

DENVER INTERNATIONAL  
AIRPORT

CONCESSION'S HANDBOOK



Concessionaire's Quick Reference Guide for  
Performance and Operational Information

## Table of Contents

<b>OVERVIEW</b> .....	<b>6</b>
DELEGATION OF AUTHORITY .....	6
CONCESSION PROGRAM OVERVIEW .....	6
USEFUL INFORMATION .....	8
CONTACT INFORMATION.....	9
BADGING PROCESS .....	9
EMPLOYEE PARKING .....	9
U.S. MAIL.....	9
LOST AND FOUND.....	9
SAFETY AND SECURITY .....	10
CONCESSION MANAGER’S MEETINGS.....	10
PASSENGER STATISTICS .....	10
<b>PERFORMANCE INFORMATION</b> .....	<b>11</b>
PAYMENTS .....	11
FEES AND CHARGES.....	11
FORM AND PLACE OF PAYMENT .....	12
FINANCIAL REPORTS .....	12
SURETY FOR PERFORMANCE.....	14
INSURANCE .....	15
JOINT MARKETING FUND.....	16
PERMITTED USES.....	16
RESTRICTIONS .....	16
PERMITS AND LICENSES .....	17
FIRST CLASS PERFORMANCE.....	17
SUSTAINABILITY .....	17
SUSTAINABILITY MANAGEMENT .....	17
ROUTINE MAINTENANCE .....	18
PREVENTATIVE MAINTENANCE OBLIGATION.....	18
PREVENTATIVE AND ROUTINE MAINTENANCE PROGRAM.....	18
UNSATISFACTORY MAINTENANCE .....	19
QUALITY OF GOODS AND SERVICES .....	19
MERCHANDISING.....	19
RIGHT TO DISCONTINUE.....	20
TO-GO GOODS AND SERVICES.....	20
PERSONNEL .....	20
MANAGEMENT .....	20
ROUTINE REFURBISHMENT .....	20
MID-TERM REFURBISHMENT.....	20
<b>OPERATIONAL INFORMATION</b> .....	<b>22</b>
VALUE PRICING .....	22
PRICE BENCHMARKING ESTABLISHMENT .....	22
COMPLIANCE WITH VALUE PRICING .....	22

VALUE PRICING CHANGES .....	23
EMPLOYEE DISCOUNTS.....	23
HOURS OF OPERATION .....	23
CHANGES TO HOURS OF OPERATION .....	23
DELIVERY OF GOODS .....	23
CENTRAL RECEIVING AND DISTRIBUTION.....	24
STORAGE INSPECTION PROGRAM.....	24
CUSTOMER SERVICE .....	25
SERVICE VALUES .....	25
SERVICE STANDARDS.....	25
IMAGE STANDARDS .....	26
CUSTOMER SERVICE TRAINING .....	26
CUSTOMER COMPLAINTS.....	27
MYSTERY SHOPPING .....	27
RETURN POLICIES .....	27
GENERAL OPERATING REQUIREMENTS.....	27
SECURING MERCHANDISE .....	28
HANDLING RECEIPTS.....	28
CREDIT CARDS .....	28
POINT OF SALE TERMINALS.....	28
UNIVERSAL POS SYSTEM.....	28
WASTE MANAGEMENT .....	29
MATERIAL SAFETY DATA SHEETS.....	29
ELECTRICITY & WATER.....	29
DATA & TELEPHONE SERVICES.....	29
NOISE.....	29
SECURITY PROGRAM.....	30
SECURITY PLAN.....	30
PROHIBITED ITEMS.....	30
SECURITY VIOLATIONS.....	31
LOCKS.....	31
ADVERTISED PROMOTIONS .....	31
MEDIA OPPORTUNITIES.....	31
DEN CORPORATE IDENTITY .....	31
COMMUNICATIONS.....	32
WIRELESS COMMUNICATION DEVICES .....	32
LIFE SAFETY TRAINING.....	32
SPRINKLERS & SMOKE DETECTORS.....	32
REACTING TO EMERGENCY SITUATIONS.....	32
EVACUATION PLAN.....	32
SEVERE WEATHER PLANNING .....	33
POWER OUTAGE LOSS PREVENTION GUIDELINES.....	34
PROHIBITED ACTS.....	34
ACCESS .....	34
<b>PERFORMANCE REVIEW .....</b>	<b>36</b>

FINANCIAL AUDITS .....	36
PERFORMANCE AUDITS .....	36
ANNUAL REVIEW.....	37
REMEDATION PLANS.....	37
DOCUMENT COMPLIANCE .....	38
SUBMITTALS.....	38
FAILURE TO COMPLY .....	39
STANDARD OF LIQUIDATED DAMAGES.....	41
<b>FORMS .....</b>	<b>42</b>
FORM A.....	43
FORM B.....	44
FORM C.....	50
FORM D.....	57
FORM E1 .....	58
FORM E2 .....	59
FORM E3.....	60
FORM E4 .....	61
FORM G.....	62
FORM G1.....	63
FORM H.....	64
<b>FREQUENTLY ASKED QUESTIONS.....</b>	<b>65</b>

**ACKNOWLEDGMENT AND AGREEMENT**

As the Owner/Operator/Regional Manager/General Manager or other designee, I hereby acknowledge and agree to abide by all the terms stated in this Concession's Handbook as amended from time to time.

Per Article XIX of the Standard Concessions Use Agreement, "Concessionaire covenants to faithfully observe and comply with the standards, procedures, requirements, directives, delegations of authority, directions and instructions governing the operations of concessions at DEN as identified in both the Concession's Handbook and Tenant Work Permit Handbook, as amended from time to time. Concessionaire's failure to keep and observe said laws, regulations, ordinances, rules, and handbooks shall constitute a material breach of the terms of this Agreement in the manner as if the same were contained herein as covenants."

It is the responsibility of each Concessionaire to communicate the information contained in this Concession's Handbook to all personnel, contractors, and third party vendors. Violations will be handled via Article VIII and/or other applicable provisions of the Standard Concession's Use Agreement.

The City reserve the right to update this Concession Handbook at any time. Concessionaires will be informed of such updates via letter sent to the email provided.

Acknowledged and Agreed:

CONCESSIONAIRE: \_\_\_\_\_

\_\_\_\_\_  
Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

## OVERVIEW

The City and County of Denver (“City”), by and through its Department of Aviation (“DEN”), strives to maintain the first class standards for customer service, facilities, maintenance, cleanliness, and security that passengers have grown to expect at the Denver International Airport. To ensure extraordinary standards and service, this Concessions Handbook (“Handbook”) outlines the rules, regulations, and guidelines for Concession Performance and Operation at DEN.

This Handbook offers general guidelines, procedures, rules, regulations, and answers to specific questions you may have about operating successfully at the Denver International Airport.

The information in this Handbook is not all inclusive and is subject to change at any time. In the event of any material inconsistencies between the terms and conditions in this Handbook and those in Concessionaire’s Use Agreement (“Agreement”), the Agreement shall control. The most current version of this Handbook will be available to download from DEN’s website: <http://www.flydenver.com/>. Concessionaires, permittees, contractors, vendors, and their employees are required to comply with the Denver Municipal Airport System’s Rules and Regulations (“DEN’s Rules and Regulations”) pertaining to conduct while on the property or in any DEN building, as well as all other rules and regulations which are applicable to the operation of their respective businesses.

## DELEGATION OF AUTHORITY

Per Article XXXVII of the Standard Concessions Use Agreement, the Chief Executive Officer of the Department of Aviation (“CEO”) exercises the City’s authority and discretion. Under Article XXXVII, the CEO has the authority and discretion to further delegate any authority or discretion granted thereunder. The CEO has designated as her representative and delegated her authority and discretion under the Agreement, to the Department of Aviation’s Executive Vice President, Chief of Staff (“EVP”). Unless specifically delegated in this Handbook, only the CEO and/or EVP may exercise City’s authority and discretion granted under the Standard Concessions Use Agreement. The CEO and/or EVP may rescind or amend any such designation of representative or delegation of authority and discretion under the Agreement upon written notice to Concessionaires. The EVP has delegated authority for all day-to-day management responsibilities and decisions to the Department of Aviation’s Senior Vice President for Concessions (“SVP”).

## CONCESSION PROGRAM OVERVIEW

- DEN’s VISION: A Concession Program that is among the best in the world offering value, excitement, and wide range of culinary and retail experiences and services that evoke a strong sense of place reflecting the modern west spirit of Denver, Colorado and Rocky Mountain West.
- DEN’s MISSION: In order to minimize the rentals, rates, fees and charges which Airline is obligated to pay, DEN will promote and develop non-airline revenues at DEN in a manner consistent with that of a First Class reasonably

prudent Airport Operator.

- **CURRENT PROGRAM:**

- Includes 165 food, retail, service in-line and kiosk locations - Jeppesen Terminal (22 concessions); Concourse A (37 concessions); Concourse B (71 concessions); Concourse C (35 concessions).
- Serves approximately 24 million connecting and 29 million originating/destination passengers in 2013 - Enplanements (26.7 million); Square Feet (171,687 sq. ft.); Gross Sales (\$285.6 million); Net Revenue (\$39 million).



## USEFUL INFORMATION

Operating Concessions within DEN is must different than operating in a traditional setting. Customer Service through first class operations is *always* DEN's first priority. It is imperative each Concessionaire become part of DEN's community and share this priority. The following information is general points of contact and sources of information Concessionaires must become familiar with. Please post this list on a visible wall within your store to ensure **ALL** employees are familiar with these numbers at all times.

### USEFUL CONTACT INFORMATION

DEPARTMENT	TELEPHONE NUMBER	EMAIL ADDRESS	POINT OF CONTACT
Denver Police Department	(303) 342-4121		
Denver Fire Department	(303) 342-4284		
Emergency/Paramedics	(303) 342-4211		
DSBO	(303) 342-2180	<a href="mailto:small.business@flydenver.com">small.business@flydenver.com</a>	
DEN Ground Transportation	(303) 342-4059	<a href="mailto:ground.transportation@flydenver.com">ground.transportation@flydenver.com</a>	
DEN Lost & Found	(303) 342-4062	<a href="http://www.DIAlostfound.com">www.DIAlostfound.com</a>	
DEN Parking	(303) 342-4086	<a href="mailto:parking.admin@flydenver.com">parking.admin@flydenver.com</a>	
DEN Global Communications	(303) 342-2250	<a href="mailto:media@flydenver.com">media@flydenver.com</a>	
DEN Environmental	(303) 342-2730		
DEN Maintenance	(303) 342-2800		
DEN Security	(303) 342-4300		
DEN Concessions	(303) 342-2530		
DEN Waiting Time	(303) 342-8477		
DEN Workforce Center	(303) 342-2590		

### USEFUL WEBSITES

NAME	LINK
City Website	<a href="http://www.denvergov.org/">http://www.denvergov.org/</a>
DEN Website	<a href="http://www.flydenver.com/">http://www.flydenver.com/</a>
DEN Rules and Regulations	<a href="http://www.flydenver.com/about/administration/rules_regulations">http://www.flydenver.com/about/administration/rules_regulations</a>
DEN Press Releases	<a href="http://www.flydenver.com/about/media_center/press_releases">http://www.flydenver.com/about/media_center/press_releases</a>
DEN Business Information	<a href="http://business.flydenver.com/">http://business.flydenver.com/</a>
DSBO Website	<a href="https://www.denvergov.org/content/denvergov/en/denver-office-of-economic-development/do-business-with-denver.html">https://www.denvergov.org/content/denvergov/en/denver-office-of-economic-development/do-business-with-denver.html</a>
DEN Security Badging	<a href="http://business.flydenver.com/bizops/tenServices/security/index.asp">http://business.flydenver.com/bizops/tenServices/security/index.asp</a>
FAA Website	<a href="https://www.faa.gov/">https://www.faa.gov/</a>
TSA Website	<a href="https://www.tsa.gov/">https://www.tsa.gov/</a>
CDOT Aeronautics	<a href="https://www.codot.gov/programs/aeronautics">https://www.codot.gov/programs/aeronautics</a>

## **CONTACT INFORMATION**

Concessionaire must submit a completed Form A with the names and contact information of their General Manager(s) and other manager(s) and supervisor(s) at DEN prior to opening any Concession Location, and must update Form A whenever a change is made. It is each Concessionaire's responsibility to ensure updated and accurate store emergency information is given to DEN when any changes occur in management. This information is for DEN's use only and will not be distributed to anyone. Please download and submit Form A to the following email address prior to the opening of any Concession Location : .

## **BADGING PROCESS**

Any person requesting or requiring a badge that would permit unescorted access to the Secured Area, Sterile Area, and/or any other Controlled Area must be fingerprinted, pass a Criminal History Background Check, and a Security Threat Assessment. If Concessionaires' request unescorted driving privileges at the AOA, every badged individual requesting a driving endorsement will be required to receive the AOA driver training on an annual basis through Computer Based Training (CBT). Each company must comply with DEN's Rules and Regulations (Rule 130).

For further badging information and forms please visit:

<http://business.flydenver.com/bizops/tenServices/security/secNewCompany.asp> , or please contact the DEN Security Office at (303) 342-4300.

## **EMPLOYEE PARKING**

Parking for concessionaire employees will be in either the Landside or Airside Parking Facilities located on 78th Avenue. For information about monthly parking rates, paid parking spaces, and current availability, Concessionaires can contact the Parking Permit Sales Office for further details at (303) 342-4086.

