

RENTAL AGREEMENT

THIS AGREEMENT is made this <u>twenty-first</u> day of <u>November 2012</u> between the CITY OF PORTLAND, a body politic and corporate located in the County of Cumberland and State of Maine (hereinafter "CITY") and <u>Run for the Fall Maine</u> (hereinafter "LESSEE").

WITNESSETH:

WHEREAS, CITY is owner of the Facility as Ocean Gateway Terminal Building (hereinafter "FACILITY"); and

WHEREAS, the LESSEE desires to lease said FACILITY from CITY for the purpose of meeting;

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements herein contained, the parties hereto covenant, promise and agree as follows:

1. Lease of Facility.

CITY does hereby lease the FACILITY to LESSEE, and LESSEE agrees to rent FACILITY upon the terms and conditions set forth herein. FACILITY shall include Ocean Gateway Terminal Building.

2. <u>Use.</u>

The FACILITY shall be used for <u>a Run for the Fallen Reception</u>. The CITY reserves the right to enforce a thirty (30) day buffer period on performances/uses of a similar content/nature, which in the sole discretion of the CITY competes/conflicts with previously booked performances/uses. With respect to a trade or consumer show, CITY reserves the right to enforce a forty-five (45) day buffer period for the reasons stated above.

Term/Dates of Use.

The term of use of the FACILITY shall be from 7:00 am thru 11:59 pm Sunday August 25th 2013. This time period shall include both set up and take down. Any extension of this time period must be approved in writing by the Director of Public Assembly Facilities (hereinafter "DIRECTOR"). The CITY does not take responsibility for any damage and/or theft of any items that arrive prior to the Start Time of Rental, or any items that are still in FACILITY after the End Time of Rental. It is the responsibility of the LESSEE to arrange for the pick up of all items that pertain to the show / performance prior to the End Time of Rental.

4. Rent.

As rental for the FACILITY, LESSEE agrees to pay the fees shown on Exhibit A, attached hereto and incorporated herein. Nothing in this Agreement shall limit the CITY's right to set off charges or fees not specifically set forth herein which is the responsibility of or were contracted for by LESSEE.

A payment of the non-refundable twenty-five percent (25%) deposit is due upon signing, and the balance of payment shall be made prior to the start time of rental. Payment must be made in cash or certified check. If full payment is not received in such manner at the Administrative Offices prior to the start time of rental, the DIRECTOR has the right to withhold rental of the FACILITY. All charges shown in this Agreement are estimated. Any deductions to additional charges are to be adjusted prior to the end time of rental.

APPENDIX C

Pursuant to Section 7.5 of the Agreement, the DIRECTOR hereby waives the CITY's exclusive catering rights.

1. Catering.

Food and Non-alcoholic Beverage Service. LESSEE is permitted to distribute food and non-alcoholic beverages during the event at the FACILITY, provided that the following conditions are met. For purposes of this Agreement, food and non-alcoholic beverages shall include, but not be limited to, cold, hot, prepared, packaged and ready to eat foods, coffee, tea, soda, water and juice. Ocean Gateway is in an exclusive beverage marketing agreement with Coca-Cola Northern New England (CCNNE) which requires that all non-alcoholic beverages, whether hot or cold, carbonated or non-carbonated or naturally or artificially flavored drinks sold or distributed at Ocean Gateway be CCNNE products. The agreement excludes milk, flavored milk, non-alcoholic beer, tap water, brewed hot coffee, hot chocolate or brewed hot tea.

LESSEE or its subcontractor shall obtain all necessary food service licenses thru the City of Portland City Clerk's Office prior to the event. In the event that LESSEE employs a subcontractor to provide food or non-alcoholic beverage distribution, the subcontractor shall also obtain the insurance required in Section 6 of this Agreement.

