

**CITY OF NEW YORK
FRANCHISE AND CONCESSION REVIEW COMMITTEE**

(Cal. No. 1)

RESOLVED, that the Franchise and Concession Review Committee authorizes the New York City Department of Parks and Recreation ("Parks") to utilize a different procedure, pursuant to Section 1-16 of the Concession Rules of the City of New York, to enter into a Sole Source License Agreement ("License Agreement") with the Hudson Yards/Hell's Kitchen Business Improvement District, Inc. ("HY/HK BID"), for a potential seventeen (17) year term, for the operation of various food concessions, farmers and winter holiday markets, and to receive the revenue from certain third party events in Hudson ~~Boulevard~~ Park, Manhattan. Such concessions will include a food concession at the existing kiosk building and seating area; mobile food trucks and/or carts; farmers markets and winter holiday markets that do not materially displace other public park uses and are limited in duration to a few weeks per year (or, in the case of farmers markets, a few days per week), and other such similar uses as may be approved in advance by Parks. Under the License Agreement, Parks also grants to HY/HK BID the right to receive the fees generated by certain third party events (no more than 12 times per year and twice per month).

In lieu of a license fee, HY/HK BID will use all gross receipts received by it from or in connection with its operations at the Licensed Premises exclusively to provide for the management, maintenance, operation and programming of Hudson ~~Boulevard~~ Park, in accordance with the terms of the M&O Agreement (as defined in the License Agreement) and as otherwise set forth in this License Agreement.

THIS IS A TRUE COPY OF THE RESOLUTION ADOPTED BY THE
FRANCHISE AND CONCESSION REVIEW COMMITTEE ON

June 13, 2018

Date: _____

Signed: _____

Title: Director of the Mayor's Office of Contract Services

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In lieu of a license fee, HY/HK BID will use all gross receipts received by it from or in connection with its operations at the Licensed Premises exclusively to provide for the management, maintenance, operation and programming of Hudson Park, in accordance with the terms of the M&O Agreement (as defined in the License Agreement) and as otherwise set forth in this License Agreement.

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CONCESSION AGREEMENT RECOMMENDATION FOR AWARD MEMORANDUM COVER SHEET

(Attach, in the following order, applicable CRFA Memo, Responsibility Determination Form, approved CPSR Cover Sheet and, if the selection procedure was not CSB, the CPSR Memo and CCPO Memo (if applicable))

AGENCY: New York City Department of Parks and Recreation ("Parks")	RECOMMENDED CONCESSIONAIRE Name: <u>Hudson Yards/Hell's Kitchen Business Improvement District, Inc. (HY/HK BID)</u> Address: <u>412 West 42nd Street, 3rd Floor, New York, NY 10036</u> Telephone # <u>(212)-239-1619</u> <input checked="" type="checkbox"/> EIN <input type="checkbox"/> SSN # <u>47-1247857</u> Not-for-Profit Organization <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Certified by DSBS as M/WBE <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	CONCESSION TITLE/ DESCRIPTION: <u>Sole Source License Agreement with the Hudson Yards/Hell's Kitchen Business Improvement District, Inc. for the operation of various food concessions, farmers and winter holiday markets, and to receive the revenue from certain third-party events in Hudson Boulevard Park, Manhattan.</u> CONCESSION I.D. # <u>M399-0</u>
# VOTES required for proposed action = 4 <input type="checkbox"/> N/A		

LOCATION OF CONCESSION SITE(S)* Address Intersection of 10 & 11 Ave, West 33 & West 39 Street; New York, NY
Borough Manhattan **C.B.** 4 **Block** #705 Lot #53; Block #706 Lot #13; Block #707 Lot #14

SELECTION PROCEDURE

(*CCPO approval of CRFA required)

- ☐ Competitive Sealed Bids
☐ Competitive Sealed Proposals* (☐ FCRC approved Agency request to deviate from final recommendation of the Selection Committee on __/__/__.)
☒ Different Selection Procedure: * (☒ Sole Source Agreement ☐ Other _____)
 > FCRC approved different selection procedure on 10/14/2015.
☐ Negotiated Concession*

CONCESSION AGREEMENT TERM

Initial Term: Ten (10) years from the date of execution of the M&O Agreement (which is August 125, 2025)

Renewal Option(s) Term: Up to two (2) additional five (5) year terms, upon the agreement of the parties

Total Potential Term: Seventeen (17) Years

☐ * >20 years – FCRC unanimously approved term on __/__/__

ANNUAL REVENUE

(Check all that apply)

☐ Additional sheet (☐s) attached)

☐ Annual Fee(s) \$ _____

☐ % Gross Receipts _____%

☐ The Greater of Annual Minimum Fee(s of \$_____ v. _____% of Gross Receipts

☒ **Other** In lieu of a license fee, HY/HK BID will use all gross receipts received by it from or in connection with its operations at the Licensed Premises exclusively to provide for the management, maintenance, operation and programming of Hudson Boulevard Park, in accordance with the terms of the M&O Agreement (as defined in the License Agreement) and as otherwise set forth in this License Agreement.

NOTIFICATION REQUIREMENTS

Subject concession was awarded by CSB or CSP.

☐ YES ☒ NO

If YES, check the applicable box(es) below:

- ☐ The subject concession is a Significant Concession and the Agency completed its consultations with each affected CB/BP regarding the scope of the solicitation by __/__/__, which was at least 30 days prior to its issuance.
- ☐ The subject concession is a Significant Concession and the Agency included this concession in the Agency's Plan and completed consultations with each affected CB/BP pursuant to §1-10 of the Concession Rules.
- ☐ The subject concession was determined not to be a Major Concession and the Agency sent notification of such determination to each affected CB/BP by __/__/__, which was at least 40 days prior to issuance of the

solicitation.

If **NO**, check the applicable box below:

☒ The Agency certifies that each affected CB/BP received written notice by 09/04/2015, which was at least 40 days in advance of the FCRC meeting on 10/14/2015 at which the agency sought and received approval to use a different selection procedure.

☐ The Agency certifies that each affected CB/BP received written notice on / / , at the time that a notice of intent to enter into negotiations was published for the subject concession, and provided a copy of such notification to the members of the Committee within five days on / / .

☐ The Agency certifies that based on exigent circumstances the FCRC unanimously approved waiver of advance written notice to each affected CB/BP on / / .

Law Department approved concession agreement on _____

Award is a major concession.

☐ YES ☒ NO

If YES, award was approved pursuant to Sections 197-c and 197-d of the NYC Charter as follows:

☐ CPC approved on / /

☐ City Council approved on / / or ☐ N/A

AUTHORIZED AGENCY STAFF

This is to certify that the information presented herein is accurate and that I find the proposed concessionaire to be responsible and approve of the award of the subject concession agreement.

If the concession was awarded by other than CSB or CSP, additionally check the applicable box below:

☐ The concession was approved by the FCRC on _____.

☐ The concession was not subject to the approval of the FCRC because it has a term of <30 days and is not subject to renewal.

Name Alexander Han Title Director of Concessions

Signature _____ Date / /

CERTIFICATE OF PROCEDURAL REQUISITES

This is to certify that the agency has complied with the prescribed procedural requisites for award of the subject concession agreement.

Signature _____ Date / /

City Chief Procurement Officer

CONCESSION AGREEMENT RECOMMENDATION FOR AWARD MEMORANDUM COVER SHEET

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(Check all that apply)

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☐ Annual Fee(s) \$ _____

☐ % Gross Receipts _____%

☐ The Greater of Annual Minimum Fee(s of \$_____ v. _____% of Gross Receipts

☒ **Other** In lieu of a license fee, HY/HK BID will use all gross receipts received by it from or in connection with its operations at the Licensed Premises exclusively to provide for the management, maintenance, operation and programming of Hudson Park, in accordance with the terms of the M&O Agreement (as defined in the License Agreement) and as otherwise set forth in this License Agreement.

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If the concession was awarded by other than CSB or CSP, additionally check the applicable box below:

☐ The concession was approved by the FCRC on _____.

☐ The concession was not subject to the approval of the FCRC because it has a term of <30 days and is not subject to renewal.

Name Alexander Han Title Director of Concessions

Signature _____ Date / /

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This is to certify that the agency has complied with the prescribed procedural requisites for award of the subject concession agreement.

Signature _____ Date / /

City Chief Procurement Officer

RECOMMENDATION FOR AWARD OF CONCESSION AGREEMENT MEMORANDUM:
CONCESSION AGREEMENT AWARDED BY OTHER THAN CSB OR CSP

SUMMARY OF PROPOSED CONCESSION USE (Attach Proposed Agreement)

The New York City Department of Parks & Recreation ("Parks") intends to seek FCRC approval to utilize a different procedure, pursuant to Section 1-16 of the Concession Rules of the City of New York ("Concession Rules"), to enter into a Sole Source License Agreement ("License Agreement") with the Hudson Yards/Hell's Kitchen Business Improvement District, Inc. ("HY/HK BID") for the operation of various food concessions, farmers and winter holiday markets, and to receive the revenue from certain third party events in Hudson ~~Boulevard~~ Park, Manhattan ("Licensed Premises").

Such concessions will include a food concession at the existing kiosk building and seating area; mobile food trucks and/or carts; farmers markets and winter holiday markets that do not materially displace other public park uses and are limited in duration to a few weeks per year (or, in the case of farmers markets, a few days per week), and other such similar uses as may be approved in advance by Parks. Under the License Agreement, Parks also grants to HY/HK BID the right to receive the fees generated by certain third party events (no more than 12 times per year and twice per month).

Instructions: *Provide all information requested below; check all applicable boxes.*

A. SELECTION PROCEDURE

☒ Sole Source

☐ Other *Describe:*

B. NEGOTIATIONS

Instructions: *Describe the nature of negotiations conducted, including negotiations with respect to the amount of revenue offered.*

The term of this License Agreement shall commence upon Parks' giving written Notice to Proceed to Licensee and, unless terminated sooner in accordance with this Agreement, shall terminate ten (10) years from the date of execution of the M&O Agreement (which is August 1~~25~~, 2025), or the last day of any subsequent renewal periods that are exercised pursuant to this Agreement. This Agreement may be renewed for two (2) additional five (5)-year periods, upon the agreement of Parks and HY/HK BID, provided that Parks has renewed the M&O Agreement for the same periods. In no event will the total length of the term, including any renewal periods, exceed the shorter of (i) seventeen (17) years; or (ii) the term of the M&O Agreement, including any renewal periods.

In lieu of a license fee, HY/HK BID will use all gross receipts received by it from or in connection with its operations at the Licensed Premises exclusively to provide for the management, maintenance, operation and programming of Hudson ~~Boulevard~~ Park, in accordance with the terms of the M&O Agreement and as otherwise set forth in this License Agreement.

C. BASIS FOR AWARD (If sole source award, attach the offer; if other than a sole source award, attach the three highest rated offers, if applicable.)

The agency determined that award of the concession is in the best interest of the City because:

HY/HK BID, a not-for-profit organization, was formed in 2013 to provide maintenance for the emerging Hudson ~~Boulevard~~ Park, as well as district-wide services and improvements that enhance the quality of life of an exceptionally diverse population who lives, works and visits within the far west side of Manhattan. The

area that HY/HK BID is responsible for is broadly bounded by West 42nd Street to the north, 11th Avenue to the west, West 30th Street to the south, and 9th Avenue to the east.

Hudson **Boulevard** Park is approximately four acres of open space running between 10th and 11th Avenues, from West 33rd to West 39th Streets. The first, completed phase of Hudson **Boulevard** Park is situated between 10th and 11th Avenues from West 33rd to West 36th Street, with open areas for public events, grassy expanses, and quiet seating areas. The Park includes two entrances to the newly expanded 7 Subway line, offering residents with convenient access to public transportation. The second, yet-to-be built phase of Hudson **Boulevard** Park will be situated between 10th and 11th Avenues from West 36th to West 39th Street.

Pursuant to a License Agreement ("M&O Agreement") with the NYC Parks Department, which was signed on August 12, 2015, HY/HK BID is responsible for the maintenance and operations of Hudson **Boulevard** Park including, but not limited to, cleaning (including graffiti removal), landscaping, horticulture, snow removal, water feature maintenance, and repairs. The exact terms of HY/HK BID's maintenance and operational responsibilities are detailed in the M&O Agreement.

It is anticipated that the Sole Source License Agreement ("License Agreement") with HY/HK BID will allow HY/HK BID to offset the cost of its maintenance and operational responsibilities under the Agreement in part by providing for the operation of various food concessions, farmers and winter holiday markets, and to receive the revenue from certain third party events in Hudson **Boulevard** Park, Manhattan. Such concessions will include a food concession at the existing kiosk building and seating area; mobile food trucks and/or carts; farmers markets and winter holiday markets that do not materially displace other public park uses and are limited in duration to a few weeks per year (or, in the case of farmers markets, a few days per week), and other such similar uses as may be approved in advance by Parks. Under the Agreement, Parks also grants to HY/HK BID the right to receive the fees generated by certain third party events (no more than 12 times per year and twice per month).

Given HY/HK BID's commitment to maintaining and improving Hudson **Boulevard** Park, Parks believes that it is in the best interest of the City to enter into a Sole Source License Agreement with HY/HK BID.

D. PUBLIC HEARING ☐ **N/A – Subject award NOT a significant concession]**

1. Publication & Distribution of Public Hearing Notice

☐ Subject concession is a **Citywide** concession and Agency hereby certifies that a notice containing a summary of the terms and conditions of the proposed concession and stating the time, date and location of the public hearing was published once in the City Record on ___/___/___, which was not less than 15 days prior to the hearing date or a shorter period approved by the CCPO and was given to each affected CB-BP and the Committee Members on ___/___/___, which was not less than 15 days prior to the hearing date. Agency also published a public hearing notice twice in the two newspapers indicated below. A copy of each such notice was sent to each affected CB-BP by ___/___/___.

☐ _____, a NYC citywide newspaper on ___/___/___ and ___/___/___
☐ _____, a NYC citywide newspaper on ___/___/___ and ___/___/___

OR

☒ Subject concession is **NOT a Citywide** concession and Agency hereby certifies that a notice containing a summary of the terms and conditions of the proposed concession and stating the time, date and location of the public hearing was published once in the City Record on 05/25/2018, which was not less than 15 days prior to the hearing date or a shorter period approved by the CCPO and was given to each affected CB-BP and the Committee Members on 05/25/2018, which was not less than 15 days prior to the hearing date. Agency additionally published a public hearing notice and summary of the terms and conditions of the proposed

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- ☒ West Side Spirit, a NYC local newspaper published in the affected borough(s) on 06/07/2018.
- ☒ Our Town, a NYC local newspaper published in the affected borough(s) on 06/07/2018.

2. Public Hearing Date, Exception to Public Hearing Requirement

- ☒ A Public Hearing was conducted on 06/11/2018.

OR

- ☐ The Agency certifies that the total annual revenue to the City from the subject concession does not exceed one million dollars and a Public Hearing was not conducted because, pursuant to §1-13(q)(2) of the Concession Rules, the Agency gave notice of the hearing and did not receive any written requests to speak at such hearing or requests from the Committee that the Agency appear at the hearing. Furthermore, the Agency certifies that it published a notice in the City Record canceling such hearing on ___/___/___ and sent a copy of that notice to all Committee Members.

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LICENSE AGREEMENT

BETWEEN

HUDSON YARDS/HELL'S KITCHEN BUSINESS IMPROVEMENT DISTRICT, INC.

AND

CITY OF NEW YORK
DEPARTMENT OF
PARKS & RECREATION

for

The operation of various food concessions, farmers and winter holiday markets for the accommodation, enjoyment, and convenience of the public, and for Licensee to receive revenue from certain Third Party Events in Hudson ~~Boulevard~~ Park in order to support the Park

Manhattan

M399-O

DATED: _____, 2018

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LICENSE AGREEMENT (“License” or “License Agreement”) made this _____ day of _____, 2018, between the City of New York (the “City”) acting by and through the Department of Parks & Recreation (“Parks”), whose address is The Arsenal, 830 Fifth Avenue, New York, New York 10065, and the Hudson Yards/Hell’s Kitchen Business Improvement District, Inc. (“HY/HK BID” or “Licensee”), a New York not-for-profit corporation (collectively, the “Parties”).

WHEREAS, pursuant to Section 531 of the New York City Charter, Parks was created, the head of which was designated as the Commissioner of Parks and Recreation (“Commissioner”); and

WHEREAS, Parks is charged with the duty to manage, maintain and operate City parks and recreation facilities pursuant to Section 533 of the New York City Charter; and

WHEREAS, the City desires to encourage the participation of interested not-for-profit entities in providing services, including park maintenance and management and recreational programs, for the benefit of the public; and

WHEREAS, Hudson ~~Boulevard~~-Park (“Hudson ~~Blvd~~-Park”, ~~“Hudson Boulevard Park”~~ or “Park”) was constructed with funds raised by bonds issued by the Hudson Yards Development Corporation (“HYDC”) and is currently under the jurisdiction of Parks; and

WHEREAS, in developing the plans for the Park and related zoning amendments in 2004 and 2005 (“2005 Plan”) for the Hudson Yards neighborhood of Manhattan, the City anticipated that Hudson ~~Boulevard~~-Park would be maintained by a private, nonprofit entity; and

WHEREAS, the City Planning Commission certified its unqualified approval of the district plan for the Hudson Yards Business Improvement District (“Hudson Yards BID”) on September 30, 2013 (Application N140038 BDM) and stated: “The creation of a major park and ~~Boulevard~~ is a significant initiative stemming from the 2005 Plan. Hudson Yards BID will be a critical stakeholder in the future as it will be the entity responsible for maintaining the newly created Hudson ~~Boulevard~~-Park under a contract with the Department of Parks and Recreation.”; and

WHEREAS, the City Council enacted an amendment to the Administrative Code of the City of New York, in relation to the establishment of the Hudson Yards BID on December 30, 2013; and

WHEREAS, HY/HK BID is the district management association for the Hudson Yards BID;

WHEREAS, on August 12, 2015, Parks and HY/HK BID entered into a license agreement with Parks whereby HK/HY BID assumed responsibility for the maintenance and operation of Hudson ~~Boulevard~~-Park, including, but not limited to the cleaning, landscaping, horticulture, snow removal, water feature and repairs (the “M&O Agreement”; copy attached as Exhibit “G”); and

WHEREAS, the Commissioner now seeks to provide for the operation of various food concessions, farmers and winter holiday markets for the accommodation, enjoyment, and convenience of the public, and for Licensee to receive revenue from certain Third Party Events in Hudson ~~Boulevard~~-Park in order to support the Park; and

WHEREAS, Licensee seeks to operate or issue sublicenses for the operation of various food concessions, farmer's markets and winter holiday markets for the accommodation, enjoyment, and convenience of the public, and to receive the revenue from certain Third Party Events in Hudson ~~Boulevard~~-Park in order to support the Park, in accordance with the terms set forth herein; and

WHEREAS, Parks and HY/HK BID, upon approval from the Franchise and Concession Review Committee ("FCRC"), seek to enter into this sole source License Agreement addressing rights and obligations with respect to the operation of various food concessions, farmer's markets and winter holiday markets and Third Party Events in Hudson ~~Boulevard~~-Park; and

WHEREAS, the M&O Agreement will continue to govern the terms of Licensee's maintenance and operation of the Park while this Agreement shall govern the terms of Licensee concessions at the Park, except that in the event of conflict between terms of the M&O Agreement and this Agreement, then the terms of this Agreement shall control.

NOW THEREFORE, in consideration of the promises and covenants contained herein, the parties do hereby agree as follows:

I. GRANT OF LICENSE

1.1 (a) (1) Parks hereby grants to Licensee and Licensee hereby accepts from Parks this License to operate, or to grant sublicenses to third parties to operate, the following concessions in accordance with the provisions herein and to the reasonable satisfaction of the Commissioner:

(i) food kiosk building and seating area (the "Kiosk");

(ii) food trucks and/or carts ("Mobile Food Units") throughout the year throughout Hudson ~~Boulevard~~-Park at such locations as shall be reasonably approved in advance in writing by Parks. The design and dimensions of the Mobile Food Units is subject to Parks' reasonable prior written approval;

(iii) Farmer's markets and winter holiday markets that do not materially displace other public park uses and are limited in duration to a few weeks per year (or, in the case of farmer's markets, a few days per week) as shall be reasonably approved in advance in writing by Parks;

(iv) other such similar uses as may be approved in advance by Parks; and

(v) Parks also hereby grants to Licensee the right to receive the fees generated by Third Party Events (as hereinafter defined) (no more than 12 times per year and twice

per month).

(2) All plans, schedules, services, menu items, merchandise, rates, fees and prices, and hours of operation are subject to Parks' prior written approval which shall not be unreasonably withheld or delayed. In addition to any obligation in the M&O Agreement, Licensee is responsible for all costs associated with the operation and maintenance of the Licensed Premises.

(3) There are presently no permits issued by Parks to licensees other than Licensee to operate Mobile Food Units in the Park.

(b) Licensee may, subject to the prior written approval of Parks, enter into sublicense agreements ("Sublicense Agreements") with third parties ("Sublicensees") with respect to the activities set forth in Sections 1.1(a)(1)(i) through (iv) above in accordance with the terms and conditions set forth herein. The terms and conditions of any proposed Sublicense Agreement shall be subject to Parks' prior written approval, which approval shall not be unreasonably withheld or delayed. Two (2) copies of any proposed Sublicense Agreement shall be submitted to Parks with Licensee's written request for approval.

(i) Any Sublicense Agreement which is authorized hereunder shall be subject and subordinate to the terms and conditions of this License and Licensee shall require said Sublicensee to acknowledge in writing that it received a copy of this License and that it is bound by same.

(ii) Licensee shall require said Sublicensee(s) to comply with all provisions contained within this License, including, but not limited to, obtaining insurance required of the Licensee under this Agreement and indemnifying the City as set forth in Paragraphs 19 and 20 herein.

(iii) No Sublicense Agreement may be assigned without the prior written consent of Parks. Any subsequent Sublicense Agreement(s) will be subject to the terms and conditions as set forth in this License.

(iv) If any Sublicensee does not comply with this License, such Sublicensee's operations shall be terminated by Licensee upon direction of Parks.

(c) In selecting a Sublicensee for Parks' approval, Licensee shall issue a solicitation in the basic form of a request for proposals ("RFP") with terms and conditions approved by Parks. The RFP shall be advertised in the City Record and other appropriate publication(s) approved by Parks. Parks shall require Licensee to conduct a background check of any proposed Sublicensee in accordance with Parks' usual procedures and requirements and subject to Parks' approval. Parks disapproval of any successful proposer shall be deemed reasonable if the successful proposer fails the background check.

