

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: February 24, 2009

[X] Consent [] Regular
[] Workshop [] Public Hearing

Department:

Submitted By: Department of Airports

Submitted For:

I. EXECUTIVE BRIEF

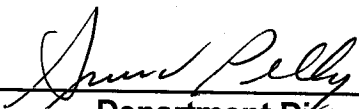
Motion and Title: Staff recommends motion to approve: Advertising Concession Agreement (Agreement) with In-Ter-Space Services, Inc., d/b/a Clear Channel Interspace Airports (CCIA), commencing on April 1, 2009 for an initial five-year term, with an initial minimum annual guarantee of \$350,000.


Summary: On September 3, 2008, the Department of Airports issued Request for Proposals PB-08-10 (RFP) for the advertising concession at the Palm Beach International Airport (PBIA). Three proposals were submitted in response to the RFP. After reviewing the proposals and hearing oral presentations by the respondents, the selection committee unanimously recommended awarding the advertising concession agreement to CCIA. The Agreement provides for payment of an initial minimum annual guarantee (MAG) of \$350,000 or a percentage fee equal to the sum of 60% of annual gross revenues for static advertising displays and 50% of annual gross revenues for technology advertising displays, whichever is greater. The MAG adjusts annually based on the greater of the preceding year's MAG or 90% of the preceding year's percentage fee. CCIA is required to invest a minimum of \$662,000 to update the advertising displays at PBIA during the initial term. The Agreement provides for a five-year renewal term at the County's option, subject to an additional capital investment of \$150,000. The Agreement also establishes Advertising Guidelines prohibiting the display of certain types of advertisements to encourage high quality advertising at PBIA. Prohibited advertisements include advertisements promoting alcohol, tobacco and adult entertainment establishments. There are advertising contracts for advertisements that are inconsistent with the new Advertising Guidelines, which pre-date the new Agreement. The advertising contracts are scheduled to expire near the end of 2009 and may not be renewed by CCIA pursuant to the Agreement. The Advertising Guidelines may be updated from time to time by the Department. Countywide (JMB)

Background and Justification: In-Ter-Space Services, Inc., has been the County's advertising concessionaire at PBIA since 1984 (R-84-1968). In-Ter-Space Services, Inc. was acquired by Clear Channel Outdoor, Inc. in July 2006. CCIA manages advertising concessions for airports all over the world, including Atlanta, Boston, Chicago, Dallas and Phoenix. The Advertising Guidelines established pursuant to the Agreement will prohibit the display of any new advertisements and the renewal of any existing advertising contracts for advertisements that are inconsistent with the Advertising Guidelines.

Attachments:

1. Advertising Concession Agreement (3)

Recommended By:  11/22/09
Department Director Date

Approved By:  2/11/09
County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Operating Revenues	<u>(175,000)</u>	<u>(406,820)</u>	<u>(497,032)</u>	<u>(538,381)</u>	<u>(554,532)</u>
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>(175,000)</u>	<u>(406,820)</u>	<u>(497,032)</u>	<u>(538,381)</u>	<u>(554,532)</u>
# ADDITIONAL FTE	_____	_____	_____	_____	_____
POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes X No _____

Budget Account No: Fund 4100 Department 120 Unit 8430 RS/RC 4463

Reporting Category _____

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

Guaranteed revenues to the County are \$2,453,127 for the first 5-year contract period. Actual revenues to the County may be higher depending on advertising sales. The 2009 amount shown above is for a 6-month period as the contract commences in April 2009.

C. Departmental Fiscal Review:

III. REVIEW COMMENTS

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

[Signature] 2/4/09
[Signature] 2/4/09 OFMB
[Signature] 2/2/09

[Signature] 2/5/09
Contract Dev. and Control
2/6/09

This Contract complies with our contract review requirements.

B. Legal Sufficiency:

[Signature] 2/10/09
Assistant County Attorney

C. Other Department Review:

Department Director

ADVERTISING CONCESSION AGREEMENT

Palm Beach International Airport

Between

PALM BEACH COUNTY,

a political subdivision of the State of Florida

and

In-Ter-Space Services, Inc.,

d/b/a Clear Channel Interspace Airports,

a Pennsylvania corporation

ADVERTISING CONCESSION AGREEMENT

THIS ADVERTISING CONCESSION AGREEMENT, made and entered into _____, 2009, by and between **Palm Beach County** (the "County"), a political subdivision of the State of Florida, and **In-Ter-Space Services, Inc., d/b/a Clear Channel Interspace Airports** ("Concessionaire"), a Pennsylvania corporation, with its office and address at 4635 Crackersport Road, Allentown, PA 18104.

WITNESSETH:

WHEREAS, the County, by and through its Department of Airports, owns and operates the Palm Beach International Airport, located in Palm Beach County, Florida, for the promotion, accommodation, and development of air commerce and transportation; and

WHEREAS, the County solicited proposals for the operation of an advertising concession in the Airport; and

WHEREAS, the parties desire to enter into this Agreement for the purpose of granting Concessionaire the right to use certain premises within the Airport for the operation of its advertising concession.

NOW, THEREFORE, in consideration of the concession rights granted herein, the right and privileges and the mutual covenants and conditions hereinafter contained and other valuable considerations, the parties hereto agree, for themselves, their successors, and assigns, as follows:

ARTICLE 1 DEFINITIONS

The following terms, when used in this Agreement, shall have the meanings set forth in this Article 1:

Airline Agreement has the meaning provided in Section 5.05.

Airport Advertisements has the meaning provided in Section 4.05.

Advertising Contract has the meaning provided in Section 4.04.

Advertising Displays includes, but is not limited to, video, wall wraps, scrolling displays, digital advertising media, interactive kiosks, LCD banners, LCD units with pre-recorded advertising messages, video/announcement boards, hotel/car rental display boards and phone systems, brochure racks, the Visitor Information Center and wall-mounted light boxes.

Advertising Guidelines means the Advertising Guidelines attached hereto as Exhibit "A", as may be amended by the Department from time to time upon written notice to Concessionaire.

Advertising Plan has the meaning provided in Section 3.01.

Agreement means this Advertising Concession Agreement and all exhibits hereto. Words such as "herein," "hereafter," "hereof," "hereto," "hereby" and "hereunder," when used with reference to this Agreement, refer to this Agreement as a whole, unless the context otherwise requires.

Airport means the Palm Beach International Airport.

Airport Director means the Director of the County's Department of Airports and his or her designee.

Airport Police means the Palm Beach County's Sheriff's Office.

Assignment has the meaning provided in Article 15.

Bond has the meaning provided in Section 5.08.

Board has the meaning provided in Section 5.05.

Bond Resolution means the Palm Beach County Airport System Revenue Bond Resolution dated April 3, 1984 (R-84-427), as amended and supplemented, which is hereby incorporated herein by reference and made a part hereof.

Concessionaire has the meaning provided in the preamble of this Agreement.

Commencement Date has the meaning provided in Section 2.02.

Concession means the advertising concession operated by Concessionaire pursuant to the terms and conditions of this Agreement.

Contract Year means a twelve (12) month period commencing on April 1, 2009, and each twelve (12) month period thereafter.

County has the meaning provided in the preamble to this Agreement.

Day means a calendar day of twenty four (24) hours measured from midnight to the next midnight.

Department means the County's Department of Airports.

Department of Homeland Security means the United States Department of Homeland Security and its subdivisions, including the Transportation Security Administration and any successor agency thereto.

Direct Costs has the meaning provided in Section 4.05.

Disadvantaged Business Enterprise (DBE) means a small business enterprise that has been certified by the Palm Beach County Department of Airports or the Florida Unified Certification Program as a disadvantaged business enterprise as defined in 49 CFR, Part 23.

Effective Date has the meaning provided in Section 2.01.

FAA means the Federal Aviation Administration and any successor agency thereto.

Gross Receipts means all revenues, amounts, charges and fees received, realized by, or accruing to Concessionaire from any source whatsoever, whether for cash, credit, barter or otherwise (whether or not paid), as the result of or in any way arising out of the advertising concession operated by Concessionaire pursuant to this Agreement. All revenues, amounts, charges and fees arising out of or in any way connected to Concessionaire's operations on the Airport shall be included in Gross Receipts unless specifically excluded by this Agreement. Gross Receipts shall not include:

- A. Federal, state or local sales taxes or other taxes separately stated and collected from customers.
- B. Receipts in the form of refunds from or the value of merchandise, supplies, or equipment returned to shippers, suppliers or manufacturers.
- C. Standard advertising agency commission fees, not to exceed fifteen percent (15%) of the advertising sales to which they apply.
- D. Amounts charged, without markup, to an Airport advertiser for telephone service; provided that the amounts are accounted for and billed separately.

E. Amounts paid by advertisers as reimbursement to Concessionaire for the design, fabrication and physical installation of advertising materials or specialty or custom Advertising Displays. Such amounts shall be separately stated and charged to the advertiser with no mark up. Concessionaire shall provide documentation to the Department regarding any amount excluded from Gross Receipts pursuant to this subsection upon the Department's request.

F. Amounts paid to reimburse Concessionaire's Direct Costs for Airport or Public Service Advertisements pursuant to Section 4.05.

In the event Concessionaire fails, for any reason, to charge for or collect the value of any advertisement provided hereunder, the amount customarily charged by Concessionaire for such advertisement shall be included in the calculation of Gross Receipts. No deduction shall be made from Gross Receipts by reason of any credit loss, charge or deduction that may be incurred by reason of acceptance or use of credit cards or other credit or charge arrangements. Gross Receipts shall not be reduced as a result of rebates or reductions based on Concessionaire's negligence, breach of agreement or other misconduct by Concessionaire

Initial Term has the meaning provided in Section 2.02.

Letter of Credit has the meaning provided in Section 5.08.

Master Agreement has the meaning provided in Section 4.04.

Minimum Annual Guarantee means the minimum annual fee to be paid to the County by Concessionaire for each Contract Year as set forth in Section 5.02 for the privilege of operating an advertising concession at the Airport.

Minimum Initial Investment has the meaning provided in Section 6.01.

Monthly Percentage Fee means the sum of sixty percent (60%) of Gross Receipts from Static Advertising Displays for each calendar month and fifty percent (50%) Gross Receipts from Technology Advertising Displays for each calendar month.

Net Book Value means the value of an Advertising Display less any accumulated depreciation. For Advertising Displays installed during the Initial Term, accumulated depreciation shall be calculated as the sum of annual depreciation amounts whereby annual depreciation is calculated on a straight line basis such that annual depreciation is the same throughout the life of the Advertising Display and at the end of the Initial Term the Net Book Value of the Advertising Display is equal to zero. For Advertising Displays installed during the Renewal Term, accumulated depreciation shall be calculated as the sum of annual depreciation amounts whereby annual depreciation is calculated on a straight line basis such that annual depreciation is the same throughout the life of the Advertising Display and at the end of the Renewal Term the Net Book Value of the Advertising Display is equal to zero. Accumulated depreciation shall also include any pro rata annual depreciation for any periods less than a year calculated on a monthly basis, rounded up to the nearest whole monthly period.

Non-Public Areas means any area in the Terminal that has not been designated by the Department for public use, including, but not limited to, areas that are leased, licensed or under the contractual control of other tenants, concessionaires or third parties and areas designated for the exclusive use of the Department.

Percentage Fee means the sum of sixty percent (60 %) of annual Gross Receipts from Static Advertising Displays and fifty percent (50%) of annual Gross Receipts from Technology Advertising Displays for each Contract Year.

Performance Guarantee has the meaning provided in Section 5.08.

Proposal means the document, including attachments and exhibits, submitted by Concessionaire in response to the RFP.

Public Areas means the areas in and around the Terminal designated by the Department for non-exclusive public use, including public corridors, waiting areas and hallways.

Public Service Advertisements has the meaning provided in Section 4.05.

Renewal Term has the meaning provided in Section 2.02.

Renewal Term Investment has the meaning provided in Section 6.03.

RFP means the County's Request for Proposals issued for this Agreement, RFP PB-08-10, as amended.

Statement of Costs has the meaning provided in Section 6.02.

Statement of Gross Receipts has the meaning provided in Section 5.03.

Static Advertising Displays include wall-mounted light boxes and other similar backlit displays, banners, brochure distribution racks, wall wraps, murals, telephone boards that do not include an interactive component such as touch screens, and other similar Advertising Displays with unchanging or fixed advertising messages.

Technology Advertising Displays include scrolling displays, digital advertising media, interactive kiosks, LCD banners, LCD units with pre-recorded advertising messages, and other similar Advertising Displays with changing or dynamic advertising messages.

Term means the Initial Term and any Renewal Term.

Terminal means the passenger terminal building located at the Airport as may be reconfigured, expanded or enlarged from time to time.

Visitor Information Center has the meaning provided in Section 3.03.

ARTICLE 2 **EFFECTIVE DATE/TERM**

2.01 Effective Date. This Agreement is expressly contingent upon the approval of the Palm Beach County Board of County Commissioners and shall become effective when signed by the parties and approved by the Palm Beach County Board of County Commissioners (the "Effective Date").

2.02 Term. The term of this Agreement shall commence on April 1, 2009 (the "Commencement Date") and shall expire on March 31, 2014, (the "Initial Term"), unless terminated earlier as provided for in this Agreement. This Agreement may be extended for one (1) additional five (5) year term ("Renewal Term") at the sole option of the County by amendment to this Agreement, which amendment may be executed by the Airport Director on behalf of County. Except as otherwise provided for herein or as agreed to by the parties, any extension of this Agreement shall be upon the same terms and conditions.

2.03 Holding Over. In the event Concessionaire holds over after this Agreement has been terminated in any manner, the County shall be entitled to collect from Concessionaire, double the amount of the monthly Minimum Annual Guarantee payment payable pursuant to Section 5.02 during the holdover period. All other terms and conditions during any holdover period shall be the same as herein provided.