## **U.S. MAIL**

DEN provides a Business Box for postal service. To apply, fax a memo to the United States Postal Service – Rocky Mountain Station. Fax your request to (303) 342-7387. When informed of your Business Box number, go to the Rocky Mountain Station on Level 6 of the Jeppesen Terminal at DEN to obtain the Business Box key and location. All concession Business Boxes are located in the Jeppesen Terminal, level 6 west side. Each Concessionaire is responsible for making direct arrangements with the local post office for delivery of mail directly to your designated mailbox.

## **LOST AND FOUND**

Items found in public areas at the airport are taken to Airport Lost and Found, located in Jeppesen Terminal. Filing a claim for a lost item can be done either in person or online.

- Lost and Found Office – Jeppesen Terminal, Level 5 (near International Arrivals)
- Hours of Operation – Monday through Friday, 8 a.m. to 7:30 p.m., and Saturday and Sunday, 8 a.m. to 6 p.m.
- Online Services – File a claim from anywhere in the world by visiting

## **SAFETY AND SECURITY**

All Concessionaires must:

- Be compliant with all TSA Security Directives, Part 20 of DEN's Rules and Regulations and any of Security Requirements for Operations at DEN.
- Maintain up to five (5) Authorized Signatories to oversee the background check process, signing applications/forms and audit Airport ID Badge Certification report on a quarterly basis and requesting that Airport ID badges be cancelled & returned immediately upon termination for their employees.
- Provide Airport Security a roster of their current active Airport ID badge holders when requested.
- Be compliant with the Violation Notice Program at DEN as outlined in Part 20 of DEN's Rules and Regulations.
- Report suspicious activity to DEN Security or 303-342-4211.
- Develop a Security Plan to ensure, the requirements of TSA Security Directives, Part 20 of DEN's Rules and Regulations, and Airport Security are met and exceeded.
- Ensure Airport ID badges are terminated and returned to DEN Security when an employee separates from the company, is unaccounted for longer than seventy-two (72) hours, and or takes approved leave. In such situations Concessionaires must notify DEN Security and Cancel the Airport ID badge immediately.

## **CONCESSION MANAGER'S MEETINGS**

Concession Manager's Meetings take place quarterly (in March, June, and September with an optional meeting in November) on the third (3<sup>rd</sup>) Tuesday of the month beginning at 9:00 A.M. Meetings are held in the City Conference Room located on level 6 of the west side of the main terminal at DEN.

## **PASSENGER STATISTICS**

Historical passenger statistical information is available online at [www.flydenver.com/concessions](http://www.flydenver.com/concessions), click on the "view current concession opportunities and resource materials" button and scroll down the page to the resource documents. Passenger Traffic Statistics and Total passenger traffic by concourse from 2003 – 2012 are posted. If you wish to see weekly Passenger Traffic Forecasts please contract Ron Contreras at (303) 342-2141.

## PERFORMANCE INFORMATION

### FINANCIAL PERFORMANCE

#### **PAYMENTS**

Payments due under Concessionaires' Agreement must be paid promptly based on the procedures set forth below. If payment is not received in accordance with the procedures set forth below, Concessionaires will accrue interest at FRBNY prime + four percent (4%) or eighteen percent (18%) per annum, whichever is greater.

#### **FEES AND CHARGES**

Fees and Charges applicable to Concessionaires at DEN will be billed and collected based on the following procedures:

- Privilege Fee: The Minimum Annual Percentage Fee ("MAPF"), as stated in the Summary of Contract Provisions in each Concessionaire's Agreement, is due on the first (1st) of each calendar month after the Package Completion Date stated in the Summary of Contract Provisions, without invoice. The Percentage Fee, as stated in the Summary of Contract Provisions in each Concessionaire's Agreement, is due on the tenth (10th) of each calendar month after the Commencement Date as stated in the Summary of Contract Provisions, without invoice.
- Support Space Rent: The Support Space Rent, stated in the Summary of Contract Provisions in each Concessionaire's Agreement, is due on the first (1st) of each calendar month after the Commencement Date as stated in the Summary of Contract Provisions, without invoice.
- Commons Area Maintenance Fee: If a portion of Concessionaire's Premises is within a Food Court, in accordance with Rule 120, Concessionaires must pay, without invoice, monthly one-twelfth (1/12th) of Concessionaire's proportional share of the Commons Area Maintenance Costs. The total cost of Commons Area Maintenance can be found at [http://www.flydenver.com/sites/default/files/rules/120\\_fees\\_charges.pdf](http://www.flydenver.com/sites/default/files/rules/120_fees_charges.pdf), Concessionaires proportional share can be found in Concessionaire's Summary of Contract Provisions. The Commons Area Maintenance Fee is due within ten (10) days of the end of each calendar month after the Commencement Date.
- Commons Area Capital Improvement Fee: If a portion of Concessionaire's Premises is within a Food Court, in accordance with Rule 120, Concessionaires must pay, without invoice, monthly one-twelfth (1/12th) Concessionaire's proportional share of the Commons Area Capital Improvement Costs. The total cost of Commons Area Capital Improvements can be found at [http://www.flydenver.com/sites/default/files/rules/120\\_fees\\_charges.pdf](http://www.flydenver.com/sites/default/files/rules/120_fees_charges.pdf), Concessionaires proportional share can be found in Concessionaire's Summary of Contract Provisions. The Commons Area Capital Improvement Fee is due within ten (10) days of the end of each calendar month after the Commencement Date.
- Common Maintenance Service Fee: In accordance with the Common Maintenance Services listed in the Summary of Contract Provisions of the Concessionaire's

Agreement, Concessionaires will be quarterly invoiced their proportional costs of the Common Maintenance of DEN's central systems used by Concessionaires. This Common Maintenance Services Fee is due within thirty (30) days of invoice beginning on the Commencement Date.

- Concessions Service Fee: In accordance with the Concessions Services listed in the Summary of Contract Provisions of the Concessionaire's Agreement, Concessionaires will be monthly invoiced its Concessions Service Fee based on the Concessions Service Fee Rate as stated in the Summary of Contract Provisions. The Concessions Service Fee is due within thirty (30) days of invoice beginning on the Commencement Date.
- Joint Marketing Fee: In accordance with the Joint Marketing Fee Rate as stated in the Summary of Contract Provisions of the Concessionaire's Agreement, Concessionaires must pay, without invoice, a Joint Marketing Fee in the amount of Gross Receipts for the calendar month. The Joint Marketing Fee is due within ten (10) days of the end of each calendar month after the Commencement Date.
- Utility Fees: Concessionaires are responsible for all utility usage within their Premises. All utility payments must be made promptly to City within thirty (30) days of invoice. With respect to Water for food and beverage concessions, Concessionaires will be billed quarterly. All electricity payments are due on the first (1st) of each month, without invoice. All other utility payments must be made promptly to DEN within thirty (30) days of invoice.
- Repair Fees: Any Repair Fees, including unsatisfactory Maintenance Repairs, Emergency Repairs, Repairs from Damaging Activities as defined in Concessionaires' Agreements, will be invoiced to Concessionaire quarterly. All Repair Fee payments must be made promptly to DEN within thirty (30) days of invoice.
- Administrative Fees: In the event of unsatisfactory Maintenance, repairs from Damaging Activities, or costs to DEN associated with Prohibited Acts, Concessionaires will be charge an Administrative Fee of fifteen percent (15%) the cost to DEN of repairs and or services.
- Liquidated Damages: Any Liquidated Damages accrued and assessed due to Concessionaires' operations at DEN will be due within fifteen (15) days from the date of invoice.

## **FORM AND PLACE OF PAYMENT**

All payments due under the Concessionaires' Agreement must be made in lawful U.S. currency, electronically, through the Automated Clearing House or Electronic Fund Transfer system. Instructions and Procedures for Payment maybe found at the following web address: <https://www.denvergov.org/payments/dia/vendors>.

## **FINANCIAL REPORTS**

Concessionaires' maybe responsible for submitting daily, monthly, quarterly, and annual financial reports in accordance with the procedures set forth below. Such reports, with the

exclusion of Annual Reports, maybe made public from time to time at DEN's sole discretion. Late reports or destroyed information will lead to the assessment of Liquidated Damages.

- **DAILY GROSS RECEIPTS:** In the event DEN requires Concessionaires to submit Daily Gross Receipt Reports, Submittal will be in accordance with the following procedures:
  - Notice – DEN will provide ten (10) days notice to Concessionaires before requiring Concessionaires to submit Daily Gross Receipt Reports. Notice will include the electronic portal Daily Gross Receipt Reports may be submitted through.
  - Time – Concessionaires are required to submit a report of Daily Gross Receipts every day for the thirty (30) day period requested by DEN.
  - Content – Daily Gross Receipt Reports must contain the Daily Gross Receipts per Concession Location within the Premises with separate breakouts for Alcohol Receipts.
  - Submittal/Form – Submittals will be made electronically through the portal identified by DEN in accordance with Form E1.
  - Failure – Late reports will subject Concessionaires to Liquidated Damages of one hundred dollars (\$100) per day.
  
- **MONTHLY CONCESSION:** For every month during their Term, Concessionaires must submit a Certified Monthly Concession Report in accordance with the following procedures:
  - Time – Monthly Concession Reports must be submitted ten (10) days after end of each month.
  - Content – The Monthly Concessions Report must contain the following: (1) Gross Receipts per Month per Concession Location (Alcohol Receipts stated separately); (2) Sales per Month per Concession Location; (3) Calculations of Privilege Fee Payable; (4) Sales per Sq. Ft. per Enplaned Passenger (updated when enplanement information available); (5) Gross Receipts per Sq. Ft. per Enplaned Passenger (updated when enplanement information available)
  - Submittal/Form – Submittals will be made electronically through the portal identified by DEN in accordance with Form E2.
  - Certification – Monthly Concessions Reports must be certified by the Concessionaires' Chief Financial Officer, Certified Public Accountant, or other equivalent Officer.
  - Failure – Late reports will subject Concessionaires to Liquidated Damages of one hundred dollars (\$100) per day.
  
- **QUARTERLY INCOME STATEMENT:** For every Quarter during their Term (excluding the Fourth [4th] quarter) Concessionaires must submit a Certified Quarterly Income Statement in accordance with the following procedures:
  - Time – Quarterly Income Statements are must be submitted thirty (30) days after end of each quarter.
  - Content – The Quarterly Income Statement must contain the following: (1) Current Monthly Sales compared to Historical Sales for Prior Contract Year (or Pro Forma) with sub totals per Concession Location; (2) Current Gross Receipts compared to Prior Contract Year Gross Receipts (or Pro Forma) with subtotals per Concession Location; (3) Rolling Year-to-Date Monthly

Sales and Gross Receipts compared to Rolling Historical Sales and Gross Receipts with subtotals by Concession Location; (4) ACDBE Sales compared to Sales from the Prior Contract Year; (5) Percentage of Sales generated by ACDBE operators; (6) Fees paid to Concessionaire's ACDBE firm(s) for the Year-to-Date.

- Submittal/Form – Submittals will be made electronically through the portal identified by DEN in accordance with Form E3.
  - Certification – Quarterly Income Statements must be certified by the Concessionaires' Chief Financial Officer, Certified Public Accountant, or other equivalent Officer.
  - Failure – Late reports will subject Concessionaires to Liquidated Damages of one hundred dollars (\$100) per day.
- **ANNUAL REPORT:** For every Contract Year during their Term Concessionaires must submit an Annual Report to City in accordance with the following procedures:
    - Time – Annual Reports must be submitted by Concessionaires no later than February 28th of each calendar year during their Term.
    - Content - The Annual Report must contain the following: (1) A schedule of Gross Receipts and Privilege Fees paid for each month of the Concessionaire's operations in the Contract Year; (2) An opinion and explanation from an Independent CPA on whether the Schedule of Gross Receipts, Privilege Fees and all other fees or charges payable under this Agreement have been completely and accurately presented, calculated, reported and paid in accordance with agreement.
    - Requirements – The Annual Report must meet the following requirements: (1) Must be prepared by Independent CPA, in accordance with Concessionaires' Agreement; (2) Must be prepared in accordance with Generally Accepted Accounting Principles ("GAAP"); (3) Must contain an unqualified statement from the Independent CPA as to the correctness and completeness of the reported Gross Receipts.
    - Submittal/Form – Submittals will be made electronically through the portal identified by DEN in accordance with Form E4.
    - Failure – Late reports will subject Concessionaires to Liquidated Damages of one hundred dollars (\$100) per day. Additionally, Concessionaires must submit any requested records based on the Annual Report promptly, late records will subject Concessionaires to Liquidated Damages of three hundred fifty dollars (\$350) per day.

## **SURETY FOR PERFORMANCE**

Concessionaires must furnish to DEN, within ten (10) days of the Effective Date of Concessionaires' Agreement and keep current during their Term until released by City, a Surety. The EVP has delegated the authority to approve Sureties to the Directors for Culinary Services and Retail respectively. Sureties will be approved in accordance with the following provisions:

- **TYPES:** DEN accepts Performance Bonds, Irrevocable Letters of Credit (ILOC), and/or other financial instruments approved by DEN's Rules and Regulations as Sureties.
- **REQUIRED FORM:** Sureties must be submitted in the form identified in Form B. Concessionaires must ensure the Surety contains language requiring the financial

institution to notify DEN in writing forty-five (45) days before any termination of the Surety.