Alcoholic Beverage Services. LESSEE is permitted to sell alcoholic beverages during the event at the FACILITY, provided that the following conditions are met. FACILITY requires that all alcoholic beverages shall be sold, distributed, and/or served by a Qualified Catering Service (28-A M.R.S.A. §1076), licensed by the State of Maine. Said catering service shall submit to both the State of Maine and the City of Portland City Clerk an Application for Catered Function by Qualified Catering Service and shall provide a copy of the approved Application for Catered Function to CITY. Said catering service shall obtain the insurance required in Section 6 of this Agreement, as well as liquor liability coverage in an amount not less than One Million Dollars (\$1,000,000) combined single limit for bodily injury, death and/or property damage, naming the City of Portland as an additional insured from such claims. A copy of the certificate of insurance must be on file at the Administrative Offices. The certificate must provide thirty (30) days written notice to the CITY of termination of insurance from the insurance company or agent. The DIRECTOR shall prohibit the LESSEE or its licensed contractor access to the FACILITY, if the certificate is not on file.

6. Interm'ssion.

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the start time of r	ental. <u>If</u> writte	n notice of inte	rmission <u>is</u> not rec	eived a minir	num <u>of</u> twel	ve <u>(12)</u> hou	ırs prior <u>to the</u>
LES	SEE is subject	to a m'nimum	\$500.00 additional	charge. This	requrement	t may be w	aived <u>at</u> 4he
DIREC	TOR						
the				•			

Maine State Law prohibits smoking in all areas of the FACILITY. LESSEE agrees and understands that the CITY reserves traitermental which is a control of the control of the

8. Alcoholic Beverages and Illegal Drugs.

No person who is visibly intoxicated or under the influence of illegal drugs shall be allowed to enter or remain in the FACILITY. Excessive consumption of alcoholic beverages and the use of illegal drugs are prohibited on City of Portland property.

9. Public Safety.

The CITY reserves the right to close any event to the public, including to ticket holders, at any time to protect public safety. The DIRECTOR may do this at any time to address:

- Q1 Overcrowding in aisles, exits or entrances
- 9.2 Turnstile or ticket counts in excess of the total number of tickets authorized prior to the event and listed on Exhibit A.

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10. Licenses and Permits.

LESSEE shall be responsible for obtaining and making payment for all licenses and permits required by the City, County, State, and Federal authorities and shall pay all taxes, fees, and charges prescribed by regulation, ordinance, or law. Further, LESSEE shall comply with any and all life, safety, and health code requirements during the use of the FACILITY.

11. Federal and State Taxes.

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12. Theatrical Fog, Smoke, Explosives, and Display of Open Flame.

7. Smoking.

LESSEE shall not stage or promote any act or performance in which fire, flame, or explosive device is involved or used, without the prior written approval of the Fire Prevention Bureau of the City of Portland, Maine and the DIRECTOR. For all such acts or performances and for any acts or performances in which theatrical fog or smoke is used, a City of Portland Fire Officer must be present for all rehearsals, sound checks, and performances.

EXHIBIT B

1. Production Responsibilities.

All production needs, labor, set-up, operation, strike and loading must be provided by the LESSEE. As there are no fly points, LESSEE must ground support all lighting, sound, and props used in the production of the event. LESSEE may not attach equipment of any kind to the arena ceiling, the fixed bleacher seating structure, the roof structure, or any other structural part of the FACILITY.

2. Electrical Services.

LESSEE's subcontractor shall be responsible for both the materials and equipment required to provide service and the hook up of service to FACILITY electric. All exhibitors must use only Underwriters Laboratories approved three wire grounded cords and access electric service only at locations authorized by the Director of Operations of the Public Assembly Facilities Division. All exhibitor equipment must comply with federal, state, county, and municipal laws. Electric service to exhibitors is provided only during event hours. Any requirement for twenty-four (24) hour electric service must be reviewed with both the contractor and the Director of Operations prior to the start time of rental. CITY staff can not provide electric service to booth locations. The LESSEE's subcontractor must mat or fly all cables in accordance with Maine State Law and must fly any cables that cross emergency exits. Using tape approved by the Director of Operations, the LESSEE's subcontractor must tape all mats securely to the floor, and must mark the location of all mats with white tape, or another color, approved by the Director of Operations. The CITY's electrician must oversee hook up of service to CITY electric and check all artist, production company, and exhibitor equipment for compliance with federal, state, county, and municipal laws. It is the responsibility of the LESSEE's subcontractor to provide all mats and to complete all work in accordance with the State of Maine Electrical Codes and under the supervision of the Director of Operations.