ARTICLE 3 **RIGHTS AND OBLIGATIONS**

3.01 Advertising Displays. Subject to the terms and conditions of this Agreement, Concessionaire shall have the right and obligation to install, operate and maintain Advertising Displays within designated locations of the Terminal identified in the Advertising Plan (as hereinafter defined) approved by the Department. Concessionaire

acknowledges and agrees that Concessionaire shall not have the right to install, operate or maintain Advertising Displays in Non-Public Areas of the Terminal or any area within the Terminal that has not been approved by the Department. Concessionaire shall be required to remove, at Concessionaire's sole cost and expense, any Advertising Displays installed, operated or maintained in violation of this Section 3.01. Prior to the Commencement Date, Concessionaire shall provide the Department with: (1) a written plan ("Advertising Plan"), which includes the proposed location, general description of the type, dimensions and total cost of installation of each Advertising Display to be located within the Terminal for approval by the Department; and (2) a construction schedule for approval by the Department. Prior to installing, adding, removing, relocating or otherwise altering any Advertising Displays within the Terminal, Concessionaire shall provide the Department with an updated Advertising Plan for approval by the Department. The Advertising Plan shall be in a form and substance acceptable to the Department. The Department may require the Advertising Plan to be submitted in an electronic format. The proposed location of each Advertising Display shall be identified on a layout in a reproducible format acceptable to the Department.

3.02 Construction. Concessionaire shall install Advertising Displays for use in its operations in accordance with the minimum investment requirements outlined in Article 6; the plan submission requirements outlined in Article 7; and the construction schedule approved, in writing, by the Department.

3.03 Visitor Information Center/Hotel/Rental Car Display Board. Concessionaire shall remove the information booth/telephone boards located across from the baggage claim area on the first level of Terminal. Concessionaire shall replace the information booth/telephone boards, at Concessionaire's sole cost and expense, with a hotel/rental car display board and telephone system and visitor information center ("Visitor Information Center") within ninety (90) days of the Commencement Date, unless otherwise approved in writing by the Department. The appearance, location, size and materials used in the Visitor Information Center shall be subject to approval of the Department. The Visitor Information Center shall be operated and maintained by Concessionaire throughout the Term of this Agreement.

3.04 Public Areas. Concessionaire shall have the right to use the Public Areas, in common with the public, for the uses for which those Public Areas are designed. Concessionaire's rights under this Section 3.04 shall include the right of ingress and egress to and from the approved Advertising Display locations. Concessionaire acknowledges and agrees that the Public Areas shall at all times be subject to the exclusive control and management of the County. The County shall have the full right and authority to make all rules and regulations as the County may, in its sole and absolute discretion, deem proper, pertaining to the proper operation and maintenance of the Public Areas. The County shall have the right to modify or relocate the Public Areas at any time and in any way it deems appropriate, including, but not limited to, reconfiguration of the Public Areas, expansion or contraction of the Public Areas, or changing access points to and from the Public Areas.

3.05 Transition upon Termination. Concessionaire agrees to cooperate in good faith and in a commercially reasonable manner in the transition from Interspace Services Inc. to Concessionaire at the beginning of this Agreement, and in the transition from Concessionaire to its successor upon the expiration or earlier termination of this Agreement. The County shall have the right to assume Concessionaire's rights under any unexpired Advertising Contracts upon the expiration or earlier termination of this Agreement. Upon the County's request, Concessionaire shall assign its rights under any unexpired contracts to the County or Concessionaire's successor, upon the expiration or earlier termination of this Agreement at no cost or expense to the County or Concessionaire's successor.

3.06 Existing Advertising Displays. Concessionaire shall be responsible, at Concessionaire's sole cost and expense, for the removal, replacement, refurbishment, operation, repair and maintenance of all Advertising Displays located within the Terminal as of the Commencement Date of this Agreement, whether or not installed by Concessionaire. Concessionaire shall be responsible for any and all costs associated with the repair and/or restoration of surrounding Terminal areas damaged by the

removal and/or replacement of Advertising Displays, including, but not limited to, walls, floors and ceiling tiles, using materials of like kind and quality.

3.07 Removal or Relocation.

A. The Department may require Concessionaire to remove or relocate Advertising Displays from time to time upon sixty (60) days prior written notice to Concessionaire. In the event the Department requires relocation of an Advertising Display, County will reimburse Concessionaire all reasonable, necessary costs of relocating the Advertising Display. Invoices for all reimbursable relocation costs shall be accompanied by copies of sales invoices or receipts and shall be signed by an authorized officer of Concessionaire, who shall certify that all relocation costs and expenses submitted to the County for reimbursement have been paid by Concessionaire. Concessionaire shall provide such other documentation reasonably requested by the Department related to the relocation costs to be reimbursed by the County hereunder. The Department may elect, in its sole discretion, to reimburse Concessionaire through credits against the Concession Fees payable by Concessionaire to County hereunder or by cash reimbursement.

B. In the event the Department requires Concessionaire to permanently remove an Advertising Display and does not offer Concessionaire with a reasonably comparable alternative location for the relocation of the Advertising Display, the County shall pay Concessionaire the Net Book Value of the Advertising Display. In the event the Department requires Advertising Displays to be removed without offering reasonably comparable alternative locations for the relocation of the Advertising Displays and the removal will result in a fifteen percent (15%) or more decline in Gross Receipts based on the Gross Receipts received by Concessionaire for such Advertising Displays during the prior Contract Year, the Minimum Annual Guarantee shall also be reduced as hereinafter provided. The Minimum Annual Guarantee reduction shall be calculated as follows and shall apply to the Minimum Annual Guarantee for the Contract Year in which the removal occurs:

$$\text{Minimum Annual Guarantee} \times \frac{\text{Amount of prior Contract Year's Percentage Fee attributable to Advertising Displays to be removed}}{\text{Prior Contract Year's Total Percentage Fee}}$$

Example of reduction calculation:

The Minimum Annual Guarantee is \$400,000 as of the date of the removal of the Advertising Displays. The prior Contract Year's total Percentage Fee was \$410,000. The amount of the total Percentage Fee attributable to the Advertising Displays to be removed was \$82,000 or 20% of the total Percentage Fee. The Minimum Annual Guarantee would be reduced by 20% or \$80,000; therefore, the Minimum Annual Guarantee for that Contract Year would be \$320,000. (Stated numerically: $\$400,000 \times \$82,000/\$410,000 = \$80,000$ reduction).

Notwithstanding the foregoing, the Minimum Annual Guarantee shall continue to be adjusted annually in accordance with Section 5.02, subject to the reduction provided for in this subsection. The Department may elect, in its sole discretion, to reimburse Concessionaire for the Net Book Value of the Advertising Displays required to be removed through credits against the Concession Fees payable by Concessionaire to County hereunder or by cash reimbursement. Upon payment by the County to Concessionaire of the Net Book Value of the Advertising Displays, the Advertising Displays shall become the sole property of the County. Upon receipt of payment, Concessionaire shall provide the County with a bill of sale or other evidence of transfer of ownership of the Advertising Displays together with evidence satisfactory to the County that the Advertising Displays are free from liens, mortgages or other encumbrances.

3.08 Right of First Refusal. Except as otherwise provided for herein, the County agrees to first offer any new in-Terminal advertising concession opportunities at the Airport to Concessionaire prior to entering any agreements with other concessionaires or third parties. The County will provide written notice to Concessionaire of the scope of any new in-Terminal advertising concession opportunities that may arise. Concessionaire will have fifteen (15) days from the date of the County's notice to provide written notice of its acceptance or denial of the advertising concession

opportunity. In the event Concessionaire fails to respond within the fifteen (15) day period or does not accept the advertising concession opportunity, the County may contract for or sell the opportunity at its discretion. Notwithstanding the foregoing, the right of first refusal provided for in this Section 3.08 shall not apply to: (i) concession opportunities, which are offered pursuant to a competitive solicitation issued by the County; (ii) directional, public service or informational signage installed, or to be installed, at the Airport by the County or any of its tenants, licensees or concessionaires; (iii) advertising or promotional materials located within another Airport tenant's, licensee's or concessionaire's leasehold or assigned premises, which promote the services or products offered by such tenant, licensee or concessionaire; (iv) advertising that will not be located inside the Terminal; (v) advertising promoting the Airport or Palm Beach County or any of its agencies; or (iv) any advertising for which the County does not receive payment.

ARTICLE 4 **CONCESSION STANDARDS**

4.01 Concession Standards. Concessionaire shall offer high quality advertising opportunities at the Airport and shall maintain and operate the Concession in a first class manner. All advertising shall be in compliance with all applicable federal, state and local laws and regulations, including, but not limited to, laws and regulations intended to protect the interest of consumers and the general public.

4.02 Approval of Advertising. All advertising shall be subject to prior written approval of the Department. Concessionaire shall cease displaying and immediately remove any advertisement that the Department, in its sole and absolute discretion, deems not suitable or desirable for display at the Airport upon prior written notice, whether or not the advertisement was previously approved by the Department. In the event Concessionaire fails to remove any advertisement in accordance with this Section 4.02, the Department may cause such advertisement to be removed and store the advertisement at Concessionaire's expense. Concessionaire shall pay all costs for storing the advertisement and all costs incurred by the Department for removing the advertisement, plus a twenty five percent (25%) administrative overhead. The County shall have no liability whatsoever in connection with the disapproval or required removal of any advertisement from the Airport, including, but not limited to, liability for damages or lost profits. Concessionaire agrees that it will not raise any objections to the Department or County's prohibitions to certain advertising based on constitutional grounds or otherwise.

4.03 Advertising Guidelines. Concessionaire shall comply with all Advertising Guidelines, as may be amended from time to time by the Department upon prior written notice to Concessionaire, including all advertising content and submission requirements. All advertising shall be in good taste, professionally developed and presented in a manner that enhances the Airport. Concessionaire acknowledges that it is the County's intent to maintain the Airport as a non-public forum and that the County does not intend to create a public or limited public forum through the acceptance of advertising. In the event of a conflict between this Agreement and the Advertising Guidelines, this Agreement shall control. Concessionaire shall not renew or allow the automatic renewal of any Advertising Contracts entered into prior to the Effective Date of this Agreement for advertisements that are inconsistent with or violate the Advertising Guidelines.

4.04 Advertising Contracts. All agreements entered into by Concessionaire with an advertiser for the rental of advertising space at the Airport ("Advertising Contract") shall be on a standard form agreement approved by the Department, which shall include:

1. Name, address and phone number of the advertiser.
2. Commencement date and termination date of the Advertising Contract.
3. Number of Advertising Displays and media type of each Advertising Display.

4. Advertising rates charged and any other payment terms.
5. Any agency fee or commission paid.
6. A clause stating: "This Agreement may be cancelled and any advertisement may be removed from the Palm Beach International Airport upon objection of Palm Beach County, by and through its Department of Airports."
7. A clause stating: "This Agreement is expressly subordinate to and subject to the terms and conditions of that certain Advertising Concession Agreement between Palm Beach County and In-Ter-Space Services, Inc., d/b/a Clear Channel Interspace Airports dated February 24, 2009 ("Master Agreement"). This Agreement may be terminated or assigned to Palm Beach County or its designated assigns, at Palm Beach County's sole and absolute discretion, upon the expiration or earlier termination of the Master Agreement."
8. A clause stating: "The parties acknowledge that Palm Beach County, by and through its Department of Airports, may deny approval for placement of any advertising copy or content, which in the County's sole and absolute discretion, deems inappropriate for display at the Airport. All advertisements shall be in good taste, professionally developed and enhance the Airport and shall be in compliance with the Advertising Guidelines provided for in the Master Agreement."

4.05 Vacant Advertising Displays. Concessionaire shall use its best efforts and sound business practices to keep all Advertising Displays fully occupied with revenue producing advertising. Under no circumstances shall Concessionaire allow an Advertising Display to remain vacant or dark. Concessionaire must produce and maintain a supply of "fillers", at Concessionaire's sole cost and expense, to place in any vacant Advertising Displays until Concessionaire has obtained an advertiser for the space. All "filler" advertising shall be subject to prior approval of the Department and shall be kept fresh and current. Subject to the Department's prior written approval and the Advertising Guidelines, Concessionaire may install and maintain appropriate and attractive advertising in vacant Advertising Displays providing tourism information, information regarding local community events or services, or other similar public information ("Public Service Advertisements"). Under no circumstances shall such advertisements include controversial, social, moral, political or ethical content or messages. Concessionaire shall also offer vacant Advertising Displays to the County for advertising promoting the Airport or Airport programs ("Airport Advertisements"). Concessionaire shall only charge for actual, direct costs and expenses for the design, fabrication and installation ("Direct Costs") of Public Service or Airport Advertisements. The County agrees to pay the Direct Costs, if any, of any Airport Advertisements requested to be installed in the Airport. Advertisements installed at the Airport pursuant to this Section 4.05 are intended to be short-term and temporary in nature until such time revenue generating advertising can be secured for the location.

4.06 Right to Object. The Department shall have the right to object to the appearance, quality, quantity or condition of any advertising or Advertising Displays installed or maintained by Concessionaire pursuant to this Agreement and the appearance or performance of Concessionaire's personnel at the Airport. Concessionaire shall remedy any such conditions or practices objectionable to the Department.

4.07 Artwork. Concessionaire shall not commission, install or display any work of art without the prior written consent of the Department and without a full written waiver by the artist of all rights under the Federal Visual Artist's Rights Act of 1990, as now or hereinafter amended.

4.08 Nondiscriminatory Service. Concessionaire shall provide all advertising opportunities to its customers upon a fair, equal and nondiscriminatory basis and charge fair, reasonable and nondiscriminatory prices; provided, however, Concessionaire may make or give reasonable and nondiscriminatory discounts, rebates or other similar price reductions to its advertisers based on term length, multiple advertisement packages or other discount opportunities typically offered in the advertising industry.