- **REQUIRED AMOUNT:** Sureties must equal the sum of half the Support Space Rent plus the Minimum Annual Percentage Fee stated in the Summary of Contract Provisions of the Concessionaire's Agreement.
- **RENEWALS:** Concessionaires have a continual responsibility to renew their Surety in accordance with the procedures below
  - Annual Renewal – Sixty (60) days prior to the expiration date of the Concessionaire's Surety, the Concessionaire must submit to DEN evidence of renewal or replacement of Concessionaire's Surety.
  - Recalculation of Surety Amount – If at any time during the Term, the CEO determines the amount of Surety provided by Concessionaires are inadequate to protect DEN's interest, Concessionaires will be required to increase the amount of Surety in accordance the following procedures: (1) DEN will provide thirty (30) days written notice of any increase in Surety Amount; Concessionaires must increase the amount of Surety within thirty (30) days after notice from DEN.
- **RELEASE:** Upon expiration and/or termination of Concessionaires Agreement, DEN will release Concessionaires' Surety according to the following provisions: (1) Concessionaires must submit to DEN a final audit in accordance with the Annual Audit outlined in Section (III) (b) (iv); (2) If the Concessionaire is in default of their Agreement and/or has an outstanding balance, the Surety will be used first to satisfy the obligation to DEN and any remaining balance will be released to the Concessionaire; (3) If DEN accepts the finding of Concessionaire's Audit or successfully conducts its own audit, DEN will issue a release letter to Concessionaire thirty (30) days from thereafter; (4) In the event of a dispute between DEN and Concessionaire only the amount necessary to remedy the dispute will be retained by DEN.

## **INSURANCE**

Concessionaires must furnish to DEN, within ten (10) days of the Effective Date of Concessionaires' Agreement and keep current during their Term, Insurance Certificates in the provisions below. The EVP has delegated the authority to approve Insurance Certificates to DEN's Risk Manager.

- **MANDATORY TYPES:** (1) Colorado Workers' Compensation and Employer Liability Coverage; (2) Commercial General Liability Coverage; (3) Commercial Crime Insurance; (4) Business Automobile Liability Coverage; (5) Umbrella Liability, Non Restricted Area; (6) Umbrella Liability, Unescorted airside access; (7) Personal Property, Contents, Fixtures, Tenant Improvements and Betterments; (8) Business Interruption Insurance.
- **REQUIRED FORM:** Insurance Certificates must be submitted in the form identified in Form C. Concessionaires must ensure the Insurance Certificate contains the following information: (1) the name matches the name on Concessionaire's Agreement; (2) the City & County of Denver is named as a certificate holder and additional insured; (3) the amount and type of coverage meets or exceeds the required coverage as set by DEN's Risk Manager; (4) the cancellation notice clause agrees with what is required in the Concessionaires' Agreement any other items that

may become required.

- **RENEWALS:** Concessionaires must maintain the Required Insurance Coverage without any lapse in coverage during the entire Term. Insurance canceled without DEN's consent or failure by Concessionaire to provide evidence of renewal within forty-eight (48) hours of request is a material breach of Concessionaires' Agreement and can lead to termination of Concessionaires' Agreement.

## **JOINT MARKETING FUND**

Street Source Marketing & Communications ("SSMC") is the third party administrator for DEN's Joint Marketing Fund. SSMC plans and executes marketing initiatives on behalf of all shops, restaurants, and service providers. While most of their marketing efforts are focused on promoting the entire concessions program, SSMC can help individual Concessionaires with direct efforts like, signage, grand openings, press releases, and social media activities. Please contact Jamie Goodrich, Account Director at (303) 393-3788 or email at [jgoodrich@streetsmc.com](mailto:jgoodrich@streetsmc.com) with questions.

## **PERMITTED USES**

Concessionaires may use their Concessions Location(s) only for the purposes of operating the Concession authorized by DEN in said location. Concessionaires' Support Space(s) may only be used for office and administrative purposes related to the operation of Concessionaires' Concession Location(s) and the storage and preparation of goods necessary for the operation of Concessionaires' Concession Location(s). The Permitted Uses for each Concessions Location are located in the RFP Concessionaires successfully proposed on and was attached to Concessionaires' Agreement.

- **CONCESSIONS LOCATION(S)** – The trade name for each Concession Location and a listing, by general category, of goods and services that Concessionaires are allowed to sell from each Concession Location are attached to Concessionaires' Agreement.
- **GOODS, SERVICES, PRICES** – No later than thirty (30) days prior to the opening of a Concession Location, Concessionaires must submit a Price List to DEN. The Pricing List must include the goods, services, and prices proposed to be charged to the public. The SVP has delegated authority to approve the Price List to [insert title]. Once approved by DEN, Concessionaires may not add, delete or sell any goods or services not included on the Price List, nor change the price of any good or service, without first receiving written approval from DEN.
- **ADDITIONS or DELETIONS** – During Concessionaires Term DEN may request Concessionaires add or delete goods or services from the Pricing List. DEN will submit any such request in writing and Concessionaires will have ten (10) days to add or delete any requested good or service.

## **RESTRICTIONS**

Concessionaires may not conduct any business or operations on the Premises separate and apart from those Permitted by DEN. No portion of the Premises shall be used to warehouse,

stock or store any goods, wares or merchandise not intended to be offered for sale at or from the Premises. Any operations of separate and apart business can result in termination of Concessionaire's Agreement.

Concessionaires are strictly prohibited from offering any good or services outside the specific Concessions Locations identified by DEN. Any violation will result in Liquidated Damage accruing and being assessed.

## **PERMITS AND LICENSES**

Concessionaires and/or any contractors, sub-contractors, and vendors providing services at DEN for Concessionaires are required to obtain and maintain throughout their Term all permits, certificates, licenses, or other authorizations required to perform the Permitted Uses of each Concession Location. Copies of such documentation must be displayed in the Concession Location and forwarded to DEN.

## **FIRST CLASS PERFORMANCE**

Concessionaires are required to perform all aspects and operations of each Concession Location in a First Class Manner according to the following definition:

- **FIRST CLASS** – A manner of operation of the Concession, a standard of quality of materials and construction, a standard of quality of good and services, and sustainability practices above or comparable to those of upscale shopping centers in the Denver-Aurora Statistical Area and similar high-quality airport and non-airport service establishments.

## **SUSTAINABILITY**

DEN is committed to incorporating sustainable practices into all aspects of airport operations. All Concessionaires are expected to operate in a manner consistent with DEN's Sustainability Policy and participate in DEN-sponsored sustainability programs whenever feasible. Concessionaires are required to meet the sustainability requirements of DEN's EMS system, Tenant Design Guidelines, Design Standards Manual, and the Tenant Work Permit Handbook for designing, developing, constructing, or refurbishing within DEN.

## **SUSTAINABILITY MANAGEMENT**

Concessionaires are required to participate in all DEN waste management sustainability programs. These Initiatives include but are not limited to Recycling, Food Donation and Composting.

Concessionaires are also responsible for keeping their Premises in compliance with the DEN's EMS system, DEN's Rules and Regulations (Rule 180), as well as all applicable local, state and federal environmental regulations. Concessionaires are responsible for contacting DEN's Environmental Services Department to inquire about environmental regulations that may apply to any new or existing activity or operation to see if there is a potential for environmental impact, whether or not such impact is estimated to be minimal. Concessionaires are responsible for immediately forwarding copies of all environmental permits, notice(s) of violation, warning notice(s), consent orders and related documents, site rehabilitation reports and related correspondence, and asbestos and lead paint reports to

DEN.

## **ROUTINE MAINTENANCE**

Concessionaires are responsible for all janitorial services within their Premises. The following Cleanliness requirements generally apply to all Concessionaires: (1) All designated Premises occupied by Concessionaires must be free, at all times, from all rubbish, filth, and refuse; (2) Concessionaires must develop a cleaning standard and schedule that encourages employees to clean during down time; (3) Concessionaires are required to develop and submit to DEN for approval a cleaning schedule and check list at thirty (30) days prior to the opening of any Concession Location.

Any work that requires shutting down the fire suppression system, such as cleaning kitchen hoods, also requires advance permission from DEN Life Safety and Operations. Email requests must be made a minimum of five (5) days prior to the cleaning date. Email requests maybe sent to Laurie McNulty at [laurie.mcnulty@flydenver.com](mailto:laurie.mcnulty@flydenver.com). Ms. McNulty will coordinate the requests and approval and inform the concessionaire of any problems or approvals. Certain on-site equipment maintenance forms are generally required; please contact the Denver Fire Department at (303) 342-4284 to obtain and complete these forms.

## **PREVENTATIVE MAINTENANCE OBLIGATION**

Concessionaires' obligations for preventative and routine maintenance are as follows:

- Concessionaires must maintain each Concession Location in good appearance and repair, and in a safe, as-new condition.
- Concessionaires must maintain, repair, replace, paint, and/or otherwise finish all Premises improvements or Trade Fixtures on the Premises. This Includes all walls, partitions, floors, ceilings, windows, doors, glass and all furnishings, fixtures, and equipment therein, whether installed by Concessionaires or DEN.
- All of the maintenance, repairs, finishing and replacements must be of quality at least equal to the original in materials and workmanship. All work, including finishing colors, is subject to the prior written

## **PREVENTATIVE AND ROUTINE MAINTENANCE PROGRAM**

Concessionaires must establish a preventive and routine maintenance program for their Premises in accordance with City Codes or Industry Standard guidelines. This Program shall include, but is not limited to the following areas listed in the Tenant Work Permit Handbook: Pest Control, Plumbing, Electricity, HAVC Systems, Grease Removal Systems, Trash/Waste, and Lighting. For Restaurants kitchen hoods and exhaust systems must be cleaned as required by City Code and to keep services in a First Class manner. Proof of Annual Inspections of all assets contained within the Premises must be forwarded to the DEN.

Concessionaire must submit their program in writing for written approval of and periodic review by DEN. Concessionaires must receive DEN's approval of their preventative and routine maintenance plan at least thirty (30) days prior to opening each Concession Location and annually thereafter.

## **UNSATISFACTORY MAINTENANCE**

If at any time DEN determines maintenance performed by a Concessionaire is not in compliance with the Tenant Work Permit Handbook or other standards at DEN, DEN will notify Concessionaire in writing. Thereafter, required maintenance must be performed to the DEN's satisfaction within fifteen (15) calendar days after receipt of such written notice. If not time performed, City may choose to perform the maintenance and charge the Concessionaire for the cost of the work done plus a fifteen percent (15%) administrative fee.

## **QUALITY OF GOODS AND SERVICES**

Goods and services offered at Concessionaires Concession Location(s) must conform in all respects to applicable federal, state, county and municipal food and drug laws, ordinances and regulations, along with DEN's Rules and Regulations and by of First Class Quality.

Concessionaires must keep a sufficient supply and variety of goods and services offered for sale at each Concession Location, consistent with the Price List, to meet the demand of customers.

- **PRINTED MENUS** – Printed Menus are required to include appropriate descriptive terminology that accurately and truthfully describe the food, beverages, services, or goods being offered.
- **DEFICIENCIES** – If DEN identifies any deficiencies in quality, variety, and quantity of goods or services offered, Concessionaire will be notified in writing and must correct the deficiency within seven (7) days, unless DEN authorizes in writing a longer period. Failure to correct within the period authorized by DEN will subject Concessionaires to Liquidated Damages.

## **MERCHANDISING**

Concessionaires must develop and implement creative merchandising techniques to entice customers to purchase food, beverages, and retail merchandise.

- **EXAMPLES** – Food and beverage displays, retail merchandise displays, display cases, promotional displays, attractive and durable packaging, menu boards or table-top menus, and pictures of food and beverages or retail merchandise are some ways to merchandise product offerings.
- **DISPLAYS** – No merchandising displays or product may protrude past the line of any Concession Location. Apparel and accessory merchandising should be neatly folded or hung in appropriate locations. Display and materials placement must comply with ADA standards and allow for ease in movement by customers with luggage.
- **SUBMITTALS AND APPROVAL**– Concessionaires must submit proposed changes to merchandising fixturing plans to DEN for prior written approval. DEN will approve or disapprove all product displays and/or require Concessionaires to modify product displays. The SVP has delegated approval of Merchandising fixturing plans to Directors for Culinary Services and Retail respectively.

- Compliance – If Concessionaires fail to comply with a written notice from DEN to take down or modify a merchandising display, such failure will subject Concessionaires to Liquidated Damages accruing and being assessed.

### **RIGHT TO DISCONTINUE**

DEN may require Concessionaires to discontinue the sale or use of any product it deems unsatisfactory, distasteful, or inappropriate for any reason. DEN will provide written notice to Concessionaires detailing the product it deems unsatisfactory, distasteful, or inappropriate and the date the Concessionaire must discontinue sale or use of such product.

### **TO-GO GOODS AND SERVICES**

All food and non-alcoholic beverage products should be made available “to go” for customers if they so request. The carry out or “to go” containers and plasticware offered by Concessionaires must be recyclable.

### **PERSONNEL**

Concessionaires must hire, train, supervise, and deploy a sufficient number of Personnel to service customers in a timely and efficient manner. All of Concessionaires staff are required to have brand specific uniforms for each Concession Location consistent with the following requirements: (1) Uniforms must be worn appropriately and will be clean and neatly pressed at all times. (2) All uniforms must receive prior DEN approval, including new uniforms and uniform changes. Smoking at DEN is limited to the designated smoking areas only. Concessionaires’ employees are not permitted to smoke while in uniform.

### **MANAGEMENT**

Concessionaires are required to appoint Management for performance and operations of their Premises and the Concession Locations within according to the following requirements:

- General Manager(s) must be the primary individual(s) responsible for fulfilling Concessionaires’ obligations for operation of all Concession Location(s) on the Premises. Concessionaires’ offices should be located at or near DEN and the General Manager(s) must be available twenty four (24) hours a day, seven (7) days a week for DEN staff to communicate any challenges and/ or emergencies. If a General Manager is not available, a qualified and responsible alternate is required to be left in charge and available twenty four (24) hours a day, seven (7) days a week with the ability and authority to make decisions on the Concessionaire’s behalf. Each Concession Location is required to have a manager or supervisor on duty and readily available with the capability to handle any customer concerns that may arise.