1.2 Licensee shall obtain any and all approvals, permits, and other licenses required by Federal, State and City laws, rules, regulations and orders which are or may become necessary to operate at the Licensed Premises in accordance with the terms of this License. In order to be in compliance with this License Agreement, Licensee must fulfill all of the obligations contained

herein. Commissioner may deem as a default Licensee's failure to fulfill any of its obligations herein for any reason.

1.3 It is expressly understood that no land, building, space, or equipment is leased or otherwise conveyed to Licensee by Parks, but that during the Term of this License, Licensee shall have the use of the Licensed Premises for the purposes herein provided. Licensee has the right to occupy and operate the Licensed Premises only so long as each and every term and condition in this License is strictly and properly complied with in all material respects (subject to applicable notice and cure periods) and so long as this License is not terminated by Commissioner.

1.4 Licensee shall provide, at all times, full and free access to the Licensed Premises to the Commissioner or his representatives and to other City, State and Federal officials having jurisdiction, for inspection purposes and to ensure Parks' satisfaction with Licensee's compliance with the terms of this License Agreement.

1.5 Licensee may use such name in its operations at the Licensed Premises as shall be approved in advance in writing by Parks. Parks may require that the City own the portion of any name selected by Licensee for use at the Licensed Premises that indicates Parks property or a preexisting facility name. The City will not own any portion of a new name that consists of the name, portrait or signature of a living or deceased individual or a restaurant identifier that is not otherwise associated with Parks' property. The City is the owner of the designation and trademark "Hudson ~~Boulevard~~ Park" and variations thereof, and all other designations and trademarks of Parks, including Parks signage and the distinctive Parks leaf logo, together with the goodwill that is symbolized by such names, trademarks, service marks, designations and identifications.

1.6 (i) Except as set forth in subparagraph (ii) below, all intellectual property rights in the Park name, signage, structures, historical location, monuments, or other items or material that depict, are sited in, or refer to the Park and any other names, trademarks, service marks, copyrights, patents, trade names, service names, logos, domain names, identifiers, images and other intellectual property (i) developed or designed by the City or its employees, contractors, or others on behalf of the City, or (ii) in the case of trademarks, used by the City in commerce, unless Licensee is a prior user of any trademark in commerce, are the property of the City ("City IP"). To the extent that Licensee uses any City IP in the course of performing its non-profit activities, Licensee shall obtain the prior written permission and approval from Parks for such use. If Parks permits Licensee to use the City IP for non-commercial purposes, such use will be non-exclusive, royalty-free, world-wide, non-transferrable and non-sublicensable and any revenue generated by Licensee therefrom will be for not-for-profit purposes and will be used by Licensee only in support of the Park. To the extent that Licensee seeks to make commercial use of City IP (i.e. through merchandise sales, licensing or other use intended to or which does generate revenue), such use shall require the prior, written agreement of Parks, on terms to be agreed by the parties, and any revenue derived by Licensee shall be used exclusively to benefit the Park. Upon Parks' request, Licensee shall provide Parks with an accounting reasonably satisfactory to Parks of revenue derived from and expenditures made from any use of City IP. To the extent that prior permission and approval of Parks has already been obtained to use City IP

(whether for non-commercial or commercial purposes, as the case may be), it is hereby continued as previously agreed upon, subject to the use and monetary restrictions contained in this subparagraph (i). Nothing in this subparagraph (i) prohibits Licensee, any Sublicensee or any other person claiming by or through Licensee or any Sublicensee from using the words “Hudson ~~Boulevard~~-Park” as part of the business address thereof or in the ordinary course of business thereof, and nothing in this subparagraph (i) requires Licensee, any Sublicensee or any other person claiming by or through Licensee or any Sublicensee from obtaining permission from Parks to use the words “Hudson ~~Boulevard~~-Park” as provided in this sentence; provided, however, that Licensee, any approved Sublicensee or any other person claiming by or through Licensee or any approved Sublicensee specifically acknowledge that the Hudson ~~Boulevard~~-Park name or words as described in this subparagraph (i) are included within the definition of City IP and no permitted use by Licensee, any approved Sublicensee or any other person claiming by or through Licensee or any approved Sublicensee shall result in any ownership interest, title or other right on the part of Licensee, any approved Sublicensee or any other person claiming by or through Licensee or any approved Sublicensee in such words or name, and further provided that any permitted use of such City IP by Licensee, any approved Sublicensee or any other person claiming by or through Licensee or any approved Sublicensee shall immediately terminate when such person ceases to operate in the Park.

(ii) Any and all trademarks, service marks, copyrights, patents, trade names, service names, logos, domain names, identifiers, images and other intellectual property rights that Licensee has or acquires that meet the following requirements (“Licensee Specific IP”) are the property of Licensee: such intellectual property (1) was created by or on behalf of Licensee, any Sublicensee, their respective employees, contractors, or others, other than at the specific direction of the City or Parks, and (2) includes no City IP (as defined in subparagraph (i) above) unless Parks grants prior written permission and approval for the use of City IP for use within Licensee Specific IP. The Licensee Specific IP shall be used exclusively in connection with Licensee’s activities, as shall Licensee’s ability to use any City IP that is incorporated into Licensee Specific IP with the City’s permission. Any revenue that Licensee derives from the use, licensing, or other exploitation of Licensee Specific IP shall be used during the Term of this License Agreement exclusively in connection with Licensee’s activities, but such restriction shall terminate on the expiration or termination of this License Agreement. Licensee hereby grants a non-exclusive, royalty-free, worldwide, non-transferrable and non-sublicenseable license to the City and Parks to make use of, display and maintain Licensee Specific IP. Parks shall make no commercial use of Licensee Specific IP (e.g., merchandise sales, licensing or other use intended to or which does generate revenue) without the prior written approval of Licensee.

(iii) All goodwill associated with the City IP or the Licensee Specific IP shall be the exclusive property of its respective owner and neither party shall take any actions inconsistent with such rights. Each party recognizes and acknowledges that the City IP and Licensee IP are the exclusive property of the other and they communicate in the public, worldwide, a reputation for high standards of quality and services, which reputation and goodwill have been and continue to be unique to the owner. Each party further recognizes and acknowledges that all trademarks, service marks, trade names, and service names included in the City IP and Licensee Specific IP have acquired secondary meaning in the mind of the public. Neither the City IP, nor the Licensee Specific IP shall be used in connection with any illegal, illicit, or immoral purpose or activity, or in any manner which could be inconsistent with or damaging to the owner’s name

and reputation. Either party shall have the right to terminate this Agreement, upon written notice, in the event that any part of the City IP or Licensee Specific IP is used by the other party in connection with any illegal, illicit, or immoral purpose or activity. In the event that any of the City IP or Licensee Specific IP is used by the other party in any way which, in the reasonable judgment of the owner, is inconsistent with or damaging to the owner's name or reputation, the owner shall notify the other party in writing and, prior to exercising the right of termination provided for in this paragraph, shall provide notice to the other party and following receipt of such notice sent by the owner, the other party shall promptly cease and halt all such uses.

(A) During the Term of this License Agreement, each party may make only the uses described in subparagraphs (i) and (ii) above. Each party acknowledges and agrees that all use of and goodwill in the City IP or Licensee Specific IP shall inure to the benefit of its owner. Neither the City, nor Licensee shall acquire any rights in the Licensee Specific IP or City IP, respectively, by virtue of any use it makes of it or any portion of it.

(B) The parties will not use the name or logos of the other party, its subsidiaries or affiliates in any sales or marketing publication or advertisement without prior full disclosure of such use and the written consent of the other party, such consent not to be unreasonably withheld, conditioned, or delayed.

(C) All provisions of this section will survive any expiration or termination of this License Agreement, except as otherwise set forth in this section.

II. DEFINITIONS

2.1 As used throughout this License, the following terms shall have the meanings set forth below:

(a) "Alteration" shall mean (excepting ordinary repair and maintenance):

(i) any restoration (to original premises or in the event of fire or other cause), rehabilitation, modification, addition or improvement to Licensed Premises; or

(ii) any work affecting the plumbing, heating, electrical, water, mechanical, ventilating or other systems of the Licensed Premises.

(b) Intentionally omitted.

(c) "City" shall mean the City of New York, its departments and political subdivisions.

(d) "Commissioner" shall mean the Commissioner of the New York City Department of Parks & Recreation or his designee.

(e) "Comptroller" shall mean the Comptroller of the City of New York.

(f) Intentionally omitted.

(g) "Expendable Equipment" or "Personal Equipment" shall mean all equipment, other than Additional Fixed Equipment provided by Licensee.

(h) Intentionally omitted.

(i) "Fixed Equipment" shall mean any property affixed in any way to the Licensed Premises existing at the time Notice to Proceed is given, whose removal would damage the Licensed Premises.

(i) "Additional Fixed Equipment" shall mean Fixed Equipment affixed to the Licensed Premises subsequent to the date that Notice to Proceed is given.

(ii) "Fixed and Additional Fixed Equipment" shall refer to Fixed Equipment and Additional Fixed Equipment jointly and severally.

(j) (i) "Gross Receipts" shall include, without limitation, all funds or receipts of any kind received by Licensee, and any Sublicensee, from or in connection with its operations at the Licensed Premises, without deduction or set-off of any kind, from the sale or provision of merchandise, food and beverages, or services of any kind, provided that Gross Receipts shall exclude the amount of any Federal, State or City sales taxes which may now or hereafter be imposed upon or be required to be collected and paid by Licensee or any Sublicensee, as against Licensee or any Sublicensee's sales. Gross Receipts shall include any funds received for orders placed or made at the Licensed Premises, although delivery of merchandise or services may be made outside or away from the Licensed Premises, and shall include all receipts of Licensee or any Sublicensee for orders taken at the Licensed Premises by Licensee or any Sublicensee for services to be rendered by Licensee or any Sublicensee in the future either at or outside of the Licensed Premises. For example, if Licensee or any Sublicensee receives a \$1,000 deposit for services to be provided at a later date, the deposit must be reported at the time of payment, regardless of when the service is provided. All sales made or services rendered from the Licensed Premises shall be construed as made and completed therein even though payment therefor may be made at some other place, and although delivery of merchandise sold or services rendered upon the Licensed Premises may be made other than at the Licensed Premises.

(ii) Gross Receipts shall include receipts from all sponsorships, whether in cash or as discounts against purchase price of materials, equipment or commodities. Gross Receipts shall also include all sales made by any other operator or operators using the Licensed Premises under a properly authorized Sublicense or subcontract agreement, as provided in Section 1.1(b), provided that Gross Receipts shall also include Licensee's income from Sublicense Agreements or subcontracting fees and commissions Licensee receives in connection with all services provided by Licensee's subcontractors or Sublicensees. Gross Receipts shall further include all fees received by Licensee in connection with Third Party Events.

(iii) Only Licensee's net receipts from vending machines shall be included in Gross Receipts.

(iv) Gross Receipts shall include sales made for cash or credit (credit sales shall be included in Gross Receipts as of the date of the sale) regardless of whether the sales are

paid or uncollected, it being the distinct intention and agreement of the parties that all sums due to be received by Licensee or any Sublicensee from all sources from the operation of this License shall be included in Gross Receipts, provided however that any gratuities transmitted by Licensee or any Sublicensee directly or indirectly to employees and staff shall not be included within Gross Receipts. For purposes of this subsection (iv):

(a) With respect to non-catered food and beverages service, a “Gratuity” shall mean a charge that: (i) is separately stated on the bill or invoice given to Licensee’s or any Sublicensee’s customer or otherwise proffered by the customer, (ii) is specifically designated as a gratuity, or purports to be a gratuity, and (iii) Licensee or any Sublicensee receives and pays over in total to its employees (other than management) who are primarily engaged in the serving of food or beverage to guests, patrons or customers, including but not limited to, wait staff, bartenders, captains, bussing personnel and similar staff who are paid a cash wage as a “food service worker” pursuant to NY Labor Law Section 652(4). Upon Parks’ request Licensee shall provide, and shall cause any Sublicensee to provide, documentation reasonably satisfactory to Parks to prove that Gratuities were paid to employees in addition to their regular salaries, and were otherwise in accordance with the foregoing provisions. Such documentation shall be signed and verified by an officer of Licensee or any Sublicensee, as applicable. “Regular Salary” for purposes of this subsection shall mean the set hourly wage for the applicable employee.

(b) With respect to catered events, a “Gratuity” shall be an amount no greater than 20% of the catering food and beverage sales for the event, provided that such Gratuity is a charge that: (i) is separately stated on the bill or invoice given to Licensee’s or any Sublicensee’s customer, (ii) is specifically designated as a gratuity, or purports to be a gratuity, and (iii) is paid over by Licensee or any Sublicensee in total to its employees (other than management) who actually provide services at the event, and who are primarily engaged in the serving of food or beverages to guests, patrons or customers, including, but not limited to, wait staff, bartenders, captains, bussing personnel, and similar staff. Upon Parks’ request Licensee shall provide, and shall cause any Sublicensee to provide, documentation reasonably satisfactory to Parks to prove that Gratuities were paid to employees in addition to their regular salaries, and were otherwise in accordance with the foregoing provisions. “Regular Salary” for purposes of this subsection shall mean the set hourly wage for the applicable employee. Such documentation shall be signed and verified by an officer of Licensee or Sublicensee, as applicable.

(v) Intentionally omitted.

(vi) Notwithstanding anything to the contrary herein, Gross Receipts shall not include deposits made with Licensee for damage to the Licensed Premises unless and to the extent that Licensee retains such deposits for damage actually incurred.

Notwithstanding anything set forth in this Section 2.1(j), Licensee shall comply, and shall cause Sublicensee to comply, with all applicable laws, rules, and regulations, including but not limited to City, State, and federal labor laws.

(k) “Licensed Premises” or “Premises” shall mean:

- (1) The location designated as the Kiosk and seating area on Exhibit A attached hereto.
- (2) The actual physical space occupied by Mobile Food Units at the locations approved by Parks for the operation of Mobile Food Units.
- (3) Any location within the Park that is approved for use in connection with the activities set forth Section 1.1(a)(1) above during the time in which such use occurs.

(l) “Licensee’s Gross Receipts” shall mean the Gross Receipts received by Licensee, but expressly excluding Gross Receipts received only by any Sublicensee

(m) “Sublicensee’s Gross Receipts” shall mean the Gross Receipts received only by any Sublicensee, but not received by Licensee.

(n) “Third Party Events” shall mean any event to be held in Hudson ~~Boulevard~~-Park operated or sponsored by third parties for which Parks has issued a permit and charged a fee pursuant to 56 RCNY §§ 2-08 and 2-10. All fees charged by Parks for Third Party Events shall be paid to Licensee. Parks will draft and negotiate such permits in consultation with the HY/HK BID. Third Party Events shall be limited to no more than 12 times per year and twice per month. Third Party Events that are closed to the public shall not close more than one block of the Park at a time, unless otherwise agreed to in writing by Parks, or when another phase of the Park is constructed, not more than two blocks of the Park. Parks will consult with HY/HK BID on any Third Party Event applications. Licensee agrees to work with Parks to, coordinate Third Party Events with other activities in Hudson ~~Boulevard~~-Park and provide on-site supervision of the production and logistics associated with Third Party Events ensuring compliance with the terms of event permits.

(o) "Year" or "Operating Year" shall both refer to the period between the Commencement Date (or its anniversary in any year other than Year 1) and the day before the anniversary of such date in the immediately following calendar year, except that the final Year of the Term (as hereinafter defined) of the License Agreement shall end on the Expiration Date (as hereinafter defined). Notwithstanding the foregoing, the first Year or Operating Year shall run from the Commencement Date to the next succeeding June 30, and the last Year or Operating Year shall run from the last July 1 during the Term to the Termination Date.

III. TERM OF LICENSE

3.1 This License shall become effective upon Parks giving written notice to proceed to Licensee (“Commencement Date”) and, unless terminated sooner in accordance with this License Agreement, shall terminate ten (10) years from the date of execution of the M&O Agreement (which is August ~~15~~12, 2025) or the last day of any subsequent renewal periods that are exercised pursuant to this License (“Termination Date” or “Expiration Date”). The period between the Commencement Date and the Expiration Date, including any exercised renewal periods, shall be referred to as the “Term”. This License may be renewed for two (2) additional five (5) year terms, upon the agreement of the Parties, provided that Parks has renewed the M&O

Agreement for the same periods. Notwithstanding the foregoing, in no event will the total length of the Term, including any renewal periods, exceed the shorter of (i) seventeen (17) years or (ii) the term of the M&O Agreement, including any renewal periods.

3.2 Notwithstanding any language contained herein, this License is terminable at will by the Commissioner at any time. Such termination shall be effective after twenty-five (25) days written notice is sent to Licensee. The Commissioner, the City, its employees and agents shall not be liable for damages to Licensee in the event that this License is terminated by Commissioner as provided for herein.

3.3 Parks may terminate this License for cause as follows:

Should Licensee or any Sublicensee breach or fail to comply in any material respect with any of the provisions of this License or fail to comply in any respect with any Federal, State or local law, rule, regulation or order affecting the License, such Sublicense, or the Licensed Premises with regard to any and all matters, Commissioner shall in writing order Licensee to remedy such breach or comply with such provision, law, rule, regulation or order, and in the event that Licensee fails to comply with such written notice or commence, in good faith and with due diligence, efforts to comply with such order within thirty days from the mailing or facsimile transmission thereof, subject to unavoidable delays beyond the reasonable control of Licensee, then this License shall immediately terminate. In the event such breach or failure to comply cannot be remedied within such thirty (30) day period due to reasons beyond Licensee's control, the cure period shall be extended for such period as may be reasonably necessary in the Commissioner's judgment to cure such breach. If such breach or failure arises from the acts or omissions of a Sublicensee, as reasonably determined by Commissioner, the cure period shall be reasonably extended by Commissioner beyond such thirty (30) days (not to exceed an additional 30 days) to give Licensee time to induce such Sublicensee to comply with such breach or failure or, if such Sublicensee fails to remedy such breach or failure in a timely manner, for Licensee to terminate the applicable Sublicense Agreement and regain possession of the Sublicensed Premises. If said breach or failure to comply is corrected, and a repeated violation of the same provision, law, rule, regulation or order follows thereafter, Commissioner, by notice in writing, may revoke and terminate this License, such revocation and termination to be immediately effective on the mailing thereof.

(b) The following shall constitute events of default for which this License may be terminated on one (1) day's notice: the appointment of any receiver of Licensee's assets; the making of a general assignment for the benefit of creditors; the occurrence of any act which operates to deprive Licensee permanently of the rights, powers and privileges necessary for the proper conduct and operation of this License; the levy of any attachment or execution which substantially interferes with Licensee's operations under this License and which attachment or execution is not vacated, dismissed, stayed or set aside within a period of sixty days.

(c) Nothing contained in paragraphs (a) or (b) above shall be deemed to imply or be construed to represent an exclusive enumeration of circumstances under which Commissioner may terminate this License.

3.4 Upon expiration or sooner termination of this License by Commissioner, all rights of Licensee herein, and/or of any Sublicensee herein, shall be forfeited without claim for loss, damages, refund of investment or any other payment whatsoever against Commissioner, Parks or City.

3.5 In the event Commissioner terminates this License for reasons related to Paragraphs 3.3 above, any property of the Licensee or any Sublicensee on the Licensed Premises may be held and used by Commissioner in order to operate the License during the balance of the calendar year and may be held and used thereafter until all indebtedness of the Licensee hereunder, at the time of termination of this License, is paid in full.

3.6 Licensee may terminate this License upon one (1) year's notice to Parks. If Licensee terminates this License, then Parks shall have the right but not the obligation to operate concessions at the Licensed Premises, or to issue a license to operate concessions at the Licensed Premises to a third party.

3.7 Licensee agrees that upon the expiration or sooner termination of this License, it shall immediately cease all operations and cause any Sublicensee to cease all operations pursuant to this License and shall vacate and cause any Sublicensee to vacate the Licensed Premises without any further notice by City and without resort to any judicial proceeding by the City. Upon the expiration or sooner termination of this License, City reserves the right to take immediate possession of the Licensed Premises.

3.8 Licensee shall, upon the expiration or sooner termination of this License, remove all personal possessions from the Premises and cause any Sublicensee to remove all personal possessions from the Premises unless such property is held by the Commissioner pursuant to Section 3.5. Licensee acknowledges that any personal property remaining on the Premises after the expiration or sooner termination of this License is intended by Licensee to be abandoned unless such property is held by the Commissioner pursuant to Section 3.5. Licensee shall remain liable to the City for any damages, including lost revenues and the cost of removal or disposal of property, should Licensee fail to remove all possessions from the Premises during the time prescribed in this Agreement.

3.9 If this License is terminated as provided herein, Parks may, without notice, re-enter and repossess the Licensed Premises using such force for that purpose as may be necessary without being liable to indictment, prosecution or damages therefor and may dispossess Licensee or any Sublicensee by summary proceedings or otherwise, without court order or other judicial approval.

3.10 If this License is terminated as provided in Section 3.3 hereof:

(a) Parks may complete all repair, maintenance and construction work required to be performed by Licensee or Sublicensee hereunder and may repair and alter any portion(s) of the Licensed Premises in such manner as Parks may deem necessary or advisable without relieving Licensee or any Sublicensee of any liability under this License Agreement or otherwise affecting any such liability, and/or relicense the Licensed Premises or any portion thereof for the whole or

any part of the remainder of the Term or for a longer period. Parks shall in no way be responsible or liable for any failure to relicense any portion(s) of the Licensed Premises or for any failure to collect any fees due on any such relicensing, and no such failure to relicense or to collect fees shall operate to relieve Licensee or any Sublicensee of any liability under this License Agreement or to otherwise affect any such liability.

3.11 No receipt of moneys by Parks from Licensee or any Sublicensee after the termination of this License Agreement, or after the giving of any notice of the termination of this License Agreement, shall reinstate, continue or extend the Term or affect any notice theretofore given to Licensee, or operate as a waiver of the right of Parks to recover possession of the Licensed Premises by proper remedy. After the service of notice to terminate this License Agreement or the commencement of any suit or summary proceedings or after a final order or judgment for the possession of the Licensed Premises, Parks may demand, receive and collect any moneys due or thereafter falling due without in any manner affecting the notice, proceeding, order, suit or judgment, all such moneys collected being deemed payments on account of the use and occupation of the Licensed Premises or, at the election of Parks, on account of Licensee's or any Sublicensee's liability hereunder.

3.12 In the event this License Agreement is terminated, Parks will not reimburse Licensee's or any Sublicensee's unamortized capital improvement cost.