4.09 Personnel. Concessionaire shall maintain a sufficient number of properly trained advertising sales personnel to ensure that all customers of Concessionaire receive prompt and courteous service. The management and operation of the Concession shall at all times during the Term of this Agreement be under the supervision and direction of an active, qualified, competent and experienced manager, who shall be authorized to represent and act for Concessionaire. A representative of Concessionaire shall be available by telephone twenty-four (24) hours a day, seven (7) days a week, and three hundred sixty five (365) days a year in case of emergency. Concessionaire shall provide the contact information for the representative to the Department and provide prior written notice to the Department of any substitution of the representative and/or change to the contact information.

4.10 Maintenance. Concessionaire shall maintain or contract with a sufficient number of properly trained personnel to ensure that Advertising Displays are clean and maintained in proper working order at all times.

4.11 Conflicts with Other Concessions. Notwithstanding any provision of this Agreement to the contrary, Concessionaire understands and agrees that, in the event of a conflict between Concessionaire and any other lessee or concessionaire in the Terminal as to specific items to be sold or services to be provided, the Department shall make the final determination as to which product or service may be sold or provided by each concessionaire or lessee.

4.12 Pricing Policy. Concessionaire shall charge reasonable prices for advertising opportunities at the Airport. For purposes of this Agreement, "reasonable prices" means prices charged for advertising and related services at airports comparable in size to the Airport based on the number of annual enplaned passengers. All rates for advertising and related services shall be subject to prior written approval of the Department as provided in the Advertising Guidelines.

ARTICLE 5

CONCESSION FEE AND ACCOUNTING RECORDS

5.01 Concession Fee. Concessionaire shall pay to the County a Concession Fee equal to the greater of the Minimum Annual Guarantee or Percentage Fee ("Concession Fee") for each Contract Year. The Concession Fee shall be payable on a monthly basis as provided for herein and shall be reconciled on an annual basis in accordance with the provisions of Section 5.12 below.

5.02 Minimum Annual Guarantee.

A. The Minimum Annual Guarantee for each Contract Year shall be as follows:

Time Period	Minimum Annual Guarantee
First Contract Year	\$350,000
Second Contract Year	Ninety percent (90%) of the Concession Fee for the first Contract Year, or the Minimum Annual Guarantee for the first Contract Year, whichever is higher.
Third Contract Year and each Contract Year thereafter through remainder of the Term	Ninety percent (90%) of the Concession Fee for the prior Contract Year, or the Minimum Annual Guarantee for the prior Contract Year, whichever is higher.

B. Commencing on the Commencement Date and on the first (1st) day of each and every month thereafter, Concessionaire shall pay to the County one-twelfth

(1/12) of the Minimum Annual Guarantee for the applicable Contract Year, without demand, deduction, holdback or setoff.

5.03 Statement of Gross Receipts. On or before the fifteenth (15th) day of each month, Concessionaire shall deliver to the County a correct accounting statement, in a form and detail satisfactory to the Department, which includes the information, required by this Section 5.03 and is signed by Concessionaire or Concessionaire's responsible agent under penalty of perjury ("Statement of Gross Receipts"). Each Statement of Gross Receipts shall: (i) state the Monthly Percentage Fee for the preceding calendar month; (ii) state the total amount of Gross Receipts for the preceding calendar month; (iii) state the total amount payable to the County for the preceding calendar month; and (iv) separately identify any exclusion from Gross Receipts. Upon thirty (30) days prior written notice, the Department may require Concessionaire to change the form of the Statement of Gross Receipts and/or require the Concessionaire to submit additional information pertaining to Gross Receipts. Concessionaire agrees to modify the Statement of Gross Receipts upon the Department's written request and to provide any such additional information the Department may request in writing. The Department may require the Statement of Gross Receipts to be delivered electronically.

5.04 Percentage Fee. In the event the Monthly Percentage Fee is greater than (1/12) of the Minimum Annual Guarantee for the applicable Contract Year, Concessionaire shall pay the difference to the County. Such payment shall be delivered with the Statement of Gross Receipts on or before the fifteenth (15th) day of the month.

5.05 Rental for Storage Space Commencing on the Commencement Date, Concessionaire shall pay rental, in addition to any other fees, charges and rentals payable hereunder, for the storage area identified in Exhibit "B" as SA-1. The initial annual rental for the storage area shall be Nineteen Dollars and 63/100 (\$19.63) for approximately one hundred thirty six (136) square feet of space. Rental for the storage area shall be payable at the offices of the Department in equal monthly installments, in advance, without demand or any deduction, holdback or setoff whatsoever, by the first day of each and every month throughout the Term. Any rental payment due pursuant to this Section 5.05 for a fractional month shall be calculated and paid on a per diem basis (calculated on the basis of a thirty (30) day month). Each October 1st, the rental rate applicable to the storage area shall be adjusted in accordance with the standard form Airline Use and Lease Agreement adopted by County's Board of County Commissioners ("Board") pursuant to Resolution No. 2006-1906, as such agreement may be amended from time to time or any successor resolution or agreement adopted by the Board establishing rental rates for similar space within the Terminal ("Airline Agreement"). The storage area shall be considered Type Five (5) space as defined in the Airline Agreement. Notwithstanding any provision of this Agreement to the contrary, Concessionaire acknowledges and agrees that the County shall have the right to establish and maintain rental rates under this Agreement to ensure compliance with the provisions of Section 710 of the Bond Resolution. In the event Concessionaire desires to lease additional office and/or storage space within the Terminal, Concessionaire shall be required to pay rental for the use of such space in addition to the fees and charges provided for herein. The parties shall enter into an amendment to this Agreement to provide for the rental of any additional office and/or storage space to Concessionaire.

5.06 Place of Payment and Filing. All payments required to be made by Concessionaire and all reports required to be filed hereunder shall be delivered to:

Palm Beach County Department of Airports
ATTN: Accounting Section
846 Palm Beach International Airport
West Palm Beach, Florida 33406-1470

The designated place of payment and filing may be changed at any time by the Department upon ten (10) days prior written notice to Concessionaire. Payments made by check shall be payable to "Palm Beach County". Concessionaire assumes all risk of loss if payments are made by mail.

5.07 Form of Payment. All payments due under this Agreement shall be paid in lawful

money of the United States of America, without offset or deduction or prior notice or demand. No payment by Concessionaire or receipt by the County of a lesser amount than the payment due shall be deemed to be other than on account of the payment due, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed to establish an accord and satisfaction, and the County may accept such check or payment without prejudice to the County's right to recover the balance of said amount due or pursue any other remedy available under this Agreement.

5.08 Performance Guarantee. Concessionaire shall post, and maintain throughout the Term of this Agreement, a performance guarantee ("Performance Guarantee") with the County in an amount equal to fifty percent (50%) of the Minimum Annual Guarantee. The Performance Guarantee shall be increased concurrent with increases in the Minimum Annual Guarantee. The Performance Guarantee shall serve as security for the payment of all sums due to County and shall also secure the performance of all obligations of Concessionaire hereunder. The Performance Guarantee shall be either in the form of a clean, Irrevocable Letter of Credit ("Letter of Credit") or a Surety Bond ("Bond") in form and substance satisfactory to County. In the event of any failure by Concessionaire to pay any fees, sums or charges to County when due or upon any other failure to perform any of its obligations or other default under this Agreement, 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 Performance Guarantee and apply same to all amounts owed. Upon notice of any such draw, Concessionaire shall immediately replace the Performance Guarantee with a new Letter of Credit or Bond in the full amount of the Performance Guarantee required hereunder. A Performance Guarantee shall be kept in full force and effect throughout the Term of this Agreement and for a period of six (6) months after the termination of this Agreement. Not less than thirty (30) calendar days prior to any expiration date of a Letter of Credit or Bond, Concessionaire shall submit evidence in form satisfactory to County the Performance Guarantee has been renewed. Failure to renew a Letter of Credit or Bond as required by this Section 5.08 shall: (1) entitle County to draw down the full amount of such Performance Guarantee, and (2) constitute a default of this Agreement entitling County to all available remedies. The Performance Guarantee shall not be returned to Concessionaire until all obligations under this Agreement are performed and satisfied. Prior to consent from County to any assignment of this Agreement by Concessionaire, Concessionaire's assignee shall be required to provide a Performance Guarantee to County in accordance with the terms and conditions of this Section 5.08. The obligations arising under this Section 5.08 shall survive the expiration or earlier termination of this Agreement.

5.09 Delinquent Payments. Without waiving any other right or action available to the County, in the event any payment due to the County pursuant to this Agreement is not received by the County by the due date, Concessionaire shall pay to the County interest thereon at the rate of one and one-half percent (1.5%) per month or the maximum legal rate, whichever is greater, from the date such payment was due and payable until paid. Acceptance of interest on any overdue payment (or any portion of the overdue payment) by the County shall not constitute a waiver of Concessionaire's default with respect to such overdue payment, or prevent the County from exercising any of the other rights and remedies granted hereunder.

5.10 Sales and Use Tax. Concessionaire shall pay monthly to the 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 rents, use or occupancy of the Airport imposed by the United States of America, the State of Florida, or Palm Beach County, notwithstanding the fact that the statute, rule, ordinance or enactment imposing the same may endeavor to impose the tax on the County.

5.11 Accounting Records. Concessionaire shall keep, throughout the Term of this Agreement, all books of accounts and records customarily used in this type of operation, and as from time to time may be required by the Department, in accordance with Generally Accepted Accounting Principals prescribed by the American Institute of Certified Public Accountants or any successor agency thereto. Such books of accounts and records shall be retained and be available for three (3) years from the end of each

Contract Year, including three (3) years following the expiration or termination of this Agreement. The County shall have the right to audit and examine during normal business hours all such books of accounts and records relating to Concessionaire's operations hereunder. If the books of accounts and records are kept at locations other than the Airport, Concessionaire shall, at its sole cost and expense, 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. Failure to maintain books of accounts and records as required under this Article shall be a material default of this Agreement. The obligations arising under this Section 5.11 shall survive the expiration or termination of this Agreement until satisfied.

5.12 Audit. Within ninety (90) days after the end of each Contract Year, Concessionaire shall provide the County with an audit report on all Gross Receipts from operations at the Airport and from the operations of any of Concessionaire's subsidiaries, contractors, management companies, or related or affiliated companies involved in providing services covered by this Agreement. The audit report shall cover the preceding Contract Year. The audit report shall be in the format required by the Department and shall be prepared by an independent Certified Public Accountant, not a regular employee of Concessionaire, in accordance with Generally Accepted Auditing Standards prescribed by the American Institute of Certified Public Accountants or any successor agency thereto. The audit report shall include the following:

- A. The total amount of Gross Receipts for the preceding Contract Year;
- B. A schedule of Gross Receipts by month, which shall also detail any exclusion from Gross Receipts;
- C. A schedule of Gross Receipts by Advertising Display unit;
- D. A schedule of payments that have been made to the County; and
- E. The audit report shall include an opinion on: the total amount of Gross Receipts for the preceding Contract Year; the schedule of Gross Receipts by month; the schedule of Gross Receipts by Advertising Display unit; the schedule of payments to the County; any exclusion from Gross Receipts; and the calculation of payments.

Delivery of an audit report containing a qualified opinion, an adverse opinion, or a disclaimer of opinion, as defined by the American Institute of Certified Public Accountants or any successor agency thereto, shall be deemed to be a material breach of this Agreement. If the audit report indicates that the Concession Fee (together with any sales taxes thereon) due and owing for any Contract Year is greater than the amount paid by Concessionaire to the County during such Contract Year, Concessionaire shall pay the difference to the County with the audit report. If the Concession Fee actually paid by Concessionaire to the County during any Contract Year exceeds the Concession Fee due and owing for such Contract Year, the County shall credit the overpayment in the following order: (i) against any past due amounts owed to the County by Concessionaire, including interest and late fees; (ii) against currently outstanding, but not yet due, payments owed to the County by Concessionaire; and (iii) against any other sums payable by Concessionaire to the County. Notwithstanding the foregoing, in the event of an overpayment by Concessionaire during the last Contract Year, the County shall credit the overpayment against any remaining amounts owed to the County, including interest and late fees, and refund to Concessionaire any overpayment amount in excess of the credit. The obligations arising under this Section shall survive the expiration or termination of this Agreement until satisfied.

5.13 Audit by County. Notwithstanding any provision in this Agreement to the contrary, the County or its representative(s) may at any time perform an audit or audits of all or selected operations performed by Concessionaire under the terms of this Agreement. In order to facilitate the audit or audits performed by the County, Concessionaire agrees to make suitable arrangements with the Certified Public Accountant, who is responsible for preparing the audit report on behalf of Concessionaire pursuant to Section 5.12, to make available to the County's representative(s) any and all working papers relevant to

the audit or audits performed by the Certified Public Accountant. The County or its representative(s) shall make available to Concessionaire a copy of the audit report prepared by or on behalf of the County. Concessionaire shall have thirty (30) days from receipt of the audit report from the County or its representative(s) to provide a written response to the Department regarding the audit report. Concessionaire agrees that failure of Concessionaire to submit a written response to the audit report in accordance with the requirements of this Section shall constitute acceptance of the audit report as issued.

5.14 Abatement of Minimum Annual Guarantee. In the event the number of passengers enplaning on scheduled airline flights at the Airport during any Contract Year shall be less than eighty percent (80%) of the number of such enplaning passengers for that period commencing on April 1, 2008 and ending on March 31, 2009, the Minimum Annual Guarantee for that Contract Year shall be reduced in amount equal to the percentage of passenger traffic decline. , Concessionaire acknowledges and agrees that Concessionaire shall remain liable for payment of the full Percentage Fee notwithstanding any reduction in the Minimum Annual Guarantee for that Contract Year.