### **ROUTINE REFURBISHMENT**

Representatives of DEN and each Concessionaire will tour their Premises each year and jointly agree upon what, if any, Routine Refurbishment is required. Concessionaires must promptly complete such refurbishment at their own expense in order to maintain their Premises in a First Class condition.

### **MID-TERM REFURBISHMENT**

Concessionaires are required to refurbish their Premises around the midpoint of their Agreement. For details on the procedure and process of Mid-term Refurbishment, Concessionaires should refer to their individual Use Agreement and/or the Tenant Work Permit Handbook.

## **OPERATIONAL INFORMATION**

### **VALUE PRICING**

One of DEN's objectives in its Concession Program is to provide patrons and employees high quality goods and services at reasonable prices. In accordance with DEN's Value Pricing policy Concessionaires prices must meet the following requirements:

- (1) For merchandise with a pre-printed price affixed by the manufacturer or distributor, the selling price at DEN must not exceed the pre-printed price; (2) Prices for nationally or locally branded goods and services represented within the Denver-Aurora Statistical Area must not exceed the selling price for the same goods and services at the closest off-DEN establishment of the same brand name by more than ten percent (10%); (3) Prices for all non-branded, proprietary, or branded Concession Locations not represented in the Denver-Aurora Statistical Area must not exceed the average selling price for similar or equivalent goods (of like size and quality) and services at three (3) Price Benchmark Establishments, by more than ten percent (10%).

### **PRICE BENCHMARKING ESTABLISHMENT**

Forty-Five (45) Days Prior to the opening any Concessions Location, Concessionaires must submit to DEN for approval a Price Benchmarking Establishment report, Form D. The Price Benchmarking Establishment report must contain the following: (1) names and addresses of at least three (3) businesses for each of the goods or services, or substantially similar items within the Denver-Aurora Statistical Area that Concessionaires propose to use as a Price Benchmark Establishment; (2) the businesses must be comparable in concept, size, ambiance, service style and quality to the Concession Location and, to the extent practical, be the same businesses as identified in Concessionaire's Response to RFP; (3) businesses at entertainment or sports venues, other transportation facilities, amusement parks, zoos, resorts and hotels are specifically exempted from use in Price Benchmark Establishment. After approval by DEN, the Price Benchmark Establishments will set a basis for Value Pricing at DEN for Concessionaires' Concession Location(s). In the event any of the Price Benchmark Establishment(s) no longer serve as a valid comparison, Concessionaires must propose a substitute Price Benchmark Establishment(s) for approval by DEN.

### **COMPLIANCE WITH VALUE PRICING**

Prices for all food and beverages, including alcoholic beverages, must be displayed on menus or menu boards and available to all customers. Prices for all retail goods must be visibly marked on goods or displayed on a label near the item that clearly indicates for which items the price applies. No later than thirty (30) days prior to the opening of a Concession Location and prior to the beginning of each Contract Year, Concessionaires must, at their own expense, prepare a goods and services value pricing survey of the Price Benchmark Establishments that demonstrates Concessionaires compliance with DEN's Value Pricing policy. If DEN concludes, based on the Value Pricing Survey any prices do not comply with DEN's Value Pricing policy, Concessionaires must adjust prices within three (3) calendar days of written notice. Failure to adjust any pricing discrepancies within three (3) calendar days will result in Liquidated Damages accruing and being assessed.

## **VALUE PRICING CHANGES**

Concessionaires may request changes to pricing once every four (4) months during their Term. Requested price changes must be submitted in writing and include the following information: (1) the results of a value pricing survey(s); and (2) the economic justification supporting the requested price changes(s). DEN will determine which, if any, price changes are consistent with the Value Pricing policy and notify Concessionaires in writing of its approval or rejection of each requested price change. Thereafter, DEN will modify the applicable Price List to incorporate said price adjustments.

## **EMPLOYEE DISCOUNTS**

Concessionaires must offer a ten percent (10%) discount on all food and non-alcoholic beverages purchased by DEN employees and employees of airlines operating at DEN who have been issued (and show at the time the discount is requested) appropriate identification badges. The discount is based on Concessionaire's normal non-sale or non-promotional prices. No discount should be given on food and non-alcoholic beverages with manufacturer pre-printed price.

## **HOURS OF OPERATION**

The hours of business for each Concession Location shall be such that the passengers of all flights arriving or departing from any concourse where a Concession Location has been assigned will be accommodated. Hours of Operation must be posted visibly at each Concession Location. Failing to open for business within thirty (30) minutes of the required time or closing more than thirty (30) minutes early will constitute a violation of Concessionaires' Agreement that subjects Concessionaires to the accrual and assessment Liquidated Damages.

In the event of flight delays, emergency circumstances, or other unforeseeable events, Concessionaires must remain open beyond store hours. Concessionaires are required to make all necessary accommodations to extend store hours until delayed flights depart or until instructed otherwise by DEN. When an event requires extended hours, a notification will be sent from DEN to all concession owners, managers, and locations.

## **CHANGES TO HOURS OF OPERATION**

DEN has the right to change the hours of operation to ensure that goods and services are available to serve the needs of the traveling public. Concessionaires may request changes to Hours of Operation after six (6) full months of operations under their Agreement. Such requests will be approved or denied by DEN at its discretion. Within ten (10) days after a change to the Hours of Operation for any Concession Location, DEN will modify Concessionaires Summary of Contract Provisions to reflect the change.

## **DELIVERY OF GOODS**

Concessionaires must make all deliveries for their Premises in the manner specified by

DEN's Rules and Regulations and at such times and locations as City may approve or require. Each Concessionaire is responsible for complying with the driver training program requirements outlined in DEN's Rules and Regulations, Rule 130.03. Prior to operating vehicles on the airfield, each Concessionaire and their support contractors must meet these requirements. Advanced planning is necessary to ensure approval. Permitting and training must be accomplished prior to any official state date. For questions please contact DEN's Airport Operations Driver Training at (303) 342-4162.

Terminal/AOB Loading Dock is open twenty four (24) hours a day. However, the Dock Master is not available after 10:00 PM. Deliveries may be made at any time, but the delivery company must use a badged driver for deliveries after 10:00 PM and on weekends or holidays. All guard gates are staffed and open 24 hours, seven days per week. Deliveries may be scheduled at any time. Please schedule delivery and stocking time for hours when such activities do not interfere with passenger traffic and access. Be aware that ramp access may be unavailable during low visibility times.

### **CENTRAL RECEIVING AND DISTRIBUTION**

DEN may implement a Central Receiving and Distribution Center ("CRDC") for all deliveries at DEN.

- If DEN implements a CRDC, it will contract with a Logistics Manager, as further described below, to operate the CRDC and provide distribution and delivery services to Concessionaires at DEN. Concessionaires must use the Central Receiving and Distribution Center at their own cost and expense for all deliveries unless prohibited by law or approved by DEN.
- A Logistics Manager will establish rules and procedures regarding the operations of the CRDC and the distribution and delivery services to DEN's terminals and concourses. Rules and Procedures will include, but are not limited to: (1) Operating hours of CRDC; (2) Scheduling and acceptance of each Concessionaire's deliveries to the CRDC; (3) Scheduling and place of deliveries; and (3) Transportation of goods and related equipment among the Airsides, Concourses, Terminal, and CRDC. Rules and procedures will be incorporated into in this Handbook once they are implemented and may be modified from time to time.
- The Logistics Manager will make deliveries to Concession Location(s) and Concessionaire's Support Space(s). Concessionaire must transport delivered inventory among Concession Locations and Storage Spaces in the same building at such times and by such routes as determine by the Logistic Manager. Concessionaire will be responsible for the return of all pallets, storage containers and other equipment belonging to its suppliers to locations designated for return by the Logistics Manager. Concessionaire must transport goods with carts or conveyances that are sealed, leak-proof, and equipped with pneumatic wheels suitable for operating on carpet or other flooring without damage.

### **STORAGE INSPECTION PROGRAM**

DEN's Concessions Department has instituted a storage inspection program for storage space occupied by Concessionaires. Concessionaires must comply with access requests

by DEN staff to inspect storage space within their Premises. DEN staff inspects for spills, improper use of the space, improper storage of volatile items, and other violations of DEN's Rules and Regulations.

## **CUSTOMER SERVICE**

DEN understands customer satisfaction is a main driver in the success of DEN operations and aims not only to achieve satisfaction, but to exceed customer expectations. Traveling customers have specific needs and DEN strives to ensure all employees at DEN are aware of and accommodating to those needs.

Concessionaires are expected to abide by DEN's Service Values, Service Standards, and Image Standards set forth below. Concessionaires are required to submit to DEN customer service standards for each Concession Location prior to Opening for Business.

## **SERVICE VALUES**

Concessionaires must adhere to the DEN's Service Values by delivering extraordinary customer service. All Customers must feel genuinely welcomed and appreciated for their business. Concessionaires must anticipate the needs of customers by identifying expectations and working to meet those needs. Concessionaire are required to adhere to the following Values:

- We are DEN – WOW I did not know you can do that at an Airport!
- My guest is my first priority – I am Responsible
- I greet every guest with a smile – I am Approachable
- I anticipate my guest's needs – I am Attentive
- I own and do my best to resolve my guest's problems – I am Reliable
- I am proud of my professional appearance, language, and behavior – I am Respectful
- I seek opportunities to innovate and improve my guest's experience – I am a Problem Solver
- I assist in providing a safe, sustainable, clean, and secure environment for guests and employees – I am Confident
- I deliver the Wow! – I am Committed

## **SERVICE STANDARDS**

These Service Standards ensure that customers receive the best traveling experience and feel appreciated for selecting to travel at DEN and set a B.A.R. for service excellence.

The image our Concessionaires portray is a reflection of DEN and must convey First Class operations and excellence at all times in accordance with the following standards:

- Employee Standards: (1) Employees are given all of the training and knowledge necessary to competently and confidently serve customers; (2) Employees strive to delight customers through uncompromising levels of courtesy, cleanliness, and positive performance; (3) Employees maintain eye contact and offer full attention while conversing with customers; (4) Employees are aware of important landmarks and are prepared to answer the questions of travelers; (5) Employees act with a sense of urgency, understanding that traveling customers have time constraints; (6) Employees are well groomed, neat, professional, and comply with the Image

Standards set forth below; (7) Employees maintain composure and a calm demeanor when encountering disgruntled customers.

- Customers Interaction Standards: (1) Customers are welcomed and greeted in a friendly and comforting manner; (2) Customers are genuinely thanked for their business; Customers are guaranteed to receive high quality products and services; (3) Customer needs are anticipated and handled proactively; (4) Procedures are in place for customers to easily contact management with concerns, complaints, questions, or suggestions.

## **IMAGE STANDARDS**

DEN strives to convey professionalism, confidence, composure, excellence, and quality. A fresh, neat, and composed appearance reflects these qualities and exhibits the commitment and dedication we have to the work we do daily. The Image Standards below have been developed for all Concessionaires and their employees.

- Employees must maintain a well-groomed, neat, professional, and clean appearance at all times including the following:
  - Hair must be neatly groomed and pulled away from the face at all times.
  - Concession Location specific uniforms are required to be worn appropriately, clean, and neatly pressed at all times.
  - Prior to the use of any new uniforms or uniform changes, all uniforms must be approved by DEN in accordance with Section III (h) (i).
  - Name badges or security badges must be appropriately displayed at all times.
  - Employees must refrain from using foul or inappropriate language at any time in the workplace, DEN, or while traveling via public transportation while wearing company uniform.
  - Employees must refrain from any activity that could interfere or distract from providing quality service to the customer (i.e. eating, drinking, chewing gum, smoking, or using phones in customer environment).
  - Personal radio/ recorders or ear phone buds are not permitted at any time while employees are on duty.
  - Employees are expected to always be properly identified as a DEN Concessionaire employees.
  - Employees are prohibited from wearing items that could interfere or distract from providing quality service.
- Concessionaires are required to submit company and/or location specific uniform standards to DEN at least thirty (30) days prior to opening. Company standards must outline how uniforms are to be worn, acceptable amounts of jewelry, and finger nail standards (length of nails, nail polish and fake fingernail policies).

## **CUSTOMER SERVICE TRAINING**

Concessionaires are required to provide customer service training for their staff. All staff members are required to follow all DEN's Rules and Regulations and should review this Handbook in its entirety. Concessionaires are required to keep on file copies of all employee's signed forms acknowledging their receipt and understanding of this Handbook.

DEN may establish its own customer service training program and require employees of Concessionaires to participate. Before requiring all Concessionaire employees to participate DEN will give Concessionaires thirty (30) days written notice. DEN's customer service training program will be limited to no more than two (2) full working days per employee per year. Customer service training will be conducted at DEN. Successful completion will be evidenced by a Certificate of Completion issued to each employee. After notice, Concessionaires' employees will have six (6) months to complete the training program. Employees hired after the date of implementation of DEN's customer service training program must complete the training within one (1) month of beginning employment. Concessionaires will be responsible for employees' wages, benefits and other employment costs incurred during and as a result of the training.

### **CUSTOMER COMPLAINTS**

All customer complaints Concessionaires receive must be referred to DEN and responded to by Concessionaires promptly. A written copy of Concessionaire's response and/or corrective actions must be submitted to DEN within forty-eight (48) hours of referral.