IV. GROSS RECEIPTS

4.1 In lieu of a license fee, Licensee will use all Gross Receipts received by it from or in connection with its operations at the Licensed Premises exclusively to provide for the management, maintenance, operation and programming of Hudson ~~Boulevard~~ Park, in accordance with the terms of the M&O Agreement and as otherwise set forth in this License. Licensee shall submit such reports to Parks and permit Parks such audit of its books and records as Parks shall reasonably require to assure that such Gross Receipts are so used. All information to be furnished to Parks shall be accurate and correct in all material respects and sufficient to give Parks a true and accurate picture of the funds expended by Licensee at Hudson ~~Boulevard~~ Park.

4.2 Intentionally omitted.

4.3 Reports:

(a) **Annual Report.** No later than October 31st each year, in a form that complies with the report attached as Exhibit B to this License Agreement, Licensee shall prepare a report of data concerning all funds that Licensee has generated and expended at Hudson ~~Boulevard~~ Park for the preceding period of July 1st to June 30th. On or before the sixtieth (60th) day following the end of each Operating Year, Licensee shall submit to Parks a detailed income and expense statement (on an accrual basis) pertaining to operations under this License, signed and verified by an officer of Licensee, including a detailed income and expense statement signed and verified by an officer of the Sublicensee, if any, pertaining to operations at that location. The statements shall be in a format approved by Parks. Neither Parks nor the City may disclose to any third party any documents or information with respect to Licensee's income or expenses in

connection with its operations at the Licensed Premises, except to the extent otherwise required by court order or applicable law (including “freedom of information” laws and Local Law 28 of 2008, NYC Admin Code Sec. 18-134). For the avoidance of doubt, this prior sentence shall not apply to the Comptroller or any other authorized auditor nor prevent disclosure by the Comptroller or any other authorized auditor of any information derived from audits of this License Agreement.

(b) **Monthly Report.** On or before the thirtieth (30th) day following the end of each month of each Operating Year, Licensee shall submit to Parks a statement of Licensee’s Gross Receipts, in a form satisfactory to Parks, signed and verified by an officer of Licensee reporting any Gross Receipts generated by Licensee under this License Agreement. Such statement shall indicate whether or not these amounts are inclusive of sales tax collected. Licensee shall also submit to Parks, in a form satisfactory to Parks, a statement of Sublicensee’s Gross Receipts from each Sublicensee, signed and verified by an officer of such Sublicensee, reporting such Sublicensee’s Gross Receipts generated from operations under this License Agreement. Licensee shall cause each such Sublicensee to indicate on its statement of Sublicensee’s Gross Receipts whether or not such Sublicensee’s Gross Receipts are inclusive of sales tax collected.

(c) **Events Report.** Within 60 days after the end of each Operating Year upon request by Parks, Licensee shall submit to Parks an income and expense statement in a form satisfactory to Parks, signed and verified by an officer of each intermediary/producer which receives income from arranging or producing events at the Licensed Premises, setting forth the income and expenses of each such intermediary from its activities at the Licensed Premises.

(d) Intentionally omitted.

(e) Intentionally omitted.

4.4 Accounting Procedures.

(a) Licensee, during the Term of this License, shall maintain, and shall cause any Sublicensee to maintain, a revenue control system to ensure the accurate and complete recording of all revenues, in a form and manner reasonably acceptable to the City. This revenue control system must maintain detailed sales information from each sales transaction. Specifically, with respect to the Kiosk at the Park, sales information must be recorded electronically, via a computerized point-of-sale system, and must include, but is not limited to, details on each sales transaction, the item(s) sold, time, date of sale and price of the item sold. Licensee shall also establish a dedicated bank account for all deposits related to this concession’s generated revenue. All accounting and internal control related records shall be maintained for a minimum of ten (10) years after the date of creation of the record. Additionally, all books and records maintained pursuant to this License Agreement shall be conveniently segregated from other business matters of Licensee and shall include, but not be limited to: all federal, state and local tax returns and schedules of the Licensee; records of daily bank deposits of the entire receipts from transactions in, at, on or from the Licensed Premises;; and duplicate bank deposit slips and bank statements.

(b) Licensee shall, and shall cause any Sublicensee to, use such accounting and internal control methods and procedures and keep such additional books and records as may be reasonably prescribed by Parks and/or the Comptroller, and Parks and/or the Comptroller shall have the right to examine the recordkeeping procedures of the Licensee prior to the commencement of the Term of this License, and at any time thereafter, in order to assure that the procedures are adequate to reveal the true, correct and entire business conducted by the Licensee. Licensee shall maintain each year's records, books of account and data for a minimum of ten (10) years after the date of creation of the record.

4.5 Taxes. Licensee is, and shall cause any Sublicensee to be, solely responsible for the payment of all federal, state and local taxes applicable to the operation of the Licensed Premises. With the exception of federal, state and City sales tax, no such applicable taxes, including but not limited to the New York City Commercial Rent Tax, may be deducted from Gross Receipts or from the compensation due under this License.

4.6 Breach.

(a) In the event Parks reasonably determines that Licensee or Licensee's employees, agents, Sublicensees, or subcontractors have breached any of the provisions contained in Sections 4.1 and 4.3 through 4.5 hereinabove, Licensee may be subject to a charge of five hundred dollars and zero cents (\$500.00) with respect to each incident of breach as liquidated damages, provided that Licensee has been given reasonable notice of such breach and has failed to cure within thirty (30) days of such notice.

(b) The failure or refusal of the Licensee to, or to cause any Sublicensee to, furnish any of the statements required to be furnished under this Article within thirty (30) days after its due date, the failure or refusal of the Licensee to maintain adequate internal controls or to keep any of the records as reasonably required by this Article shall be presumed to be a failure to substantially comply with the terms and conditions of this License and a default hereunder, which shall entitle Parks, at its option, to terminate this License.

V. RIGHT TO AUDIT

5.1 Parks, the Comptroller and other duly authorized representatives of the City shall have the right to examine or audit the records, books of account and data of the Licensee and any Sublicensee to verify compliance with this License Agreement and/or Gross Receipts as reported by the Licensee. Licensee shall, and shall cause any Sublicensee to, also permit the inspection by Parks, Comptroller or other duly authorized representatives of the City of any equipment used by Licensee and any Sublicensee, including, but not limited to, cash registers and recording machines, and all reports or data generated from or by the equipment. Licensee shall cooperate fully and assist Parks, the Comptroller or any other duly authorized representative of the City in any examination or audit thereof. In the event that the Licensee's or any Sublicensee's books and records, including supporting documentation, are situated at a location 50 miles or more from the City, the records must be brought to the City for examination and audit or Licensee or such Sublicensee must pay the food, board and travel costs incidental to two auditors conducting such

examination or audit at said location. Audits by Parks will be performed in a manner that will not unreasonably interrupt the operation of the business at the Licensed Premises.

5.2 The failure or refusal of the Licensee to, or cause any Sublicensee to, permit Parks, the Comptroller or any other duly authorized representative of the City to audit and examine the Licensee's or any Sublicensee's records, books of account and data or the interference in any way by the Licensee or any Sublicensee in such an audit or examination is presumed to be a failure to substantially comply with the terms and conditions of this License and a default hereunder which shall entitle Parks to terminate this License following the giving of notice and expiration of applicable cure periods pursuant to Section 3.3(a) hereof.

5.3 Notwithstanding the foregoing, the parties hereto acknowledge and agree that the powers, duties, and obligations of the Comptroller pursuant to the provisions of the New York City Charter shall not be diminished, compromised or abridged in any way.

VI. PARKS SPECIAL EVENTS

6.1 For the purposes of this Section 6 the term "Parks' Special Event(s)" shall mean any Special Event at the Licensed Premises sponsored by Parks. The Commissioner represents to Licensee that the Commissioner has not, as of the date hereof, granted to any other person or entity any license, permit, or right of possession or use of the Licensed Premises or any portion thereof. For each Parks Special Event, Parks shall comply with the following conditions: (a) Parks shall give Licensee not less than thirty (30) days (or such lesser period as agreed by the parties) advance notice of any Parks' Special Event, and any annual event will be on a date mutually agreed to by Parks and Licensee, (b) Parks shall not sponsor or permit a Parks' Special Event on a date that will conflict with a Licensee's Special Event for which Licensee has submitted to Parks an application for a Special Event Permit and such Special Event Permit has been approved by Parks, (c) Parks shall be responsible for maintenance and clean-up associated with any such Parks' Special Event and may delegate such maintenance and clean-up obligation to a third-party, but such delegation shall not relieve Parks of primary responsibility to Licensee for such maintenance and clean-up, and (d) each Sublicensee, in its own discretion, may elect to operate or not to operate during any Parks' Special Event. Subject to the foregoing conditions, Licensee shall, and shall require that each Sublicensee, cooperate with Parks in connection with Parks' Special Events. Such events shall not, without the prior written consent of Licensee, prohibit the Licensee or any Sublicensee from reasonable access to the Licensed Premises. Furthermore, Parks reserves the right to grant permits for "Demonstrations" as defined in Section 1-02 of Parks' Rules and Regulations at the Licensed Premises where appropriate under Parks' Rules and Regulations and where such Demonstrations do not unreasonably interfere with previously scheduled and Parks-approved Licensee's Special Events as reasonably determined by Parks.

VII. ALTERATIONS

7.1 (a) Licensee and any Sublicensee may alter the Licensed Premises only in accordance with the requirements of subsection (b) of this Section. Alterations shall become property of City, at its option, upon their attachment, installation or affixing.

(b) In order to alter Licensed Premises, Licensee must:

(i) Obtain Commissioner's written approval (which shall not be unreasonably withheld or delayed) for whatever designs, plans, specifications, cost estimates, agreements and contractual understandings may pertain to contemplated purchases and/or work;

(ii) insure that work performed and alterations made on the Licensed Premises are undertaken and completed in accordance with submissions approved pursuant to section (i) of this Article, in a good and workmanlike manner, and within a reasonable time;

(iii) notify Commissioner of completion of, and the making final payment for, any alteration within ten days after the occurrence of said completion or final payment; and

(iv) comply with the existing City and Parks procedures, as may be amended from time to time during the Term, for review of any proposed Alteration constituting a landscape redesign, renovation, and rehabilitation project in the Licensed Premises.

(c) Commissioner may, in his discretion, make repairs, alterations, decorations, additions or improvements to Licensed Premises at the City's expense, but nothing herein shall be deemed to obligate or require Commissioner to make any repairs, alterations, decorations, additions, or improvements, nor shall this provision in any way affect or impair Licensee's obligation herein in any respect. Parks shall use reasonable efforts to give Licensee at least fourteen days' written notice of any such work and not to interfere substantially with Licensee's operations or use of the Licensed Premises. Parks shall use its reasonable efforts to perform such work in a way which minimizes interference with Licensee's operations at the Licensed Premises.

(d) To guarantee prompt payment of moneys due to a contractor or his or her subcontractors and to all persons furnishing labor and materials to the contractor or his or her subcontractors in the prosecution of any Capital Improvement Project with an estimated cost exceeding two hundred fifty thousand dollars (\$250,000), Licensee shall post a payment bond or other form of undertaking approved by Parks in the amount of one hundred percent (100%) of the cost of such Capital Improvement Project before commencing such work. Such bond or other undertaking shall be in a form acceptable to Parks. For purposes of this provision, a "Capital Improvement Project" shall mean a set of Capital Improvements that are reasonably related in time and purpose as determined by Parks in its sole discretion. Also, for purposes of this provision, "Capital Improvements" shall mean all construction, reconstruction, renovations or Alterations of or to the Licensed Premises governed by this License Agreement.

(e) All Alterations to the Licenses Premises undertaken by the Licensee, its agents, employees, Sublicensees or contractors shall be at the Licensee's (or its Sublicensee's) sole cost and expense (other than any agreed contribution from the City or Parks, and contributions from other public or private sector partners or donors) and such work shall not commence until the Licensee obtains written approval from the Commissioner, or his designee as well as any City or other governmental authorizations and approvals that may be necessary.

VIII. FIXED AND EXPENDABLE EQUIPMENT

8.1 Subject to the provisions of Article X hereof, Licensee shall, at its sole cost and expense or through any Sublicensee and to the reasonable satisfaction of the Commissioner, provide, and replace if necessary, all equipment and materials necessary for the successful operation of this License, and put, keep, repair, preserve and maintain in good order all equipment found on, placed in, installed in or affixed to the Licensed Premises.

8.2 City has title to all Fixed Equipment on the Premises as of the Commencement Date. Title to any Additional Fixed Equipment and to all construction, renovation, or improvements made to the Licensed Premises shall vest in and belong to the City at the City's option, which option may be exercised at any time after the substantial completion of the affixing of said equipment or the substantial completion of such construction, renovation or improvement. To the extent City chooses not to exercise such option it shall, at the termination or expiration of this License, be the responsibility of Licensee, at its sole cost and expense and to the satisfaction of Commissioner, to remove such equipment and restore the Licensed Premises to Parks in a condition no worse than at the commencement of the Term.

8.3 Licensee shall supply at its own cost and expense or through any Sublicensee all Expendable Equipment required for the proper operation of this License, and repair or replace same at its own cost and expense when reasonably requested by Commissioner. Licensee must acquire and use for the purpose intended any Expendable Equipment which the Commissioner reasonably determines is necessary to the operation of this License.

8.4 Licensee shall, and cause any Sublicensee to, acquire, replace or repair, install or affix, at its sole cost and expense, any equipment, materials and supplies required for the proper operation of the Licensed Premises as described herein or as reasonably required by Commissioner.

8.5 Title to all Expendable Equipment obtained by Licensee or any Sublicensee shall remain in Licensee or such Sublicensee and such equipment shall be removed by Licensee at the termination or expiration of this License. In the event such equipment remains in the Licensed Premises following such termination or expiration, Commissioner may treat such property as abandoned and charge all costs and expenses incurred in the removal thereof to Licensee.

8.6 Licensee acknowledges that it is acquiring this License to use the Licensed Premises and Fixed Equipment thereon solely in reliance on its own investigation, that no representations, warranties or statements have been made by the City concerning the fitness thereof, and that by taking possession of the Licensed Premises and Fixed Equipment, Licensee accepts them in their present condition "as is."

8.7 The equipment to be removed by Licensee pursuant to this License Agreement shall be removed from the Licensed Premises in such a way as shall cause no damage to the Licensed Premises, ordinary wear and tear excepted. Notwithstanding its vacating and surrender of the Licensed Premises, Licensee shall remain liable to City for any damage it may have caused to the Licensed Premises.

IX. UTILITIES

9.1 Parks makes no representations regarding the adequacy of utilities currently in place at the Licensed Premises or that any entity can or will make such service available. Licensee shall, and shall cause any Sublicensee to, connect to and/or upgrade any existing utility service or create a new utility system and obtain the appropriate permits and approvals. This includes establishing a dedicated meter and/or submeter that captures electricity usage at the Licensed Premises and an account with the appropriate service providers. Licensee and Sublicensee at their sole cost will be required to pay for any and all utility costs connected with its operations at the Licensed Premises during the Term. These utility costs include, but are not limited to, electricity as well as paying all water and sewer charges that the City's Department of Environmental Protection ("DEP") assesses for water usage. Licensee shall, and shall any Sublicensee to, adhere to all DEP directives and restrictions regarding drought and water conservation issues during the Term.

X. OPERATIONS

10.1 (a) Licensee, at its sole cost and expense, in addition to any obligation in the M&O Agreement, shall operate and maintain the Licensed Premises for the use and enjoyment of the general public and in such manner as the Commissioner shall prescribe and as permitted by, and in compliance with, all laws, rules, regulations and orders of government agencies having jurisdiction. Licensee may only operate at the Licensed Premises as set forth herein and only when the park in which the Licensed Premises is located is open. All hours of operation are subject to Parks' prior written approval which shall not be unreasonably withheld or delayed. All services, menu items and merchandise and all rates, fees and prices, or changes thereto, to be charged by Licensee for any goods, rights or services provided pursuant to the operation of this License must also be approved in advance in writing by Parks which shall not be unreasonably withheld or delayed. At its sole discretion, but based upon written request from Licensee, Parks may allow changes to Licensee's approved operating hours/schedule. If the Commissioner grants the request, Licensee shall continue to be responsible for all other obligations under the License Agreement.

(b) Licensee shall, and shall cause any Sublicensee to, comply with all national safety guidelines and federal, state and City laws, rules and regulations related to the operation and maintenance of the Licensed Premises.

(c) Licensee must provide or cause any Sublicensee to provide all equipment necessary for the successful operation of the concessions granted hereby.

(d) Licensee shall operate and maintain a properly licensed and amply stocked Kiosk on a seasonal basis approved by Parks. Such Kiosk must be of a high standard of quality. Licensee shall maintain an adequate inventory to assure a constant supply of food and beverages.

(e) Licensee acknowledges that the City is the trademark owner of various marks and has licensed the use of those trademarks for use on certain designated merchandise. If Licensee wants to sell merchandise that uses the City's trademarks, Licensee will be required to purchase

merchandise from authorized licensees of the City of New York. Parks will not permit the sale of merchandise promoting musicians, entertainers, sports figures, cartoon characters, commercial products or non-park-related events. The knowing sale of counterfeit or unlicensed merchandise at the Licensed Premises will result in the immediate termination of this License Agreement.

(f) The selling and/or advertisement of cigarettes, cigars, any other tobacco products or electronic cigarettes or non-tobacco smoking product at the Licensed Premises is strictly prohibited. Licensee shall adhere to and enforce this policy and shall cause any Sublicensee to adhere to this policy.

(g) The sale and/or service of alcohol at the Licensed Premises is strictly prohibited without the prior written approval of Parks and the appropriate license(s) from the State Liquor Authority and all other agencies having jurisdiction. Alcoholic beverages may only be served by Licensee in areas designated by Parks. All efforts must be made by Licensee to keep alcohol consumption discrete. Licensee must keep in mind that the Licensed Premises are in a public park and the consumption of alcohol should be encouraged only as an accompaniment to the cuisine.

(h) Any staff assigned by Licensee to sell food and beverages to the public must possess all Federal, State, and City authorizations, and possess, and at all times display, appropriate Department of Health and Mental Hygiene (“DOHMH”) permits. Licensee may only provide food service at the Licensed Premises if it has obtained the appropriate, valid permits and authorizations required by DOHMH. At all times that any of the food service operations at the Licensed Premises are operating, a staff person with a valid DOHMH food handler’s license must be present. If Licensee operates without all necessary permits and licenses, it may be subject to fines and/or confiscation of merchandise.

(i) With respect to the Mobile Food Unit(s), Licensee shall obtain a DOHMH Vendor License for each person designated as an operator of a Mobile Food Unit and a DOHMH Mobile Food Vending Unit Permit for its Mobile Food Unit(s). Licensee must submit both a valid DOHMH Vendor License and a DOHMH Mobile Food Vending Unit Permit to Parks before the operation of Mobile Food Unit(s) can commence. During the License Term, if Licensee operates a Mobile Food Unit without a valid DOHMH Vendor License and a DOHMH Mobile Food Vending Unit Permit, Licensee will be instructed to cease operations and will be subject to fines. When warranted and pursuant to law, ordinance or regulation, Officers of the Parks Enforcement Police (PEP), New York City Police Department, New York Fire Department and DOHMH may confiscate the Mobile Food Unit(s), including merchandise.

(j) Subject to Parks approval, Licensee may install or have installed vending machines for snack and beverage service. In the event that Licensee places vending machines at the Premises, Licensee will be required to comply with the Citywide Beverage Vending Machines Standards and Standards for Food Vending Machines, attached hereto as Exhibits C-1 and C-2 respectively. Licensee shall remove any vending machine at the direction of the Commissioner. In addition, the beverage and/or food standards may be changed during the Term of the License. In the event that Licensee installs vending machines, Licensee will be required to comply with any new and/or changed food or beverage standards in the operation of

all vending machines at the Premises. Notwithstanding the foregoing, if the implementation of such new or changed standards will result in a material adverse effect on Licensee's costs, upon submission to Parks of documentation satisfactory to Parks demonstrating such effect, Licensee and Parks may amend this License as agreed between Parks and Licensee.

10.2 At the Kiosk Licensee shall, at its sole cost and expense, print, frame and prominently display in a place and manner designated by Commissioner, the approved schedule of operating days and hours and rates, fees and prices.

10.3 (a) Smoking and the use of electronic cigarettes anywhere on the Licensed Premises is strictly prohibited.

(b) Additionally, Licensee shall not use, and shall cause any Sublicensee not to use, in its operations any polystyrene packaging or food containers.

(c) Licensee is prohibited, and shall prohibit any Sublicensee, from selling any beverages in glass bottles. All beverages shall be in non-glass, shatter-proof containers.

(d) Licensee shall, and shall cause any Sublicensee to, adhere to and enforce the prohibitions contained in this Section 10.3.

10.4 Licensee, at its sole cost and expense or through any Sublicensee, shall obtain, possess and display prominently at the Licensed Premises all approvals, permits, licenses, and certificates (including amendments thereto) that may be required for the operation and maintenance of the Licensed Premises in accordance with all applicable Federal, State, and City laws, rules and regulations. Licensee shall, and shall cause any Sublicensee to, operate and occupy the Licensed Premises in accordance with all applicable law and shall, at its sole cost and expense, obtain all approvals, licenses, permits and certificates (including amendments thereto) that may be required to operate the Licensed Premises in accordance with applicable law, including any necessary Certificate(s) of Occupancy. Licensee shall, and shall cause any Sublicensee to, at all times operate the Licensed Premises in accordance with the provisions of any required licenses or permits. In the event that, at the Commencement Date Licensee does not have a Certificate of Occupancy because one is not legally required, then Licensee shall, and shall cause any Sublicensee to, obtain a "Letter of No Objection" from the Department of Buildings ("DOB"). Furthermore, in the event that, at the Commencement Date, or at any time during the Term, the Licensee does not have a Certificate of Occupancy, where required; and does not have a "Letter of No Objection". Licensee may conduct its operations in temporary structures that have been approved by Parks. Licensee shall, and shall cause any Sublicensee to, obtain any necessary licenses and permits for such temporary structures before the commencement of operations hereunder.

10.5 Licensee warrants that all merchandise, food, beverages, and services of any kind sold or rented pursuant to this License shall be of a high quality. Licensee shall, and shall cause any Sublicensee to, operate in such a manner as to maintain a very high health inspection rating.

10.6 RESERVED.

10.7 An officer or member of the Licensee shall personally operate this License or employ an operations manager at the Licensed Premises. A member of the Licensee or manager must be

available by telephone during all hours of operation, and Licensee shall continuously notify the Commissioner and the Parks Enforcement Patrol Communications Division of a 24-hour pager or cellular telephone number through which Parks may contact the manager or officer in the event of an emergency. Licensee shall replace any manager, officer, employee, subcontractor or Sublicensee whenever reasonably requested by Commissioner.