ARTICLE 6

MINIMUM INVESTMENT

6.01 Minimum Initial Investment. Concessionaire shall expend a minimum of Six Hundred Sixty Two Thousand Dollars (\$662,000) ("Minimum Initial Investment") on the manufacture, design, refurbishment, replacement and installation of Advertising Displays at the Airport, including costs of removal or refurbishment of existing Advertising Displays in accordance with the following schedule, unless otherwise agreed to in writing by the Department:

A. Concessionaire shall expend a minimum of Two Hundred Fifty Thousand Dollars (\$250,000) on or before July 1, 2009.

B. Concessionaire shall expend a minimum of Four Hundred Eighty Nine Thousand Dollars (\$489,000) on or before April 1, 2010, which shall include the amount provided under Section 6.01(A) above.

C. Concessionaire shall expend a minimum of Six Hundred Sixty Two Thousand Dollars (\$662,000) on or before October 1, 2010, which shall include the amounts provided under Sections 6.01(A) and (B) above.

Final installation of all the Advertising Displays shall be completed on or before October 1, 2010, unless otherwise agreed to in writing by the Department.

6.02 Certified Construction Costs. Within sixty (60) days after completion of construction, Concessionaire shall provide the County with a statement certified by an independent Certified Public Accountant ("Statement of Costs"), which shall set forth the total cost of manufacturing, designing, refurbishing, replacing and installing the Advertising Displays at the Airport, including associated architectural, design and engineering fees of independent consultants. The Minimum Initial Investment shall not include financing costs, interest, inventory, or pre-opening expenses or intracompany charges not directly related to the design, manufacture or installation of Advertising Displays. Professional fees and intracompany charges related to the design, manufacture and installation of the Advertising Displays shall not exceed twelve percent (12%) of the total certified costs. If the costs incurred by Concessionaire are less than the required Minimum Initial Investment, Concessionaire shall pay the difference to the County with the Statement of Costs. In addition to the Statement of Costs, Concessionaire shall submit a depreciation schedule for each Advertising Display by location calculated in accordance with Section 14.06. Such depreciation schedule shall be updated upon the installation and delivery of the Statement of Costs for all refurbishments, replacements or additions to Advertising Displays.

6.03 Renewal Term Investment. Within the first sixty (60) days of Renewal Term, Concessionaire shall submit a plan and an implementation schedule for approval by the

County for the refurbishment of the Advertising Displays at the Airport. The cost of such refurbishments shall be a minimum of One Hundred Fifty Thousand Dollars (\$150,000) (the "Renewal Term Investment"). Concessionaire shall proceed with construction of all improvements in accordance with the implementation schedule approved by the Department. Within sixty (60) days of completion of construction, Concessionaire shall deliver a Statement of Costs prepared in accordance with Section 6.02. If the costs incurred by Concessionaire are less than the Renewal Term Investment, Concessionaire shall pay the difference to the County within thirty (30) days of delivery of the Statement of Costs.

ARTICLE 7 **IMPROVEMENTS**

7.01 Approval of Plans and Specifications and Provision of Drawings. Any improvements to be made to or upon the Airport by Concessionaire, including, but not limited to the Advertising Displays, and any subsequent alterations or additions to such improvements, shall be subject to the prior written approval of the County. Full and complete plans and specifications for all work, facilities, improvements, and finishes, and the time required to complete same, shall be submitted to and receive the written approval of the County before any work or construction is commenced. First-class standards of design and construction, as determined by the County, shall be complied with in connection with all such work, facilities, and improvements; and all construction shall conform to the Advertising Guidelines. Sets of plans and materials for all improvements or subsequent changes therein or alterations thereof shall be given to the County for review prior to commencement of construction in accordance with the requirements of the Department. After final approval by the County, the County shall return to Concessionaire one (1) approved copy for Concessionaire's records and shall retain one (1) approved copy as an official record thereof.

7.02 Improvements Conform to Statutes and Ordinances. All Advertising Displays, improvements, fixtures, equipment, and finishes, including the associated plans and specifications, constructed or installed by Concessionaire, its agents, or contractors, shall conform in all respects to applicable statutes, ordinances, building codes, and rules and regulations, including the ADA Act of 1990. Any approval given by the County shall not constitute a representation or warranty as to such conformity and responsibility therefor shall at all times remain with Concessionaire.

7.03 Approvals Extend to Design and Aesthetic Matters. Approval of the County shall extend to and include design and aesthetic matters, and the County reserves the right, at its sole and absolute discretion, to reject any advertising design proposal submitted and to require Concessionaire to resubmit any such design proposal until Concessionaire receives the County's approval.

7.04 Disapprovals. In the event of disapproval by the County of any portion of any design, plans or specifications, Concessionaire shall promptly submit necessary modifications and revisions thereof for approval by the County. No substantial changes or alterations, as determined by the County, shall be made to the design, plans or specifications after initial approval by the County, without prior written approval of the County.

7.05 Advertising Plan Update. Concessionaire shall provide the County with an updated Advertising Plan, as necessary, upon completion of installation or alteration of any Advertising Displays to ensure the information contained in the Advertising Plan is current, accurate and complete.

7.06 Construction Bonds. Concessionaire shall ensure that all improvements are constructed to completion in accordance with the approved design, plans and specifications and that all persons or entities performing work or providing materials relating to such improvements including, but not limited to, all contractors, subcontractors, sub-subcontractors, laborers, materialmen, suppliers and professionals, are paid in full for such services and materials. Concessionaire, at its sole cost and expense, shall cause to be made, executed and delivered to the County prior to commencement of any improvements to the Airport, a bond, drawn in a form and issued

by a Concessionaire approved by the County, guaranteeing compliance by the Concessionaire of its obligations arising under this Article 7.

7.08 Contractor Requirements. Concessionaire shall require contractors to furnish for the benefit of the County a public construction bond as required under Section 255.05, Florida Statutes, in a form approved by the County. Concessionaire shall also require contractors to furnish satisfactory evidence of statutory Worker's Compensation insurance, comprehensive general liability insurance, comprehensive auto insurance and physical damage insurance on a Builder's Risk form with the interest of the County endorsed thereon, in such amounts and in such manner as County's Risk Management Department may reasonably require. The County's Risk Management Department may require additional insurance for any alterations, additions or improvements approved pursuant to this Agreement in such amounts as the County's Risk Management Department reasonably determines to be necessary.

7.09 No Liens. Concessionaire covenants and agrees that nothing contained in this Agreement shall be construed as consent by the County to subject the estate of the County to liability under the Construction Lien Law of the State of Florida. Concessionaire shall notify any and all parties or entities performing work or providing materials relating to any improvements made by Concessionaire of this provision of this Agreement. If so requested by the County, Concessionaire shall file a notice satisfactory to the County in the Public Records of Palm Beach County, Florida, stating that the County's interest shall not be subject to liens for improvements made by Concessionaire. In the event that a construction lien is filed against the Airport or other County property in connection with any work performed by or on behalf of Concessionaire, Concessionaire shall satisfy such claim, or transfer same to security within ten (10) days, the County may do so and thereafter charge Concessionaire, and Concessionaire shall promptly pay to the County upon demand all costs incurred by the County in connection with the satisfaction or transfer of such claim, including, but not limited to, attorney's fees.

7.10 Structural Alterations. Concessionaire shall not make any structural alterations to the Airport or any locations identified in the Advertising Plan, without the prior written consent of the County.

7.11 Alterations to Airport. Concessionaire acknowledges that, from time to time, the County may undertake construction, repair, or other activities related to the operation, maintenance, and repair of the Terminal that may temporarily affect Concessionaire's operations hereunder. Concessionaire agrees to accommodate the County in such matters, even though Concessionaire's own activities may be inconvenienced, and Concessionaire agrees that no liability shall attach to the County, its members, employees, or agents by reason of such inconvenience or impairment, except as otherwise provided for herein.

7.12 Removal and Demolition. Concessionaire shall not remove or demolish, in whole or in part, any Advertising Displays or improvements constructed by Concessionaire on the Airport without the prior written consent of the County. The County may, in its sole and absolute discretion, condition such consent upon the obligation of Concessionaire, at Concessionaire's cost, to replace the same by an improvement specified in such consent.

ARTICLE 8

TITLE

All Advertising Displays installed by Concessionaire, and any additions and alterations thereto made by Concessionaire, shall be and remain the property of Concessionaire until the expiration of this Agreement, at which time the Advertising Displays and any additions and alterations thereto, shall become the property of the County, at no cost to the County.

ARTICLE 9

MAINTENANCE

9.01 Airport Maintenance Obligations.

A. Subject to the terms, conditions and limitations of this Agreement, the County agrees that it will use reasonable efforts to maintain, operate and keep the Terminal in good repair, and it shall provide, or cause to be provided, structural maintenance of the Terminal.

B. The County shall, throughout the Term of this Agreement, maintain all Airport-owned roads on the Airport giving access to the Terminal in good and adequate condition for use by cars and trucks and shall maintain free and uninterrupted access to the Terminal over said roads at all times, unless security or construction conditions dictate otherwise, including road closures required by the Department of Homeland Security or the Airport Police. The County reserves the right to restrict access to the Terminal for deliveries during peak activity periods upon prior written notice of such restrictions.

9.02 Concessionaire's General Obligations. Concessionaire shall be obligated, without cost to the County, to maintain all Advertising Displays in good appearance, repair, and safe condition. Concessionaire shall maintain and repair all Advertising Displays and associated fixtures and equipment, whether installed by Concessionaire or by others, including repainting or redecorating as necessary, and replacing or repairing worn materials, fixtures or displays. Concessionaire's responsibilities include the maintenance, repair, and replacement of all utility lines and connections, wiring, communication cables and associated parts and equipment located within or exclusively serving the Advertising Displays. All such maintenance and repairs shall be of quality equal to the original in materials and workmanship, and all work, including paint colors, shall be subject to the prior written approval of the County.

9.03 Preventative and Routine Maintenance Programs. Upon the execution of this Agreement, Concessionaire shall establish a preventative and routine maintenance program to maintain all Advertising Displays in like-new condition, the provisions of which shall be subject to the approval of and periodic review by the Department. On or before January 31 of each year, Concessionaire shall provide the Department with a written schedule of Concessionaire's cleaning and maintenance program.

9.04 County Sole Judge of Maintenance. The County shall be the sole judge of the quality of maintenance of the Advertising Displays. If it is determined that such maintenance is not satisfactory, the County shall so notify Concessionaire in writing. If such maintenance is not performed to County standards by Concessionaire within seven (7) days after receipt of written notice, the County or its agents thereafter shall have the right to perform the maintenance thereof and Concessionaire agrees to promptly reimburse the County for the cost thereof, plus a twenty five percent (25%) administrative overhead.

9.05 Routine Refurbishment. On or about the commencement of each calendar year, representatives of the County and Concessionaire shall tour the Airport and jointly agree upon what, if any routine refurbishment is required to maintain the Advertising Displays in first-class condition, and Concessionaire shall promptly undertake such refurbishment at its sole cost and expense. If Concessionaire and the County cannot jointly agree upon the type and extent of refurbishment, the County may, in its sole discretion, determine the refurbishment required. For purposes of this paragraph, "refurbishment" shall mean the routine repainting, refinishing or redecoration of Advertising Displays, including the replacement or repair of worn, inoperative or poorly functioning fixtures, finishes or equipment.

ARTICLE 10

UTILITIES

10.01 Utility Connections and Charges. Concessionaire shall be responsible for making all utility connections required for operation of its Advertising Displays at Concessionaire's sole cost and expense. With the exception of electrical service, Concessionaire shall be responsible for payment of all utility services, including telephone, data and cable utility services, necessary for the operation of the Advertising Displays. Notwithstanding the foregoing, the Department reserves the right to charge Concessionaire for electricity consumed by Concessionaire in the future. In the event the Department elects to charge Concessionaire for electrical service, the Department may require Concessionaire to install separate meters, if feasible, or may cause a monetary estimate of annual electrical consumption to be prepared, which shall be payable monthly and may be adjusted from time to time by the Department based on increases in electricity rates. In the event the Department elects to charge Concessionaire for electricity based upon an estimate of electrical consumption, the Department shall provide Concessionaire with the proposed method of estimating consumption for review and comment prior to instituting the additional charge for electrical service. Concessionaire shall coordinate with the Department to conserve electrical consumption by the Advertising Displays to the maximum extent feasible, which may include measures such as turning off certain Technology Advertising Displays one (1) hour after the last scheduled airline arrival.

10.02 Interruption of Service. The County shall not be liable for any interruptions to the utility services provided at the Airport or to the Advertising Displays, unless such interruption is the result of the negligence or intentional misconduct of the County or its employees.

ARTICLE 11

DAMAGE OR DESTRUCTION

11.01 Damage Caused To Airport Property. If the Airport or any improvements thereto are damaged in any way whatsoever by the act, default or negligence of Concessionaire or its agents, employees, officers or contractors, Concessionaire shall, at its sole cost and expense, restore the Airport and/or improvements to the condition existing prior to such damage. Concessionaire shall commence such restoration within thirty (30) days and shall diligently pursue such restoration to completion. Such restoration shall be made by Concessionaire in accordance with the construction requirements established by the Department. If Concessionaire fails to restore the Airport and/or improvements as required above, the County shall have the right to perform the necessary restoration, and Concessionaire shall be liable to the County for payment of the all costs incurred by the County, plus twenty-five percent (25%) administrative overhead. All restoration costs, plus the administrative overhead cost, shall be due and payable within thirty (30) days from date of written notice.