### **MYSTERY SHOPPING**

Independent of any process or obligation under the PVC Program, one way DEN will evaluate Concessionaire's customer service is through a mystery shopping program. DEN will monitor, test, and/or inspect the services of any Concessionaire at any time through the use of a mystery shopper service or other commercially reasonable means. Concessionaires will be given copies of all DEN sponsored mystery shop reports. Concessionaires will be required to document corrective actions for any deficiencies found on mystery shopper visits. Documentation must be submitted to DEN within ten (10) days of receipt.

### **RETURN POLICIES**

Concessionaires are required to have a return policies for operations at DEN in accordance with the following requirements:

- Concessionaires must have a clearly posted and understood policy allowing for exchanges and refunds that encourages credibility and confidence in the product and the Concessionaire.
- Concessionaires' policy must include a provision that all returns made within thirty (30) days with valid receipt will be replaced, exchanged, or refunded at the customer's option.
- Concessionaires are required to display their Return Policy at each concession location so that it can be clearly seen by the public.
- Concessionaire Return Policy signage must be approved by DEN prior to displaying it in Concession Locations.

### **GENERAL OPERATING REQUIREMENTS**

Concessionaires are responsible for ensuring that air travelers and the public at DEN are provided high quality food, beverages, and services. A sufficient supply of food, beverages, articles and goods offered for sale, as appropriate by Concession Location, must be supplied and in stock at all times to meet the demand of customers.

## **SECURING MERCHANDISE**

All Concessionaires are responsible for securing ALL merchandise within their Premises. The City is not responsible for lost or stolen items or damage to merchandise under any circumstances.

## **HANDLING RECEIPTS**

Concessionaires are required to observe cash-handling and credit card processing procedures in accordance with sound accounting and financial control practices and as necessary to provide timely and accurate reports to DEN. Prior to the opening of any Concession Location, Concessionaires must submit a copy of cash handling and credit card processing procedures. DEN may request an updated copy of these procedures at any time and monitor and/or test any of Concessionaire's procedures and controls. Concessionaires are required to make change for the public. This includes servicing both persons making a purchase in the store and persons not making a purchase.

## **CREDIT CARDS**

Concessionaires must accept gift cards, airline vouchers, traveler's checks, debit cards, and nationally recognized credit cards including American Express, MasterCard, VISA, and Discover. Concessionaires' may not charge a minimum credit card or debit card purchase amount or charge for credit card purchases. Concessionaires are required to develop a procedure for storage and disposal of credit cards left by customers and to submit these procedure to DEN for approval.

## **POINT OF SALE TERMINALS**

Concessionaires must install and properly train employees to use an electronic point-of-sale terminal(s) ("POS terminals") in order to provide an accurate record of all transactions occurring in each concession location for accounting, reporting and auditing purposes. Employees must accurately perform the following features on the POS terminals:

- Accurate reporting of gross receipts by various merchandise and services categories.
- Recording transactions by sequential control number to an audit tape or computer file.
- Printing a transaction history to tape or computer file by time of day, day, month, and year by product category.
- Printing customer receipts showing the amount due, amount tendered, and the amount due to the customer, as well as the time and date of the transaction and Concessionaire contact information including phone number and/ or email address for any customer concerns, complaints, or questions.
- Giving accurate change and displaying fees to customers during a transaction.
- Maintain a secure transaction audit tape or ASCII transaction file on a removable storage device.

## **UNIVERSAL POS SYSTEM**

DEN may implement a universal POS Terminal or other technology to work in tandem with Concessionaire's POS Terminals for continual access to each Concession Locations' point of sale data. Concessionaires must fully cooperate in the implementation of such a universal point-of-sale system or other technology.

## **WASTE MANAGEMENT**

With respect to trash and waste receptacles Concessionaires must adhere to the following requirements: (1) Trash and waste receptacles within the Concessionaire's Premises must be emptied regularly to avoid overflow of trash and waste; (2) Hallways, elevators, and areas around Concessionaire's spaces must be kept free of Concessionaire's trash and waste; (3) Piling of boxes, cartons, or other similar items in, or within view of, a public area will not be permitted; (4) Concessionaires must not dispose of trash or waste in public area trash receptacles or place trash or waste (including, in particular, used cooking oil or coffee grounds) in rest room sinks or toilets; (5) Concessionaires must flatten or break down all cardboard and cartons and place within designated cardboard.

With respect to removal of cooking oils/liquid waste Concessionaires must adhere to the following requirements: (1) Removal and disposal of used cooking oil and other liquid waste from food service operations is the responsibility of each Concessionaire; (2) Used cooking oil and other liquid waste can only be stored and transported in approved containers and carts which are sanitary and leak proof; (3) Concessionaire's employees should receive training in proper handling and removal of used cooking oil and other liquid waste; (4) Spills of used cooking oil or other liquid waste caused by Concessionaire (or its vendors) are the responsibility of the Concessionaire to clean up;

(5) All Concessionaires must maintain adequate supplies, spill response equipment, and materials in accessible locations near areas where spills are likely to occur; (6) Spills must be controlled to minimize property damage, personal injury, and damage to the environment.

## **MATERIAL SAFETY DATA SHEETS**

Upon request from DEN, Concessionaires must provide copies of all Material Safety Data Sheets ("MSDS") for all chemicals used in the operation of the concession, including those used for cleaning and maintenance.

## **ELECTRICITY & WATER**

Concessionaires must provide meters for electricity and water into each Concession Location, where applicable. Concessionaires should refer to the Tenant Work Permit Handbook and DEN's Tenant Development Guidelines for more information.

## **DATA & TELEPHONE SERVICES**

For data and telephone setup, Concessionaires have the option to use a third party provider brokered through DEN. Many locations are not provisioned for third party provider cabling, and any costs associated with interior cabling are the responsibility of the Concessionaires. To use DEN's services, or to ask any questions about data and phone line setup, Concessionaires should contact DEN's Information Technology Department.

## **NOISE**

Any Concessionaire that wishes to play music at a Concession Location must obtain prior written approval for the system, type of music, and volume level from DEN. Concessionaires must not engage in any activity prohibited by City's existing or future noise abatement procedures nor DEN' Rules and Regulations. Any noises within a Concession Location must be kept at a volume level so that the noises do not extend outside Concession Location into the public areas. All music and noises must cut off during emergency announcements.

## **SECURITY PROGRAM**

Each Concessionaire, Concessionaire vendor, or Concessionaire contractor requiring access to the Secured Area, Sterile Area, and/or any other Controlled Area must become a "Participant" in the DEN's Airport Security Program ("ASP") and must remain in good standing with the program to maintain airport security privileges. All new Concessionaires must contact DEN's Security Department to set up and attend a New Participant Meeting Prior to opening any Concession Location at DEN. The following information and documents are required at the Participant Meeting: (1) Sponsorship Form from each company you are servicing or working for; (2) Contact information for your company (e-mail address, phone number, etc.); (3) List of areas, doors, and gates that you will require access through. Please contact your sponsor to determine necessary access; (4) Fees for fingerprinting (cash, check, or credit card accepted - checks should be made payable to "Airport Revenue Fund"). The representative sent by Concessionaires to the Participant Meeting will become the Authorized Signatory and the security contact for the Concessionaire.

All Concessionaires, and any of Concessionaires' employees, vendors, or contractors requiring access to the Secured Area, Sterile Area, and/or any other Controlled Area must be sponsored by the Concessionaire. All of Concessionaires' construction contractors must submit the Participant Sponsorship Form with their Concessionaire's signature.

## **SECURITY PLAN**

Concessionaire must submit to DEN's Security Department written operating and security procedures for its operations of Concession Locations at DEN at least thirty (30) days prior to the Package Completion Date, or if Concessionaire opens any Concessions Location for business earlier than the Package Completion Date, at least seven (7) days prior to opening. For detail about the Security Plan and the required information please contact DEN's Security Department.

## **PROHIBITED ITEMS**

Before a Concessionaire opens any Concession Location, DEN Security conducts and initial Prohibited Items Inventory of the Concession Location, at which time Concessionaire signs a Security Agreement. Items used in operating the business, such as box cutters, scissors, screwdrivers, back-of-house knives, etc. that are also on the TSA's Prohibited Items list are listed on the inventory sheet. Concessionaire is responsible for tracking every restricted item and must secure the items from the public. DEN Security conducts random checks of each Concession Location to verify that restricted items are handled correctly. If Concessionaire adds or removes an item from the premises, a new inventory form must be completed and submitted/approved.

Rounded metal "butter" knives may be approved for public use in an airport restaurant with

written pre-approval. Concessionaires must submit the approval request thirty (30) days prior to opening any Concession Location.

## **SECURITY VIOLATIONS**

No Participant in DEN's ASP and/or, DEN ID badge holder, may divulge any security source documents or information to any individual, unless the individual has a specific and valid need to know such information, as identified and defined in the federal government's Title 49 CFR Parts 15 and 1520. Any violation of DEN's ASP by Concessionaires, their vendors, contractors, or employees will result in the accrual and assessment of Liquidated Damages.

## **LOCKS**

DEN requires a "Best" brand lock core on every lock within a Concessionaire's Premises. Locks must be installed by a locksmith at Concessionaire's sole expense. If Concessionaires need help finding a locksmith, please visit:

<http://business.flydenver.com/bizops/genContractors.asp>.

## **ADVERTISED PROMOTIONS**

Each Concessionaire is required to participate in all advertised sales or promotions conducted by its parent corporation, its franchisor, or its selected operating brands. Concessionaires are not permitted to participate in liquidations, going out of business, moving sales or closeouts of products or brands. Concessionaire may not post any type of sign related to these types of sales. Concessionaires must make every reasonable effort to ensure that all corporate advertisements that list multiple locations will list DEN as a participating location or member of the promotion or sale(s). In the event that participation in a sale or promotion harms a Concessionaire, the Concessionaire may request, in writing to DEN in advance of the sale or promotion, permission to not participate.

## **MEDIA OPPORTUNITIES**

DEN's Office of Global Communications and Marketing is the primary and sole point of contact for media matters relating to DEN. Global Communications and Marketing is available to assist Concessionaires with any media requests Concessionaires receive, and must be contacted prior to inviting any media DEN. Global Communications and Marketing is also responsible for maintaining Concession Information on DEN's official website, flydenver.com. Concessionaires must fill out Form G which will be used to provide Global Communications and Marketing with the business information that will appear on flydenver.com. Prior to any media or other special events, Concessionaires must fill out and submit for approval by DEN Form G1.

## **DEN CORPORATE IDENTITY**

Consistent handling of the DEN logo or Trade Name is required in all collateral materials. Collateral material may include items such as brochures, newsletters, promotional items, presentations, reports, etc. Any Concessionaires wishing to use the DEN logo on any materials must submit a request to DEN for review to ensure consistency with the DEN's corporate identity and image. For external communications, if the Denver International Airport is abbreviated, it should be referred to as DEN.

## **COMMUNICATIONS**

Relevant email communications from DEN will be sent to General Managers of Concessionaires. Reading and/or responding appropriately to this information in a timely manner is important to the success of all Concessionaires. Information will be sent to the contact information provided on the most recently submitted Form A received by DEN. Concessionaires must ensure that contact information remains current at all times.

## **WIRELESS COMMUNICATION DEVICES**

Concessionaires are not permitted to install any paging, audio or video systems within their Premises without advance written approval of DEN. Should a concessionaire install any type of radio transceiver or other wireless communications equipment, Concessionaires must provide radio frequency protection within the aviation air/ground VHF frequency band and the UHF frequency band in accordance with restrictions promulgated by the Federal Aviation Administration (FAA) for the vicinity of FAA Transmitter or Receiver facilities. Radio frequency protection must also be provided for all other frequency bands operating in the vicinity of a Concessionaire's equipment. Should interference occur as a result of a Concessionaire's installation, DEN will shut down the installation until appropriate remedies to the interference are made by the Concessionaire.

## **LIFE SAFETY TRAINING**

Concessionaires must provide life safety training to all employees. All of Concessionaires employees must understand the proper usage of any life and fire safety equipment installed in the Premises, as well as the life safety features of DEN. Each employee must know the locations of fire extinguishers, fire pull stations, and exit routes.

## **SPRINKLERS & SMOKE DETECTORS**

All sprinklers and smoke detectors must be maintained and operable at all times and no storage, obstruction, or furniture may impede the operation of the same. Fire alarms and alarm devices must not be disconnected or tampered with by any means. Fire alarm components must be maintained and operable at all times.

## **REACTING TO EMERGENCY SITUATIONS**

Concessionaires and their employees at DEN should be prepared to call (303) 342-4211 for emergency services. This is the direct number to the Emergency Dispatcher at DEN. Calls to 911 are initially answered at the dispatch center downtown and then re-routed to DEN.

## **EVACUATION PLAN**

Each Concession Location is required to have an evacuation plan available and trained to all employees. This evacuation plan must include directions to an exit as well as to a gathering place outside the building. Evacuation route plans must be clearly posted and practice drills conducted at least annually. When developing evacuation plans, concessionaires must consider that the different situations which could result in the need to evacuate. For example, fire, suspicious items, or re-sterilization of the "sterile area" beyond TSA screening could require evacuation. When these situations arise, Police, Fire or DEN Operations personnel will provide information on what area must be evacuated.

In the event a TSA orders a re-sterilization of a concourse at DEN, concessionaires will be advised through email from DEN, public address system announcements, and/or in person notification to the concessionaire's General Manager. All customers without an airport ID must be cleared out of the sterile area. Gates or doors with the Concession Location must be closed and the Concession Location must be checked by the tenant. Any unusual or suspicious items (anything that does not belong) should be reported to the police by calling 303-342-4121. Employees with airport ID may stay on the concourse during the re-sterilization process.