3. Drapes.

The LESSEE and it's subcontractors agree to use only flame retardant drapes and must have on file at the ADMINISTRATIVE OFFICES proof of retardancy for any drapes it plans to use at the FACILITY. The DIRECTOR and/or the Director of Operations may prohibit the LESSEE CONTRACTOR access to the FACILITY, if the proof of retardancy is not on file.

4. Aisles, Exits, and Access.

LESSEE agrees to maintain all aisles and exits at all times and to order that any item be moved from an aisle or an exit per request of the DIRECTOR. LESSEE shall not render, or allow any of its exhibitors, contractors, agents, invitees or other persons it permits on the premises to render, the FACILITY or any part thereof inaccessible to disabled persons. In the event that LESSEE or any of its exhibitors, contractors, agents, invitees or other persons it permits on the premises render the FACILTY or any part thereof inaccessible to disabled persons, LESSEE shall immediately remove the cause and return the CITY to compliance. In the event that the CITY is requested to provide interpretive services, it shall be the responsibility of the LESSEE to provide and pay for such services. LESSEE shall pay and save the CITY harmless from any and all damages, loss, or liability of any kind whatsoever resulting from its actions, or those of its exhibitors, contractors, agents, invitees or other persons it permits on the premises, in rendering the FACILITY or any part thereof inaccessible to disabled persons. CITY staff reserves the right to enter all areas of the building at any time for any reason.

5. Floor Plans, Talent Contracts, and Riders.

Copies of event floor plans, any talent contracts, and any technical or hospitality riders must be received at the ADMINISTRATIVE OFFICES a minimum of thirty (30) days prior to the start of rental. All floor plans must comply with all ordinances of the City of Portland and are subject to review and change by the DIRECTOR. The CITY reserves the right to designate any seat as "obstructed view" and to withhold that seat from sale or require the LESSEE to offer it at a reduced ticket price. The DIRECTOR reserves the right to require rear stage drapes.

If any item in this section is not received a minimum of thirty (30) days prior to the start of rental, LESSEE is subject to a minimum \$500.00 additional charge for direct labor costs. LESSEE understands the CITY may, at any time, immediately refuse continued rental of the FACILITY and cancel the event, if the floor plans, any talent contracts, and any technical or hospitality riders are not received or do not comply with City of Portland ordinances.

Ocean Gateway Terminal Building Facility: **EXHIBIT A** CRCP0023.AUG14 Rental Agreement #: **Date of Rental Agreement:** 11/21/2012 Organization renting (LESSEE): Run for the Fallen Maine Organization Representative: John Mixon Fax: 1.207.251.1254 Telephone: 7:00 AM Sunday August 25th 2013 Start time of facility rental: 11:59 PM Sunday August 25th 2013 End time of facility rental: Run for the Fallen Reception **Event**: RENTAL FEE: **Terminal Building** 1 Day Non-Commercial Rental @ 2000.00/day 2000.00 ADDITIONS: responsibility of lessee - GROUND SUPPORT ONLY Sound: responsibility of lessee - GROUND SUPPORT ONLY Lighting: **CONTRACTED SERVICES:** City of Portland Police Officer(s): required if any theatrical fog, smoke, explosives, or fire City of Portland Fire Officers(s): are included in the production of this event_ City of Portland Parking Officers(s): City of Portland Medcu: TOTAL ADVANCE BILLING DUE PRIOR TO START TIME OF RENTAL 2000.00 500.00 25% PAYABLE UPON SIGNING THE CONTRACT 1500.00 BALANCE DUE SEVEN (7) DAYS PRIOR TO THE START TIME OF THE RENTAL

20. Non-Assignability.

LESSEE may not assign this Agreement. (In cases where LESSEE is sponsoring or promoting a "trade show" where exhibitors traditionally lease space from the promoter, this clause shall not apply, but LESSEE shall furnish a list of exhibitors together with a description of each exhibit to the CITY at least five (5) days prior to the start time of rental and the CITY may elect not to allow a certain exhibit(s). This includes any exhibit that would be in conflict with the CITY's Beverage Marketing Agreement(s). Should the CITY make this election, it shall not be responsible for any damages to LESSEE resulting therefrom. If a list of exhibitors is not received a minimum of five (5) days prior to the start time of rental, LESSEE is subject to a minimum Five Hundred Dollar (\$500) additional charge).