10.8 Licensee shall, and shall cause any Sublicensee to, provide equipment which will provide security for all monies received. Licensee shall, and shall cause any Sublicensee to, provide for the transfer of all monies collected to the banking institution of Licensee or any Sublicensee, as applicable. Licensee shall, and shall cause any Sublicensee to, bear the loss of any lost, stolen, misappropriated or counterfeit monies derived from operations under this License.

10.9 Licensee shall, and shall cause any Sublicensee to, at its sole cost and expense, provide, hire, train, supervise and be responsible for the acts of all personnel necessary for the proper operation of this License, including but not limited to:

- (a) collecting and safeguarding all monies generated under this License;
- (b) maintaining the Licensed Premises; and
- (c) conducting and supervising all activities to be engaged in upon the Licensed Premises.

10.10 Licensee must, and shall require any Sublicensee to, provide Americans with Disabilities Act ("ADA") accessibility throughout the Licensed Premises. Licensee shall comply with all City, State and Federal laws relating to access for persons with disabilities. The Licensee shall, and shall cause any Sublicensee to, also comply with all New York City, State and Federal requirements to provide safe and accessible recreational opportunities for everyone, including persons with disabilities. Licensee is encouraged to exceed accessibility requirements whenever possible and not simply provide the minimum level required. Such accessibility shall be clearly indicated by signs and included in all advertising by Licensee. Licensee shall, and shall cause any Sublicensee to, include in its advertising and promotion program, described in Section 10.15 below, a plan which describes how it intends to make facilities and services available at the Licensed Premises readily accessible and useable by individuals with disabilities.

10.11 Pursuant to a plan approved by Parks, Licensee shall, at its sole cost and expense, be responsible for all security at the Licensed Premises during the Term and shall provide for a twenty-four hour per day security system, which might include a security camera, at the Licensed Premises in accordance with plans that have received the prior written approval of Parks which shall not be unreasonably withheld or delayed. Licensee shall secure the Licensed Premises and any equipment every evening before closing for the day during the Term.

10.12 Licensee shall prepare and provide to Parks operational status reports and reports of major accidents or unusual incidents occurring on the Licensed Premises, on a regular basis and in a format reasonably acceptable to the Commissioner. Licensee shall promptly notify Parks, in writing, of any claim for injury, death, property damage or theft which shall be asserted against Licensee or any Sublicensee with respect to the Licensed Premises. Licensee shall also

designate a person to handle all such claims, including all insured claims for loss or damage pertaining to the operations of the Licensed Premises, and Licensee shall notify Parks in writing as to said person's name and address.

10.13 Licensee shall promptly notify Commissioner of any unusual conditions that may develop in the course of the operation of this License such as, but not limited to, fire, flood, casualty and substantial damage of any character.

10.14 Licensee shall maintain close liaison with the Parks Enforcement Patrol and New York City Police Department. Licensee shall cooperate with all efforts to enforce Parks Rules and Regulations at the Licensed Premises and adjacent areas. Licensee shall use its best efforts to prevent illegal activity on the Licensed Premises and shall immediately report any illegal activity to the police upon becoming aware of same.

10.15 Licensee and any Sublicensee may establish an advertising and promotion program, subject to Parks prior written approval, which will not be unreasonably withheld or delayed. Licensee and any Sublicensee shall have the right to print or to arrange for the printing of programs or brochures containing any advertising matter except advertising matter which in the sole discretion of the Commissioner is indecent, in obvious bad taste, which demonstrates a lack of respect for public morals or conduct, or which adversely affects the reputation of the Licensed Premises, Parks, or the City of New York. Licensee and any Sublicensee may release news items to the media as it sees fit. If the Commissioner in his reasonable discretion, however, finds any advertising or other releases to be unacceptable, then Licensee shall, and shall cause any Sublicensee to, cease or alter such advertisements or releases as directed by the Commissioner. The Commissioner shall have prior reasonable approval as to design and distribution of all advertising and promotional materials.

10.16 The design, placement and content of all signage, including signage which includes Licensee's or any Sublicensee's name, trade name(s) and/or logo(s), is subject to Parks' prior written approval. Any and all signage is subject to Parks' prior written approval. All advertising utilized at the Licensed Premises is subject to Parks' prior written approval. Licensee shall, and shall cause any Sublicensee to, not advertise any product brands without Parks' prior written approval. Licensee is, and shall cause any Sublicensee to be, prohibited from displaying, placing or permitting the display or placement of advertisements in the Licensed Premises without the prior written approval of Parks. The display or placement of tobacco or electronic cigarette or non-tobacco smoking product advertising shall be prohibited. The advertising of alcoholic beverages shall not be permitted, but Licensee and any Sublicensee may display signage approved by Parks setting forth its offerings of alcoholic beverages. The following standards will apply to any allowed advertising: Any type of advertising which is false or misleading, which promotes unlawful or illegal goods, services or activities, or which is otherwise unlawful, including but not limited to advertising that constitutes the public display of offensive sexual material in violation of Penal Law Section 245.11, shall be prohibited. Licensee shall, and shall cause any Sublicensee to, immediately remove any prohibited material displayed or placed upon notice from Parks at Licensee's sole cost and expense.

10.17 Licensee shall, and shall cause any Sublicensee to, at its sole cost and expense, post throughout the Licensed Premises such signs as may be necessary to direct patrons to its services and facilities, subject to the prior written approval of Parks. Such signs shall include the necessary wording and arrows to direct patrons to Licensee's attendants. If Licensee or any Sublicensee contemplates placing any signs off-site, such as on nearby highways or streets, Licensee or any Sublicensee shall be responsible for obtaining any necessary approvals or permits from any governmental agency having jurisdiction over such highways, streets or locations. The design and content of all such signs, whether on or off Parks' property, are subject to Commissioner's prior written approval which shall not be unreasonably withheld or delayed.

10.18 Licensee shall, and shall cause any Sublicensee to, obtain the prior written approval of Parks prior to entering into any marketing or sponsorship agreement. In the event Licensee or Sublicensee breaches this provision, Licensee shall or shall cause its Sublicensee, as applicable, to take any action that the City may deem necessary to protect the City's interests.

10.19 Should Commissioner reasonably determine that Licensee or any Sublicensee is not operating the Licensed Premises in a satisfactory manner, Commissioner may in writing order Licensee to, or cause its Sublicensee to, improve operations or correct such conditions as Commissioner may deem unsatisfactory. In the event that Licensee fails to comply with such written notice or respond in a manner reasonably satisfactory to Commissioner within the reasonable timeframe set forth in said notice, subject to unavoidable delays beyond the reasonable control of Licensee, notwithstanding any other provisions herein, then Commissioner may terminate this License.

10.20 Should Commissioner, in Commissioner's sole judgment, determine that an unsafe or emergency condition exists on the Licensed Premises, after written notification, Licensee shall have 24 hours to correct such unsafe or emergency condition. During any period where the Commissioner determines that an unsafe or emergency condition exists on the Licensed Premises then the Commissioner may require a partial or complete suspension of operation in the area affected by the unsafe or emergency condition. If Licensee believes that such unsafe or emergency condition cannot be corrected within said period of time, the Licensee shall notify the Commissioner in writing and indicate the period within which such condition shall be corrected. Commissioner, in Commissioner's sole discretion, may then extend such period of time in order to permit Licensee to cure, under such terms and conditions as appropriate.

10.21 Licensee shall not, and shall cause any Sublicensee to not, use or permit the storage of any illuminating oils, oil lamps, turpentine, benzene, naphtha, or similar substances or explosives of any kind or any substances or items prohibited in the standard policies of insurance companies in the State of New York.

10.22 Licensee shall, and shall cause any Sublicensee, operate the Licensed Premises in accordance with all applicable FDNY Codes.

10.23 Parks' inspectors shall visit the Licensed Premises unannounced to inspect operations, ensure proper maintenance of the Licensed Premises and determine whether or not Licensee is in compliance with the terms of this License Agreement. Based on their inspections, should

Licensee or any Sublicensee fail to provide the cleaning, maintenance, and operational services required by this License, Parks shall notify Licensee in writing, and Licensee shall be required to correct or cause to be corrected such shortcomings within the time frame set forth in such notice. If Licensee fails to cure the violation within the time frame set forth in the notice, Parks may, at its option, in addition to any other remedies available to it, assess Licensee as liquidated damages payable to Parks Five Hundred (\$500.00) Dollars per day with respect to each violation of the License, until the shortcomings have been corrected.

If an assessment is received for a violation, there is a process by which the assessment may be appealed if Licensee feels that the assessment has been assessed in error. The procedure is outlined below:

1. Filing an Appeal

- A. If Licensee wishes to appeal the assessment, a notice of appeal must be delivered to Parks within ten (10) days along with a statement of reasons why it believes the assessment was erroneous. The statement of reasons must be notarized. Any evidence supporting Licensee's appeal (such as photographs, documents, witness statements, etc.) should also be included.
- B. If no appeal is received within 10 days of the date the assessment is mailed, the assessment shall be considered final and charged to Licensee's account.

2. Adjudication of Appeal

- A. The appeal shall be sent to the Director of Operations Management & Planning, whose office is located at the Arsenal, 830 Fifth Avenue, New York, NY 10065. The Commissioner has designated the Director of Operations Management & Planning to decide on the merits of these appeals. The decision of the Director of Operations Management & Planning shall constitute the final decision of Parks.
- B. The Director of Operations Management & Planning is authorized to investigate the merits of the appeal, but is not required to hold a hearing or to speak to Licensee in person.

10.24 Parks does not guarantee that illegal vendors, persons unauthorized by Parks or disabled veteran vendors will not compete with Licensee or operate near the Licensed Premises. Parks encourages licensees to report illegal vendors by calling 311.

10.25 Parks makes no representations that there is adequate storage at the Licensed Premises. Licensee, at its sole expense or through any Sublicensee, will be responsible for the storage of all equipment and personal property. Licensee shall be responsible for, at its sole cost and expense, obtaining any additional storage space required for the operation of the concession granted hereby. Licensee shall not, and shall cause any Sublicensee to not, store any equipment or

supplies at the Licensed Premises without the prior written approval of Parks. No item shall be placed upon any public space, including the ground adjacent to the Licensed Premises without Parks' prior written approval which shall not be unreasonably withheld or delayed. Licensee will be required to secure all outdoor equipment, if any, on a nightly basis and anytime the concession granted hereby is closed.

10.26 Intentionally omitted.

10.27 Licensee shall, and shall cause any Sublicensee to, have a sufficient number of staff available at the Licensed Premises during regular operating hours to ensure proper operation of the concessions granted hereby. Parks reserves the right to require that all staff wear uniforms that have been approved in writing by Parks which shall not be unreasonably withheld or delayed.

10.28 Licensee shall, and shall cause any Sublicensee to, comply with all laws, rules and regulations of appropriate agencies, specifically DEP, regarding noise levels, and Licensee shall be responsible for payment of any and all fees or royalties to the American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music, Inc. (BMI), or such other entity as they may require for music or music programming. Licensee and any Sublicensee may operate and play sound equipment and music only at a sound level reasonably acceptable to the Commissioner. Any musical programming or other types of entertainment must be approved by Parks which shall not be unreasonably withheld or delayed. A cabaret license will be strictly prohibited at the Licensed Premises.

10.29 Licensee shall, and shall cause any Sublicensee to, comply with the Earned Sick Time Act, also known as the Paid Sick Leave Law, as a licensee of the City of New York as set forth in the Paid Sick Leave Law Concession Rider annexed hereto as Exhibit D.

XI. MAINTENANCE, SANITATION AND REPAIRS

11.1 Licensee shall, in addition to any obligation in the M&O Agreement, at its sole cost and expense (or through arrangements with third parties), operate and maintain the Premises in good and safe condition and in accordance with industry standards during the Term. This includes, but is not limited to, the maintenance of and the making of all necessary repairs to the Premises, all interior and exterior structures, building systems, utility systems and connections, sewer systems and connections, restrooms (including the stocking of supplies), equipment, lighting, sidewalks, paved areas, vaults, gutters, curbs, and fixtures during the Term. In addition, all signs and structures at the Kiosk at the Premises must be kept in good condition and free of graffiti.

11.2 During the Term, Licensee shall perform its maintenance duties under this License Agreement to the reasonable satisfaction of Commissioner. All such maintenance shall be performed by Licensee in a good and worker-like manner."

11.3 At Parks' request during the Term, upon reasonable prior written notice Licensee shall conduct site inspections at the Licensed Premises with a representative of Parks. Such inspections shall assess the condition of the Licensed Premises and all Fixed and Additional Fixed Equipment therein, and determine the nature and extent of repairs, if any, to be performed

by Licensee. Licensee shall make all necessary repairs in accordance with Section 11.1 during the Term.

11.4 During the Term, Licensee shall be responsible for, at its sole cost and expense, clean-up of all waste, garbage, refuse, rubbish and litter at the Licensed Premises and the removal of all snow from the Licensed Premises. Licensee shall provide adequate and easily accessible waste and recycling receptacles, approved by Parks. After collection by Licensee, Parks will remove all waste, garbage, refuse, rubbish and litter from the Licensed Premises in accordance with a schedule to be agreed between Licensee and Parks. The location and placement of all waste and recycling receptacles is subject to Parks' prior written approval which shall not be unreasonably withheld or delayed. Licensee shall comply with all City, State, and Federal regulations regarding recycling. In addition, Licensee shall demonstrate to Parks' reasonable satisfaction, through a detailed maintenance plan, that it will keep and maintain the Licensed Premises in excellent condition during the Term.

11.5 During the Term Licensee shall maintain and improve the landscaping at the Licensed Premises. This shall include, but is not limited to, performing any seeding, trimming, pruning, planting, fertilization, terrain shaping, and soil improvements. In addition, Parks requires that any trees on the Licensed Premises be pruned as needed. Licensee shall submit detailed plans to Parks of all horticultural and landscaping work to be performed. All work to be performed at the Licensed Premises is subject to Parks' prior written approval which shall not be unreasonably withheld or delayed. In addition, Licensee shall obtain all necessary permits, approvals, and authorizations from all City, State, and Federal agencies having jurisdiction over the Licensed Premises before any work is performed, and such work shall be of a quality which meets Parks' standards. Licensee is prohibited from cutting down, pruning or removing any trees on the Licensed Premises without the prior written approval of Parks. Any attachments to the trees, such as lights, will not be permitted.

11.6 At the expiration or sooner termination of this License, Licensee shall turn over the Licensed Premises and the Fixed and Additional Fixed Equipment to Parks in a reasonably well maintained state, in good repair, ordinary wear and tear excepted.

11.7 With respect to the activities set forth in Section 1.1(a)(1)(i-iv), at its sole cost and expense, Licensee shall, or shall cause Sublicensee to, keep all signs and structures in good condition and shall remove any and all graffiti that may appear on the buildings and structures during the Term hereof. Such graffiti removal shall be commenced promptly after the appearance of any such graffiti and shall continue until such graffiti is removed.

11.8 Licensee shall conduct regular pest control inspections and extermination, as needed. Pest control methods chosen by Licensee shall be subject to the approval of Parks. To the extent Licensee applies pesticides to the Licensed Premises, Licensee, or any subcontractor hired by Licensee, shall comply with Chapter 12 of Title 17 of the New York City Administrative Code and limit the environmental impact of its pesticide use.

11.9 For any vehicle fuel dispensing tanks or underground heating oil storage tanks over 1,100 gallon capacity, Licensee shall, and shall cause any Sublicensee to, maintain up-to-date Petroleum Bulk Storage ("PBS") registrations with State Department of Environmental

Conservation (“DEC”) and register such tanks with the DEP. Licensee shall, and shall cause any Sublicensee to, assume all registration and update costs. Licensee shall, and shall cause any Sublicensee to, keep a copy of the PBS Certificate on site and provide copies to Parks 5-Boro Office on Randalls Island, New York. Licensee shall, and shall cause any Sublicensee to, perform or have performed a tightness test conducted at least once every five years, to comply with Parks monitoring leak detection checklists for the tank(s) and all other legal requirements. Any changes, removals or additions of tanks must be pre-approved by Parks which shall not be unreasonably withheld or delayed.

XII. APPROVALS

12.1 Licensee is solely responsible for obtaining all government approvals, permits and licenses required by Federal, State and City laws, regulations, rules and orders to fulfill this License. Parks shall provide Licensee with reasonable cooperation in obtaining the necessary approvals, permits, and licenses and shall not unreasonably withhold or delay its consent to signing, where its signature is needed, any accurate application made by Licensee required to obtain such approvals, permits and licenses.

12.2 Whenever any act, consent, approval or permission is required of the City, Parks or the Commissioner under this License, the same shall be valid only if it is, in each instance, in writing and signed by Commissioner or his duly authorized representative. No variance, alteration, amendment, or modification of this instrument shall be valid or binding upon the City, Parks, the Commissioner or their agents, unless the same is, in each instance, in writing and duly signed by the Commissioner or his duly authorized representative.

XIII. PARKS EVENTS

13.1 (a) Licensee shall, and shall require that each Sublicensee, cooperate with Parks in connection with unanticipated events and emergencies at the Licensed Premises.

(b) (i) In addition to the services to be performed by Licensee described in this License Agreement, Parks may provide, or provide permits for, additional program activities on the Licensed Premises, including other non-profit or public events (“Parks’ Events”).

(ii) Parks agrees that it will not schedule an event or program activity at any time during the occurrence of an event previously scheduled by the Licensee and approved by Parks.

(iii) Parks shall consult with the Licensee prior to issuing permits for or scheduling or approving additional program activities or organized events. Parks shall use reasonable efforts to provide the Licensee with no less than thirty (30) (or lesser period as shall be acceptable by the Licensee) days prior written notice of any such proposed program activities.

(iv) Parks will use reasonable efforts to ensure that the parties authorized by it to conduct Parks’ Events will be responsible for maintenance and clean-up associated with any such Parks’ Event.

(v) Such events shall not be defined as Third-Party Events under this agreement.

XIV. PROHIBITION AGAINST TRANSFER; ASSIGNMENTS AND SUBLICENSES

14.1 Subject to the terms of this Article 14, Licensee shall not sell, transfer, assign, sublicense or encumber in any way this License, ten percent (10%) or more of the shares of or interest in Licensee, or any equipment furnished as provided herein, or any interest therein, or consent, allow or permit any other person or party to use any part of the Licensed Premises, buildings, space or facilities covered by this License, nor shall this License be transferred by operation of law, unless approved in advance in writing by Commissioner, it being the purpose of this License Agreement to grant this License solely to Licensee herein named.

Should Licensee choose to assign or sublicense the management and operation of any element of the Licensed Premises to another party, Licensee shall seek the approval of the Commissioner by submitting a written request including proposed assignment documents as provided herein which approval shall not be unreasonably withheld or delayed. The Commissioner may request any additional information he deems reasonably necessary and Licensee shall promptly comply with such requests.

The term "assignment" shall be deemed to include any direct or indirect assignment, sublet, sale, pledge, mortgage, transfer of or change in more than ten percent (10%) in stock or voting control of or interest in Licensee, including any transfer by operation of law. No sale or transfer of the stock of or interest in Licensee or its nominee may be made under any circumstance if such sale or transfer will result in a change of control of Licensee violative of the intent of this Section 14.

14.2 No assignment or other transfer of any interest in this License Agreement shall be permitted which, alone or in combination with other prior or simultaneous transfers or assignments, would have the effect of changing the ownership or control, whether direct or indirect, of more than ten percent of stock or voting control of Licensee in the Licensed Premises without the prior written consent of Commissioner, which shall not be unreasonably withheld. Licensee shall present to Commissioner the assignment or sublicense agreement for approval, together with any and all information as may be required by the City for such approval, including a statement prepared by a certified public accountant indicating that the proposed assignee or Sublicensee has a financial net worth acceptable to the Commissioner together with a certification that it shall provide management control acceptable to the Commissioner for the management and operation of the Licensed Premises. The constraints contained herein are intended to assure the City that the Licensed Premises are operated by persons, firms and corporations, which are experienced and reputable operators and are not intended to diminish Licensee's interest in the Licensed Premises.

14.3 No consent to or approval of any assignment or sublicense granted pursuant to this Section 14 shall constitute consent to or approval of any subsequent assignment or sublicense. Failure to comply with this provision shall cause the immediate termination of this License.

XV. PARKS CONSTRUCTION

15.1 Parks reserves the right to perform safety, maintenance or construction work deemed necessary by Commissioner in the Commissioner's sole discretion at or throughout the Licensed Premises at any time during the Term. Licensee shall, and shall cause any Sublicensee to, cooperate with Parks to accommodate any such work by Parks and provide public and construction access through the Licensed Premises as deemed necessary by the Commissioner. Parks shall use its reasonable efforts to give Licensee at least one week's notice of any such work and not to interfere substantially with Licensee's operations or use of the Licensed Premises. Parks may temporarily close a part or all of the Licensed Premises for a Parks purpose as determined by the Commissioner. In the event that Licensee must close the Licensed Premises for the purposes provided for in this License because of such Parks' work, then Licensee may propose and submit for the Commissioner's approval a plan to equitably address the impact of the closure, including but not limited to a suspension of all financial obligations of this License. Licensee shall, and shall cause Sublicensee to, be responsible for security of all Licensee's property or Sublicensee's property, as applicable on the Licensed Premises at all times. Parks shall be solely responsible for claims, damages, or injury resulting from its work hereunder, except to the extent such claims, damages and injury are caused by the negligence or willful misconduct of Licensee or any Sublicensee.

XVI. COMPLIANCE WITH LAWS

16.1 Licensee shall comply and cause its employees and agents and Sublicensees to comply with all laws, rules, regulations and orders now or hereafter prescribed by Commissioner, and to comply with all laws, rules, regulations and orders of any City, State or Federal agency or governmental entity having jurisdiction over operations of the License and the Licensed Premises and/or Licensee's use and occupation thereof.

16.2 Licensee shall not use or allow the Licensed Premises, or any portion thereof to be used or occupied for any unlawful purpose or in any manner violative of a certificate pertaining to occupancy or use during the Term of this License.

XVII. NON-DISCRIMINATION

17.1 Licensee or any Sublicensee shall not unlawfully discriminate against any employee, applicant for employment or patron because of race, creed, color, national origin, age, sex, handicap, marital status, or sexual orientation.

17.2 All advertising for employment shall indicate that Licensee and any Sublicensee is an Equal Opportunity Employer.

XVIII. NO WAIVER OF RIGHTS

18.0 No acceptance by Commissioner of any compensation, fees, penalty sums, charges or other payments in whole or in part for any periods after a default of any terms and conditions herein shall be deemed a waiver of any right on the part of Commissioner to terminate this License. No waiver by Commissioner of any default on the part of Licensee in performance of

any of the terms and conditions herein shall be construed to be a waiver of any other or subsequent default in the performance of any of the said terms and conditions.