Before evacuating, location management should secure and safeguard company records (personnel files, original contracts, negotiable instruments, documents, etc.) and lock appropriate files, vaults, closets, desks, etc. Food and Beverage locations must ensure that all electrical/ gas appliances are turned off (grills, fryers, broilers, stoves, etc.) and/ or unplugged before vacating the site.

### **SEVERE WEATHER PLANNING**

DEN is equipped to advise Concessionaires and the public of emergency weather conditions; however, in some cases, advance warning is not available. DEN will conduct severe weather planning meetings in order to prepare and plan. All Concessionaires are required to have a representative attend these meetings. All Concessionaires are required to create a severe weather plan. The following preparation items should be completed as necessary in order to stay up-to-date: (1) Review the plan with employees including the closest shelters; (2) Plan on employees taking the public to shelters; (3) Inventory emergency supplies; (4) Purchase necessary emergency supplies; (5) Confirm employee severe weather schedule plan; (6) Organize and clean work areas; (7) Update emergency contact lists.

When National Weather Service advisories begin, Concessionaires are asked to provide information relevant to their operations, including any need for assistance from DEN, plans for opening and closing operations, and security concerns. If a severe weather warning occurs, the following actions must be taken:

- DEN will pass on warning information through email, by city radio and over the public address system in the Concourses and Terminal.
- Implementation of a systematic list of systems to be shut down and secured.
- Planned timeline for returning services will be announced when available.
- Concessionaires will be required to make contact with all employees at DEN to ensure they take shelter.
- Concessionaires will be asked to remind employees to take shelter and know where that shelter is.
- Concessionaires must stop serving the public and guide them to shelter when directed to seek shelter by the public address system.

After the severe weather, DEN will return to normal business activities as soon as possible. A predetermined timeline and systematic return of airside and services will be overseen by DEN. Airfield and facilities will be inspected and returned to operations in order of importance. When advised there is no longer the threat of severe weather, employees may leave shelter, taking the public with them. Report injuries to (303) 342-4211 or 911. Report damage to the DEN Property to DEN's Communications Center or Maintenance Control

Center at (303) 342-2800. Concessions may re-open for business when they are ready to operate after returning to the Concessions Location.

## **POWER OUTAGE LOSS PREVENTION GUIDELINES**

All Concessionaires must be equipped with a Power Outage Emergency Kit, which must include a method for tracking, tallying, and cashing out sales or orders during the outage. Concessionaires' employees should be trained on what to do during a power outage to maintain efficient operations and to calm the public.

To ensure safe food handling during a power outage, proper documentation of the time of the outage and record keeping of elapsed time when food is subject to unsafe temperatures (in the temperature danger zone of 41-140 degrees Fahrenheit) should be taken. In order to maintain cold food products as long as possible, Concessionaires must ensure that their refrigerator and freezer units are properly closed and that no hot foods are in these chilling units that could elevate temperatures. Once power is restored, temperatures should be taken on food products to ensure food safety. Any products that are found to be in the temperature danger zone must be discarded.

## **PROHIBITED ACTS**

Concessionaires must not commit any nuisance, waste, or injury at DEN. Concessionaires must not do or permit to be done anything which may result in the creation, commission or maintenance of such nuisance, waste, or injury. Concessionaires may not install coin-operated vending machines in any part of their Premises or at DEN for either public or employee use. Concessionaires and any personnel employed by Concessionaires may not use improper language. Concessionaires and any personnel employed by Concessionaires may not act in a loud, boisterous, or otherwise improper manner.

Concessionaires and any personnel employed by Concessionaires are not permitted to solicit business in a manner that is offensive or otherwise unprofessional. Concessionaires may not sell any goods or services that have not been approved by DEN. Concessionaires may not change prices of goods or services without approval from DEN. Concessionaires are prohibited from displaying tip jars, buckets, or containers unless approved in writing, in advance, by DEN.

Concessionaires are prohibited from printing "tipping" language on sale and credit card receipts at all quick service and fast casual eateries. Concessionaires must not place excessive loads on the walls, ceilings, and floor or pavement areas of DEN. Concessionaires must repair any areas damaged by excessive loading to the satisfaction of DEN. Concessionaires must not permit the active display or operation on their Premises of any display that flies, flashes, or emits a noise or odor unless approved in writing in advance by DEN. Concessionaires, their vendors, contractors, and employees must at all times comply with DEN's Rules and Regulations (Rule 40) with regards to smoking. Additionally, employees of all Concessionaires are prohibited from smoking while in uniform.

## **ACCESS**

Concessionaires must not keep or display any merchandise on or within, or otherwise obstruct, any part of DEN's Concourses or Terminals that are outside of their Premises. Concessionaires must keep any service corridor, hallway, stairway, door, or loading dock

leading to and from their Premises free and clear of all obstructions. Concessionaire must not do or permit to be done anything that may interfere with free access and passage on the Premises or the public areas adjacent thereto, or hinder police, firefighters, or other emergency personnel in the discharge of their duties. Concessionaire must not do or permit to be done anything that might interfere with the effectiveness or accessibility of elevators or escalators in or adjacent to the Premises, including lines, pipes, wires, conduits, and equipment connected with or appurtenant thereto.

Concessionaires must not interfere or permit interference with the use, operation, or maintenance of DEN. This obligation includes but is not limited to the effectiveness or accessibility of the drainage, sewerage, water, communications, fire protection, utility, electrical, or other systems installed or located from time to time at DEN. Concessionaire must not place any additional lock of any kind upon any window or interior or exterior door in the Premises, or make any change in any existing door or window lock or the mechanism thereof, unless a key therefor is maintained on the portion of the Premises were furnished to or otherwise procured by Concessionaire.

DEN will collect Liquidated Damages for Concessionaires failure to comply with any of City's prohibited acts. Concessionaires must take all proper steps to discipline employees who participate in acts of misconduct or prohibited acts on or about DEN.

## PERFORMANCE REVIEW

### FINANCIAL AUDITS

At any time during the Term of each Concessionaire's Agreement, DEN may perform a Financial Audit. DEN will provide Concessionaires with written notice before the initiation of any financial audit. Concessionaire must provide any and all records requested by DEN within seven (7) business days of the written request. Failure to provide records will subject Concessionaires to the accrual and assessment of Liquidated Damages. All financial audits by DEN will take place at DEN, unless specifically agreed otherwise. In the event an audit takes place at a place other than DEN, Concessionaires must reimburse to DEN the cost of its personnel's, travel, transportation, and food/lodging.

The purpose of any DEN audit of Concessionaires financial information is to substantiate the accuracy of reported Gross Receipts and Concessionaire's compliance with other provisions of their Agreement. All books, records, and contracts of Concessionaires and where applicable, all individuals or other business entities who are party to this Agreement are subject to review by DEN or City's Auditor. Books and Records include, but are not limited to, all financial statements, general ledgers, sales journals, daily or periodic summary reports, inventory and purchasing records, cash register or computer terminal tapes or reports, bank deposit slips, bank statements, cancelled checks, tax reports/returns filed with state or federal entities, discount or rebate/allowance contracts, records of refunds or voids, and joint venture or partnership contracts.

Financial Audits are subject to the following results:

- **Proper Payment**: DEN pays the reasonable costs of the engagement.
- **Under Payment of Gross Receipts  $\geq$  three percent (3%)**: Concessionaires pay the entire expense of the engagement and any additional rents, fees, and charges at the interest rate outlined in Concessionaires' Agreement.
- **Under Payment of Gross Receipts  $\leq$  three percent (3%)**: Concessionaires pay the entire expense of the engagement and any additional rents, fees and charges at the interest rate outlined in Concessionaires' Agreement. Additionally, DEN's right to terminate Concessionaires' Agreement for Cause is triggered.
- **Willful or Fraudulent Under Payment of Gross Receipts**: Concessionaires pay the entire expense of the engagement and any additional rents, fees and charges at the interest rate outlined in Concessionaires' Agreement. Additionally, DEN's right to terminate Concessionaires' Agreement for Cause is triggered.

### PERFORMANCE AUDITS

At any time during the Term of each Concessionaire's Agreement, DEN may perform a Performance Audit. DEN will provide Concessionaires with written notice before the initiation of any performance audit. If a Concessionaire fails to meet minimum standards in any of these areas, DEN, collect Liquidated Damages for any non-compliant area and require the Concessionaire to develop and implement a Remediation Plan. In order to assure consistent adherence to performance standards throughout the term of Concessionaires' Agreements, DEN will use a rolling twelve (12) month cycle in the recording of incidents or failure to meet standards.

The purpose of any DEN audit of Concessionaires performance under their Agreement is to ensure that all of the operational, safety, and compliance standards of this Handbook are consistently performed by Concessionaires. Concessionaires are required to fully cooperate with all Performance Audit requests. DEN has established minimum objective standards establish in the following areas: (1) Certification and Documentation Compliance; (2) Customer Service; (3) Cleanliness of Premises; (4) Hygienic and Safe Food handling practices; (5) Daily Operations Management; (6) Sustainability Compliance; (7) Merchandising/Display Compliance. Form H, in their newest version, will always be available to Concessionaires ahead of any Performance Audit so that appropriate preparations can be made. Updates to Form H will be cause for an update of this Handbook, which update will be emailed to all Concessionaires. Remediation Plans and documentation of corrective actions will be required after each Performance Audit, regardless of any scoring.

## **ANNUAL REVIEW**

DEN's Annual Review is designed to review and evaluate the financial, customer service, and operational performance of each Concession Location within DEN. Ninety (90) days after the end of Concessionaire's first full Contract Year after their Package Completion Date, and at the end of each Contract Year thereafter, the Concessionaire and DEN will meet for the Annual Review of each Concession Location in operation by the Concessionaire. In the event DEN determines that a Concession Location performed unsatisfactorily during the prior Contract Year, City will provide written notice to the Concessionaire. DEN's determination of unsatisfactory performance may include:

- Sales per Enplaned Passenger were less than eighty percent (80%) of the Projected Sales per Enplaned Passenger for the Concession Location, as set forth in Concessionaire's Response to their RFP.
- Sales per Enplaned Passenger were less than eighty-five percent (85%) of Sales per Enplaned Passenger for the same Concession Location during each of the two (2) preceding Contract Years.
- Scores on any secret shopper survey(s) conducted by City or its representative were less than eighty percent (80%) of the maximum achievable scores for the survey(s).
- Scores on any operational survey(s) conducted by City or its representative were less than eighty percent (80%) of the maximum achievable scores for the survey(s).

## **REMEDATION PLANS**

Within thirty (30) days of receipt of written notice of unsatisfactory performance, Concessionaires must prepare and submit to DEN, a Remediation Plan to improve the performance of the identified Concession Location. The Remediation Plan may include proposed remedial activities such as: (1) Changes in staffing or training; (2) Merchandise and Service modifications; (3) Facility refurbishment and repair; and (4) Replacement of concept or brand. Upon approval by DEN, Concessionaires must diligently implement the approved Remediation Plan. Concessionaire must submit monthly reports on the progress of such implementation to DEN.

Where replacement of concept or brand is part of the Remediation Plan, Concessionaire must submit to DEN a proposal for a new brand or concept within ninety (90) days of written notice from DEN. The Replacement Proposal must include:

- (1) A detailed description of the brand or concept; (2) Capital expense required to re-brand;

(3) Sales projections; and (4) A specific timetable to replace the brand or concept.

## DOCUMENT COMPLIANCE

To fully comply with the terms and conditions of each Concessionaire's Agreement, the following documents must be produced to City:

- **Permits and Licenses** – Copies of all required permits, certificates, licenses, or other authorizations for operation of each Concession Location must be submitted to DEN prior to opening any Concessions Location.
- **Franchise Agreements** – Copies of franchise standards, procedures, and any franchise quality audit forms must be sent to DEN at least thirty (30) days prior to the opening of any franchise Concession Location. Concessionaires operations are expected to meet or exceed franchise standards.
- **Quality Audit and Operating Standards** – Concessionaires must submit a copy of company quality audit forms and company operating standards to City at least thirty (30) days prior to the opening of each Concession Location. Company operating standards include uniform standards, customer service standards, safe food handling standards, ill employee standards, cash handling standards, lost credit card standards, safety standards, etc.
- **Health Inspection and Fire Safety Reports** – Concessionaires must submit all health inspection and fire safety reports, along with documentation of any required corrective actions taken, to DEN within forty-eight (48) hours of receipt by the Concessionaire.
- **Cleaning and Maintenance Program Schedules** – Concessionaires must submit a preventative and routine cleaning and maintenance plan to DEN at least thirty (30) days prior to the opening of each Concession Location. The plan must include Concessionaires' proposed cleaning schedule.
- **Value Pricing Surveys** – Value Pricing Surveys must be submitted to DEN at least thirty (30) days prior to opening of any Concession Location and must be conducted from time to time thereafter.
- **Customer Complaints** – A written copy of Concessionaire's response and/or corrective actions based on any Customer Complain must be submitted to DEN within forty-eight (48) hours of receiving the complaint.
- **Controlled Item Log, Maintenance Log, Pest Control Log, and Chemical Log** – Concessionaires are required to maintain logs of controlled items inventories (including, but not limited to, merchandise and equipment), maintenance visits, pest control visits, and chemical servicer visits. DEN, or any representative of City, and the TSA may require Concessionaires to present these logs.
- **Contracts and Organizational Chart** – Each Concessionaire is responsible for ensuring that DEN has the most up-to-date contact information and organizational chart for their concession locations and corporate office.
- **Disaster Planning** – Each Concessionaire must develop an evacuation plan and a severe weather plan that coordinates with City's Emergency Plan and Emergency Response Manual.