11.02 Partial Destruction. If the Terminal is damaged or destroyed in part by fire or other casualty, the County may terminate this Agreement upon written notice to Concessionaire within ninety (90) days after the date of any such damage or destruction or commence restoration of the Terminal within a commercially reasonable period of time subject to the limitations set forth herein. In the event of restoration of the Terminal by the County pursuant to this paragraph, Concessionaire's obligation to pay the Minimum Annual Guarantee shall be abated proportionately as to that portion of the Terminal rendered unusable by reason of casualty, commencing on the date of the casualty. Notwithstanding the foregoing, Concessionaire shall remain obligated to pay the Percentage Fee. Abatement of the Minimum Annual Guarantee shall continue until thirty (30) days after notice by the County to Concessionaire that the Terminal has been substantially repaired or restored. Notwithstanding any provision of this Agreement to the contrary, the County shall have no obligation under this Agreement to restore the Terminal in the event the casualty was the result of the act, default or negligence of Concessionaire or its agents, employees, officers or contractors. In such event, Concessionaire shall be obligated to restore the Terminal in accordance with Section 11.01 above.

11.03 Total Casualty. In the event of a total casualty, which renders the Terminal unusable, as reasonably determined by the Department, either party shall have the right to terminate this Agreement within ninety (90) days of the date of the casualty by delivering a written notice of termination to the other party in accordance with the notice provisions in this Agreement; provided, however, Concessionaire shall not have the right to terminate in the event the casualty was the result of the act, default or negligence of Concessionaire or Concessionaire's agents, employees, officers or contractors.

11.04 Waiver. Concessionaire hereby waives any claim against the County for damages or compensation in the event this Agreement is terminated pursuant to Sections 11.02 or 11.03 above.

11.05. Limitations. Notwithstanding any provision of this Agreement to the contrary, the County shall have no obligation to repair, rebuild or restore Concessionaire's personal property or fixtures or any improvements made by Concessionaire to the Terminal, including, but not limited to, the Advertising Displays. In the event the County elects to repair, rebuild or restore the Terminal following a casualty, the County's obligation to repair, rebuild or restore the Terminal pursuant to this Agreement shall exist only to the extent of the insurance proceeds received by the County as a result of such casualty. Concessionaire shall not be entitled to and hereby waives any claims against the County for any compensation or damage for any loss of use of the Terminal, in whole or in part, or for any inconvenience or annoyance occasioned by any such damage, destruction, repair or restoration. In addition, the County shall not be liable for any damage or inconvenience or interruption of the business of Concessionaire occasioned by fire or other casualty.

ARTICLE 12 **INDEMNIFICATION**

Concessionaire agrees to protect, defend, reimburse, indemnify and hold the County and 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 the County is named or joined, arising out of this Agreement or Concessionaire's use or occupancy of 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, and any third or other party whomsoever, or any governmental agency, arising out of or incident to or in connection with Concessionaire's acts, omissions or operations hereunder, or the performance, non-performance or purported performance of Concessionaire or any breach of the terms of this Agreement; provided, however, Concessionaire shall not be responsible to the County for damages resulting out of bodily injury (including death) or damages to property which are judicially determined to be solely attributable to the negligence of the County its respective agents, servants, employees and officers. Concessionaire further agrees to hold harmless and indemnify the County for any fines, citations, court judgments, insurance claims, restoration costs or other liability resulting from or in any way arising out of or due to Concessionaire's activities or operations or use of the Airport whether or not Concessionaire was negligent or even knowledgeable of any events precipitating a claim or judgment arising as a result of any situation involving the activities. This indemnification shall be extended to include all deliverers, suppliers, furnishers of material, or anyone acting for, on behalf of or at the request of Concessionaire. Concessionaire recognizes the broad nature of this indemnification and hold-harmless provision, and acknowledges that the County would not enter into this Agreement 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 the County in support of this indemnification in accordance with laws of the State of Florida. The obligations arising under this Article shall survive the expiration or termination of this Agreement.

ARTICLE 13 INSURANCE

Unless otherwise specified in this Agreement, Concessionaire shall, at its sole cost and expense, maintain in full force and effect at all times during the life of this Agreement or the performance of work hereunder, insurance limits, coverages or endorsements required herein. Concessionaire acknowledges and agrees that the requirements contained herein as well as the County=s review or acceptance of insurance, is not intended to and shall not in any manner limit nor qualify the liabilities and obligations assumed under this Agreement.

13.01 Commercial General Liability. Concessionaire shall maintain Commercial General Liability with limits of liability not less than \$1,000,000 Each Occurrence including coverage for, but not limited to, Premises/Operations, Products/Completed Operations, Contractual Liability, Personal/Advertising Injury and Cross Liability; Fire Legal Liability with a limit not less than \$100,000; and Medical Payments (when available) with a limit not less than \$5,000. Coverage shall be provided on a primary basis.

13.02 Business Auto Liability. Concessionaire shall maintain Business Automobile Liability with limits of liability not less than \$1,000,000 Each Occurrence for owned, non-owned and hired automobiles. In the event Concessionaire has no owned automobiles, the requirement shall be to maintain Hired & Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability, or separate Business Auto Liability. Coverage shall be provided on a primary basis.

13.03 Workers= Compensation & Employers Liability. Concessionaire shall maintain Workers= Compensation & Employers Liability in accordance with Chapter 440 Florida Statutes and applicable Federal Acts. Coverage shall be provided on a primary basis. In the event Concessionaire subcontracts any portion of the work or services required or permitted by the Agreement to another party, Concessionaire shall agree to be responsible for ensuring the subcontractor maintains Worker=s Compensation & Employers Liability; or Concessionaire shall provide coverage under its own Worker=s Compensation & Employers Liability policy on behalf of the subcontractor.

13.04 Additional Insured Endorsement. Concessionaire shall endorse the County as an Additional Insured on each liability insurance policy required to be maintained by Concessionaire, except for Worker=s Compensation and Business Auto Liability. The CG 2011 Additional Insured - Managers or Lessors of Premises or CG 2026 Additional Insured - Designated Person or Organization endorsements, or their equivalent, shall be endorsed to the Commercial General Liability. Other policies, when required, shall provide a standard Additional Insured endorsement offered by the insurer. Additional Insured endorsements shall provide coverage on a primary basis. Additional Insured endorsements shall read "Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents, c/o Department of Airports, 846 Palm Beach International Airport, West Palm Beach, FL 33406-1470."

13.05 Certificate of Insurance. Concessionaire shall provide the County with a certificate of insurance evidencing limits, coverages and endorsements required herein. The certificate of insurance shall include a minimum thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage. In the event coverage cancels or non-renews during the Term of this Agreement, Concessionaire shall provide thirty (30) days prior to, but in no case later than the expiration of such insurance, a new certificate of insurance evidencing replacement coverage.

13.06 Waiver of Subrogation. Concessionaire agrees by entering into this Agreement to a Waiver of Subrogation for each required policy providing coverage during the Term of this Agreement. When required by the insurer or should a policy condition not allow a pre-loss agreement to waive subrogation without an endorsement, then Concessionaire shall agree to notify its insurer and request the policy be endorsed with a Waiver of

Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy, which includes a condition prohibiting such an endorsement, or voiding coverage should Concessionaire enter into such an agreement on a pre-loss basis.

13.07 Deductibles, Coinsurance, & Self-Insured Retention. Concessionaire shall be fully and solely responsible for any deductible, coinsurance penalty, or self-insured retention; including any losses, damages, or expenses not covered due to an exhaustion of limits or failure to comply with the policy.

13.08 Right to Review or Reject Insurance. The County=s Risk Management Department shall have the right to review, reject or accept insurance policies, limits, coverages or endorsements throughout the Term of this Agreement. The County shall have the right to review and reject any insurer providing coverage because of poor financial condition or by way of illegal operation. The County shall provide Concessionaire written notice of such action and Concessionaire shall cure or comply with such action within thirty (30) days of receipt of the notice.

13.09 No Representation of Coverage Adequacy. The limits, coverages or endorsements identified herein primarily transfer risk and minimize liability for the County, and Concessionaire shall not rely upon the requirements contained in this Article 13 when determining the appropriate types or limits of coverage to protect Concessionaire against any loss exposures, whether as a result of this Agreement or otherwise.

ARTICLE 14 **TERMINATION/DEFAULT**

14.01 Termination. This Agreement shall automatically terminate at the end of the Initial Term, unless renewed in accordance with Section 2.02, in which event this Agreement shall automatically terminate at the end of the Renewal Term.

14.02 Termination for Convenience. Subject to the terms and conditions of this Agreement, the County may, in its sole and absolute discretion, terminate this Agreement upon one hundred eighty (180) days advance written notice to Concessionaire.

14.03 Default by Concessionaire. The occurrence of any one or more of the following events shall constitute a material default and breach of this Agreement by Concessionaire:

- A. The vacating or abandonment of the Concession by Concessionaire.
- B. The failure by Concessionaire to make any payment required to be made by Concessionaire hereunder, as and when due, where such failure continues for a period of three (3) days after written notice thereof from the County to Concessionaire.
- C. The failure by Concessionaire to observe or perform any of the covenants, conditions or provisions of this Agreement to be observed or performed by Concessionaire, other than those described in paragraph B above, where such failure shall continue for a period of thirty (30) days after written notice from the County to Concessionaire; provided, however, that if the nature of Concessionaire's default is such that more than thirty (30) days are reasonably required for its cure, then Concessionaire shall not be deemed to be in default if Concessionaire commenced such cure within such thirty (30) day period and thereafter diligently pursues such cure to completion.
- D. If the Concessionaire shall file a voluntary petition in bankruptcy, or a proceeding in bankruptcy shall be instituted against the Concessionaire and the Concessionaire is thereafter adjudicated bankrupt pursuant to such proceedings, or if a court shall take jurisdiction of the Concessionaire and its assets pursuant to proceedings brought under the provisions of any Federal Reorganization or Bankruptcy Act, or if a Receiver for the Concessionaire's assets is appointed, or if the Concessionaire shall be divested of its rights, powers and privileges under this

Agreement by other operation of law.

E. The discovery by the County that any information given to the County by Concessionaire relating to this Agreement was materially false.

14.04 County's Remedies for Default. In the event of a material default or breach of this Agreement by Concessionaire, the County may, with or without notice or demand, pursue any available right or remedy at law or equity including the right, at its option, to immediately terminate this Agreement. Upon such termination, Concessionaire shall immediately cease its operations at the Airport. Such termination shall be without prejudice to the County to any remedy for arrearages or payments due hereunder or breach of covenant or damages for the balance of the sums due hereunder, payable through the full Term of this Agreement, or any other damages or remedies whatsoever. Upon termination of this Agreement whether for default or convenience, the County shall have the right to engage another concessionaire or lessee to provide the services required hereunder for such period or periods at such fees and upon other terms and conditions as the County may deem advisable.

14.05 Default by County. Concessionaire may terminate this Agreement, if Concessionaire is not in default of this Agreement (including, but not limited to, its payments to the County hereunder), upon sixty (60) days advance written notice to the County to be served as hereinafter provided, upon or after the happening of any one of the following events:

A. Issuance by any court of competent jurisdiction of an injunction in any way preventing the use of the Airport for Airport purposes and remaining in force of such injunction for a period of at least ninety (90) consecutive days.

B. The default by the County in the performance of any covenant or agreement herein required to be performed by the County and the failure of the County to remedy such default for a period of sixty (60) consecutive days after receipt from Concessionaire of written notice to remedy same provided, however, that if the nature of the County's obligations is such that more than sixty (60) days are required for performance then the County shall not be in default if the County commences performance within such sixty (60) day period and thereafter diligently prosecutes the same to completion. Notwithstanding the foregoing, a notice of termination shall not be of any force or effect if the County has remedied the default prior to receipt of Concessionaire's notice of cancellation.

C. The lawful assumption by the United States Government or any authorized agency thereof, of the operation, control, or use of the Airport and facilities, or any substantial part or parts thereof, in such a manner as to substantially restrict the operation of Concessionaire, for a period of at least ninety (90) consecutive days.

14.06 Remedies Due to Default of County and Rights Upon Termination by Convenience. In the event this Agreement is terminated by the County for convenience pursuant to Section 14.02 or by Concessionaire for default of the County pursuant to Section 14.05, the sole and exclusive remedy available to Concessionaire hereunder shall be to recover the value, as determined hereunder, of the Advertising Displays. Advertising Displays installed by Concessionaire shall be valued at their Net Book Value. Upon payment by the County to Concessionaire of the Net Book Value of the Advertising Displays, the Advertising Displays shall become the sole property of the County. Upon receipt of payment, Concessionaire shall provide the County with a bill of sale or other evidence of transfer of ownership of the Advertising Displays together with evidence satisfactory to the County that the Advertising Displays are free from liens, mortgages or other encumbrances.

ARTICLE 15

ASSIGNMENT, SUBLETTING, AND SURRENDER

Concessionaire shall not, in any manner, assign, transfer or otherwise convey an interest in this Agreement or any portion thereof ("Assignment"), without the prior written consent of the County. Any such attempted Assignment without County approval shall be null

and void. Any permitted Assignment shall be subject to the same conditions, obligations and terms as set forth herein and Concessionaire shall be fully responsible for the observance by its assignees of the terms and covenants contained in this Agreement. Notwithstanding any provision of this Agreement to the contrary, in the event of an approved Assignment, Concessionaire shall remain primarily liable to County for fulfilling all obligations, terms, and conditions of this Agreement, throughout the Term of this Agreement. The County may freely assign this Agreement at any time without the consent of Concessionaire, and upon assumption by such assignee of County's obligations hereunder, County shall be released from all liability and obligation arising hereunder after such assignment.

ARTICLE 16

LAWS, REGULATIONS, PERMITS AND TAXES

16.01 General.

A. Concessionaire agrees that throughout the Term of this Agreement, Concessionaire and all Advertising Displays installed at the Airport shall 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, including, but not limited to FAA Advisory Circulars, the County's Airport Rules and Regulations and the Americans with Disabilities Act.

B. Concessionaire 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 the County's Airport Rules and Regulations and policies and procedures related to certification of the Airport under Title 14, Part 139 of the Code of Federal Regulations, as now or hereafter amended. Any and all costs incurred by Concessionaire associated with the training and instructional programs shall be borne solely by Concessionaire.