**XIX. RESPONSIBILITY FOR SAFETY, INJURIES OR DAMAGE, AND
INDEMNIFICATION**

19.0 Notwithstanding the indemnification provision of the M&O Agreement, Licensee shall indemnify the City in accordance with this Section 19 as follows:

19.1 A. Licensee shall be solely responsible for the safety and protection of its employees, agents, servants, Sublicensees, contractors, and subcontractors, and for the safety and protection of the employees, agents, or servants of its Sublicensees, contractors or subcontractors.

B. Licensee shall be solely responsible for taking all reasonable precautions to protect the persons and property of the City or others from damage, loss or injury resulting from any and all operations under this License.

C. Licensee shall be solely responsible for injuries to any and all persons, including death, and damage to any and all property arising out of or related to the operations under this License, whether or not due to the negligence of the Licensee, including but not limited to injuries or damages resulting from the acts or omissions of any of its employees, agents, servants, Sublicensees, contractors, subcontractors, or any other person.

D. Licensee shall use the Licensed Premises in compliance with, and shall not cause or permit the Licensed Premises to be used in violation of, any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of the courts, permits or permit conditions, currently existing or as amended or adapted in the future which are or become applicable to Licensee or the Licensed Premises (collectively “Environmental Laws”). Except as may be agreed by the City as part of this License, Licensee shall not cause or permit, or allow any of Licensee’s personnel to cause or permit, any Hazardous Materials to be brought upon, stored, used generated, treated or disposed of on the Licensed Premises. As used herein, “Hazardous Materials” means any chemical, substance or material which is now or becomes in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, its properties or effects.

19.2 A. To the fullest extent permitted by law, Licensee shall indemnify, defend and hold the City and its officials and employees (an “Indemnified Party”) harmless against any and all claims and demands of third parties for injury, including death, or property damage arising out of operations under this License Agreement (“Claims”), and all liens, judgments, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature (including, without limitation, reasonable attorneys’ fees and disbursements) arising from any Claims (together with Claims, “Liabilities”), arising out of or related to any of the operations under this License (regardless of whether or not Licensee itself has been negligent) and/or Licensee’s or Sublicensee’s or any of their respective employees, agents, servants, contractors or subcontractor’s failure to comply with the law or any of the requirements of this License. Insofar as the facts or law relating to any of the foregoing would preclude an Indemnified Party

from being completely indemnified by Licensee, the Indemnified Party shall be partially indemnified by Licensee to the fullest extent permitted by law.

B. Licensee shall include the following indemnification (or a substantially comparable provision) in each Sublicense Agreement entered into during the Term of this Agreement:

To the fullest extent permitted by law, Sublicensee shall indemnify, defend and hold the City and its officials and employees (an "Indemnified Party") harmless against any and all claims and demands of third parties for injury (including death) or property damage arising out of operations under this Sublicense ("Claims"), and all liens, judgments, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature (including, without limitation, reasonable attorneys' fees and disbursements) arising from any Claims (together with Claims, "Liabilities"), arising out of or related to any of the operations under this Sublicense (regardless of whether or not the Sublicensee itself has been negligent) and/or Sublicensee's, or any of its employees, agents, servants, contractors or subcontractors, failure to comply with the law or any of the requirements of this Sublicense, regardless of whether any of the foregoing have been negligent. Insofar as the facts or law relating to any of the foregoing would preclude the Indemnified Party from being completely indemnified, the Indemnified Party shall be partially indemnified by Sublicensee to the fullest extent permitted by law.

To the extent Liabilities arise from the following, they shall be excluded from Sublicensee's indemnification and defense obligations under this paragraph: (i) any construction performed by Parks or Parks' contractors, (ii) any Parks' Special Event, or (iii) the negligence or willful misconduct of the City or any of its officials, employees, contractors or agents (except for any negligence imputed to the City or any of its officials, employees, contractors, or agents arising from the negligence by Licensee or any Sublicensee in the performance of its maintenance obligations under this Agreement).

C. To the fullest extent permitted by law, the Licensee shall defend, indemnify, and hold harmless the Indemnified Parties against any and all Claims and Liabilities that the Indemnified Parties may be subject to or which they may suffer or incur allegedly arising out of any infringement, violation, or unauthorized use of any copyright, trade secret, trademark or patent or any other property or personal right of any third party by the Licensee, any Sublicensee or any of their respective employees, agents, servants, contractors or subcontractors in the operations under this License including any such infringement, violation, or unauthorized use arising while Licensee is in compliance with the License. Insofar as the facts or law relating to any of the foregoing would preclude an Indemnified Party from being completely indemnified by the Licensee, the Indemnified Party shall be partially indemnified by the Licensee to the fullest extent permitted by law.

D. Licensee's obligation to defend, indemnify and hold an Indemnified Party harmless shall not be (i) limited in any way by Licensee's obligations to obtain and maintain insurance under this Licensee, nor (ii) adversely affected by any failure on the part of an Indemnified Party to avail themselves of the benefits of such insurance.

XX. INSURANCE

20.1 A. Throughout the Term, Licensee shall, or shall cause its Sublicensees to, maintain insurance that adheres to requirements of this Section XIX. Licensee shall ensure that the types of insurance indicated in this Article are obtained and remain in force covering Licensed Premises, and that such insurance adheres to all requirements herein. The City may require higher liability limits or other types of insurance if, in the reasonable opinion of Commissioner, Licensee's operations warrant it.

B. Licensee is authorized to undertake or maintain operations under this License only during the effective period of all required coverage.

20.2 A. The Licensee shall maintain Commercial General Liability insurance in the amount of at least One Million Dollars (\$1,000,000) per occurrence for bodily injury (including death) and property damage and One Million Dollars (\$1,000,000) for personal and advertising injury. In the event such insurance contains an aggregate limit, the aggregate shall apply on a per-location basis applicable to the Licensed Premises and such per-location aggregate shall be at least Two Million Dollars (\$2,000,000). This insurance shall protect the insureds from claims that may arise from any of the operations under this License. Coverage shall be at least as broad as that provided by the most recently issued Insurance Services Office ("ISO") Form CG 00 01, shall contain no exclusions other than as required by law or as approved by the Commissioner, and shall be "occurrence" based rather than "claims-made."

B. Such Commercial General Liability insurance shall name the City, together with its officials and employees, as an Additional Insured for claims that may arise from any of the operations under this License. Coverage shall be at least as broad as the most recent edition of ISO Form CG 20 26 and, if provided by the Sublicensee, shall be a scheduled endorsement.

C. If Licensee or a Sublicensee of Licensee or a contractor of either serves alcoholic beverages anywhere on the Licensed Premises, Licensee shall carry or cause to be carried liquor law liability insurance not less than One Million Dollars (\$1,000,000) per occurrence, and name the City together with its officials and employees, as additional insureds. Such insurance shall be effective prior to the commencement of any such operations and continue throughout such operations. At his sole discretion, the Commissioner may increase or decrease the limit(s) if the Commissioner believes that the nature of such operations merits an increase or decrease.

20.3 Licensee shall maintain Workers' Compensation insurance, Employers Liability insurance, and Disability Benefits insurance on behalf of, or with regard to, all employees involved in the Licensee's operations under this License, and such insurance shall comply with the laws of the State of New York.

20.4 A. With regard to all operations under this License, Licensee shall maintain or cause to be maintained Commercial Automobile Liability insurance in the amount of at least One Million Dollars (\$1,000,000) each accident (combined single limit) for liability arising out of the ownership, maintenance or use of any owned, non-owned or hired vehicles. Coverage shall be at least as broad as the latest edition of ISO Form CA0001.

B. If vehicles are used for transporting hazardous materials, such Commercial Automobile Liability insurance shall be endorsed to provide pollution liability broadened coverage for covered vehicles (endorsement CA 99 48) as well as proof of MCS-90.

20.5 A. Licensee shall maintain comprehensive broad form property insurance (such as an "All Risk" policy) covering the Kiosk. Such insurance shall provide full Replacement Cost coverage for the Kiosk (without depreciation or obsolescence clause) at a value reasonably determined by Parks and include, without limitation, coverage for loss or damage by acts of terrorism, water (other than flood-related), subsidence and earthquake. Such insurance shall be "occurrence" (rather than "claims-made") based and shall designate the Licensee as Named Insured and the City as Additional Insured and Loss Payee as its interests may appear.

B. This section does not require coverage for damage caused by flooding.

C. The limit of such property insurance shall be no less than the full Replacement Cost of the Kiosk, including, without limitation, the costs of post-casualty debris removal and soft costs, to the extent that such costs can be covered by an "all risk" or "special perils form" insurance policy. If such insurance contains an aggregate limit, it shall apply separately to the Kiosk.

D. In the event of any loss to any of the Kiosk, Licensee shall provide the insurance company that issued such property insurance with prompt, complete and timely notice, and simultaneously provide the Commissioner with a copy of such notice. Licensee shall also (i) take all appropriate actions in a timely manner to adjust such claim on terms that provide the City with the maximum possible payment for the loss, and (ii) either provide the City with the opportunity to participate in any negotiations with the insurer regarding adjustments for claims or, at the Commissioner's discretion, allow the City itself to adjust such claim.

20.6 Licensee represents and warrants that its operations at the Licensed Premises will not involve petroleum products (other than to operate vehicles in connection with Licensee's use of the Property), asbestos, lead, pcb's or any other hazardous materials.

20.7 A. Policies of insurance required under this Article shall be provided by companies that may lawfully issue such policy and have an A.M. Best rating of at least A- / "VII" or a Standard and Poor's rating of at least A, unless prior written approval is obtained from the Commissioner.

B. Policies of insurance required under this Article shall be primary and non-contributing to any insurance or self-insurance maintained by the City.

C. Whenever this article requires that insurance coverage be "at least as broad" as a specified form (including all ISO forms), there is no obligation that the form itself be used, provided that Licensee can demonstrate that the alternative form or endorsement contained in its policy provides coverage at least as broad as the specified form.

D. There shall be no self-insurance program or self-insured retention with regard to any insurance required under this Article unless approved in writing by the Commissioner. Under no circumstances shall the City be responsible for the payment of any self-insured retention (or any other aspect of a self-insurance program). Further, Licensee shall ensure that any such self-insurance program provides the City with all rights that would be provided by traditional insurance under this Article, including but not limited to the defense and indemnification obligations that insurers are required to undertake in liability policies.

E. The City's limits of coverage for all types of insurance required under this Article shall be the greater of (i) the minimum limits set forth in this Article or (ii) the limits provided to Licensee under all primary, excess and umbrella policies covering operations under this License Agreement.

G. All required policies, except Workers' Compensation, Employers Liability, and Disability Benefits, shall include a waiver of the right of subrogation with respect to all insureds and loss payees named therein.

20.8 A. Certificates of Insurance for all insurance required in this Article must be submitted to and accepted by the Commissioner prior to execution of this License Agreement.

B. For Workers' Compensation, Employers Liability Insurance, and Disability Benefits insurance policies, Licensee shall submit one of the following:

1. C-105.2 Certificate of Worker's Compensation Insurance;
2. U-26.3 -- State Insurance Fund Certificate of Workers' Compensation Insurance;
3. Request for WC/DB Exemption (Form CE-200);
4. Equivalent or successor forms used by the New York State Workers' Compensation Board; or
5. Other proof of insurance in a form acceptable to the City. ACORD forms are not acceptable proof of workers' compensation coverage.

C. For all insurance required under this Article other than Workers Compensation, Employers Liability, and Disability Benefits insurance, Licensee shall submit one or more Certificates of Insurance in a form acceptable to the Commissioner. All such Certificates of Insurance shall (a) certify the issuance and effectiveness of such policies of insurance, each with the specified minimum limits; and (b) be accompanied by the provision(s) or endorsement(s) in the Licensee's policy/ies (including its general liability policy) by which the City has been made an additional insured or loss payee, as required herein. All such Certificates of Insurance shall be accompanied by either a duly executed "Certification by Insurance Broker or Agent" in the form annexed hereto as Exhibit E or as otherwise required by the Commissioner or certified copies of all policies referenced in such Certificate of Insurance.

D. Certificates of Insurance confirming renewals of insurance shall be submitted to the Commissioner prior to the expiration date of coverage of all policies required under this Concession. Such Certificates of Insurance shall comply with subsections (B) and (C) directly above.

E. Acceptance or approval by the Commissioner of a Certificate of Insurance or any other matter does not waive Licensee's obligation to ensure that insurance fully consistent with the requirements of this Article is secured and maintained, nor does it waive Licensee's liability for its failure to do so.

F. Licensee shall be obligated to provide the City with a copy of any policy of insurance required under this Article upon request by the Commissioner or the New York City Law Department.

20.9 A. Licensee may satisfy its insurance obligations under this Article through primary policies or a combination of primary and excess/umbrella policies, so long as all policies provide the scope of coverage required herein.

B. Licensee shall require its construction contractors that perform construction on the Licensed Premises to maintain Commercial General Liability Insurance in accordance with Section 20.2, and such insurance shall include the City, including its officials and employees, as an additional insured with coverage at least as broad as ISO Forms CG 20 26 and CG 20 37. In the event Licensee requires any other entity, by contract or otherwise, to procure insurance with regard to any operations under this License Agreement and requires such entity to name Licensee as an Additional Insured under such insurance, the Licensee shall ensure that such entity also name the City, including its officials and employees, as an Additional Insured (with coverage for Commercial General Liability insurance at least as broad as ISO Form CG 20 26).

C. Licensee shall be solely responsible for the payment of all premiums for all policies and all deductibles or self-insured retentions to which they are subject, whether or not the City is an insured under the policy.

D. Where notice of loss, damage, occurrence, accident, claim or suit is required under a policy maintained in accordance with this Article, Licensee shall notify in writing all insurance carriers that issued potentially responsive policies of any such event relating to any operations under this License Agreement (including notice to Commercial General Liability insurance carriers for events relating to Licensee's own employees) no later than 20 days after such event. For any policy where the City is an Additional Insured, such notice shall expressly specify that "this notice is being given on behalf of the City of New York as Insured, together with its officials and employees, as well as the Named Insured." Such notice shall also contain the following information: the number of the insurance policy, the name of the named insured, the date and location of the damage, occurrence, or accident, and the identity of the persons or things injured, damaged or lost. Licensee shall simultaneously send a copy of such notice to the City of New York c/o Insurance Claims Specialist, Affirmative Litigation Division, New York City Law Department, 100 Church Street, New York, New York 10007.

E. Licensee's failure to secure and maintain insurance in conformity with this Article, or to give the insurance carrier timely notice on behalf of the City, or to do anything else required by this Article shall constitute a material breach of this License Agreement. Such breach shall not be waived or otherwise excused by any action or inaction by the City at any time.

F. Insurance coverage in the minimum amounts provided for in this Article shall not relieve the Licensee of any liability under this License Agreement, nor shall it preclude the City from exercising any rights or taking such other actions as are available to it under any other provisions of this License Agreement or the law.

G. In the event of any loss, accident, claim, action, or other event that does or can give rise to a claim under any insurance policy required under this Article, Licensee shall at all times fully cooperate with the City with regard to such potential or actual claim.

H. Apart from damages or losses covered by Workers' Compensation Insurance, Employers Liability Insurance, Disability Benefits Insurance, or Commercial Automobile insurance, Licensee waives all rights against the City, including its officials and employees, for any damages or losses that are covered under any insurance required under this Article (whether or not such insurance is actually procured or claims are paid thereunder) or any other insurance applicable to the operations of Licensee and/or its employees, agents, or servants of its contractors or subcontractors.

I. In the event Licensee receives notice, from an insurance company or other person, that any insurance policy required under this Article shall expire or be cancelled or terminated (or has expired or been cancelled or terminated) for any reason, Licensee shall immediately forward a copy of such notice to both the Commissioner, City of New York Department of Parks and Recreation, The Arsenal, 830 Fifth Avenue, New York, NY 10065 and the New York City Comptroller, attn: Office of Contract Administration, Municipal Building, One Centre Street, room 1005, New York, New York 10007. Notwithstanding the foregoing, Licensee shall ensure that there is no interruption in any of the insurance coverage required under this Article.

XXI. WAIVER OF COMPENSATION

21.1 Licensee hereby expressly waives any and all claims for compensation for any and all loss or damage sustained by reason of any defects, including, but not limited to, deficiency or impairment of the water supply system, gas mains, electrical apparatus or wires furnished for the Licensed Premises, or by reason of any loss of any gas supply, water supply, heat or current which may occur from time to time, or for any loss resulting from fire, water, windstorm, tornado, explosion, civil commotion, strike or riot, and Licensee hereby expressly releases and discharges Commissioner, his agents, and City from any and all demands, claims, actions, and causes of action arising from any of the causes aforesaid.

21.2 Licensee further expressly waives any and all claims for compensation, loss of profit, or refund of its investment, if any, or any other payment whatsoever, in the event this License is terminated by Commissioner sooner than the fixed term because the Licensed Premises are required for any park or other public purpose, or because the License was terminated or revoked for any reason as provided herein.

XXII. INVESTIGATIONS

22.1 (a) The parties to this License shall cooperate fully and faithfully with any investigation, audit or inquiry conducted by a State of New York (hereinafter "State") or City governmental agency or authority that is empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath, or conducted by the Inspector General of a governmental agency that is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license that is the subject of the investigation, audit or inquiry.

(b) (i) If any person who has been advised that his or her statement, and any information from such statement, will not be used against him or her in any subsequent criminal proceeding refuses to testify before a grand jury or other governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath concerning the award of or performance under any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision or public authority thereof, or the Port Authority of New York and New Jersey, or any local development corporation within the City, or any public benefit corporation organized under the laws of the State of New York; or

(ii) If any person refuses to testify for a reason other than the assertion of his or her privilege against self incrimination in an investigation, audit or inquiry conducted by a City or State governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to take testimony concerning the award of, or performance under, any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision thereof or any local development corporation within the City, then

(A) The Commissioner or agency head whose agency is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license shall convene a hearing, upon not less than five days written notice to the parties involved to determine if any penalties should attach for the failure of any person to testify.

(B) If any non-governmental party to the hearing requests an adjournment, the Commissioner or agency head who convened the hearing may, upon granting the adjournment, suspend any contract, lease, permit, or license pending the final determination pursuant to Section 22 (d) below without the City incurring any penalty or damages for delay or otherwise.

(c) The penalties which may attach after a final determination by the Commissioner or agency head may include but shall not exceed:

(i) The disqualification for a period not to exceed five years from the date of an adverse determination of any person or entity of which such person was a member at the time the testimony was sought, from submitting bids for, or transacting business with, or entering into or obtaining any contract, lease, permit or license with or from the City; and/or

(ii) The cancellation or termination of any and all existing City contracts, leases, permits, or licenses that the refusal to testify concerns and that have not been assigned as permitted under this license, nor the proceeds of which pledged, to an unaffiliated and unrelated institutional lender for fair value prior to the issuance of the notice scheduling the hearing, without the City incurring any penalty or damages on account of such cancellation or termination; monies lawfully due for goods delivered, work done, rentals, or fees accrued prior to the cancellation or termination shall be paid by the City.

(d) The Commissioner or agency head shall consider and address in reaching his or her determination and in assessing an appropriate penalty the factors in Section 22(d) (i) and (ii) below. He or she may also consider, if relevant and appropriate, the criteria established in Sections 22(d) (iii) and (iv) below in addition to any other information which may be relevant and appropriate.

(i) The party's good faith endeavors or lack thereof to cooperate fully and faithfully with any governmental investigation or audit, including but not limited to the discipline, discharge, or disassociation of any person failing to testify, the production of accurate and complete books and records, and the forthcoming testimony of all other members, agents, assignees or fiduciaries whose testimony is sought.

(ii) The relationship of the person who refused to testify to any entity that is a party to the hearing, including, but not limited to, whether the person whose testimony is sought has an ownership interest in the entity and/or the degree of authority and responsibility the person has within the entity.

(iii) The nexus of the testimony sought to the subject entity and its contracts, leases, permits or licenses with the City.

(iv) The effect a penalty may have on an unaffiliated and unrelated party or entity that has a significant interest in an entity subject to penalties under (c) above, provided that the party or entity has given actual notice to the Commissioner or agency head upon the acquisition of the interest, or at the hearing called for in (b) (ii)(A) above gives notice and proves that such interest was previously acquired. Under either circumstance the party or entity must present evidence at the hearing demonstrating the potentially adverse impact a penalty will have on such person or entity.

(e) (i) The term "license" or "permit" as used herein shall be defined as a license, permit, franchise or concession not granted as a matter of right.

(ii) The term "person" as used herein shall be defined as any natural person doing business alone or associated with another person or entity as a partner, director, officer, principal or employee.

(iii) The term "entity" as used herein shall be defined as any firm, partnership, corporation, association, or person that receives monies, benefits, licenses, leases, or permits from or through the City or otherwise transacts business with the City.

(iv) The term "member" as used herein shall be defined as any person associated with another person or entity as a partner, director, officer, principal or employee.

(f) In addition to and notwithstanding any other provision of this License the Commissioner or agency head may in his or her sole discretion terminate this License Agreement upon not less than three days written notice in the event Licensee fails to promptly report in writing to the Commissioner of Investigation of the City of New York any solicitation of money goods requests for future employment or other benefit or thing of value, by or on behalf of any employee of the City or other person, firm, corporation or entity for any purpose which may be related to the procurement or obtaining of this agreement by the Licensee, or affecting the performance or this License Agreement.

XXIII. CHOICE OF LAW, CONSENT TO JURISDICTION AND VENUE

23.1 This License Agreement shall be deemed to be executed in the City of New York, State of New York, regardless of the domicile of the Licensee, and shall be governed by and construed in accordance with the laws of the State of New York.

23.2 Any and all claims asserted by or against the City arising under this License or related thereto shall be heard and determined either in the courts of the United States located in New York City ("Federal Courts") or in the courts of the State of New York ("New York State Courts") located in the City and County of New York. To effect this License Agreement and its intent, Licensee agrees:

(a) If the City initiates any action against the Licensee in Federal Court or in New York State Court, service of process may be made on the Licensee either in person, wherever such Licensee may be found, or by registered mail addressed to the Licensee at its address set forth in this License, or to such other address as the Licensee may provide to the City in writing; and

(b) With respect to any action between the City and the Licensee in New York State Court, the Licensee hereby expressly waives and relinquishes any rights it might otherwise have (i) to move to dismiss on grounds of forum non conveniens, (ii) to remove to Federal Court; and (iii) to move for a change of venue to a New York State Court outside New York County.

23.3 With respect to any action between the City and the Licensee in Federal Court located in New York City, the Licensee expressly waives and relinquishes any right it might otherwise have to move to transfer the action to a United States Court outside the City of New York.