## SUBMITTALS

Copies of all documentation that require submittal should be sent to DEN's Concessions Department via email at [concessions@flydenver.com](mailto:concessions@flydenver.com). Concessionaires with any questions regarding reporting of documentation should contact the DEN by emailing

[concessions@flydenver.com](mailto:concessions@flydenver.com).

Any construction or maintenance work requiring prior approval should be submitted through the process and procedures identified in the Tenant Work Permit Handbook. Other items requiring submittal to DEN for its prior approval include signs, music/ noise requests, product lists of items for sale, certain vendor and/ or servicer information, certain equipment, and employee uniforms may be submitted to [concessions@flydenver.com](mailto:concessions@flydenver.com).

## **FAILURE TO COMPLY**

It is DEN's objective to provide the public and air travelers with a First Class level and quality of service to meet standards and expectations. Consistent First Class operations lead to higher sales, higher customer satisfaction, and repeat business. Accordingly, City has established the following actions that may be taken for various violations of this Handbook.

- First Violation (First Offense Warning) – Any violation that is a first offense will be delivered to Concessionaire as a “first offense” warning and trigger the accrual of Liquidated Damages. This warning may be made verbally to the manager on duty with written follow-up sent to the General Manager, or it may be made only to the General Manager in written form. The violation will include a reasonable cure time in order for the Concessionaire’s management to take corrective actions. It is the responsibility of the Concessionaire’s General Manager to follow-up with the DEN with plans to resolve the violation and again once the violation has been remedied.
- Second Violation (Second Offense Warning) – Any violation that is noted a second time within a rolling twelve (12) month period or that has not been remedied by the end of the “first offense” cure period will result in a “second offense” warning. This warning may be made verbally to the manager on duty with written follow-up sent to the General Manager, or it may be made only to the General Manager in written form. The violation will include a reasonable cure time in order for the Concessionaire’s management to take corrective actions. It is the responsibility of Concessionaire’s General Manager to follow-up with the Concessions Department with plans to resolve the violation and again once the violation has been remedied
- Third Violation (Third Offense Collection) – Any violation that is noted a third time within a rolling twelve (12) month period or that has not been remedied by the end of the “second offense” cure period will result in a “third offense” and liquidated damages will be immediately assessed, as set forth in the table below, as damages for the continuation of such violations.

DEN will contact the Concessionaire’s corporate headquarters via a certified letter containing the standard being violated, the specific deficiency of the standard, details of past notices of the violation, the corrective actions expected, an expected deadline for implementation of corrective actions, and a statement that non-compliance within the allotted time could result in additional liquidated damages or other actions up to termination of the Contract. It is the responsibility of Concessionaire’s General Manager to follow-up with the Concessions Department with plans to resolve the violation and again once the violation has been remedied. If the Concessionaire fails to remedy the third violation within the allotted time, the City may continue to assess fines daily or may seek any other remedies available to it under each Concessionaire’s Agreement.

- Health and Safety Violations – Violations that result in the compromise of the health or safety of the public, staff, or any others, including but not limited to, critical health code, fire safety or airport security violations, will require immediate action to be taken and are considered “Critical Violations” with liquidated damages accruing and being assessed immediately, without notice. Concessionaire’s General Manager should take immediate action and follow-up with DEN once such violation has been remedied. If Concessionaire fails to immediately remedy the violation, DEN may assess additional liquidated damages or may seek any other remedies available to it, including reporting the violations to the appropriate agencies or terminating the Concessionaires’ Agreement.

**STANDARD OF LIQUIDATED DAMAGES**

The table below outlines the damages that may be collected for failure to meet performance or operational standards outlined herein. The table includes the infraction and the fee schedule. DEN has the absolute right to determine the nature of the violation and appropriate fees.

<b>Liquidated Damages</b>	
Types of Infractions	Amounts
1. Operational Deficiencies 2. Pricing Policy Infraction 3. Late Pricing Survey 4. Late Reporting 5. Similar Infractions	\$100 per day until corrected to City's satisfaction.
1. Late Requested Records	\$350 per day until provided to City's satisfaction.
1. Security Infractions 2. Health Code Violations 3. Similar Infractions	\$500 per occurrence.
1. Late Construction	\$1000 per day until Concession Location actually open for business.

# FORMS

**FORM A**  
**Concessionaire Contact Information**

**Company Name:** \_\_\_\_\_

**Company Address:** \_\_\_\_\_

**City:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip Code:** \_\_\_\_\_

**Office Phone:** \_\_\_\_\_ **Fax:** \_\_\_\_\_ **Cell:** \_\_\_\_\_

**E-Mail Address:** \_\_\_\_\_

**Web Page:** \_\_\_\_\_

**DBA/Store Name(s):** \_\_\_\_\_

**Concession Location(s):** \_\_\_\_\_

**Store Mailing Address:** \_\_\_\_\_

**City:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip Code:** \_\_\_\_\_

**General Manager:**

**Phone:** \_\_\_\_\_ **Fax:** \_\_\_\_\_ **Cell:** \_\_\_\_\_

**E-Mail Address:** \_\_\_\_\_

**Web Page:** \_\_\_\_\_

**Please Email this form to the attention of @**

# FORM B

Bond No. \_\_\_\_\_

**PERFORMANCE BOND**

**KNOW ALL MEN BY THESE PRESENTS**, that we, the undersigned \_\_\_\_\_, organized under the laws of \_\_\_\_\_ and authorized to transact business in the State of Colorado, hereinafter referred to as the “**PRINCIPAL**” and \_\_\_\_\_, a \_\_\_\_\_ organized under the laws of the State of \_\_\_\_\_, and authorized to transact business in the State of Colorado, hereinafter referred to as “**SURETY**,” and held and firmly bound unto the **CITY AND COUNTY OF DENVER**, a municipal corporation of the State of Colorado, hereinafter referred to as the “**OBLIGEE**,” in the penal sum of \_\_\_\_\_ and    /100 Dollars \$ \_\_\_\_\_), lawful money of the United States of America, for the payment of which sum the principal and Surety bind ourselves and our heirs, executors, administrators, successors and assigns, jointly and severally by these presents.

Commencing the    day of \_\_\_\_\_, 20  , and ending the    day of \_\_\_\_\_, 20  .

**WHEREAS**, the Principal has entered into a written agreement with the Obligee for “   **Agreement between the City and County of Denver and**   .” At Denver International Airport (“DEN”), and the term of said agreement is as indicated below:

Commencing the    day of \_\_\_\_\_, 20  , and ending the    day of \_\_\_\_\_, 20  .

**WHEREAS**, the Principal by virtue of entering into said agreement(s), license, permit or permission with the Obligee is, among its others duties, obligated to comply with the Rules and Regulations for the Management, Operation, Control, and Use of the Denver Municipal Airport System, adopted January 11, 1994, with such amendments, revisions, additions and extensions as may from time to time be adopted, (“DEN Rules and Regulation”), the DEN Concession Handbook and DEN Tenant Work Permit Handbook as from time to time they may be amended, revised or supplemented.

**NOW, THEREFORE**, the condition of this obligation is such, if the Principal shall and will in all particulars well, truly, promptly and faithfully observe, perform and abide by each and every covenant, condition, and part of said agreement, license, permit or permission; Rules and Regulations for the Management, Operation, Control, and Use of the Denver Municipal Airport System, adopted January 11, 1994, with such amendments, revisions, additions and extensions as may from time to time be adopted, (“DEN Rules and Regulation the DEN Concession Handbook and DEN Tenant Work Permit Handbook as from time to time they may be amended, revised or supplemented; and if the Principal shall pay all loss, costs, expenses or damage to Obligee caused by Principal’s noncompliance with or breach of any agreements, laws, statutes, ordinances, rules or regulations pertaining to such agreements, licenses, permits, or permissions issued to the Principal, then this obligation shall be and become void, otherwise it shall remain in full force and effect.

**PROVIDED**, that if this bond is for a fixed term, it may be continued by Certificate executed by the Surety; and

**PROVIDED FURTHER**, that the said Surety, for value received, hereby stipulates and agrees that any and all amendments, supplements, extensions of terms or other such changes in the agreement(s) identified above or compliance or noncompliance with the formalities in the said agreement(s) for making such changes shall not affect the Surety's obligations under this bond and the Surety hereby waives notice of any such changes.

[Signature Page Follows]

**IN WITNESS WHEREOF**, said Principal and said Surety have executed these presents as of this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Company\_\_\_\_\_

\_\_\_\_\_  
Principal      Witness

**Company**

By:\_\_\_\_\_

\_\_\_\_\_  
**Insurance**

**Fact**

By:\_\_\_\_\_

\_\_\_\_\_, **Attorney-in-**

ISSUING BANK IDENTIFICATION:  
DATE:

IRREVOCABLE LETTER OF CREDIT NO. \_\_\_\_\_:

BENEFICIARY:  
CITY AND COUNTY OF DENVER  
DEPARTMENT OF AVIATION  
DENVER INTERNATIONAL AIRPORT  
AIRPORT PROPERTY OFFICE/AIRPORT OFFICE BLDG.  
8500 PENA BOULEVARD, ROOM 9870  
DENVER, COLORADO 80249-6340

APPLICANT:

LADIES AND GENTLEMEN:

WE HEREBY ISSUE IN YOUR FAVOR OUR IRREVOCABLE LETTER OF CREDIT FOR THE ACCOUNT OF \_\_\_\_\_, FOR UP TO THE AGGREGATE AMOUNT OF USD \_\_\_\_\_ ( \_\_\_\_\_ AND NO/100 U.S. DOLLARS) AVAILABLE SOLEY BY YOUR DRAFT(S) AT SIGHT DRAWN ON US AND ACCOMPANIED BY THE FOLLOWING DOCUMENTS:

1. THE ORIGINAL OF THIS LETTER OF CREDIT AND ALL AMENDMENTS THERETO, IF ANY.
2. BENEFICIARY'S SIGNED AND DATED STATEMENT READING AS FOLLOWS:

"DENVER'S MANAGER OF AVIATION HAS DECLARED A DEFAULT OR VIOLATION \_\_\_\_\_ UNDER \_\_\_\_\_ THE

Agreement BETWEEN THE CITY AND COUNTY OF DENVER AND \_\_\_\_\_, AT DENVER INTERNATIONAL AIRPORT" AND/OR "THE RULES AND REGULATIONS FOR THE MANAGEMENT, OPERATION, CONTROL AND USE OF THE DENVER MUNICIPAL AIRPORT SYSTEM, ADOPTED JANUARY 11, 1994, WITH SUCH AMENDMENTS, REVISIONS, ADDITIONS AND EXTENSIONS AS MAY FROM TIME TO TIME BE ADOPTED ("AIRPORT RULES AND REGULATIONS") AND/OR THE DENVER INTERNATIONAL AIRPORT TENANT DEVELOPMENT GUIDELINES AS FROM TIME TO TIME THEY MAY BE AMENDED, REVISED OR SUPPLEMENTED."

PARTIAL DRAWINGS ARE ALLOWED.

ALL DRAFTS DRAWN MUST BE MARKED "DRAWN UNDER \_\_\_\_\_ BANK, N.A., LETTER OF CREDIT NO. \_\_\_\_\_ DATED \_\_\_\_\_."

WE HEREBY ENGAGE WITH THE DRAWERS, ENDORSERS AND BONA FIDE HOLDERS THAT ALL DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS AND CONDITIONS OF THIS CREDIT WILL BE DULY HONORED UPON \_\_\_\_\_

PRESENTATION FOR PAYMENT OF THIS ORIGINAL LETTER OF CREDIT AND THE ABOVE SPECIFIED DOCUMENT AT THIS OFFICE BEFORE THE CLOSE OF OUR BUSINESS ON OR BEFORE \_\_\_\_\_. PURSUANT TO U.S. LAW WE ARE PROHIBITED FROM ISSUING, TRANSFERRING, ACCEPTING OR PAYING LETTERS OF CREDIT TO ANY PARTY OR ENTITY IDENTIFIED BY THE OFFICE OF FOREIGN ASSETS CONTROL, U.S. DEPT. OF TREASURY, OR SUBJECT TO THE DENIAL OF EXPORT PRIVILEGES BY THE U.S. DEPT. OF COMMERCE.

THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY LETTER OF CREDITS (2007 Revision) and/or THE INTERNATIONAL STANDBY PRACTICES (1998), INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 600 AND AS TO MATTERS NOT GOVERNED BY THE REFERENCED DOCUMENTS, THIS CREDIT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF COLORADO.

ALL CORRESPONDENCE AND ANY DRAWINGS HEREUNDER ARE TO BE DIRECTED TO \_\_\_\_\_

\_\_\_\_\_ BANK, N.A.

\_\_\_\_\_  
AUTHORIZED SIGNATURE

# FORM C

**CITY AND COUNTY OF DENVER  
INSURANCE REQUIREMENTS - DEPARTMENT OF AVIATION**

---

Certificate Holder:

CITY AND COUNTY OF DENVER  
Attn: Risk Management, Suite 8810  
Manager of Aviation  
Denver International Airport  
8500 Pena Boulevard, Room 8810  
Denver CO 80249

---

**CONTRACT NAME & NUMBER TO WHICH THIS INSURANCE APPLIES: Retail Concessions at DIA**

---

**I. MANDATORY COVERAGE**

Colorado Workers' Compensation and Employer Liability Coverage

Coverage: COLORADO Workers' Compensation

Minimum Limits of Liability (In Thousands)

WC Limits: \$100, \$500, \$100

And Employer's Liability Limits:

Any Policy issued under this section must contain, include or provide for the following:

1. All States Coverage or Colorado listed as a covered state for the Workers' Compensation
2. Waiver of Subrogation and Rights of Recovery against the City and County of Denver (the "City"), its officers, officials and employees.