16.02 Permits and Licenses Generally. Concessionaire agrees that it shall, at its sole cost and expense, be strictly liable and responsible for obtaining, paying for, and maintaining current, and fully complying with, any and all permits, licenses and other governmental authorizations, however designated, as may be required at any time throughout the Term of this Agreement by any federal, state or local governmental entity or any court of law having jurisdiction over Concessionaire or Concessionaire's operations and activities, for any activity of Concessionaire's conducted on the Airport and for any and all operations conducted by Concessionaire including ensuring that all legal requirements, permits, and licenses necessary for or resulting, directly or indirectly, from Concessionaire's operations and activities on the Airport have been obtained and are in full legal compliance. Upon the written request of the Department, Concessionaire shall provide to Department certified copies of any and all permits and licenses which Department may request.

16.03 Air and Safety Regulation. Concessionaire agrees that it shall conduct its operations and activities under this Agreement in a safe manner, shall comply with all safety regulations of the County and Department and with safety standards imposed by applicable federal, state and local laws and regulations and shall require the observance thereof by all employees, contractors, business invitees and all other persons transacting business with or for Concessionaire resulting from, or in any way related to, the conduct of Concessionaire's business on the Airport. Concessionaire hereby agrees that neither Concessionaire, nor employee or contractor or any person working for or on behalf of Concessionaire, shall require any personnel engaged in the performance of Concessionaire's operations to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his or her health or safety, 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 State and local laws, regulations, and orders relative to occupational safety and health.

16.04 Payment of Taxes. Concessionaire shall pay any and all taxes and other costs lawfully assessed against its improvements and its operations under this Agreement.

Concessionaire shall have the right to contest the amount or validity of any tax or assessment payable by it by appropriate legal proceedings, but this shall not be deemed or construed in any way as relieving, modifying, or extending Concessionaire's covenants to pay any such tax or assessment, unless the legal proceedings shall operate to prevent the collection of the tax or assessment. Upon termination of such legal proceedings, Concessionaire shall pay the amount of any such tax or assessment, or part thereof, as finally determined in such proceedings, the payment of which may have been deferred during the prosecution thereof, together with any costs, fees, interest, penalties, or other liabilities in connection therewith.

ARTICLE 17 **NONDISCRIMINATION**

17.01 General. Concessionaire, for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as follows:

A. No person, on the grounds of race, color, religion, sex, age, marital status, familial status, handicap, gender expression or identity, or national origin, shall be unreasonably excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in Concessionaire's personnel policies and practices or in the use or operation of Concessionaire's services or facilities.

B. Concessionaire agrees that in the construction of any improvements on, over, or under Airport land and the furnishing of services thereon, no person, on the grounds of race, color, religion, sex, marital status, familial status, handicap, age, gender expression or identity, or national origin, shall be unreasonably excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination.

C. Concessionaire, shall use the Advertising Display locations 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.

D. 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 concessions. Consequently, this Agreement is subject to 49 CFR Part 23, as applicable.

E. This Agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23, Subpart F. Concessionaire agrees that it will not discriminate against any business owner because of the owner's race, color, national origin or sex in connection with the award or performance of any agreement covered by 49 CFR Part 23, subpart F.

F. Concessionaire agrees to include the above statements in any subsequent agreements that it enters and cause those businesses to similarly include the statements in further agreements.

G. Concessionaire hereby assures 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, covered by 49 CFR Part 23 on the grounds of race, color, national origin or sex.

H. Concessionaire hereby assures that it will include the above clauses in all subcontracts and cause its subcontractors to similarly include clauses in further subcontracts.

17.02 Disadvantaged Business Enterprise Participation Goals.

A. Concessionaire hereby agrees that the DBE participation in the

Concession shall be at least equal to fifteen percent (15%) of Concessionaire's Gross Receipts for each twelve (12) month period throughout the Term of this Agreement. For the purpose of verifying Concessionaire's good faith efforts, Concessionaire shall keep and maintain such books of account and records as necessary for compliance with Title 49, Part 23, Subpart F of the Code of Federal Regulations, as now or hereafter amended or any successor regulation.

B. Any DBE participation agreement between Concessionaire and its selected DBE shall provide for meaningful involvement of the DBE in the activities, management, operations and revenues of the Concession.

C. Concessionaire shall provide written quarterly reports to the Department, in a form and detail satisfactory to the Department, as to the participation of DBE's in the Concession. At any time the DBE participation level drops below the established DBE participation goal, Concessionaire shall take immediate corrective measures to ensure that the DBE participation is increased to the established DBE participation goal. Concessionaire shall document its good faith efforts to achieve the DBE participation goal and provide written reports to the Department documenting such efforts.

D. For a period of at least six (6) months, Concessionaire shall provide assistance to its DBE participants, including administrative support, purchasing, inventory control, and management and marketing techniques.

E. In the event Concessionaire determines a DBE is unwilling or unable to perform satisfactorily under this Agreement, Concessionaire shall replace such DBE with another DBE, maintaining or exceeding the participation percentage of the substituted DBE. Requests for substitutions must be submitted to the Department for approval prior to substitution.

F. Upon termination of any DBE participation agreement, Concessionaire shall immediately proceed with the establishment of a new DBE participation agreement, which satisfies the requirements of this Agreement in accordance with the following procedures:

1. Concessionaire shall prepare a request for proposals for DBEs to participate in the Concession and submit such request for proposals to the Department for review and approval.

2. Within fifteen (15) days of the Department's written approval of the request for proposals, Concessionaire shall solicit proposals pursuant to the request for proposals by placing advertisements in, at a minimum, the following publications: Palm Beach Post and Palm Beach Latino and Gazette. Said advertisement must be approved in advance by the Department.

3. Concessionaire, in its sole discretion, shall select the most qualified DBE based upon the selection criteria approved by the Department.

4. In the event, no qualified DBE submits a proposal to Concessionaire's request for proposals, Concessionaire shall continue to solicit proposals pursuant to the foregoing procedures not less than semi-annually or Concessionaire may pursue other forms of DBE participation.

ARTICLE 18

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 overnight mail, 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 overnight mail, 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:

If to the County:

Palm Beach County Department of Airports
ATTN: Deputy Director, Airports Business Affairs
846 Palm Beach International Airport
West Palm Beach, FL 33406-1470

With copy to:

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

If to Concessionaire:

In-Ter-Space Services, Inc.
d/b/a Clear Channel Interspace Airports
4635 Crackersport Road
Allentown, PA 18104

Either party may change the address to which notices under this Agreement shall be given, upon three (3) days prior written notice to the other party.

ARTICLE 19 **DISCLAIMER OF LIABILITY**

THE COUNTY HEREBY DISCLAIMS, AND CONCESSIONAIRE HEREBY RELEASES THE 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 THE CONCESSIONAIRE, ITS EMPLOYEES, AGENTS, OR INVITEES DURING THE TERM OF THIS AGREEMENT INCLUDING, BUT NOT LIMITED TO, LOSS, DAMAGE, OR INJURY TO THE IMPROVEMENTS OR PERSONAL PROPERTY OF CONCESSIONAIRE OR CONCESSIONAIRE'S BUSINESS INVITEES THAT MIGHT BE LOCATED OR STORED ON THE AIRPORT, UNLESS SUCH LOSS, DAMAGE, OR INJURY IS CAUSED SOLELY BY COUNTY'S SOLE NEGLIGENCE. THE PARTIES EXPRESSLY AGREE THAT UNDER NO CIRCUMSTANCES SHALL THE 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 USE OF THE AIRPORT BY CONCESSIONAIRE PURSUANT TO THIS AGREEMENT. CONCESSIONAIRE ACKNOWLEDGES AND AGREES THAT THE COUNTY SHALL HAVE NO LIABILITY WHATSOEVER AND CONCESSIONAIRE COVENANTS AND AGREES TO HOLD HARMLESS THE COUNTY FROM ANY AND ALL LIABILITY RELATING TO ANY INFORMATION PROVIDED BY COUNTY RELATING TO THIS AGREEMENT. FURTHERMORE, CONCESSIONAIRE ACKNOWLEDGES AND AGREES THAT ITS USE OF ANY SUCH INFORMATION, WHETHER PREPARED OR PROVIDED BY THE COUNTY OR OTHERWISE, IN DETERMINING WHETHER TO ENTER INTO THIS AGREEMENT, WAS AT ITS SOLE RISK.

ARTICLE 20 **GOVERNMENT RESERVATIONS AND RESTRICTIONS**

20.01 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 the Advertising Displays are located, for public purposes for a period in excess of ninety (90) days, either party may terminate this Agreement by providing written notice of such termination to the other party and the parties shall thereupon be released and

fully discharged from any and all liability hereunder arising after such termination or as a result thereof. This Section 20.01 shall not act or be construed as a waiver of any rights Concessionaire may have against the United States as a result of such taking.

20.02 Federal Review. Concessionaire acknowledges this Agreement may be subject to review or inspection by the FAA or the State of Florida to determine satisfactory compliance with Federal or State law and/or grant assurance requirements and agrees that this Agreement shall be in full force and effect and binding upon both parties pending such review or inspection by the FAA or State of Florida, if applicable; provided, however, that upon such review or inspection all parties hereto agree to modify any of the terms of this Agreement which shall be determined by the FAA or the State of Florida to be in violation of existing laws, regulations, grant assurances or other requirements.

20.03 County Tax Assessment Right. None of the terms, covenants and conditions of this Agreement 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 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 Concessionaire.

20.04 Right of Flight. The 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 Terminal 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.

20.05 Operation of Airport. Concessionaire expressly agrees for itself, its subleases, successors and assigns, to prevent any use of the Airport, which would interfere with or adversely affect the operation, maintenance or development of the Airport, or otherwise constitute an Airport hazard.

20.06 Release. Concessionaire acknowledges that noise and vibration are inherent to the operation of Airport and hereby releases the County from any and all liability relating to the same.

20.07 Improvement of the Airport. Concessionaire acknowledges and agrees that the County shall have the right to further develop or improve the Airport, including, but not limited to, the airfield, Terminal, ramp space and Public Areas, as it sees fit, regardless of the desires or views of Concessionaire, and without interference or hindrance.

20.08 Covenants, Conditions, and Restrictions. This Agreement is subject to any and all covenants, conditions, restrictions, easements, mortgages, deeds of trust, ground leases, rights of way, FAA or any successor federal agency's restrictions, or regulations, and any other matters of record pertaining to the Airport or the Terminal.

ARTICLE 21 **AIRPORT SECURITY**

21.01 Compliance and Responsibility for Fines and Forfeitures. Concessionaire recognizes its obligations for security on the Airport as prescribed by 49 CFR Part 1542, and agrees to employ such measures as are necessary to prevent or deter the unauthorized access of persons or vehicles into the secure area of the Airport. Concessionaire shall comply with Transportation Security Regulation Part 1542 (Airport Security), as now or hereafter amended, and Airport security policies as presently outlined in its Airport Security Plan, as such Plan may be amended from time to time. Concessionaire shall pay any forfeitures or fines levied upon it or the County through enforcement of Transportation Security Regulation Part 1542, or any other applicable federal, state or local regulation, due to the acts or omissions of Concessionaire, its employees, agents, suppliers, invitees or guests and for any attorney fees or related costs paid by the County as a result of any such violation.

21.02 Security Identification. Concessionaire shall abide by rules and regulations adopted by the County in carrying out the County's obligations under Aviation Security Regulations and Directives for the proper identification of persons and vehicles entering the aircraft operations area and other security measures as the County deems necessary from time to time. Concessionaire shall obtain Airport identification badges for its personnel as required by the Airport Security Plan at Concessionaire's sole cost and expense. The Department shall have the right to require removal of any employee of Concessionaire at the Airport reasonably determined by the Department to present a risk to public safety or security at the Airport. The Concessionaire shall be responsible for the prompt recovery of Airport keys and security identification badges.

21.03 Audit of Access Media. Concessionaire shall conduct an annual self-audit of the County access media, such as keys and access cards, used by Concessionaire, its employees, agents, suppliers, invitees, sublessees or guests. Concessionaire shall provide the County with a written report of said audits and shall replace, reset or re-key, as appropriate, all affected Airport area access locks or devices whenever missing, lost, or stolen access media exceed five (5) percent of the access media issued for the affected lock or device.

21.04 Employee Clearance. All employees assigned by the Concessionaire shall be physically able to do their assigned work. The County shall have complete control over granting, denying, withholding or terminating security clearance for said employees. Clearance is required for all employees upon being hired or assigned to the Airport. Concessionaire shall not permit any employee to begin work until Airport Police grants clearance to each individual employee.

21.05 Unauthorized Personnel. Concessionaire's employees shall identify, challenge, and report all unauthorized personnel (anyone without proper Airport-issued identification) to the Airport Police in the Terminal during all hours.

21.06 Security of Advertising Displays. Concessionaire acknowledges and accepts full responsibility for the security and protection of the Advertising Displays and any and all inventory and equipment now existing or hereafter placed on or installed at the Airport, and for the prevention of unauthorized access to its facilities and expressly agrees to comply with all ordinances, rules and regulations of the County and of any and all other governmental entities that now or may hereafter have jurisdiction over such security. Concessionaire fully understands that the police security protection provided by the County is limited to that provided by the Airport Police to any other business situated at the Airport, and expressly acknowledges that any special security measures deemed necessary or desirable for the Advertising Displays shall be the sole responsibility of Concessionaire and shall involve no cost to the County.

ARTICLE 22 **MISCELLANEOUS**

22.01 County Not Liable. The County shall not be responsible or liable to Concessionaire for any claims for compensation or any losses, damages or injury sustained by Concessionaire resulting from: (i) the cessation of air carrier operations at the Terminal for any reason, or (ii) diversion of passenger traffic to any other facility. The County shall not be responsible or liable to Concessionaire for any claims for compensation or any losses, damages or injury whatsoever sustained by Concessionaire including, but not limited to, those resulting from failure of any water supply, heat, air conditioning or electrical current or from an act of God, state of war, terrorism, civilian commotion or riot or any cause beyond the control of the County. All personal property placed on or moved on to the Airport shall be at the sole risk of Concessionaire. The County shall not be liable for any damage or loss of any personal property placed or moved on to the Airport.