23.4 If the Licensee commences any action against the City in a court located other than in the City and State of New York, upon request of the City, the Licensee shall either consent to a transfer of the action to a court of competent jurisdiction located in the City and State of New York or, if the court where the action is initially brought will not or cannot transfer the action,

the Licensee shall consent to dismiss such action without prejudice and may thereafter reinstitute the action in a court of competent jurisdiction in New York City.

XXIV. WAIVER OF TRIAL BY JURY

24.1 (a) Licensee hereby waives trial by jury in any action, proceeding, or counterclaim brought by the City against Licensee in any matter related to this License.

(b) No action at law or proceeding in equity against the City shall lie or be maintained upon any claim based upon this License Agreement or arising out of this License Agreement or in any way connected with this License Agreement unless Licensee shall have strictly complied with all requirements relating to the giving of notice and of information with respect to such claims, all as herein provided.

(c) No action shall lie or be maintained against the City by Licensee upon any claims based upon this License unless such action shall be commenced within eighteen (18) months of the termination or conclusion of this License, or within eighteen (18) months after the accrual of the cause of action, whichever first occurs.

(d) In the event any claim is made or any action brought in any way relating to this License Agreement herein other than an action or proceeding in which Licensee and the City are adverse parties, Licensee shall diligently render to the City of New York without additional compensation any and all reasonable assistance which the City of New York may reasonably require of Licensee.

XXV. CUMULATIVE REMEDIES - NO WAIVER

25.0 The specific remedies to which the City may resort under the terms of this License are cumulative and are not intended to be exclusive of any other remedies or means of redress to which it may be lawfully entitled in case of any other default hereunder. The failure of the City to insist in any one or more cases upon the strict performance of any of the covenants of this License, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment for the future of such covenants or option.

XXVI. EMPLOYEES

26.0 All experts, consultants and employees of Licensee who are employed by Licensee to perform work under this License are neither employees of the City nor under contract to the City and Licensee alone is responsible for their work, direction, compensation and personal conduct while engaged under this License. Nothing in this License shall impose any liability or duty on the City for acts, omissions, liabilities or obligations of Licensee or any person, firm, company, agency, association, corporation or organization engaged by Licensee as expert, consultant, independent contractor, specialist, trainee, employee, servant, or agent or for taxes of any nature including but not limited to unemployment insurance, workers' compensation, disability benefits and social security.

XXVII. BACKGROUND CHECKS

27.1 (a) For purposes of this Paragraph, the word "personnel" means each employee and volunteer whose duties and responsibilities relate primarily to working with children or in close

proximity to children. Licensee will be responsible for the recruitment and screening of appropriate personnel and verification of credentials, references, and suitability for working with children. Licensee agrees to comply with all guidelines and procedures of Parks concerning the screening and employment of personnel provided in writing to Licensee, including, but not limited to, the following:

(i) Licensee will be responsible for screening of all personnel, including:

(A) substantiating credentials, including, but not limited to, School-Age Child Care (SACC) Certification in accordance with the New York Codes, Rules, and Regulations ("NYCRR") under 18 NYCRR 414; and,

(B) reference checks.

(ii) Licensee agrees not to hire or retain any personnel who refuse to:

(A) provide the names of references;

(B) provide documentation of credentials;

(C) provide information on criminal conviction records pursuant to Section 296 of the New York State Executive Law and Section 8-107 of the Administrative Code of the City of New York as outlined in Background Checks Rider attached hereto as Exhibit F; and,

(D) provide other requested information, which may bear on the applicant's fitness to work with or in close proximity with children.

(iii) Licensee agrees not to hire or retain any personnel:

(A) who, to Licensee's knowledge, have not completely and truthfully reported information concerning their criminal convictions pursuant to Section 296 of the New York State Executive Law and Section 8-107 of the Administrative Code of the City of New York as outlined in Background Checks Rider attached hereto as Exhibit F;

(B) to the extent disclosed by a background check consistent with Section 296 of the New York State Executive Law and Section 8-107 of the Administrative Code of the City of New York, whose criminal convictions record directly bears on their fitness to work with or in close proximity with children, or whose employment would involve an unreasonable risk to the safety or welfare of children, subject to and consistent with Article 23-A of the New York State Correction Law; and,

(C) who have been the subject of an indicated child abuse and maltreatment report on file with the State Central Registry, or are the subject of an ongoing investigation pursuant to a child abuse and maltreatment report on file with this Registry.

(b) Licensee and Parks agree that Licensee is an independent contractor. It is understood and agreed that all personnel employed by Licensee are employees of Licensee and are not employees of the City, and that Licensee alone is responsible for their work, direction, compensation, and personal conduct while engaged pursuant to this Agreement. Licensee agrees that neither it nor its personnel or agents will hold themselves out as, or claim to be, officers or employees of the City of New York, or of any department, agency, or unit thereof, and that they will not, by reason hereof, make any claim, demand, or application for any right or privilege applicable to an officer or employee of the City of New York, including, but not limited to, Workers' Compensation and Disability Insurance coverage, unemployment insurance benefits, social security coverage, or employee retirement membership or credit. Nothing included in this Paragraph or in any other provision of this Agreement shall be construed to impose any liability or duty upon the City to the persons, firms, or corporations employed or engaged by Licensee as employees, servants, agents, consultants, experts, or independent contractors or in any other capacity whatsoever or to render the City liable to any persons, firms, corporations, associations or to any government for the acts, omissions, liabilities, obligations, and/or taxes of any nature, including, but not limited to, unemployment insurance of Licensee or its consultants, experts, employees, servants, agents, or independent contractors.

XXVIII. INDEPENDENT STATUS OF LICENSEE

28.0 Licensee is not an employee of the City and in accordance with such independent status neither Licensee nor its employees or agents will hold themselves out as, nor claim to be officers, employees, or agents of the City, or of any department, agency, or unit thereof, and they will not make any claim, demand, or application to or for any right or privilege applicable to an officer of, or employee of, the City, including but not limited to, workers' compensation coverage, unemployment insurance benefits, social security coverage or employee retirement membership or credit.

XXIX. INTENTIONALLY OMITTED

29.0 Intentionally Omitted.

XXX. CONFLICT OF INTEREST

30.0 Licensee represents and warrants that neither it nor any of its directors, officers, members, partners or employees, has any interest nor shall they acquire any interest, directly or indirectly, which would or may conflict in any manner or degree with the performance or

rendering of the services herein provided. Licensee further represents and warrants that in the performance of this License no person having such interest or possible interest shall be employed by it. No elected official or other officer or employee of the City, nor any person whose salary is payable, in whole or part, from the City treasury, shall participate in any decision relating to this License which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is, directly or indirectly, interested nor shall any such person have any interest, direct or indirect, in this License or in the proceeds thereof.

XXXI. PROCUREMENT OF AGREEMENT

31.1 Licensee represents and warrants that no person or selling agency has been employed or retained to solicit or secure this License upon an agreement or understanding for a commission, percentage, brokerage fee, contingent fee or any other compensation. Licensee further represents and warrants that no payment, gift or thing of value has been made, given or promised to obtain this or any other agreement between the parties. Licensee makes such representations and warranties to induce the City to enter into this License and the City relies upon such representations and warranties in the execution hereof.

31.2 For a breach or violation of such representations or warranties, the Commissioner shall have the right to annul this License without liability, entitling the City to recover all monies paid hereunder, if any, and the Licensee shall not make any claim for, or be entitled to recover, any sum or sums due under this license. This remedy, if effected, shall not constitute the sole remedy afforded the City for the falsity or breach, nor shall it constitute a waiver of the City's right to claim damages or refuse payment or to take any other action provided by law or pursuant to this License.

XXXII. NO CLAIM AGAINST OFFICERS, AGENTS OR EMPLOYEES

32.0 No claim whatsoever shall be made by the Licensee against any officer, agent or employee of the City for, or on account of, anything done or omitted in connection with this License.

XXXIII. ALL LEGAL PROVISIONS DEEMED INCLUDED

33.0 Each and every provision of law required to be inserted in this License shall be and is deemed inserted herein, whether or not actually inserted.

XXXIV. SEVERABILITY: INVALIDITY OF PARTICULAR PROVISIONS

34.0 If any term or provision of this License or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this License, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this License shall be valid and enforceable to the fullest extent permitted by law.

XXXV. JUDICIAL INTERPRETATION

35.0 Should any provision of this License require judicial interpretation, it is agreed that the court interpreting or considering same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of the rule of construction that a document should be construed more strictly against the party who itself or through its agent prepared the same, it being agreed that all parties hereto have participated in the preparation of this License and that legal counsel was consulted by each responsible party before the execution of this License.

XXXVI. MODIFICATION OF AGREEMENT

36.0 This License Agreement constitutes the whole of the agreement between the parties hereto, and no other representation made heretofore shall be binding upon the parties hereto. This License Agreement may be modified from time to time by agreement in writing, but no modification of this License Agreement shall be in effect until such modification has been agreed to in writing and duly executed by the party or parties affected by said modification.

XXXVII. NOTICES

37.0 Where provision is made herein for notice or other communication to be given in writing, the same shall be given by hand delivery or by mailing a copy of such notice or other communication by certified mail, return receipt requested, addressed to Commissioner or to the attention of Licensee at their respective addresses provided at the beginning of this License Agreement, or to any other address that Licensee shall have filed with Commissioner.

XXXVIII. LICENSEE ORGANIZATION, POWER AND AUTHORITY

38.0 Licensee represents and warrants that Licensee is a not-for-profit corporation duly organized, validly existing and in good standing under the laws of the State of New York and has the power and authority to enter into this License Agreement and perform its obligations hereunder. This is a continuing representation and warranty.

XXXIX. MISCELLANEOUS

39.0 The headings of sections and paragraphs are inserted for convenience only and shall not be deemed to constitute part of this License Agreement or to affect the construction thereof. The use in this License Agreement of singular, plural, masculine, feminine and neuter pronouns shall include the others as the context may require.

IN WITNESS WHEREOF, the parties hereto have caused this License Agreement to be signed and sealed on the day and year first above written.

CITY OF NEW YORK DEPARTMENT OF
PARKS & RECREATION

HUDSON YARDS/HELL’S KITCHEN
BID, INC.

By: _____

By: _____

Dated: _____

Dated: _____

APPROVED AS TO FORM AND
CERTIFIED AS TO LEGAL AUTHORITY

Acting Corporation Counsel

Exhibits:

- Exhibit A: Premises
- Exhibit B: Report Form
- Exhibit C-1: Citywide Beverage Vending Machine Standards
- Exhibit C-2: Standards for Food Vending Machines
- Exhibit D: Paid Sick Leave Law Concession Rider
- Exhibit E: Form of Certification by Insurance Broker or Agent
- Exhibit F: Background Checks Rider
- Exhibit G: Maintenance and Operation Agreement

STATE OF NEW YORK

ss:

COUNTY OF NEW YORK

On this day of , 2018 before me personally came _____ to me known, and known to be the _____ of the Department of Parks and Recreation of the City of New York, and the said person described in and who executed the foregoing instrument and (s)he acknowledged that (s)he executed the same in her/his official capacity and for the purpose mentioned therein.

Notary Public

STATE OF NEW YORK

ss:

COUNTY OF

On this day of , 2018 before me personally came to me known and who, being duly sworn by me, did depose and say that (s)he is the _____ of The Hudson Yards/Hell's Kitchen BID, Inc. and that (s)he was authorized to execute the foregoing instrument on behalf of that company and acknowledged that (s)he executed the same on behalf of that company for the purposes mentioned therein.

Notary Public

EXHIBIT A
(The Premises)

To be provided upon Certificate to Proceed

EXHIBIT B

REPORT FORM

Local Law 28 of 2008							
Partnership Reporting Form							
Reporting Period: July 1 - June 30							
Fiscal Year: XXXX							
Partner	Park Location	Borough	Fiscal Year- end	Total Spending - Maintenance and Operations	Total Spending - Program- ming	Total Spending - Capital	
HY/HK BID	Hudson Boulevard Park	Manhatta n	30-Jun				

EXHIBIT C-1

Citywide Beverage Vending Machines Standards

For Vending Locations Regularly Used by Adults

All of the following criteria must be met:

A) Specifications regarding the product mix:

- 1) No more than two columns (or "buttons") may be unlimited calorie beverages (the maximum of two columns applies irrespective of the total number of columns in the machine).
- 2) Unless otherwise approved by the City in writing, water is required to be stocked for a minimum of 2 columns (or "buttons"). Unless otherwise approved by the City, in its sole discretion in writing, water for the purposes of these Standards shall mean bottled water that is intended for human consumption, that contains 0 calories per 8 oz, and contains no added flavor, color, or sweeteners of any kind. Any product containing water modified with added flavors, colors or sweeteners or with calories in excess of 0 calories per 8 oz shall not be considered water for the purposes of these Standards.
- 3) The remaining products must be ≤ 25 calories per 8 oz.

B) Specifications regarding product display placement:

- 1) Water must be placed in the position with the highest selling potential.
- 2) "High Calorie" beverages (defined as any beverage > 25 calories per 8 oz) must be placed in the position with the lowest selling potential.
- 3) For machines where the buttons are arrayed vertically, highest selling potential means those closest to eye level, usually the top buttons, and lowest selling potential means those furthest from eye level, usually the bottom buttons. Or as determined by industry best practices.
- 4) However, because machines have different display arrangements, the City will have sole discretion to approve all product display and placement.

C) Specifications regarding size:

- 1) All beverage selections with the exception of water and seltzer are limited to 12 oz. For the purposes of these Standards, seltzer is defined as water naturally or artificially impregnated with mineral salts or gasses, having 0 calories per 8 oz. and no artificial sweeteners.
- 2) All water and seltzer selections must be at least 12 oz.
- 3) Portion sizes smaller than 12 oz are encouraged for High Calorie beverages.

D) Calorie labeling:

- 1) Every machine must display the total calorie content for each item, as sold, clearly and conspicuously, adjacent or in close proximity so as to be clearly associated with the item, using a font and format that is at least as prominent, in size and appearance, as that used to post either the name or price of the beverage where it can be seen before the consumer presses the button to choose the beverage. Existing nutrition labeling on the beverages does not meet this requirement. The City will have sole discretion regarding the display of calorie information.
(adapted from HC §81.50)

E) Promotional space:

- 1) Promotional space on the vending machines (i.e. sides, front graphic panel, etc.) including but not limited to the language and graphics, if used, is subject to the approval of the City in its sole discretion and must be used only to promote healthy beverage choices (≤ 25 calories per 8oz) and/or healthy activities.

F) Price:

- 1) Pricing models that encourage healthy choices (e.g. by establishing lower prices for healthy beverage choices (≤ 25 calories per 8 oz) relative to "High Calorie" beverages (> 25 calories per 8 oz)) are encouraged.

For Vending Locations Regularly Used by Children age 18 and under

A) Specifications regarding the product mix:

- 1) Beverage vending machines can only include:
 - Water
Unless otherwise approved by the City, in its sole discretion in writing, water for the purposes of these Standards shall mean bottled water that is intended for human consumption, that contains 0 calories per 8 oz, and contains no added flavor, color, or sweeteners of any kind. Any product containing water modified with added flavors, colors or sweeteners or with calories in excess of 0 calories per 8 oz shall not be considered water for the purposes of these Standards.
 - Unsweetened milk, 1% or nonfat only
 - Beverages with ≤ 25 calories per 8 oz
 - Carbonation and caffeine are allowed
- 2) Prohibited:
 - Artificial sweeteners
 - Other "natural" non-nutritive or very low-calorie sweeteners (e.g. stevia, erythritol)
 - Artificial flavors and colors
- 3) If the location is regularly used by **programs serving children age 12 or younger** (e.g. afterschool locations, summer camp), in addition to the standards above, products:
 - Should not be caffeinated
 - Should be ≤ 10 calories per 8 oz

B) Calorie labeling:

- 1) Every machine must display the total calorie content for each item, as sold, clearly and conspicuously, adjacent or in close proximity so as to be clearly associated with the item, using a font and format that is at least as prominent, in size and appearance, as that used to post either the name or price of the beverage where it can be seen before the consumer presses the button to choose the beverage. Existing nutrition labeling on the beverages does not meet this requirement. The City will have sole discretion regarding the display of calorie information.

(adapted from HC §81.50)

C) Promotional space:

- 1) Promotional space on the vending machines (i.e. sides, front graphic panel, etc.) including but not limited to the language and graphics, if used, is subject to the approval of the City in its sole discretion and must be used only to promote healthy beverage choices (≤ 25 calories per 8 oz) and/or healthy activities.

Note that New York City beverage vending standards may be revised or updated in the future. Vendors would have time to come into compliance with any changes.

EXHIBIT C-2

New York City Food Standards Part III: Standards for Food Vending Machines

The Standards for Food Vending Machines were enacted December of 2011, pursuant to Executive Order 122. These Standards apply to all types of food vending machines including non-refrigerated "snack" and refrigerated machines. Follow these standards to make vending machine choices healthier for employees and visitors.

Snack Standards

Snacking in excess can lead to weight gain. Snacks, when consumed, should add healthy nutrients to the overall diet and help curb hunger.

1) Require that snacks meet all of the following criteria, per package:

- Calories: no more than 200 calories
- Total fat: no more than 7 grams
 - Nuts, seeds, nut butters and cheese are exempt
 - Combination products of dried fruit and nuts are exempt
- Saturated fat: no more than 2 grams
 - Nuts, seeds, nut butters and cheese are exempt
- Trans fat: 0 grams trans fat
- Sodium: no more than 200 mg
 - Cottage cheese: no more than 400 mg
- Sugar: no more than 10 grams
 - Fruit and vegetable products with no added sugar are exempt
 - Yogurt: no more than 30 grams sugar per 8 ounces
- Contain at least 2 grams of fiber, if product is grain/potato-based (e.g. granola bars, crackers, pretzels, cookies, chips)

2) Limit grain/potato-based snacks (includes similar products, such as corn, plantain and taro chips) to no more than 50% of food items in machine.

3) Require that calorie information is posted for each food item, as packaged.

EXHIBIT D

PAID SICK LEAVE LAW
CONCESSION AGREEMENT RIDER

Introduction and General Provisions

The Earned Sick Time Act, also known as the Paid Sick Leave Law (“PSLL”), requires covered employees who annually perform more than 80 hours of work in New York City to be provided with paid sick time.¹ Licensees of the City of New York or of other governmental entities may be required to provide sick time pursuant to the PSLL.

The PSLL became effective on April 1, 2014, and is codified at Title 20, Chapter 8, of the New York City Administrative Code. It is administered by the City’s Department of Consumer Affairs (“DCA”); DCA’s rules promulgated under the PSLL are codified at Chapter 7 of Title 6 of the Rules of the City of New York (“Rules”).

The Licensee agrees to comply in all respects with the PSLL and the Rules, and as amended, if applicable, in the performance of this agreement. The Licensee further acknowledges that such compliance is a material term of this agreement and that failure to comply with the PSLL in performance of this agreement may result in its termination.

The Licensee must notify the Concession Manager in writing within ten (10) days of receipt of a complaint (whether oral or written) regarding the PSLL involving the performance of this agreement. Additionally, the Licensee must cooperate with DCA’s education efforts and must comply with DCA’s subpoenas and other document demands as set forth in the PSLL and Rules.

The PSLL is summarized below for the convenience of the Licensee.

The Licensee is advised to review the PSLL and Rules in their entirety. On the website www.nyc.gov/PaidSickLeave there are links to the PSLL and the associated Rules as well as additional resources for employers, such as Frequently Asked Questions, timekeeping tools and model forms, and an event calendar of upcoming presentations and webinars at which the Licensee can get more information about how to comply with the PSLL. The Licensee acknowledges that it is responsible for compliance with the PSLL notwithstanding any inconsistent language contained herein.

Pursuant to the PSLL and the Rules:

Applicability, Accrual, and Use

¹ Pursuant to the PSLL, if fewer than five employees work for the same employer, as determined pursuant to New York City Administrative Code §20-912(g), such employer has the option of providing such employees uncompensated sick time.

An employee who works within the City of New York for more than eighty hours in any consecutive 12-month period designated by the employer as its “calendar year” pursuant to the PSLL (“Year”) must be provided sick time. Employers must provide a minimum of one hour of sick time for every 30 hours worked by an employee and compensation for such sick time must be provided at the greater of the employee’s regular hourly rate or the minimum wage. Employers are not required to provide more than forty hours of sick time to an employee in any Year.

An employee has the right to determine how much sick time he or she will use, provided that employers may set a reasonable minimum increment for the use of sick time not to exceed four hours per day. In addition, an employee may carry over up to forty hours of unused sick time to the following Year, provided that no employer is required to allow the use of more than forty hours of sick time in a Year or carry over unused paid sick time if the employee is paid for such unused sick time and the employer provides the employee with at least the legally required amount of paid sick time for such employee for the immediately subsequent Year on the first day of such Year.

An employee entitled to sick time pursuant to the PSLL may use sick time for any of the following:

- such employee’s mental illness, physical illness, injury, or health condition or the care of such illness, injury, or condition or such employee’s need for medical diagnosis or preventive medical care;
- such employee’s care of a family member (an employee’s child, spouse, domestic partner, parent, sibling, grandchild or grandparent, or the child or parent of an employee’s spouse or domestic partner) who has a mental illness, physical illness, injury or health condition or who has a need for medical diagnosis or preventive medical care;
- closure of such employee’s place of business by order of a public official due to a public health emergency; or
- such employee’s need to care for a child whose school or childcare provider has been closed due to a public health emergency.

An employer must not require an employee, as a condition of taking sick time, to search for a replacement. However, an employer may require an employee to provide: reasonable notice of the need to use sick time; reasonable documentation that the use of sick time was needed for a reason above if for an absence of more than three consecutive work days; and/or written confirmation that an employee used sick time pursuant to the PSLL. However, an employer may not require documentation specifying the nature of a medical condition or otherwise require disclosure of the details of a medical condition as a condition of providing sick time and health information obtained solely due to an employee’s use of sick time pursuant to the PSLL must be treated by the employer as confidential.

If an employer chooses to impose any permissible discretionary requirement as a condition of using sick time, it must provide to all employees a written policy containing those requirements, using a delivery method that reasonably ensures that employees receive the policy. If such

employer has not provided its written policy, it may not deny sick time to an employee because of non-compliance with such a policy.

Sick time to which an employee is entitled must be paid no later than the payday for the next regular payroll period beginning after the sick time was used.