21. Notices.

Notices to the CITY provided for herein shall be sufficient if sent by postage prepaid, addressed to City of Portland 239 Park Ave., Portland, ME 04102, and notice to the LESSEE if sent by postage prepaid, addressed to Run for the Fallen Maine 26 Vinton Rd Ogunquit ME 03907, or to such other respective addresses as the parties may designate in writing from time to time.

In execution of this Lease, LESSEE further agrees to abide by the rules and regulations for the use of the FACILITY, which rules are attached hereto as Exhibit B, incorporated herein by reference, and any other conditions which may apply to this Agreement which are defined in Appendices C, D and E, where applicable.

IN WITNESS WHEREOF, the said CITY OF PORTLAND has caused its corporate seal to be hereunto affixed and these presents to be signed by <u>Andrew Downs</u>, its <u>Division Director</u>, thereunto duly authorized, and <u>John Mixon</u> as caused this Lease to be signed the day and year first above written.

Signed, Sea It	aled and Delivered the Presence of:	CITY OF PORTLAND			
		Ву:			
		(Print or type name)			
		ANDREW J. DOWNS			
		DIVISION DINEMON			
		Its LESSEE			
		(Print of type name) By:			
		Its President			

To the fullest extent permitted by law, the LESSEE shall indemnify and hold harmless the CITY, it's officers and it's employees from and against all claims, damages, losses and expenses, including but not limited to reasonable costs of defense and reasonable attorney's fees, arising out of or resulting from the performance of this Rental Agreement, or the performance of any activity, provided that any such claims, damage, loss or expense: is attributable to bodily injury, sickness, disease, or death or to injury to or destruction of tangible property, including the loss of use thereof; and is caused in whole or in part by any negligent act or omission of the LESSEE, the LESSEE's subcontractor, their employees, invitees, agents or contractors in the performance of this Agreement. LESSEE fully understands that the City of Portland, its agents, officers and employees accept no responsibility and will not be liable for any injury, harm or damage to any person or property occurring during or arising out of the rental or use of the FACILITY. To the fullest extent permitted by law, LESSEE agrees to assume all risk of injury, harm or damage to person or property arising during or in connection with the said rental or use of FACILITY.

17. Telecasting or Filming.

If an event is telecast, videotaped or filmed, LESSEE must provide written notice to the ADMINISTRATIVE OFFICES a minimum of twenty four (24) hours prior to the start time of rental.

- All equipment, renovation of site, installation costs, lighting, extra personnel, extra costs resulting from said telecasting or filming shall be arranged and paid for by the LESSEE;
- The DIRECTOR reserves the right to disallow the telecasting, videotaping, filming or any required renovation of site, if in his/her opinion the request may be harmful to the interest of the CITY; or
- The LESSEE shall provide a copy to the DIRECTOR of any agreement reached with the presenter(s) of televised or filmed activities originating on or about the FACILITY. If the contract between the LESSEE and presenter is oral, the LESSEE or presenter shall provide a letter detailing the Agreement. The letter shall be signed by the LESSEE and the presenter.

