyment and exercise are necessary to insure compliance by PERMITEE and COUNTY with the terms and provisions of this Permit and Bond Resolution.

B. Subordination to Agreements. This Permit shall be subject and subordinate to all the terms and conditions of any instrument and documents under which COUNTY acquired title to the Airport and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. PERMITEE understands and agrees that this PERMIT shall be subordinate to the provisions of any existing or future agreement between COUNTY and the United States government, the State of Florida, or any agencies thereof, the execution of which has been or may be required as a condition to the expenditure of state or federal funds.

15.03 Consent and Approval. Nothing in this Permit shall be construed to waiver or limit COUNTY's governmental authority as a political subdivision of the State of Florida to regulate PERMITEE or its operations.

15.04 Rights Reserved to the COUNTY. All rights not specifically granted PERMITEE by this Permit are reserved to the COUNTY.

15.05 Invalidity of Clauses. The invalidity of any portion, article, paragraph, provision, clause or any portion thereof of this Permit shall have no effect upon the validity of any other part or portion hereof.

15.06 Governing Law. This Permit shall be governed by and in accordance with the laws of the State of Florida.

15.07 Venue. To the extent allowed by law, the venue for any action arising from this Permit shall be in Palm Beach County, Florida.

15.08 Inspections. The authorized employees and representatives of the COUNTY and any applicable federal, state, and local governmental entity having jurisdiction hereof shall have the right ,with reasonable prior notice and during PERMITEE's normal operating hours, to inspect PERMITEE's compliance with the privileges, uses, and rights granted by this Permit and/or applicable laws.

15.09 County's Governmental Authority. Nothing in this Permit shall be construed to waive or limit County's governmental authority as a political subdivision of the State of Florida to regulate PERMITEE or its operations.

15.10 Notices. All notices and elections (collectively, "notices") to be given or delivered by or to any party hereunder, shall be in writing and shall be (as elected by the party giving such notice) hand delivered by messenger, courier service or Federal Express, or alternatively shall be sent by United States Certified Mail, with Return Receipt Requested. The effective date of any notice shall be the date of delivery of the notice if by personal delivery, courier services or Federal Express, or if mailed, upon the date which the return receipt is signed or delivery is refused or the notice designated by the postal authorities as non-deliverable, as the case

may be. The parties hereby designated the following addresses as the addresses to which notices may be delivered, and delivery to such addresses shall constitute binding notice given to such party:

COUNTY:

With a copy to:

Palm Beach County
Department of Airports
Attn: Director
846, Palm Beach International Airport
West Palm Beach, Florida 33406-1470

Palm Beach County Attorney's Office
Attn: Airport Attorney
301 North Olive Avenue, Suite 601
West Palm Beach, Florida 33401

PERMITEE:

With a copy to:

Gate Gourmet, Inc.
Attn: Director, Corporate Real Estate
[Title]
11710 Plaza America Drive, Suite 800
Reston, VA 20190

Gate Gourmet, Inc.
Attn: General Manager
[Title]
1500 N. Florida Mango Road – Suite 19
West Palm Beach, FL 33409

Any party may from time to time change the address to which notice under this Permit shall be given such party, upon three (3) days prior written notice to the other parties.

15.11 Paragraph Headings. The heading of the various articles and sections of this Permit, and its Table of Contents, are for convenience and ease of reference only, and shall not be construed to define, limit, augment or describe the scope, context or intent of this Permit or any part or parts of this Permit.

15.12 No Recording. Neither this Permit, nor any memorandum or short form hereof, shall be recorded in the Public Records of Palm Beach County, Florida.

15.13 Binding Effect. The terms, conditions and covenants of this Permit shall inure to the benefit of and be binding upon the parties hereto and their successors, assigns and subcontractors, if any. This provision shall not constitute a waiver of any conditions against assignment or subcontracting.

15.14 Performance. The parties expressly agree that time is of the essence in this Permit and the failure by PERMITEE to complete performance within the time specified, or within a reasonable time if no time is specified herein, shall, at the option of COUNTY without liability, in addition to any other rights or remedies, relieve COUNTY of any obligation to accept such performance.

15.15 Non-Exclusivity of Remedies. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or inequity or by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

15.16 Construction. The terms of this Permit shall not be strictly construed against one party as opposed to the other party based upon who drafted it. In the event that any section, paragraph, sentence, clause, or provision hereof, shall be held by a court of competent jurisdiction to be invalid, such shall not effect the remaining portions of this Permit and the same shall remain in full force and effect.

15.17 Public Entity Crimes. As provided in F.S. 287.132-133, by entering into this Permit or performing any work in furtherance hereof, PERMITEE certifies that it, its affiliates, suppliers, subcontractors and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the Effective Date hereof. This notice is required by F.S. 287.133(3) (a).

15.18 Entirety of Agreement. The parties agree that this Permit sets forth the entire agreement between the parties, and there are no promises or understandings other than those stated herein. None of the provisions, terms and conditions contained in this Permit may be added to, modified, superseded or otherwise altered except by written instrument executed by the parties hereto.

(Remainder of Page Intentionally Left Blank)

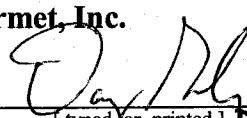

IN WITNESS WHEREOF, the parties hereto have caused this In-Flight Catering Permit to be signed by the Chair of the Board of County Commissioners and the seal of said Board to be affixed hereto and attested by the Clerk of said Board, pursuant to the authority granted by said Board, and the PERMITEE, Gate Gourmet, Inc., has caused these presents to be signed in its corporate name by its duly authorized officer, the _____, acting on behalf of said PERMITEE and the seal of said PERMITEE, to be affixed hereto and attested by the Secretary of said PERMITEE, the day and year first written above.

ATTEST:

By: 
Secretary

PERMITEE:

Gate Gourmet, Inc.

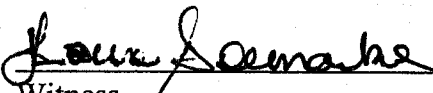
By:  
[typed for printed] Douglas Goetze

its: Vice President and CFO


Nov. 10, 2006
[Date of Execution]

(Corporate Seal)

Signed, sealed and delivered in the presence of two witnesses for PERMITEE


Witness

Lars Seemarto
[typed or printed]


Witness

Susan Mrachek
[typed or printed]

ATTEST:

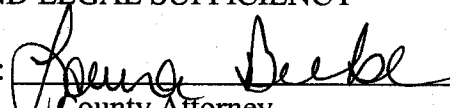
SHARON R. BOCK
Clerk & Comptroller

By: _____
Deputy Clerk
(SEAL)

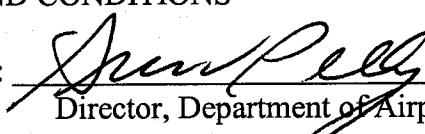
PALM BEACH COUNTY, FLORIDA, a political subdivision of the state of Florida, by its BOARD OF COUNTY COMMISSIONERS

By: _____
Addie L. Greene, Chairperson

APPROVED AS TO FORM AND LEGAL SUFFICIENCY

By: 
County Attorney

APPROVED AS TO TERMS AND CONDITIONS

By: 
Director, Department of Airports