Exemptions and Exceptions

Notwithstanding the above, the PSLI does not apply to any of the following:

- an independent contractor who does not meet the definition of employee under section 190(2) of the New York State Labor Law;
- an employee covered by a valid collective bargaining agreement in effect on April 1, 2014 until the termination of such agreement;
- an employee in the construction or grocery industry covered by a valid collective bargaining agreement if the provisions of the PSLI are expressly waived in such collective bargaining agreement;
- an employee covered by another valid collective bargaining agreement if such provisions are expressly waived in such agreement and such agreement provides a benefit comparable to that provided by the PSLI for such employee;
- an audiologist, occupational therapist, physical therapist, or speech language pathologist who is licensed by the New York State Department of Education and who calls in for work assignments at will, determines his or her own schedule, has the ability to reject or accept any assignment referred to him or her, and is paid an average hourly wage that is at least four times the federal minimum wage;
- an employee in a work study program under Section 2753 of Chapter 42 of the United States Code;
- an employee whose work is compensated by a qualified scholarship program as that term is defined in the Internal Revenue Code, Section 117 of Chapter 20 of the United States Code; or
- a participant in a Work Experience Program (WEP) under section 336-c of the New York State Social Services Law.

Retaliation Prohibited

An employer may not threaten or engage in retaliation against an employee for exercising or attempting in good faith to exercise any right provided by the PSLI. In addition, an employer may not interfere with any investigation, proceeding, or hearing pursuant to the PSLI.

Notice of Rights

An employer must provide its employees with written notice of their rights pursuant to the PSLI. Such notice must be in English and the primary language spoken by an employee, provided that DCA has made available a translation into such language. Downloadable notices are available on DCA's website at <http://www.nyc.gov/html/dca/html/law/PaidSickLeave.shtml>.

Any person or entity that willfully violates these notice requirements is subject to a civil penalty in an amount not to exceed fifty dollars for each employee who was not given appropriate notice.

Records

An employer must retain records documenting its compliance with the PSLI for a period of at least three years, and must allow DCA to access such records in furtherance of an investigation related to an alleged violation of the PSLI.

Enforcement and Penalties

Upon receiving a complaint alleging a violation of the PSLI, DCA has the right to investigate such complaint and attempt to resolve it through mediation. Within 30 days of written notification of a complaint by DCA, or sooner in certain circumstances, the employer must provide DCA with a written response and such other information as DCA may request. If DCA believes that a violation of the PSLI has occurred, it has the right to issue a notice of violation to the employer.

DCA has the power to grant an employee or former employee all appropriate relief as set forth in New York City Administrative Code 20-924(d). Such relief may include, among other remedies, treble damages for the wages that should have been paid, damages for unlawful retaliation, and damages and reinstatement for unlawful discharge. In addition, DCA may impose on an employer found to have violated the PSLI civil penalties not to exceed \$500 for a first violation, \$750 for a second violation within two years of the first violation, and \$1,000 for each succeeding violation within two years of the previous violation.

More Generous Policies and Other Legal Requirements

Nothing in the PSLI is intended to discourage, prohibit, diminish, or impair the adoption or retention of a more generous sick time policy, or the obligation of an employer to comply with any contract, collective bargaining agreement, employment benefit plan or other agreement providing more generous sick time. The PSLI provides minimum requirements pertaining to sick time and does not preempt, limit or otherwise affect the applicability of any other law, regulation, rule, requirement, policy or standard that provides for greater accrual or use by employees of sick leave or time, whether paid or unpaid, or that extends other protections to employees. The PSLI may not be construed as creating or imposing any requirement in conflict with any federal or state law, rule or regulation.

EXHIBIT E
CERTIFICATES OF INSURANCE

Instructions to New York City Agencies, Departments, and Offices

All certificates of insurance (except certificates of insurance solely evidencing Workers' Compensation Insurance, Employer's Liability Insurance, and/or Disability Benefits Insurance) must be accompanied by one of the following:

- (1) the Certification by Insurance Broker or Agent on the following page setting forth the required information and signatures;

-- OR --

- (2) copies of all policies as certified by an authorized representative of the issuing insurance carrier that are referenced in such certificate of insurance. If any policy is not available at the time of submission, certified binders may be submitted until such time as the policy is available, at which time a certified copy of the policy shall be submitted.

CITY OF NEW YORK
CERTIFICATION BY INSURANCE BROKER OR AGENT

The undersigned insurance broker or agent represents to the City of New York that the attached Certificate of Insurance is accurate in all material respects.

[Name of broker or agent (typewritten)]

[Address of broker or agent (typewritten)]

[Email address of broker or agent (typewritten)]

[Phone number/Fax number of broker or agent (typewritten)]

[Signature of authorized official, broker, or agent]

[Name and title of authorized official, broker, or agent (typewritten)]

State of)

) ss.:

County of)

Sworn to before me this ____ day of _____ 20__

NOTARY PUBLIC FOR THE STATE OF _____

EXHIBIT F

Background Checks Rider

1. **Recruitment; Screening; Fingerprinting:** The Licensee shall be responsible for the recruitment and screening of employees and volunteers performing work under the License Agreement, including the verification of credentials, references, and suitability for working with clients and participants. Where consistent with State and federal law, if directed by the Parks Department, the Licensee will undertake the fingerprinting of employees and volunteers, including applicants, in accordance with instructions from the Parks Department.

2. **Convictions:** The Licensee shall comply with Section 296(15) of the New York State Executive Law and Subdivision 10 of Section 8-107 of the Administrative Code of the City of New York, under which it is an unlawful discriminatory practice for an employer, employment agency or an agent thereof to deny employment to any applicant and, under Section 8-107, to take adverse action against any employee, based on (a) the person's or employee's having been convicted of one or more criminal offenses, or (b) a finding of a lack of "good moral character" where such finding is based on the applicant or employee having been convicted of one or more criminal offenses, when the denial or adverse action violates Article 23-A of the New York State Correction Law.

3. **Non-Pending Arrests or Accusations:** The Licensee shall comply with Section 296(16) of the New York State Executive Law and Subdivision 11 of Section 8-107 of the Administrative Code of the City of New York, under which it is an unlawful discriminatory practice for an employer to deny employment to any applicant or take adverse action against any employee when the denial or adverse action violates Section 296(16)—which generally concerns arrests or criminal accusations that are not then pending and which were followed by a termination in favor of the applicant or employee, a youthful offender adjudication, or by a conviction that has been sealed—unless the denial or adverse action is specifically required or permitted by statute.

4. **Declare, Print, or Circulate:** The Licensee shall comply with Subdivision 11-a of Section 8-107 of the Administrative Code of the City of New York, under which it is an unlawful discriminatory practice for an employer, employment agency or agent thereof to declare, print, or circulate, or cause the declaration, printing or circulation of any solicitation, advertisement, or publication that directly or indirectly expresses any limitation or specification in employment based on a person's arrest or criminal conviction.

5. **Inquiries:**

(i) **Applying for Employment:** The Licensee shall comply with Subdivision 11-a of Section 8-107 of the Administrative Code of the City of New York, under which it is an unlawful discriminatory practice for an employer, employment agency or agent thereof to make any inquiry or statement (as those terms are defined in Section 8-107(11-a)) related to the pending arrest or criminal conviction record of any person who is in the process of applying for

employment with the employer or its agent until after the employer or its agent has extended a conditional offer of employment to the applicant.

(ii) Conditional Offer of Employment: Pursuant to Subdivision 11-a(b) of Section 8-107 of the Administrative Code of the City of New York, the Licensee may inquire about the applicant's arrest or conviction record after extending a conditional offer of employment, provided that, prior to taking any adverse employment action based on the inquiry, the employer, employment agency, or agent thereof (a) provides a written copy of the inquiry to the applicant in a manner determined by the New York City Commission on Human Rights; (b) performs an analysis of the applicant pursuant to Article 23-A of the Correction Law and provides a written copy of the analysis to the applicant in a manner determined by the Commission on Human Rights, which shall include but not be limited to supporting documents that formed the basis for an adverse action based on the analysis and the employer's or employment agency's reasons for taking such adverse action against the applicant; and (c) allows the applicant a reasonable time to respond of at least three (3) business days, during which time the position shall be held open for the applicant. Pursuant to Section 8-107(11-a), nothing in that provision prevents an employer, employment agency, or agent thereof from denying employment to any applicant or from taking adverse action against any employee for reasons other than the applicant's or employee's arrest or criminal conviction record.

(iii) Non-Pending Arrests or Accusations: The Licensee shall comply with New York State Executive Law § 296(16) and Section 8-107(11) of the Administrative Code of the City of New York, under which it is an unlawful discriminatory practice for an employer to make any inquiry in writing or otherwise regarding any arrest or criminal accusation of an applicant or employee when the inquiry violates Section 296(16), unless the inquiry is specifically required or permitted by statute.

(iv) Response to Inquiries: Pursuant to New York State Executive Law § 296(16) and Subdivision 11-a(d) of Section 8-107 of the Administrative Code of the City of New York, an applicant's refusal to respond to inquiries or statements prohibited under this Section shall not disqualify the applicant from the prospective employment.

6. Background Checks Required by Law; Licensure: Pursuant to New York State Executive Law § 296(16) and Subdivision 11-a(e) of Section 8-107 of the Administrative Code of the City of New York, Licensees are permitted to perform background checks pursuant to any state, federal or local law that requires criminal background checks for employment purposes or bars employment based on criminal history. In addition, if the Licensee is hiring for positions where certain convictions or violations are a bar to employment in that position under Law, the Licensee may ask questions about those convictions or violations.

Notwithstanding any other provision of this Section, if the Licensee is hiring for positions requiring licensure, including positions such as interns and apprentices for such licensed positions (e.g. prospective attorneys), the Licensee may ask applicants the same questions asked by the licensing body, in accordance with New York State Law.

7. Review of Decision: Where practicable, the Licensee shall provide for the review by a supervisor of a decision not to hire based on prior criminal convictions.

8. The Licensee may consult with the Parks Department regarding the application of this Section.

EXHIBIT G

Maintenance and Operation Agreement

LICENSE AGREEMENT

BETWEEN

HUDSON YARDS/HELL'S KITCHEN BUSINESS IMPROVEMENT DISTRICT, INC.

AND

CITY OF NEW YORK
DEPARTMENT OF
PARKS & RECREATION

for

The operation of various food concessions, farmers and winter holiday markets for the accommodation, enjoyment, and convenience of the public, and for Licensee to receive revenue from certain Third Party Events in Hudson Park in order to support the Park

Manhattan

M399-O

DATED: _____, 2018

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LICENSE AGREEMENT (“License” or “License Agreement”) made this _____ day of _____, 2018, between the City of New York (the “City”) acting by and through the Department of Parks & Recreation (“Parks”), whose address is The Arsenal, 830 Fifth Avenue, New York, New York 10065, and the Hudson Yards/Hell’s Kitchen Business Improvement District, Inc. (“HY/HK BID” or “Licensee”), a New York not-for-profit corporation (collectively, the “Parties”).

WHEREAS, pursuant to Section 531 of the New York City Charter, Parks was created, the head of which was designated as the Commissioner of Parks and Recreation (“Commissioner”); and

WHEREAS, Parks is charged with the duty to manage, maintain and operate City parks and recreation facilities pursuant to Section 533 of the New York City Charter; and

WHEREAS, the City desires to encourage the participation of interested not-for-profit entities in providing services, including park maintenance and management and recreational programs, for the benefit of the public; and

WHEREAS, Hudson Park (“Hudson Park” or “Park”) was constructed with funds raised by bonds issued by the Hudson Yards Development Corporation (“HYDC”) and is currently under the jurisdiction of Parks; and

WHEREAS, in developing the plans for the Park and related zoning amendments in 2004 and 2005 (“2005 Plan”) for the Hudson Yards neighborhood of Manhattan, the City anticipated that Hudson Park would be maintained by a private, nonprofit entity; and

WHEREAS, the City Planning Commission certified its unqualified approval of the district plan for the Hudson Yards Business Improvement District (“Hudson Yards BID”) on September 30, 2013 (Application N140038 BDM) and stated: “The creation of a major park and is a significant initiative stemming from the 2005 Plan. Hudson Yards BID will be a critical stakeholder in the future as it will be the entity responsible for maintaining the newly created Hudson Park under a contract with the Department of Parks and Recreation.”; and

WHEREAS, the City Council enacted an amendment to the Administrative Code of the City of New York, in relation to the establishment of the Hudson Yards BID on December 30, 2013; and

WHEREAS, HY/HK BID is the district management association for the Hudson Yards BID;

WHEREAS, on August 12, 2015, Parks and HY/HK BID entered into a license agreement with Parks whereby HK/HY BID assumed responsibility for the maintenance and operation of Hudson Park, including, but not limited to the cleaning, landscaping, horticulture, snow removal, water feature and repairs (the “M&O Agreement”; copy attached as Exhibit “G”); and

WHEREAS, the Commissioner now seeks to provide for the operation of various food concessions, farmers and winter holiday markets for the accommodation, enjoyment, and convenience of the public, and for Licensee to receive revenue from certain Third Party Events in Hudson Park in order to support the Park; and

WHEREAS, Licensee seeks to operate or issue sublicenses for the operation of various food concessions, farmer's markets and winter holiday markets for the accommodation, enjoyment, and convenience of the public, and to receive the revenue from certain Third Party Events in Hudson Park in order to support the Park, in accordance with the terms set forth herein; and

WHEREAS, Parks and HY/HK BID, upon approval from the Franchise and Concession Review Committee ("FCRC"), seek to enter into this sole source License Agreement addressing rights and obligations with respect to the operation of various food concessions, farmer's markets and winter holiday markets and Third Party Events in Hudson Park; and

WHEREAS, the M&O Agreement will continue to govern the terms of Licensee's maintenance and operation of the Park while this Agreement shall govern the terms of Licensee concessions at the Park, except that in the event of conflict between terms of the M&O Agreement and this Agreement, then the terms of this Agreement shall control.

NOW THEREFORE, in consideration of the promises and covenants contained herein, the parties do hereby agree as follows:

I. GRANT OF LICENSE

1.1 (a) (1) Parks hereby grants to Licensee and Licensee hereby accepts from Parks this License to operate, or to grant sublicenses to third parties to operate, the following concessions in accordance with the provisions herein and to the reasonable satisfaction of the Commissioner:

- (i) food kiosk building and seating area (the "Kiosk");
- (ii) food trucks and/or carts ("Mobile Food Units") throughout the year throughout Hudson Park at such locations as shall be reasonably approved in advance in writing by Parks. The design and dimensions of the Mobile Food Units is subject to Parks' reasonable prior written approval;
- (iii) Farmer's markets and winter holiday markets that do not materially displace other public park uses and are limited in duration to a few weeks per year (or, in the case of farmer's markets, a few days per week) as shall be reasonably approved in advance in writing by Parks;
- (iv) other such similar uses as may be approved in advance by Parks; and
- (v) Parks also hereby grants to Licensee the right to receive the fees generated by Third Party Events (as hereinafter defined) (no more than 12 times per year and twice per month).

(2) All plans, schedules, services, menu items, merchandise, rates, fees and prices, and hours of operation are subject to Parks' prior written approval which shall not be unreasonably withheld or delayed. In addition to any obligation in the M&O Agreement, Licensee is responsible for all costs associated with the operation and maintenance of the Licensed Premises.

(3) There are presently no permits issued by Parks to licensees other than Licensee to operate Mobile Food Units in the Park.

(b) Licensee may, subject to the prior written approval of Parks, enter into sublicense agreements ("Sublicense Agreements") with third parties ("Sublicensees") with respect to the activities set forth in Sections 1.1(a)(1)(i) through (iv) above in accordance with the terms and conditions set forth herein. The terms and conditions of any proposed Sublicense Agreement shall be subject to Parks' prior written approval, which approval shall not be unreasonably withheld or delayed. Two (2) copies of any proposed Sublicense Agreement shall be submitted to Parks with Licensee's written request for approval.

(i) Any Sublicense Agreement which is authorized hereunder shall be subject and subordinate to the terms and conditions of this License and Licensee shall require said Sublicensee to acknowledge in writing that it received a copy of this License and that it is bound by same.

(ii) Licensee shall require said Sublicensee(s) to comply with all provisions contained within this License, including, but not limited to, obtaining insurance required of the Licensee under this Agreement and indemnifying the City as set forth in Paragraphs 19 and 20 herein.

(iii) No Sublicense Agreement may be assigned without the prior written consent of Parks. Any subsequent Sublicense Agreement(s) will be subject to the terms and conditions as set forth in this License.

(iv) If any Sublicensee does not comply with this License, such Sublicensee's operations shall be terminated by Licensee upon direction of Parks.

(c) In selecting a Sublicensee for Parks' approval, Licensee shall issue a solicitation in the basic form of a request for proposals ("RFP") with terms and conditions approved by Parks. The RFP shall be advertised in the City Record and other appropriate publication(s) approved by Parks. Parks shall require Licensee to conduct a background check of any proposed Sublicensee in accordance with Parks' usual procedures and requirements and subject to Parks' approval. Parks disapproval of any successful proposer shall be deemed reasonable if the successful proposer fails the background check.

1.2 Licensee shall obtain any and all approvals, permits, and other licenses required by Federal, State and City laws, rules, regulations and orders which are or may become necessary to operate at the Licensed Premises in accordance with the terms of this License. In order to be in compliance with this License Agreement, Licensee must fulfill all of the obligations contained herein. Commissioner may deem as a default Licensee's failure to fulfill any of its obligations herein for any reason.

1.3 It is expressly understood that no land, building, space, or equipment is leased or otherwise conveyed to Licensee by Parks, but that during the Term of this License, Licensee shall have the use of the Licensed Premises for the purposes herein provided. Licensee has the right to occupy and operate the Licensed Premises only so long as each and every term and condition in this License is strictly and properly complied with in all material respects (subject to applicable notice and cure periods) and so long as this License is not terminated by Commissioner.

1.4 Licensee shall provide, at all times, full and free access to the Licensed Premises to the Commissioner or his representatives and to other City, State and Federal officials having jurisdiction, for inspection purposes and to ensure Parks' satisfaction with Licensee's compliance with the terms of this License Agreement.

1.5 Licensee may use such name in its operations at the Licensed Premises as shall be approved in advance in writing by Parks. Parks may require that the City own the portion of any name selected by Licensee for use at the Licensed Premises that indicates Parks property or a preexisting facility name. The City will not own any portion of a new name that consists of the name, portrait or signature of a living or deceased individual or a restaurant identifier that is not otherwise associated with Parks' property. The City is the owner of the designation and trademark "Hudson Park" and variations thereof, and all other designations and trademarks of Parks, including Parks signage and the distinctive Parks leaf logo, together with the goodwill that is symbolized by such names, trademarks, service marks, designations and identifications.

1.6 (i) Except as set forth in subparagraph (ii) below, all intellectual property rights in the Park name, signage, structures, historical location, monuments, or other items or material that depict, are sited in, or refer to the Park and any other names, trademarks, service marks, copyrights, patents, trade names, service names, logos, domain names, identifiers, images and other intellectual property (i) developed or designed by the City or its employees, contractors, or others on behalf of the City, or (ii) in the case of trademarks, used by the City in commerce, unless Licensee is a prior user of any trademark in commerce, are the property of the City ("City IP"). To the extent that Licensee uses any City IP in the course of performing its non-profit activities, Licensee shall obtain the prior written permission and approval from Parks for such use. If Parks permits Licensee to use the City IP for non-commercial purposes, such use will be non-exclusive, royalty-free, world-wide, non-transferrable and non-sublicensable and any revenue generated by Licensee therefrom will be for not-for-profit purposes and will be used by Licensee only in support of the Park. To the extent that Licensee seeks to make commercial use of City IP (i.e. through merchandise sales, licensing or other use intended to or which does generate revenue), such use shall require the prior, written agreement of Parks, on terms to be agreed by the parties, and any revenue derived by Licensee shall be used exclusively to benefit the Park. Upon Parks' request, Licensee shall provide Parks with an accounting reasonably satisfactory to Parks of revenue derived from and expenditures made from any use of City IP. To the extent that prior permission and approval of Parks has already been obtained to use City IP (whether for non-commercial or commercial purposes, as the case may be), it is hereby continued as previously agreed upon, subject to the use and monetary restrictions contained in this subparagraph (i). Nothing in this subparagraph (i) prohibits Licensee, any Sublicensee or any other person claiming by or through Licensee or any Sublicensee from using the words

“Hudson Park” as part of the business address thereof or in the ordinary course of business thereof, and nothing in this subparagraph (i) requires Licensee, any Sublicensee or any other person claiming by or through Licensee or any Sublicensee from obtaining permission from Parks to use the words “Hudson Park” as provided in this sentence; provided, however, that Licensee, any approved Sublicensee or any other person claiming by or through Licensee or any approved Sublicensee specifically acknowledge that the Hudson Park name or words as described in this subparagraph (i) are included within the definition of City IP and no permitted use by Licensee, any approved Sublicensee or any other person claiming by or through Licensee or any approved Sublicensee shall result in any ownership interest, title or other right on the part of Licensee, any approved Sublicensee or any other person claiming by or through Licensee or any approved Sublicensee in such words or name, and further provided that any permitted use of such City IP by Licensee, any approved Sublicensee or any other person claiming by or through Licensee or any approved Sublicensee shall immediately terminate when such person ceases to operate in the Park.

(ii) Any and all trademarks, service marks, copyrights, patents, trade names, service names, logos, domain names, identifiers, images and other intellectual property rights that Licensee has or acquires that meet the following requirements (“Licensee Specific IP”) are the property of Licensee: such intellectual property (1) was created by or on behalf of Licensee, any Sublicensee, their respective employees, contractors, or others, other than at the specific direction of the City or Parks, and (2) includes no City IP (as defined in subparagraph (i) above) unless Parks grants prior written permission and approval for the use of City IP for use within Licensee Specific IP. The Licensee Specific IP shall be used exclusively in connection with Licensee’s activities, as shall Licensee’s ability to use any City IP that is incorporated into Licensee Specific IP with the City’s permission. Any revenue that Licensee derives from the use, licensing, or other exploitation of Licensee Specific IP shall be used during the Term of this License Agreement exclusively in connection with Licensee’s activities, but such restriction shall terminate on the expiration or termination of this License Agreement. Licensee hereby grants a non-exclusive, royalty-free, worldwide, non-transferrable and non-sublicenseable license to the City and Parks to make use of, display and maintain Licensee Specific IP. Parks shall make no commercial use of Licensee Specific IP (e.g., merchandise sales, licensing or other use intended to or which does generate revenue) without the prior written approval of Licensee.