18. Insurance.

- Liability Insurance. LESSEE shall provide One Million Dollars (\$1,000,000) combined single limit commercial general liability including contractual liability and Two Million Dollars (\$2,000,000) aggregate, naming the City of Portland as an additional insured. A copy of the certificate of the required insurance must be received at the Administrative Offices a minimum of seven (7) days prior to the start time of rental. The certificate must provide thirty (30) days written notice to the CITY of termination of insurance from the insurance company or agent. CITY shall immediately refuse continued rental of the FACILITY and cancel the event if LESSEE does not purchase the required insurance or if the certificate of insurance is not received a minimum of seven (7) days prior to the start time of rental.
- Riot and Additional Insurance. <u>CITY</u> reserves the require the purchase of additional insurance, including riot, if the <u>CITY</u> determines that a particular event poses unusual risks not adequately covered by the insurance in section 18.1, and to purchase riot and any other required insurance and charge it to the <u>LESSEE</u> settlement, in addition to a minimum <u>Five</u> Hundred Dollar (\$500) additional charge.
- 183 Worker's Compensation Insurance. The LESSEE agrees to provide worker's compensation insurance. A copy of the certificate of insurance must be on file at the Administrative Offices. The certificate must provide thirty (30) days written notice to the CITY of termination of insurance from the insurance company or agent. The DIRECTOR shall prohibit the LESSEE access to the FACILITY if the certificate is not on file.
- Primary Insurance. All insurance provided by the LESSEE shall be primary to any insurance which the CITY may have.
- Licensed to do Business. All insurance required by this Agreement shall be placed with insurers licensed to do business in the State of Maine.

19. Indemnification. 5

or

recording rights sold. Any form of duplication or re transmission of a show that originates from the FACILITY that derives revenues must include the CITY in the participation of those revenues. Any form of revenues in addition to the regular ticket sales (including fees charged for the exclusivity of product, etc.) must be approved by the DIRECTOR and the CITY must In the event LESSEE terminates this Agreement, the CITY shall have the right to retain the nonrefundable twenty-five

percent (25%) deposit amount, as liquidated damages to the CITY, in compensation for its anticipated losses in failing to rent

the FACILITY. Notwithstanding the foregoing, the CITY shall not be required to account for or otherwise offset any

revenues it may receive in subsequent rental of the FACILITY on the dates scheduled. In addition, the CITY shall have the

right to collect from the LESSEE monies to reimburse the CITY for any direct costs or expenses incurred by the CITY prior

to or as a result of said termination.

participate in said revenues according to a formula prearranged, in writing, with the DIRECTOR.

- The CITY is required to defend itself, against any action or defense prosecuted by the LESSEE, arising out of its use or occupancy of the FACILITY, which does not result in a final judgement in favor of the LESSEE. Fees and costs of defense incurred by the CITY shall be reimbursed by the LESSEE within thirty (30) days of invoice, whether the litigation is prosecuted to judgement or not.
- 13. Termination. The CITY reserves the absolute right to terminate this Agreement without prior

notice to the LESSEE, if:

- 13.1 The LESSEE fails to comply with any of the terms or conditions of this Agreement;
- The DIRECTOR determines, in his or her sole opinion, that the LESSEE has made any misrepresentation to the CITY, in connection with its use or occupancy of the FACILITY;
- The DIRECTOR determines, in his or her sold opinion, that the attraction or event is hazardous or presents a substantial security problem; or
- The CITY is prevented from furnishing use of the FACILITY, or any portion thereof, to LESSEE on the date scheduled due to unforeseen circumstances beyond the control of the CITY, such as flooding, fire damage, structural failure, and for such reasons as Acts of God, where the FACILITY would be used as a temporary shelter.

LESSEE's only legal or equitable claim shall be for a refund of the rental deposit, less the direct cost of the CITY for such items as event services and operations staff. CITY shall not be responsible for any other damages including, but not limited to, consequential damages of any kind.

14. Termination by LESSEE.

In the event LESSEE terminates this Agreement, the CITY shall have the right to retain the nonrefundable twenty-five percent (25%) deposit amount, as liquidated damages to the CITY, in compensation for its anticipated losses in failing to rent the FACILITY. Notwithstanding the foregoing, the CITY shall not be required to account for or otherwise offset any revenues it may receive in subsequent rental of the FACILITY on the dates scheduled. In addition, the CITY shall have the right to collect from the LESSEE monies to reimburse the CITY for any direct costs or expenses incurred by the CITY prior to or as a result of said termination.

15. Existing Conditions.

The LESSEE agrees to accept the FACILITY in its existing condition at the start time of rental. LESSEE further agrees that no representations, statements, or warranties, express of implied, have been made by or on behalf of the CITY in respect thereto, except as contained in the provisions of this Rental Agreement. The CITY shall not be liable for any latent defects. The LESSEE shall not make any interior or exterior alterations including, but not limited to, the attachment of any item to any part of the FACILITY, without the prior approval, in writing, of the DIRECTOR.