22.02 Authorized Uses Only. Notwithstanding any provision of this Agreement to the contrary, Concessionaire shall not use or permit the 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 the County or Concessionaire.

22.03 Waivers. The failure of the 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 the County may have for any subsequent breach, default, or non-performance, and the County's right to insist on strict performance of this Agreement shall not be affected by any previous waiver or course of dealing.

22.04 Exclusive Rights. Concessionaire's rights under this Agreement are non-exclusive. Notwithstanding any provision of this Agreement to the contrary, the County shall retain the right to grant the same or similar privileges under separate agreements to other lessees or concessionaires at the Airport.

22.05 Subordination to Bond Resolution. This Agreement and all rights granted to Concessionaire hereunder are expressly subordinated and subject to the lien and provisions of the pledge, transfer, hypothecation or assignment made by the County in the Bond Resolution, and the County and Concessionaire 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 the County hereunder to the extent such possession, enjoyment and exercise are necessary to insure compliance by Concessionaire and the County with the terms and provisions of this Agreement and Bond Resolution.

22.06 Subordination to Governmental Agreements. This Agreement shall be subject and subordinate to all the terms and conditions of any instrument and documents under which the County acquired the land or improvements thereon and shall be given only such effect as will not conflict with nor be inconsistent with such terms and conditions. Concessionaire understands and agrees that this Agreement shall be subordinate to the provisions of any existing or future agreement between the County and the United States of America or the State of Florida, or any of their respective agencies, 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 state or federal funds for the development of the Airport.

22.07 County's Governmental Authority. Nothing in this Agreement shall be construed to waive or limit the County's governmental authority as a political subdivision of the State of Florida to regulate Concessionaire or its operations. The County's obligations under this Agreement are made in a proprietary capacity rather than in a governmental capacity and such agreements shall not be construed as limiting, prohibiting or eliminating the obligation of the parties to comply with all applicable rules, regulations, ordinances, statutes and laws, nor alter or impair the County's governmental functions, including, without limitation, the County's right to lawfully exercise its regulatory authority over the development of the Airport, nor as enabling, permitting, or creating any cause of action or claim arising out of the lawful exercise of the County's governmental authority.

22.08 Consent or Action. In the event this Agreement is silent as to the standard for any consent, approval, determination, or similar discretionary action, the standard shall be at the sole, absolute and unfettered discretion of the County or Department, rather than any implied standard of good faith, fairness or reasonableness. Wherever this Agreement requires the County or Department's consent or approval or permits the County or Department to act, such consent, approval or action may be given or performed by the Airport Director or his designee. If Concessionaire requests the County or Department's consent or approval pursuant to any provision of the Agreement and the County or Department fails or refuses to give such consent, Concessionaire shall not be entitled to any damages as a result of such failure or refusal, whether or not unreasonable.

22.09 Rights Reserved to County. All rights not specifically granted Concessionaire by this Agreement are reserved to the County.

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

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

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

22.13 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 of access to any area at the Airport leased or licensed for Concessionaire's use hereunder, including any storage areas, at all reasonable times for the purposes of inspection for compliance with the provisions of this Agreement and/or applicable laws.

22.14 Remedies Cumulative. Except as otherwise provided for herein, the rights and remedies of the parties with respect to any of the terms and conditions of this Agreement shall be cumulative and not exclusive and shall be in addition to all other rights and remedies of the parties.

22.15 Paragraph Headings. The headings of the various articles and sections of this Agreement 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 Agreement or any part or parts of this Agreement.

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

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

22.18 Public Entity Crimes. As provided in Section 287.132-133, Florida Statutes, by entering into this Agreement or performing any work in furtherance hereof, Concessionaire 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. This notice is required by Section 287.133(3)(a), Florida Statutes.

22.19 Conflict. In the event of any conflict and for purposes of resolving any disputes which may arise regarding this Agreement, the RFP or Concessionaire's Proposal, the order-of-precedence shall be (i) this Agreement; (ii) the RFP; and (iii) Concessionaire's Proposal.

22.20 Excusable Delay. Any party in performing under this Agreement shall use reasonable efforts to remedy the cause or causes of an excusable delay. Excusable delays are those delays due to force majeure, acts of God, fire, flood, earthquake, explosion, riot, sabotage, windstorm, or labor dispute, and shall toll the time to perform under this Agreement.

22.21 Incorporation by References. All terms, conditions and specifications of the RFP, Concessionaire's Proposal and all exhibits attached hereto and referenced herein shall be deemed to be incorporated in this Agreement by reference.

22.22 Entirety of Agreement. The parties agree that this Agreement 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 Agreement may be added to, modified, superseded or otherwise altered except by written instrument executed by the parties hereto.

22.23 No Recording. Neither this Agreement, nor any memorandum or short form

hereof, shall be recorded in the Public Records of Palm Beach County, Florida.

22.24 Construction. Neither party shall be considered the author of this Agreement. The terms of this Agreement shall not be strictly construed against one party as opposed to the other based upon who drafted it.

{Remainder of Page Intentionally Left Blank.}

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed 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 the Board, and Concessionaire has caused these presents to be signed in its corporate name by its duly authorized officer, the Co-CEO, acting on behalf of Concessionaire and the seal of Concessionaire to be affixed hereto and attested by the Secretary of Concessionaire of the dates set forth below.

ATTEST:
SHARON R. BOCK
Clerk & Comptroller

PALM BEACH COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS

Deputy Clerk

John F. Koons, Chairman

(Seal)

Signed, sealed & delivered in the presence
of two witnesses for Concessionaire:

CONCESSIONAIRE:
In-Ter-Space Services, Inc. d/b/a
Clear Channel Interspace Airports

Melinda L. Neumann
Signature

Melinda L. Neumann
Print Name

By: Mark T. Lieberman
Signature

Mark T. Lieberman
Print Name

Co-CEO
Title

Richard L. Frick
Signature

Richard L. Frick
Print Name

(Corporate Seal)

APPROVED AS TO TERMS AND
CONDITIONS:

James J. Kelly
Director, Department of Airports

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY:

Assistant County Attorney

EXHIBIT "A"

PALM BEACH COUNTY DEPARTMENT OF AIRPORTS Advertising Guidelines

1. Department's Right

The Department has the right to object to the quality of service, the pricing, the appearance and condition of any advertising or Advertising Displays installed or placed at the Airport. Concessionaire agrees to promptly take corrective action to remedy any objectionable practices.

2. Sales, Marketing and Advertising Requirements

- a. Concessionaire shall not pursue or sell any advertisements or renew or allow the automatic renewal of any existing Advertising Contracts for the display of advertisements that:
 - Are false, deceptive or misleading.
 - Promote unlawful or illegal goods, services or activities.
 - Imply or declare an endorsement by the Department or County of any service, product or point of view.
 - Promote alcohol, tobacco or smoking-related products.
 - Advertise images or information that may be considered violent, or otherwise inappropriate, especially to minors.
 - Promote escort services, dating services or adult entertainment businesses or establishments.
 - Contain sexual, nudity or any indecent behavior or implication.
 - Are political in nature.
- b. Concessionaire will provide copies of all Advertising Contracts to the Department within ten (10) days of execution.
- c. Concessionaire agrees to use the advertising locations solely for the sale of advertising.
- d. Concessionaire may market individual Advertising Displays or create advertising packages upon approval by the Department. Such package or volume discounts shall be consistent.
- e. Concessionaire should market advertising space to local, regional, national and international businesses, organizations and groups.

3. Installation Requirements

- a. Concessionaire shall not exceed the load-bearing capacity of the Airport. Large displays and free-standing display requests shall be accompanied by architectural and engineering drawings for review by the Department.
- b. Advertising Displays shall not interfere with any emergency signage, designated building egress, airport operations or other airport businesses, such as concession activity.
- c. Advertising Displays, fixtures and equipment must comply with all federal, state and local laws and regulations, including, but not limited to, the Americans with Disabilities Act (ADA).
- d. Installation of Advertising Displays, including supporting utilities, must be in compliance with industry standards, local rules and regulations, and Airport procedures.

- e. Installation and/or removal of displays must be coordinated at least forty eight (48) hours in advance with the Department.
- f. All deliveries and loading and unloading of materials and supplies shall be done at such times and locations approved by the Department.

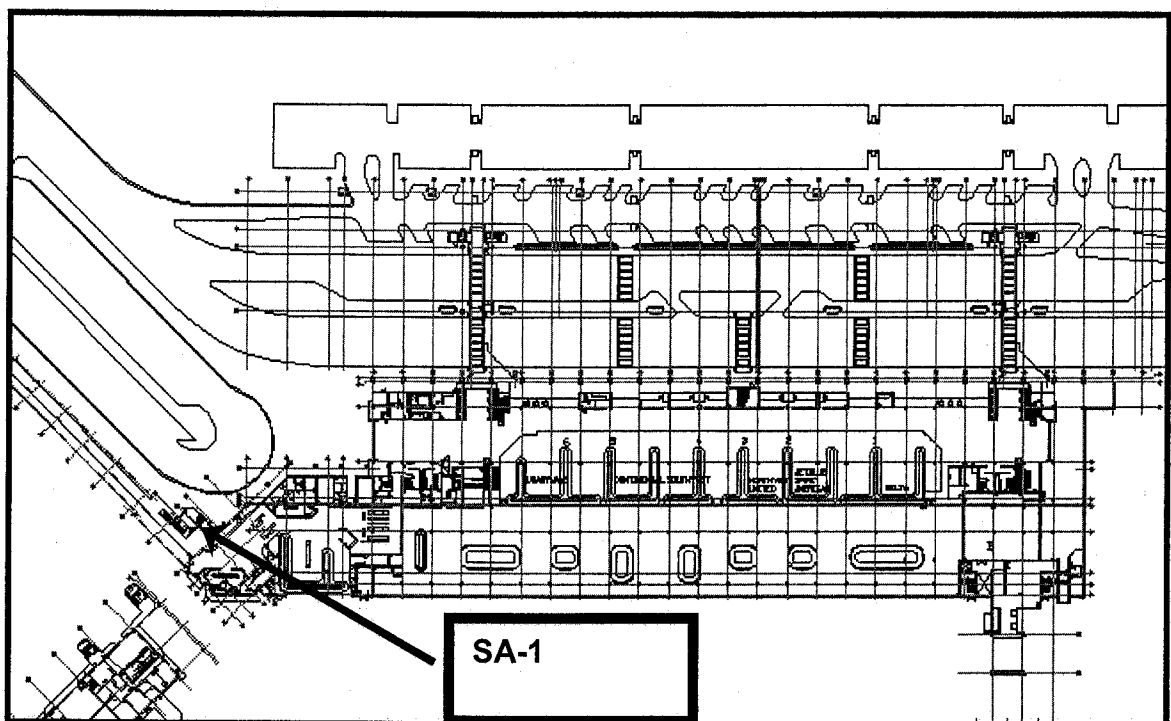
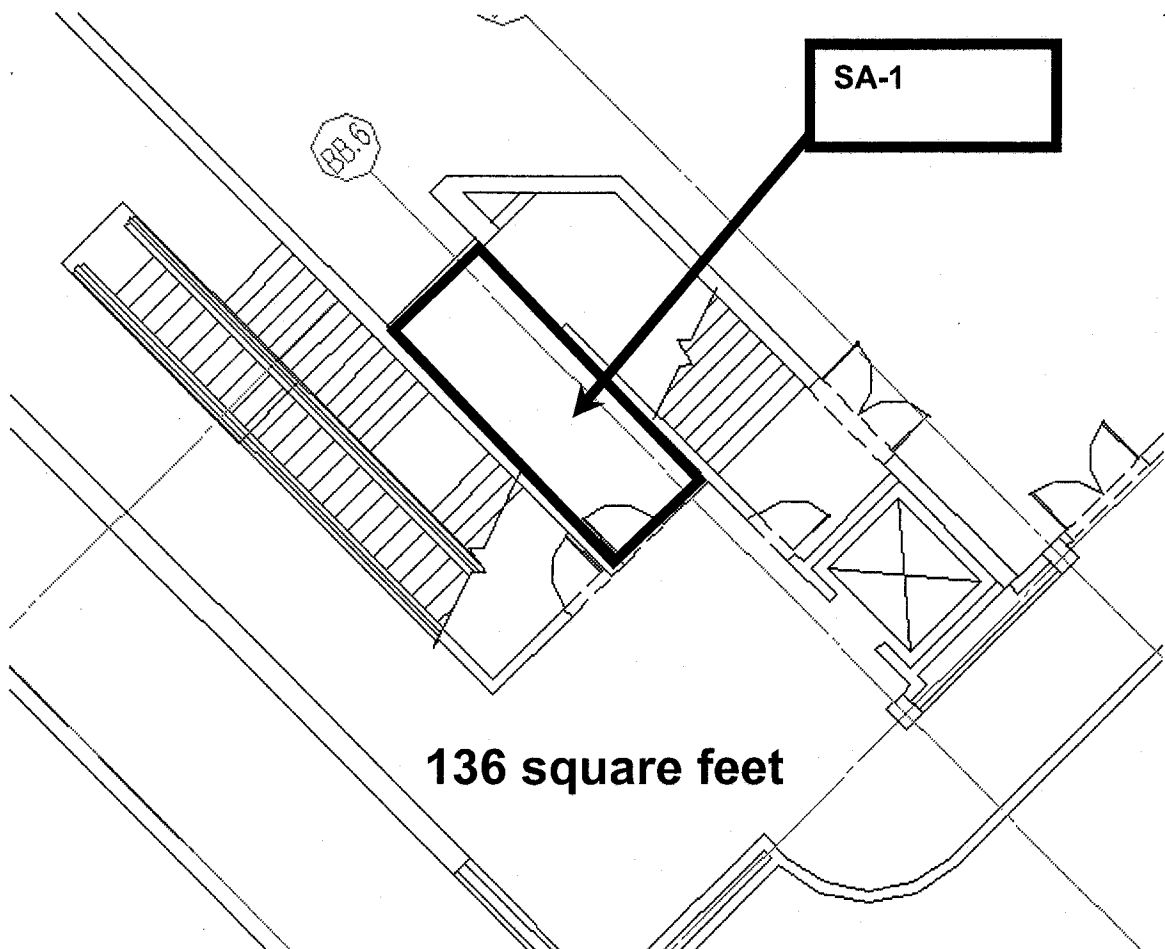
4. Approval Requirements

- a. Concessionaire may request the right to install Advertising Displays at additional advertising locations at the Airport, but shall not promote such locations until and unless approved by the Department.
- b. Concessionaire shall submit a copy of all advertising materials for approval by the Department prior to installation at any advertising location. The Department shall have the right, in its sole and absolute discretion, to reject or request the removal of any advertising determined to be not suitable or desirable for the Airport.
- c. Concessionaire shall submit a rate sheet detailing the prices for all Advertising Displays, including package promotions, to the Department on or before January 1 of each year.