Commercial General Liability Coverage

Coverage: Commercial General Liability (coverage at least as broad as that provided by ISO form CG0001 or equivalent)

Minimum Limits of Liability (In Thousands):

Each Occurrence:	\$1,000
General Aggregate Limit:	\$2,000
Products-Completed Operations Aggregate Limit:	\$2,000
Liquor Liability	\$2,000
Personal & Advertising Injury:	\$1,000

Any Policy issued under this section must contain, include or provide for the following:

1. City, its officers, officials and employees as additional insureds, per ISO form CG2010 and CG 2037 or equivalents.
2. Coverage for defense costs of additional insureds outside the limits of insurance, per CG0001.
3. Liability assumed under an Insured Contract (Contractual Liability).
4. The full limits of coverage must be dedicated to apply to this project/location, per ISO form CG2503 or equivalent.
5. Waiver of Subrogation and Rights of Recovery, per ISO form CG2404 or equivalent.
6. Separation of Insureds Provision required
7. General Aggregate Limit Applies Per: Policy \_\_\_ Project  Location \_\_\_\_\_, if applicable

Commercial Crime Insurance

The minimum limits of Commercial Crime insurance covering but not limited to loss arising from employee theft, employee dishonesty, forgery or alteration, robbery, burglary, embezzlement, disappearance, destruction; money orders and counterfeit currency; depositors forgery; computer fraud, on premises and in transit are:

Minimum Limits of Liability (In Thousands):      Each Occurrence:      \$1,000

Network Security and Privacy Liability:

Concessionaire shall maintain Network Security and Privacy Liability coverage with limits of \$1,000,000 per occurrence and \$1,000,000 policy aggregate covering claims involving privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security. If such insurance is maintained on an occurrence form basis, Concessionaire shall maintain such insurance for an additional period of one (1) year following termination of Contract. If such insurance is maintained on a claims-made basis, Concessionaire shall maintain such insurance for an additional period of three (3) years following termination of the Contract. Policy shall include coverage for costs associated with breach notification, credit monitoring, PCI and regulatory fines and penalties.

Business Automobile Liability Coverage

Coverage: Business Automobile Liability (coverage at least as broad as ISO form CA0001)

Minimum Limits of Liability (In Thousands):      Combined Single Limit      \$1,000

Any Policy issued under this section must contain, include or provide for the following:

1. Symbol 1, coverage for any auto. If no autos are owned, Symbols 8 & 9, (Hired and Non-owned) auto liability.
2. If this contract involves the transport of hazardous cargo such as fuel, solvents or other hazardous materials may occur, then Broadened Pollution Endorsement, per ISO form CA 9948 or equivalent and MCS 90 are required.

## II. ADDITIONAL COVERAGE

Umbrella Liability

Coverage:

Umbrella Liability, Non Restricted Area  
Minimum Limits of Liability (In Thousands)      Each Occurrence and aggregate  
\$1,000

Umbrella Liability, Unescorted airside access  
Minimum Limits of Liability (In Thousands)      Each Occurrence and aggregate  
\$9,000

Any Policy issued under this section must contain, include or provide for the following:

1. City, its officers, officials and employees as additional insureds.
2. Coverage in excess of, and at least as broad as, the primary policies in sections WC-1, CGL-1, and BAL-1.
3. If operations include unescorted airside access at DIA, then a \$9 million Umbrella Limit is required.

Property Coverage

Coverage:      Personal Property, Contents, Fixtures, Storage, Tenant Improvements and Betterments

Minimum Limits of Liability (in Thousands):

- 100% of the Replacement Cost value of Personal Property, Contents, Fixtures, Tenant Improvements and Betterments
- Covered Cause of Loss – Special Form including glass coverage and signs
- Replacement Cost Endorsement

Any Policy issued under this section must contain, include or provide for the following:

1. City, its officers, officials and employees as additional insureds.
2. Waiver of Subrogation Applies to City as Landlord for any protected Landlord Property.
3. In the event of payment of any Loss involving Tenant Improvements and Betterments, permanent fixtures, etc, the insurance carrier shall pay the City (as Landlord) its designee first for said property loss

**Coverage: Business Interruption Insurance**

Concessionaire shall procure and maintain Business Interruption insurance in such amounts as will reimburse Concessionaire for direct or indirect loss of earnings attributable to the perils commonly covered by the Concessionaire's property insurance described above, which shall include losses arising from mechanical failures on or interruption of services to Airport premises.

---

**III. ADDITIONAL CONDITIONS**

It is understood and agreed, for the benefit of the City, that the following additional conditions shall apply to all coverage specified herein:

1. All coverage provided herein shall be primary and any insurance maintained by the City shall be considered excess.
2. The City shall have the right to verify or confirm, at any time, all coverage, information or representations contained herein, and the insured and its undersigned agent shall promptly and fully cooperate in any such audit the City may elect to undertake.
3. Advice of renewal is required
4. With the exception of Workers Compensation insurance, all insurance companies issuing policies hereunder must carry at least an A-VI rating from A.M. Best Company or obtain a written waiver of this requirement from the City's Risk Administrator.
5. Compliance with coverage requirement by equivalent herein must be approved in writing by the City's Risk Administrator prior to contract execution.
6. No changes, modifications or interlineations on these Insurance Requirements shall be allowed without the review and approval of the Risk Administrator prior to contract execution.
7. The Insured named above shall promptly advise the City in the event any general aggregates or other aggregate limits are reduced below the required per occurrence limits. At the Insured's expense, the Insured will reinstate the aggregate limits to comply with the minimum requirements and shall furnish to the City a new Certificate showing such coverage is in force.

**IV. NOTICE OF CANCELLATION**

It is understood and agreed that should any Policy issued hereunder be cancelled or non-renewed before the expiration date thereof, or sustain a material change in coverage adverse to the City, the issuing company or its authorized Agent shall give notice to the Department of Aviation in accordance with policy provisions.

**CITY AND COUNTY OF DENVER  
INSURANCE REQUIREMENTS - DEPARTMENT OF AVIATION**

---

Certificate Holder:

CITY AND COUNTY OF DENVER  
Attn: Risk Management, Suite 8810  
Manager of Aviation  
Denver International Airport  
8500 Pena Boulevard, Room 8810  
Denver CO 80249

**CONTRACT NAME & NUMBER TO WHICH THIS INSURANCE APPLIES: Food and Beverage Concession @ DIA**

---

**I. MANDATORY COVERAGE**

Colorado Workers' Compensation and Employer Liability Coverage

Coverage: COLORADO Workers' Compensation

Minimum Limits of Liability (In Thousands)

WC Limits: \$100, \$500, \$100

And Employer's Liability Limits:

Any Policy issued under this section must contain, include or provide for the following:

2. All States Coverage or Colorado listed as a covered state for the Workers' Compensation
3. Waiver of Subrogation and Rights of Recovery against the City and County of Denver (the "City"), its officers, officials and employees.

Commercial General Liability Coverage

Coverage: Commercial General Liability (coverage at least as broad as that provided by ISO form CG0001 or equivalent)

Minimum Limits of Liability (In Thousands):

Each Occurrence:	\$1,000
General Aggregate Limit:	\$2,000
Products-Completed Operations Aggregate Limit:	\$2,000
Liquor Liability	\$2,000
Personal & Advertising Injury:	\$1,000

Any Policy issued under this section must contain, include or provide for the following:

8. City, its officers, officials and employees as additional insureds, per ISO form CG2010 and CG 2037 or equivalents.
9. Coverage for defense costs of additional insureds outside the limits of insurance, per CG0001.
10. Liability assumed under an Insured Contract (Contractual Liability).
11. The full limits of coverage must be dedicated to apply to this project/location, per ISO form CG2503 or equivalent.
12. Waiver of Subrogation and Rights of Recovery, per ISO form CG2404 or equivalent.
13. If alcoholic beverages are served or sold at the Airport by the Concessionaire, the Commercial General Liability insurance shall include Host Liquor Liability coverage.
14. Separation of Insureds Provision required

15. General Aggregate Limit Applies Per: Policy \_\_\_Project \_\_\_Location\_\_\_, if applicable

Commercial Crime Insurance

The minimum limits of Commercial Crime insurance covering but not limited to loss arising from employee theft, employee dishonesty, forgery or alteration, robbery, burglary, embezzlement, disappearance, destruction; money orders and counterfeit currency; depositors forgery; computer fraud, on premises and in transit are:

Minimum Limits of Liability (In Thousands):      Each Occurrence:      \$1,000

Network Security and Privacy Liability:

Concessionaire shall maintain Network Security and Privacy Liability coverage with limits of \$1,000,000 per occurrence and \$1,000,000 policy aggregate covering claims involving privacy violations, information theft, damage to or destruction of electronic information, intentional and/or unintentional release of private information, alteration of electronic information, extortion and network security. If such insurance is maintained on an occurrence form basis, Concessionaire shall maintain such insurance for an additional period of one (1) year following termination of Contract. If such insurance is maintained on a claims-made basis, Concessionaire shall maintain such insurance for an additional period of three (3) years following termination of the Contract. Policy shall include coverage for costs associated with breach notification, credit monitoring, PCI and regulatory fines and penalties.

Business Automobile Liability Coverage

Coverage: Business Automobile Liability (coverage at least as broad as ISO form CA0001)

Minimum Limits of Liability (In Thousands):      Combined Single Limit      \$1,000

Any Policy issued under this section must contain, include or provide for the following:

1. Symbol 1, coverage for any auto. If no autos are owned, Symbols 8 & 9, (Hired and Non-owned) auto liability.
2. If this contract involves the transport of hazardous cargo such as fuel, solvents or other hazardous materials may occur, then Broadened Pollution Endorsement, per ISO form CA 9948 or equivalent and MCS 90 are required.

**II. ADDITIONAL COVERAGE**

Umbrella Liability

Coverage:

Umbrella Liability, Non Restricted Area  
Minimum Limits of Liability (In Thousands)      Each Occurrence and aggregate  
\$1,000

Umbrella Liability, Unescorted airside access  
Minimum Limits of Liability (In Thousands)      Each Occurrence and aggregate  
\$9,000

Any Policy issued under this section must contain, include or provide for the following:

4. City, its officers, officials and employees as additional insureds.
5. Coverage in excess of, and at least as broad as, the primary policies in sections WC-1, CGL-1, and BAL-1.
6. If operations include unescorted airside access at DIA, then a \$9 million Umbrella Limit is required.

Property Coverage

Coverage:        Personal Property, Contents, Fixtures, Tenant Improvements and Betterments

Minimum Limits of Liability (in Thousands):

- o 100% of the Replacement Cost value of Personal Property, Contents, Fixtures, Tenant Improvements and Betterments
- o Covered Cause of Loss – Special Form including glass coverage and signs
- o Replacement Cost Endorsement

Any Policy issued under this section must contain, include or provide for the following:

1. City, its officers, officials and employees as additional insureds.
2. Waiver of Subrogation Applies to City as Landlord for any protected Landlord Property.
3. In the event of payment of any Loss involving Tenant Improvements and Betterments, permanent fixtures, etc, the insurance carrier shall pay the City (as Landlord) its designee first for said property loss

Coverage: Business Interruption Insurance

Concessionaire shall procure and maintain Business Interruption insurance in such amounts as will reimburse Concessionaire for direct or indirect loss of earnings attributable to the perils commonly covered by the Concessionaire's property insurance described above, which shall include losses arising from mechanical failures on or interruption of services to Airport premises.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**III. ADDITIONAL CONDITIONS**

It is understood and agreed, for the benefit of the City, that the following additional conditions shall apply to all coverage specified herein:

1. All coverage provided herein shall be primary and any insurance maintained by the City shall be considered excess.
2. The City shall have the right to verify or confirm, at any time, all coverage, information or representations contained herein, and the insured and its undersigned agent shall promptly and fully cooperate in any such audit the City may elect to undertake.
3. Advice of renewal is required
4. With the exception of workers compensation, all insurance companies issuing policies hereunder must carry at least an A -V rating from A.M. Best Company or obtain a written waiver of this requirement from the City's Risk Administrator.
5. Compliance with coverage requirement by equivalent herein must be approved in writing by the City's Risk Administrator prior to contract execution.
6. No changes, modifications or interlineations on these insurance requirements shall be allowed without the review and approval of the Risk Administrator prior to contract execution.
7. The Insured named above shall promptly advise the City in the event any general aggregates or other aggregate limits are reduced below the required per occurrence limits. At the Insured's expense, the Insured will reinstate the aggregate limits to comply with the minimum requirements and shall furnish to the City a new Certificate showing such coverage is in force.

**IV. NOTICE OF CANCELLATION**

It is understood and agreed that should any Policy issued hereunder be cancelled or non-renewed before the expiration date thereof, or sustain a material change in coverage adverse to the City, the issuing company or its authorized Agent shall give notice to the Department of Aviation in accordance with policy provisions.

# FORM D

# FORM E1

# FORM E2

# FORM E3

# FORM E4

# FORM G

# FORM G1

# FORM H

## FREQUENTLY ASKED QUESTIONS

- How can I have my deposit picked up by my armor car service?
- Where can my employees compact trash in the loading dock area?
- Who is responsible for maintenance or cleaning of my store or storage unit?
- Why do I have to give all airport employees a ten percent (10%) discount?
- Where is the loading dock and how do I get there?
- Where can my employees smoke?