16.	Duplication or Re transmission.
T	ne CITY hereby reserves the right to participate in any and all revenues derived by the promoter from TV, cable, video

minimum One Thousand Dollar (\$1000) additional charge. The CITY reserves the right to require that LESSEE furnish a

copy of a signed contract with any or all scheduled performer(s) prior to approving the Rental Agreement. The CITY

reserves the right to review and approve or reject, in advance, all advertising copy relating to the event, prior to publication.

121 The CITY initiates legal proceedings to enforce compliance with this Agreement;

The CITY is made party to litigation, against the LESSEE, instituted by a third party related to LESSEE's use of the FACILITY; and

- All subcontractors of LESSEE shall provide public liability insurance in an amount of not less than One Million Dollars (\$1,000,000) combined single limit for bodily injury and general liability and Four Hundred Thousand Dollars (\$400,000) property damage per incident, naming the City of Portland as an additional insured from such claims, and worker's compensation insurance. A copy of the certificate of insurance must be on file at the Administrative Offices. The certificate must provide thirty (30) days written notice to the CITY of termination of insurance from the insurance company or agent. The DIRECTOR and/or the Director of Operations shall prohibit the LESSEE's subcontractor access to the FACILITY if the certificate is not on file.
- 8.2 <u>Drapes.</u> LESSEE's subcontractor shall only use flame retardant drapes, and must file proof of retardancy for any drapes it plans to use at the FACILITY with the DIRECTOR. Failure to file such proof may result in the denial of access to the FACILITY by LESSEE's subcontractor.

9. Complimentary Tickets.

The total number of complimentary tickets to be distributed must be agreed upon by the LESSEE and the DIRECTOR forty eight (48) hours prior to the time tickets are scheduled to go on sale. If the LESSEE distributes complimentary tickets in excess of the number agreed upon by the DIRECTOR, the excess shall be considered paid admissions and included in gross ticket sales for any amount due the CITY as a percentage of gross ticket sales. Complimentary tickets must be identified as such and must be included in the FACILITY capacity, authorized on Exhibit A. The LESSEE agrees to provide the CITY twenty (20) complimentary tickets for each individually ticketed event or each exhibit show at the Portland Exposition Building, Hadlock Field or Fitzpatrick Stadium and four (4) complimentary tickets for each individually ticketed event or each exhibit show at the Ocean Gateway Terminal Building.

In some may the LESSEE advertise an event or sell tickets to an event, nor shall the LESSEE amounce any upcoming event at the FACH FTY in any manner without having a signed contract with the CTTY or written authorization from the DIRECTOR. Should the LESSEE, or any representative of the LESSEE, violate this provision, LESSEE is subject to a minimum One Thousand Dollar (\$1000) additional charge. The CITY reserves the right to require that LESSEE furnish a copy of a signed contract with any or all scheduled performer(s) prior to approving the Rental Agreement. The CITY reserves the right to review and approve or reject, in advance, all advertising copy relating to the event, prior to publication.

11. Copyright.

LESSEE assumes full responsibility for any copyright infringements, charges, or royalties that may occur on account of activities at the FACILITY pursuant to this Agreement. LESSEE warrants that all copyrighted material to be performed has been duly licensed or authorized by the copyright owners or their legal representatives and agrees to indemnify and hold the CITY harmless form any and all claims, losses or expenses incurred with regard thereto, including legal fees. LESSEE, upon request, shall provide the CITY with written proof prior to the start time of rental that all copyright provisions and laws have been satisfied by LESSEE or some other party. The CITY reserves the rights to contact owners of copyrights to inform them of the impending event and to inquire whether appropriate copyright(s) fees have been paid. If these fees have not been paid and the CITY is informed of a claim which could or will result from the event contemplated by LESSEE in this Agreement, then the CITY or the CITY Contractor shall have the right to withhold from the box office receipts a sum of money sufficient to satisfy any such claims and shall have the right to pay such amount to the holder(s) of the copyright(s).