5. Customer Service

Concessionaire shall be responsible for responding to questions or complaints regarding the quality of services, rates, advertising copy or displays, which may be received from customers and/or the Department.

Exhibit "B"
1st level, Main Terminal



BOND NUMBER: 105203318

**SURETY BOND
PALM BEACH INTERNATIONAL AIRPORT**

Know All Men by These Presents that we, In-Ter-Space Services, Inc. d/b/a Clear Channel Interspace Airports, having a principal place of business at Allentown, PA, as Principal (hereinafter called Principal), and Travelers Casualty and Surety Company of America with its home office in Hartford, CT (hereinafter call Surety) are held and firmly bound unto Palm Beach County, FL (hereinafter sometimes called Obligee) in the full and just sum of One Hundred Seventy Five Thousand & 00/100 (\$175,000.00), to the payment of which sum, well and truly to be made, the Principal and Surety bind themselves, their respective successors and assigns joint and severally, firmly by these presents.

WHEREAS, Principal and Obligee have entered into a certain Advertising Concession Agreement effective the 24th day of February, 2009, wherein the Principal will install certain equipment and operate at Palm Beach International Airport, Palm Beach County, Florida, subject to the terms, provisions and conditions set out in full in said Advertising Concession Agreement, and by reference made hereof as fully and completely as if set out in full herein.

NOW, THEREFORE, the condition of this obligation is such that if the Principal shall faithfully and strictly perform said Advertising Concession Agreement and all its terms, provisions, and stipulations in accordance with its true meaning and effect, and by reference made a part hereof (hereinafter collectively called "Contract") and shall comply strictly with each and every provision of said Contract, and shall promptly pay to Palm Beach County in full the sums of money that become due and payable to it under the terms and provisions of said Contract, then this obligation shall be null and void, otherwise to remain in full force and effect.

PROVIDED, HOWEVER, that this bond is executed by the Surety and accepted by the Obligee upon the following express conditions and limitations:

- 1) a. That this bond shall be for the term beginning the 1st day of April, 2009, and ending the 1st day of April, 2010, and it may be continued for additional one year terms by Certificate executed by the Surety hereon;
or
b. That this bond shall be continuous, beginning the _____ day of _____, 20____.
- 2) Regardless of the number of years this bond shall continue or be continued in force and of the number of premiums that shall be payable to or paid, the Surety shall not be liable hereunder for a larger amount, in the aggregate, than the amount of this bond;

IN WITNESS WHEREOF, the said In-Ter-Space Services, Inc. d/b/a Clear Channel Interspace Airports as Principal, has caused these presents to be signed in its name by its Co-CEO (title) and attested by its COO (title), under its corporate seal, and the said * as Surety, has caused these presents to be signed in its name by its Attorney-in-Fact and attested by its corporate seal, this 9th day of January, 2009

*Travelers Casualty and Surety Company of America

(SEAL)

Attest: Corie A. Davies
Signature
Title: COO

Principal: In-Ter-Space Services, Inc. d/b/a Clear Channel Interspace Airports
By: [Signature]
Signature
Title: Co-CEO

(Attest as to signature of Corporate officer)

(SEAL)

Attest: _____
Title: Margaret Buboltz, Witness

Surety: Travelers Casualty and Surety Company of America
By: U. Theresa Gardner
Title: U. Theresa Gardner, Attorney-in-Fact

(Attest as to signature of Surety)

State of Texas
County of Harris

Before me personally appeared U. Theresa Gardner, To me X personally known, or who produced identification Consisting of _____ and who acknowledged before me that

TRAVELERS 

POWER OF ATTORNEY

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
Seaboard Surety Company
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company

Attorney-In Fact No. 219989

Certificate No. 002667159

KNOW ALL MEN BY THESE PRESENTS: That Seaboard Surety Company is a corporation duly organized under the laws of the State of New York, that St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company and St. Paul Mercury Insurance Company are corporations duly organized under the laws of the State of Minnesota, that Farmington Casualty Company, Travelers Casualty and Surety Company, and Travelers Casualty and Surety Company of America are corporations duly organized under the laws of the State of Connecticut, that United States Fidelity and Guaranty Company is a corporation duly organized under the laws of the State of Maryland, that Fidelity and Guaranty Insurance Company is a corporation duly organized under the laws of the State of Iowa, and that Fidelity and Guaranty Insurance Underwriters, Inc. is a corporation duly organized under the laws of the State of Wisconsin (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint

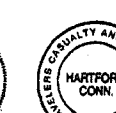
William N. Burke, Michael J. Herrod, Wendy W. Stuckey, Lupe Tyler, Margaret Buboltz, Lisa A. Ward, James Nicholas, U. Theresa Gardner, Kathleen M. Meeks, and Nancy Thomas

of the City of Houston, State of Texas, their true and lawful Attorney(s)-in-Fact, each in their separate capacity if more than one is named above, to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed and their corporate seals to be hereto affixed, this 21st day of October, 2008.

Farmington Casualty Company
Fidelity and Guaranty Insurance Company
Fidelity and Guaranty Insurance Underwriters, Inc.
Seaboard Surety Company
St. Paul Fire and Marine Insurance Company

St. Paul Guardian Insurance Company
St. Paul Mercury Insurance Company
Travelers Casualty and Surety Company
Travelers Casualty and Surety Company of America
United States Fidelity and Guaranty Company



State of Connecticut
City of Hartford ss.

By:


George W. Thompson, Senior Vice President

On this the 21st day of October, 2008, before me personally appeared George W. Thompson, who acknowledged himself to be the Senior Vice President of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

In Witness Whereof, I hereunto set my hand and official seal.
My Commission expires the 30th day of June, 2011.




Marie C. Tetreault, Notary Public

WARNING: THIS POWER OF ATTORNEY IS INVALID WITHOUT THE RED BORDER

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company, which resolutions are now in full force and effect, reading as follows:

RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

FURTHER RESOLVED, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

FURTHER RESOLVED, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

FURTHER RESOLVED, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kori M. Johanson, the undersigned, Assistant Secretary, of Farmington Casualty Company, Fidelity and Guaranty Insurance Company, Fidelity and Guaranty Insurance Underwriters, Inc., Seaboard Surety Company, St. Paul Fire and Marine Insurance Company, St. Paul Guardian Insurance Company, St. Paul Mercury Insurance Company, Travelers Casualty and Surety Company, Travelers Casualty and Surety Company of America, and United States Fidelity and Guaranty Company do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 9th day of January, 20 09.


Kori M. Johanson, Assistant Secretary



To verify the authenticity of this Power of Attorney, call 1-800-421-3880 or contact us at www.travelersbond.com. Please refer to the Attorney-In-Fact number, the above-named individuals and the details of the bond to which the power is attached.

WARNING: THIS POWER OF ATTORNEY IS INVALID WITHOUT THE RED BORDER

ACORD

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
10/30/08

PRODUCER
Marsh USA, Inc.

1000 Main Street
Suite 3000
Houston, TX 77002

1-713-276-8663

2008 OCT 31

DEPT. OF AIRPORTS
BLDG. 846.

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE
INSURER A: Insurance Co of The State of PA
INSURER B: Commerce & Industry Ins. Co.
INSURER C: American Guarantee and Liability Ins. Co.
INSURER D:
INSURER E:

INSURED
In-Ter-Space Services, Inc. d/b/a
Interspace Airport Advertising
c/o 200 E Basse Road

San Antonio, TX 78209

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS				
A	GENERAL LIABILITY	GL1872073	11/01/08	11/01/09	EACH OCCURRENCE	\$ 1,000,000			
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				FIRE DAMAGE (Any one fire)	\$ 1,000,000			
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	\$ Excluded			
	<input checked="" type="checkbox"/> LIQUOR LIABILITY				PERSONAL & ADV INJURY	\$ 1,000,000			
	GEN'L AGGREGATE LIMIT APPLIES PER:				GENERAL AGGREGATE	\$ 2,000,000			
	<input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC				PRODUCTS - COMP/OP AGG	\$ 2,000,000			
B	AUTOMOBILE LIABILITY	CA6506024 (MA)	11/01/08	11/01/09	COMBINED SINGLE LIMIT (Ea accident)	\$ 2,000,000			
A	<input checked="" type="checkbox"/> ANY AUTO	CA6506023 (VA)	11/01/08	11/01/09					
A	<input type="checkbox"/> ALL OWNED AUTOS	CA6506025 (AOS)	11/01/08	11/01/09	BODILY INJURY (Per person)	\$			
	<input type="checkbox"/> SCHEDULED AUTOS				BODILY INJURY (Per accident)	\$			
	<input type="checkbox"/> HIRED AUTOS				PROPERTY DAMAGE (Per accident)	\$			
	<input type="checkbox"/> NON-OWNED AUTOS								
	<input checked="" type="checkbox"/> COMP/COLL - ACV								
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$			
	<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC	\$			
					AUTO ONLY: AGG	\$			
C	EXCESS LIABILITY	AUC-5942441-00	11/01/08	11/01/09	EACH OCCURRENCE	\$ 10,000,000			
	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE	\$ 10,000,000			
	<input type="checkbox"/> DEDUCTIBLE					\$			
	<input type="checkbox"/> RETENTION \$					\$			
						\$			
						\$			
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WC4801110	11/01/08	11/01/09	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER				
	E.L. EACH ACCIDENT				\$ 1,000,000				
	E.L. DISEASE - EA EMPLOYEE				\$ 1,000,000				
	E.L. DISEASE - POLICY LIMIT				\$ 1,000,000				
	OTHER					\$			
						\$			
						\$			

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

REFERENCE:

The certificate holder and Palm Beach County, a political subdivision of the State of Florida are included as an additional insureds on the GL, Auto and Excess policies, but only to the extent of the liability assumed by the Named Insured under written contract.

Workers' Compensation coverage is evidenced for employees of the Named Insured only.

CERTIFICATE HOLDER

ADDITIONAL INSURED; INSURER LETTER:

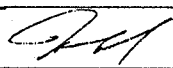
CANCELLATION

Palm Beach Co. Dept. of Airports
a political sub. of the State of FL.
Bruce Pally, Director of Dept. of
Bldg. 846, Palm Beach Int'l

W Palm Beach, FL 33406-1491

USA

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE 

IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

ACORD CERTIFICATE OF LIABILITY INSURANCE

PRODUCER

Marsh USA, Inc.

1000 Main Street

Suite 3000

Houston, TX 77002

1-713-276-8663

INSURED

Clear Channel Communications, Inc.,

Clear Channel Broadcasting, Inc. &

Clear Channel Outdoor, Inc.

c/o 200 East Basse Rd.

San Antonio, TX 78209

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURER A: Illinois National Ins Co

INSURER B: National Union Fire Ins Co of PA

INSURER C: Insurance Co of The State of PA

INSURER D: New Hampshire Ins Co

INSURER E:

COVERAGES						
THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.						
INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	GENERAL LIABILITY				EACH OCCURRENCE	\$
	COMMERCIAL GENERAL LIABILITY				FIRE DAMAGE (Any one fire)	\$
	CLAIMS MADE <input type="checkbox"/> OCCUR <input type="checkbox"/>				MED EXP (Any one person)	\$
					PERSONAL & ADV INJURY	\$
					GENERAL AGGREGATE	\$
					PRODUCTS - COMP/OP AGG	\$
	GEN'L AGGREGATE LIMIT APPLIES PER:					
	<input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC					
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Ea accident)	\$
	ANY AUTO				BODILY INJURY (Per person)	\$
	ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
	SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	\$
	HIREO AUTOS					
	NON-OWNED AUTOS					
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT	\$
	ANY AUTO				OTHER THAN EA ACC	\$
					AUTO ONLY: AGG	\$
	EXCESS LIABILITY				EACH OCCURRENCE	\$
	OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/>				AGGREGATE	\$
						\$
	DEDUCTIBLE					\$
	RETENTION \$					\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	WC4801105 (FL)	11/01/08	11/01/09	X WC STATUTORY LIMITS	OTH-ER
B		WC4801107 ND/NY/OH/WA/WI/WY	11/01/08	11/01/09	E.L. EACH ACCIDENT	\$ 1,000,000
C		WC4801109 (CA) /WC4801106 (OR)	11/01/08	11/01/09	E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
D		WC4801108 (TX)	11/01/08	11/01/09	E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
	OTHER					\$
						\$
						\$

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

This page provides information on all additional Workers Compensation and Employers' Liability Policies. Workers Compensation is evidenced for employees of the Named Insured only.

CERTIFICATE HOLDER

Continuation of Page 1

ADDITIONAL INSURED; INSURER LETTER:

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

ACORD 25-S (7/97)

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