12. Legal Fees.

	addition to any fees set forth in this Agreement, LESSEE shall pay all reasonable attorney's fees, together with its co	osts
an	d disbursements, on behalf of the CITY, in the event of the following:	
[n	no case may the LESSEE advertise an event or sell tickets to an event, nor shall the LESSEE anno	unce
	y upcoming	
re	ent at the FACILITY in any manner without having a signed contract with the CITY or writte	en
aι	thorization from the	_
D	RECTOR. Should the LESSEE, or any representative of the LESSEE, violate this provision, LESS	SEE
is	subject to	a

Appendix C.

7.6 <u>Custodial Services.</u> CITY shall provide all custodial services for the event at the level deemed required by the DIRECTOR.

8. Subcontractors for Event and Exhibit Services.

LESSEE shall add a Two Dollar (\$2.00) surcharge to each ticket sold as a paid admission to all events at the Merrill

Auditorium. The amount collected for this surcharge shall be paid to CITY prior to the end time of rental.

6. Merchandising Fee.

LESSEE shall be responsible for all work performed by it's subcontractors or anyone hired or employed by LESSEE to perform services or provide supplies related to the event.

—— Ticket Surcharge

LESSEE shall add a Two Dollar (\$2.00) surcharge to each ticket sold as a paid admission to all events at the Merrill Auditorium. The amount collected for this surcharge shall be paid to CITY prior to the end time of rental.

6. Merchandising Fee.

The CITY will charge a thirty five (35%) merchandising fee on gross sales for all goods sold in conjunction with any event, including , but not limited to: recordings, posters, t shirts, banners, programs, pictures, etc. If the LESSEE

provides

merchandising labor, the merchandising fee is reduced to twenty five percent (25%) on gross sales, and the DIRECTOR, at any time, shall have the right to make such inspection of merchandise, accounts, records and reports of the LESSEE or LESSEE's subcontractor responsible for merchandise sales, as he or she deems necessary. LESSEE agrees to make all such

information available. The permission to sell any such items must be granted by the DIRECTOR. The amounts assessed

shal be due and payable prior to the end time of rental.

7. Facility Services and Equipment Rental. LESSEE agrees that CITY, or a Contractor hired by

CITY, shall exclusively supply the following services:

7.1 Event Security. CITY shall supply all required security at the level deemed required by the DIRECTOR. The DIRECTOR reserves the right to increase amounts for security, City of Portland Police or Fire Officers and fire alarm monitors, if he/she deems it necessary to protect public safety.

7.2 Ticket Sales, CITY, or it's Contractor, are the only authorized vendors for ticket sales, including day of

event sales.

Any amount due the CITY as a percentage of gross ticket sales and/or for other costs incurred by the LESSEE during their event are due and payable prior to the end time of FACILITY rental. If the CITY or the CITY's Contractor provides day of event box office services, such amounts are to be deducted from ticket sale revenue prior to any payment to LESSEE. If day of event box office ticket sale revenue does not equal the amount due the CITY,

<u>LESSEE</u> must make payment for any amount due prior to the end time of FACILITY rental. In the event that

<u>LESSEE</u> <u>fails to comply with this provision, this Agreement shall be terminated as provided in paragraph 13.</u>

Description of Event Ticket Takers. CITY shall require and supply day of event ticket takers for all commercial shows.

7.4 Concessions. CITY, or it's Contractor, shall provide all food concession services to attendees, invitees or exhibitors

<u>at-the FACILITY. Such</u> services include <u>all food</u> and <u>all</u> beverag es, <u>including</u> alcoholic beverages.

Catering.

751 For events where the number of attendees is less than three hundred (300) CITY shall.

- 7.5.1 For events where the number of attendees is less than three hundred (300) CITY shall provide all catering services.
- 7.5.2 For events where catering is required for more than three hundred (300) attendees, invitees, or exhibitors, the DIRECTOR may waive the CITY's exclusive right to provide catering services. Such services include the distribution of any food or beverage not for individual sale. If the CITY's exclusive right to provide catering service is waived, the LESSEE's subcontractor must meet the requirements of