(iii) All goodwill associated with the City IP or the Licensee Specific IP shall be the exclusive property of its respective owner and neither party shall take any actions inconsistent with such rights. Each party recognizes and acknowledges that the City IP and Licensee IP are the exclusive property of the other and they communicate in the public, worldwide, a reputation for high standards of quality and services, which reputation and goodwill have been and continue to be unique to the owner. Each party further recognizes and acknowledges that all trademarks, service marks, trade names, and service names included in the City IP and Licensee Specific IP have acquired secondary meaning in the mind of the public. Neither the City IP, nor the Licensee Specific IP shall be used in connection with any illegal, illicit, or immoral purpose or activity, or in any manner which could be inconsistent with or damaging to the owner’s name and reputation. Either party shall have the right to terminate this Agreement, upon written notice, in the event that any part of the City IP or Licensee Specific IP is used by the other party in connection with any illegal, illicit, or immoral purpose or activity. In the event that any of the City IP or Licensee Specific IP is used by the other party in any way which, in the reasonable

judgment of the owner, is inconsistent with or damaging to the owner's name or reputation, the owner shall notify the other party in writing and, prior to exercising the right of termination provided for in this paragraph, shall provide notice to the other party and following receipt of such notice sent by the owner, the other party shall promptly cease and halt all such uses.

(A) During the Term of this License Agreement, each party may make only the uses described in subparagraphs (i) and (ii) above. Each party acknowledges and agrees that all use of and goodwill in the City IP or Licensee Specific IP shall inure to the benefit of its owner. Neither the City, nor Licensee shall acquire any rights in the Licensee Specific IP or City IP, respectively, by virtue of any use it makes of it or any portion of it.

(B) The parties will not use the name or logos of the other party, its subsidiaries or affiliates in any sales or marketing publication or advertisement without prior full disclosure of such use and the written consent of the other party, such consent not to be unreasonably withheld, conditioned, or delayed.

(C) All provisions of this section will survive any expiration or termination of this License Agreement, except as otherwise set forth in this section.

II. DEFINITIONS

2.1 As used throughout this License, the following terms shall have the meanings set forth below:

(a) "Alteration" shall mean (excepting ordinary repair and maintenance):

(i) any restoration (to original premises or in the event of fire or other cause), rehabilitation, modification, addition or improvement to Licensed Premises; or

(ii) any work affecting the plumbing, heating, electrical, water, mechanical, ventilating or other systems of the Licensed Premises.

(b) Intentionally omitted.

(c) "City" shall mean the City of New York, its departments and political subdivisions.

(d) "Commissioner" shall mean the Commissioner of the New York City Department of Parks & Recreation or his designee.

(e) "Comptroller" shall mean the Comptroller of the City of New York.

(f) Intentionally omitted.

(g) "Expendable Equipment" or "Personal Equipment" shall mean all equipment, other than Additional Fixed Equipment provided by Licensee.

(h) Intentionally omitted.

(i) "Fixed Equipment" shall mean any property affixed in any way to the Licensed Premises existing at the time Notice to Proceed is given, whose removal would damage the Licensed Premises.

(i) "Additional Fixed Equipment" shall mean Fixed Equipment affixed to the Licensed Premises subsequent to the date that Notice to Proceed is given.

(ii) "Fixed and Additional Fixed Equipment" shall refer to Fixed Equipment and Additional Fixed Equipment jointly and severally.

(j) (i) "Gross Receipts" shall include, without limitation, all funds or receipts of any kind received by Licensee, and any Sublicensee, from or in connection with its operations at the Licensed Premises, without deduction or set-off of any kind, from the sale or provision of merchandise, food and beverages, or services of any kind, provided that Gross Receipts shall exclude the amount of any Federal, State or City sales taxes which may now or hereafter be imposed upon or be required to be collected and paid by Licensee or any Sublicensee, as against Licensee or any Sublicensee's sales. Gross Receipts shall include any funds received for orders placed or made at the Licensed Premises, although delivery of merchandise or services may be made outside or away from the Licensed Premises, and shall include all receipts of Licensee or any Sublicensee for orders taken at the Licensed Premises by Licensee or any Sublicensee for services to be rendered by Licensee or any Sublicensee in the future either at or outside of the Licensed Premises. For example, if Licensee or any Sublicensee receives a \$1,000 deposit for services to be provided at a later date, the deposit must be reported at the time of payment, regardless of when the service is provided. All sales made or services rendered from the Licensed Premises shall be construed as made and completed therein even though payment therefor may be made at some other place, and although delivery of merchandise sold or services rendered upon the Licensed Premises may be made other than at the Licensed Premises.

(ii) Gross Receipts shall include receipts from all sponsorships, whether in cash or as discounts against purchase price of materials, equipment or commodities. Gross Receipts shall also include all sales made by any other operator or operators using the Licensed Premises under a properly authorized Sublicense or subcontract agreement, as provided in Section 1.1(b), provided that Gross Receipts shall also include Licensee's income from Sublicense Agreements or subcontracting fees and commissions Licensee receives in connection with all services provided by Licensee's subcontractors or Sublicensees. Gross Receipts shall further include all fees received by Licensee in connection with Third Party Events.

(iii) Only Licensee's net receipts from vending machines shall be included in Gross Receipts.

(iv) Gross Receipts shall include sales made for cash or credit (credit sales shall be included in Gross Receipts as of the date of the sale) regardless of whether the sales are paid or uncollected, it being the distinct intention and agreement of the parties that all sums due to be received by Licensee or any Sublicensee from all sources from the operation of this License shall be included in Gross Receipts, provided however that any gratuities transmitted by Licensee or any Sublicensee directly or indirectly to employees and staff shall not be included within Gross Receipts. For purposes of this subsection (iv):

(a) With respect to non-catered food and beverages service, a “Gratuity” shall mean a charge that: (i) is separately stated on the bill or invoice given to Licensee’s or any Sublicensee’s customer or otherwise proffered by the customer, (ii) is specifically designated as a gratuity, or purports to be a gratuity, and (iii) Licensee or any Sublicensee receives and pays over in total to its employees (other than management) who are primarily engaged in the serving of food or beverage to guests, patrons or customers, including but not limited to, wait staff, bartenders, captains, bussing personnel and similar staff who are paid a cash wage as a “food service worker” pursuant to NY Labor Law Section 652(4). Upon Parks’ request Licensee shall provide, and shall cause any Sublicensee to provide, documentation reasonably satisfactory to Parks to prove that Gratuities were paid to employees in addition to their regular salaries, and were otherwise in accordance with the foregoing provisions. Such documentation shall be signed and verified by an officer of Licensee or any Sublicensee, as applicable. “Regular Salary” for purposes of this subsection shall mean the set hourly wage for the applicable employee.

(b) With respect to catered events, a “Gratuity” shall be an amount no greater than 20% of the catering food and beverage sales for the event, provided that such Gratuity is a charge that: (i) is separately stated on the bill or invoice given to Licensee’s or any Sublicensee’s customer, (ii) is specifically designated as a gratuity, or purports to be a gratuity, and (iii) is paid over by Licensee or any Sublicensee in total to its employees (other than management) who actually provide services at the event, and who are primarily engaged in the serving of food or beverages to guests, patrons or customers, including, but not limited to, wait staff, bartenders, captains, bussing personnel, and similar staff. Upon Parks’ request Licensee shall provide, and shall cause any Sublicensee to provide, documentation reasonably satisfactory to Parks to prove that Gratuities were paid to employees in addition to their regular salaries, and were otherwise in accordance with the foregoing provisions. “Regular Salary” for purposes of this subsection shall mean the set hourly wage for the applicable employee. Such documentation shall be signed and verified by an officer of Licensee or Sublicensee, as applicable.

(v) Intentionally omitted.

(vi) Notwithstanding anything to the contrary herein, Gross Receipts shall not include deposits made with Licensee for damage to the Licensed Premises unless and to the extent that Licensee retains such deposits for damage actually incurred.

Notwithstanding anything set forth in this Section 2.1(j), Licensee shall comply, and shall cause Sublicensee to comply, with all applicable laws, rules, and regulations, including but not limited to City, State, and federal labor laws.

(k) “Licensed Premises” or “Premises” shall mean:

- (1)** The location designated as the Kiosk and seating area on Exhibit A attached hereto.
- (2)** The actual physical space occupied by Mobile Food Units at the locations approved by Parks for the operation of Mobile Food Units.

- (3) Any location within the Park that is approved for use in connection with the activities set forth Section 1.1(a)(1) above during the time in which such use occurs.

(l) “Licensee’s Gross Receipts” shall mean the Gross Receipts received by Licensee, but expressly excluding Gross Receipts received only by any Sublicensee

(m) “Sublicensee’s Gross Receipts” shall mean the Gross Receipts received only by any Sublicensee, but not received by Licensee.

(n) “Third Party Events” shall mean any event to be held in Hudson Park operated or sponsored by third parties for which Parks has issued a permit and charged a fee pursuant to 56 RCNY §§ 2-08 and 2-10. All fees charged by Parks for Third Party Events shall be paid to Licensee. Parks will draft and negotiate such permits in consultation with the HY/HK BID. Third Party Events shall be limited to no more than 12 times per year and twice per month. Third Party Events that are closed to the public shall not close more than one block of the Park at a time, unless otherwise agreed to in writing by Parks, or when another phase of the Park is constructed, not more than two blocks of the Park. Parks will consult with HY/HK BID on any Third Party Event applications. Licensee agrees to work with Parks to, coordinate Third Party Events with other activities in Hudson Park and provide on-site supervision of the production and logistics associated with Third Party Events ensuring compliance with the terms of event permits.

(o) "Year" or "Operating Year" shall both refer to the period between the Commencement Date (or its anniversary in any year other than Year 1) and the day before the anniversary of such date in the immediately following calendar year, except that the final Year of the Term (as hereinafter defined) of the License Agreement shall end on the Expiration Date (as hereinafter defined). Notwithstanding the foregoing, the first Year or Operating Year shall run from the Commencement Date to the next succeeding June 30, and the last Year or Operating Year shall run from the last July 1 during the Term to the Termination Date.

III. TERM OF LICENSE

3.1 This License shall become effective upon Parks giving written notice to proceed to Licensee (“Commencement Date”) and, unless terminated sooner in accordance with this License Agreement, shall terminate ten (10) years from the date of execution of the M&O Agreement (which is August 12, 2025) or the last day of any subsequent renewal periods that are exercised pursuant to this License (“Termination Date” or “Expiration Date”). The period between the Commencement Date and the Expiration Date, including any exercised renewal periods, shall be referred to as the “Term”. This License may be renewed for two (2) additional five (5) year terms, upon the agreement of the Parties, provided that Parks has renewed the M&O Agreement for the same periods. Notwithstanding the foregoing, in no event will the total length of the Term, including any renewal periods, exceed the shorter of (i) seventeen (17) years or (ii) the term of the M&O Agreement, including any renewal periods.

3.2 Notwithstanding any language contained herein, this License is terminable at will by the Commissioner at any time. Such termination shall be effective after twenty-five (25) days

written notice is sent to Licensee. The Commissioner, the City, its employees and agents shall not be liable for damages to Licensee in the event that this License is terminated by Commissioner as provided for herein.

3.3 Parks may terminate this License for cause as follows:

Should Licensee or any Sublicensee breach or fail to comply in any material respect with any of the provisions of this License or fail to comply in any respect with any Federal, State or local law, rule, regulation or order affecting the License, such Sublicense, or the Licensed Premises with regard to any and all matters, Commissioner shall in writing order Licensee to remedy such breach or comply with such provision, law, rule, regulation or order, and in the event that Licensee fails to comply with such written notice or commence, in good faith and with due diligence, efforts to comply with such order within thirty days from the mailing or facsimile transmission thereof, subject to unavoidable delays beyond the reasonable control of Licensee, then this License shall immediately terminate. In the event such breach or failure to comply cannot be remedied within such thirty (30) day period due to reasons beyond Licensee's control, the cure period shall be extended for such period as may be reasonably necessary in the Commissioner's judgment to cure such breach. If such breach or failure arises from the acts or omissions of a Sublicensee, as reasonably determined by Commissioner, the cure period shall be reasonably extended by Commissioner beyond such thirty (30) days (not to exceed an additional 30 days) to give Licensee time to induce such Sublicensee to comply with such breach or failure or, if such Sublicensee fails to remedy such breach or failure in a timely manner, for Licensee to terminate the applicable Sublicense Agreement and regain possession of the Sublicensed Premises. If said breach or failure to comply is corrected, and a repeated violation of the same provision, law, rule, regulation or order follows thereafter, Commissioner, by notice in writing, may revoke and terminate this License, such revocation and termination to be immediately effective on the mailing thereof.

(b) The following shall constitute events of default for which this License may be terminated on one (1) day's notice: the appointment of any receiver of Licensee's assets; the making of a general assignment for the benefit of creditors; the occurrence of any act which operates to deprive Licensee permanently of the rights, powers and privileges necessary for the proper conduct and operation of this License; the levy of any attachment or execution which substantially interferes with Licensee's operations under this License and which attachment or execution is not vacated, dismissed, stayed or set aside within a period of sixty days.

(c) Nothing contained in paragraphs (a) or (b) above shall be deemed to imply or be construed to represent an exclusive enumeration of circumstances under which Commissioner may terminate this License.

3.4 Upon expiration or sooner termination of this License by Commissioner, all rights of Licensee herein, and/or of any Sublicensee herein, shall be forfeited without claim for loss, damages, refund of investment or any other payment whatsoever against Commissioner, Parks or City.

3.5 In the event Commissioner terminates this License for reasons related to Paragraphs 3.3 above, any property of the Licensee or any Sublicensee on the Licensed Premises may be held and used by Commissioner in order to operate the License during the balance of the calendar year and may be held and used thereafter until all indebtedness of the Licensee hereunder, at the time of termination of this License, is paid in full.

3.6 Licensee may terminate this License upon one (1) year's notice to Parks. If Licensee terminates this License, then Parks shall have the right but not the obligation to operate concessions at the Licensed Premises, or to issue a license to operate concessions at the Licensed Premises to a third party.

3.7 Licensee agrees that upon the expiration or sooner termination of this License, it shall immediately cease all operations and cause any Sublicensee to cease all operations pursuant to this License and shall vacate and cause any Sublicensee to vacate the Licensed Premises without any further notice by City and without resort to any judicial proceeding by the City. Upon the expiration or sooner termination of this License, City reserves the right to take immediate possession of the Licensed Premises.

3.8 Licensee shall, upon the expiration or sooner termination of this License, remove all personal possessions from the Premises and cause any Sublicensee to remove all personal possessions from the Premises unless such property is held by the Commissioner pursuant to Section 3.5. Licensee acknowledges that any personal property remaining on the Premises after the expiration or sooner termination of this License is intended by Licensee to be abandoned unless such property is held by the Commissioner pursuant to Section 3.5. Licensee shall remain liable to the City for any damages, including lost revenues and the cost of removal or disposal of property, should Licensee fail to remove all possessions from the Premises during the time prescribed in this Agreement.

3.9 If this License is terminated as provided herein, Parks may, without notice, re-enter and repossess the Licensed Premises using such force for that purpose as may be necessary without being liable to indictment, prosecution or damages therefor and may dispossess Licensee or any Sublicensee by summary proceedings or otherwise, without court order or other judicial approval.

3.10 If this License is terminated as provided in Section 3.3 hereof:

(a) Parks may complete all repair, maintenance and construction work required to be performed by Licensee or Sublicensee hereunder and may repair and alter any portion(s) of the Licensed Premises in such manner as Parks may deem necessary or advisable without relieving Licensee or any Sublicensee of any liability under this License Agreement or otherwise affecting any such liability, and/or relicense the Licensed Premises or any portion thereof for the whole or any part of the remainder of the Term or for a longer period. Parks shall in no way be responsible or liable for any failure to relicense any portion(s) of the Licensed Premises or for any failure to collect any fees due on any such relicensing, and no such failure to relicense or to collect fees shall operate to relieve Licensee or any Sublicensee of any liability under this License Agreement or to otherwise affect any such liability.

3.11 No receipt of moneys by Parks from Licensee or any Sublicensee after the termination of this License Agreement, or after the giving of any notice of the termination of this License Agreement, shall reinstate, continue or extend the Term or affect any notice theretofore given to Licensee, or operate as a waiver of the right of Parks to recover possession of the Licensed Premises by proper remedy. After the service of notice to terminate this License Agreement or the commencement of any suit or summary proceedings or after a final order or judgment for the possession of the Licensed Premises, Parks may demand, receive and collect any moneys due or thereafter falling due without in any manner affecting the notice, proceeding, order, suit or judgment, all such moneys collected being deemed payments on account of the use and occupation of the Licensed Premises or, at the election of Parks, on account of Licensee's or any Sublicensee's liability hereunder.

3.12 In the event this License Agreement is terminated, Parks will not reimburse Licensee's or any Sublicensee's unamortized capital improvement cost.

IV. GROSS RECEIPTS

4.1 In lieu of a license fee, Licensee will use all Gross Receipts received by it from or in connection with its operations at the Licensed Premises exclusively to provide for the management, maintenance, operation and programming of Hudson Park, in accordance with the terms of the M&O Agreement and as otherwise set forth in this License. Licensee shall submit such reports to Parks and permit Parks such audit of its books and records as Parks shall reasonably require to assure that such Gross Receipts are so used. All information to be furnished to Parks shall be accurate and correct in all material respects and sufficient to give Parks a true and accurate picture of the funds expended by Licensee at Hudson Park.

4.2 Intentionally omitted.

4.3 Reports:

(a) **Annual Report.** No later than October 31st each year, in a form that complies with the report attached as Exhibit B to this License Agreement, Licensee shall prepare a report of data concerning all funds that Licensee has generated and expended at Hudson Park for the preceding period of July 1st to June 30th. On or before the sixtieth (60th) day following the end of each Operating Year, Licensee shall submit to Parks a detailed income and expense statement (on an accrual basis) pertaining to operations under this License, signed and verified by an officer of Licensee, including a detailed income and expense statement signed and verified by an officer of the Sublicensee, if any, pertaining to operations at that location. The statements shall be in a format approved by Parks. Neither Parks nor the City may disclose to any third party any documents or information with respect to Licensee's income or expenses in connection with its operations at the Licensed Premises, except to the extent otherwise required by court order or applicable law (including "freedom of information" laws and Local Law 28 of 2008, NYC Admin Code Sec. 18-134). For the avoidance of doubt, this prior sentence shall not apply to the Comptroller or any other authorized auditor nor prevent disclosure by the Comptroller or any other authorized auditor of any information derived from audits of this License Agreement.

(b) **Monthly Report.** On or before the thirtieth (30th) day following the end of each month of each Operating Year, Licensee shall submit to Parks a statement of Licensee's Gross Receipts, in a form satisfactory to Parks, signed and verified by an officer of Licensee reporting any Gross Receipts generated by Licensee under this License Agreement. Such statement shall indicate whether or not these amounts are inclusive of sales tax collected. Licensee shall also submit to Parks, in a form satisfactory to Parks, a statement of Sublicensee's Gross Receipts from each Sublicensee, signed and verified by an officer of such Sublicensee, reporting such Sublicensee's Gross Receipts generated from operations under this License Agreement. Licensee shall cause each such Sublicensee to indicate on its statement of Sublicensee's Gross Receipts whether or not such Sublicensee's Gross Receipts are inclusive of sales tax collected.

(c) **Events Report.** Within 60 days after the end of each Operating Year upon request by Parks, Licensee shall submit to Parks an income and expense statement in a form satisfactory to Parks, signed and verified by an officer of each intermediary/producer which receives income from arranging or producing events at the Licensed Premises, setting forth the income and expenses of each such intermediary from its activities at the Licensed Premises.

(d) Intentionally omitted.

(e) Intentionally omitted.

4.4 Accounting Procedures.

(a) Licensee, during the Term of this License, shall maintain, and shall cause any Sublicensee to maintain, a revenue control system to ensure the accurate and complete recording of all revenues, in a form and manner reasonably acceptable to the City. This revenue control system must maintain detailed sales information from each sales transaction. Specifically, with respect to the Kiosk at the Park, sales information must be recorded electronically, via a computerized point-of-sale system, and must include, but is not limited to, details on each sales transaction, the item(s) sold, time, date of sale and price of the item sold. Licensee shall also establish a dedicated bank account for all deposits related to this concession's generated revenue. All accounting and internal control related records shall be maintained for a minimum of ten (10) years after the date of creation of the record. Additionally, all books and records maintained pursuant to this License Agreement shall be conveniently segregated from other business matters of Licensee and shall include, but not be limited to: all federal, state and local tax returns and schedules of the Licensee; records of daily bank deposits of the entire receipts from transactions in, at, on or from the Licensed Premises;; and duplicate bank deposit slips and bank statements.

(b) Licensee shall, and shall cause any Sublicensee to, use such accounting and internal control methods and procedures and keep such additional books and records as may be reasonably prescribed by Parks and/or the Comptroller, and Parks and/or the Comptroller shall have the right to examine the recordkeeping procedures of the Licensee prior to the commencement of the Term of this License, and at any time thereafter, in order to assure that the procedures are adequate to reveal the true, correct and entire business conducted by the Licensee. Licensee shall maintain each year's records, books of account and data for a minimum of ten (10) years after the date of creation of the record.

4.5 Taxes. Licensee is, and shall cause any Sublicensee to be, solely responsible for the payment of all federal, state and local taxes applicable to the operation of the Licensed Premises. With the exception of federal, state and City sales tax, no such applicable taxes, including but not limited to the New York City Commercial Rent Tax, may be deducted from Gross Receipts or from the compensation due under this License.

4.6 Breach.

(a) In the event Parks reasonably determines that Licensee or Licensee's employees, agents, Sublicensees, or subcontractors have breached any of the provisions contained in Sections 4.1 and 4.3 through 4.5 hereinabove, Licensee may be subject to a charge of five hundred dollars and zero cents (\$500.00) with respect to each incident of breach as liquidated damages, provided that Licensee has been given reasonable notice of such breach and has failed to cure within thirty (30) days of such notice.

(b) The failure or refusal of the Licensee to, or to cause any Sublicensee to, furnish any of the statements required to be furnished under this Article within thirty (30) days after its due date, the failure or refusal of the Licensee to maintain adequate internal controls or to keep any of the records as reasonably required by this Article shall be presumed to be a failure to substantially comply with the terms and conditions of this License and a default hereunder, which shall entitle Parks, at its option, to terminate this License.

V. RIGHT TO AUDIT

5.1 Parks, the Comptroller and other duly authorized representatives of the City shall have the right to examine or audit the records, books of account and data of the Licensee and any Sublicensee to verify compliance with this License Agreement and/or Gross Receipts as reported by the Licensee. Licensee shall, and shall cause any Sublicensee to, also permit the inspection by Parks, Comptroller or other duly authorized representatives of the City of any equipment used by Licensee and any Sublicensee, including, but not limited to, cash registers and recording machines, and all reports or data generated from or by the equipment. Licensee shall cooperate fully and assist Parks, the Comptroller or any other duly authorized representative of the City in any examination or audit thereof. In the event that the Licensee's or any Sublicensee's books and records, including supporting documentation, are situated at a location 50 miles or more from the City, the records must be brought to the City for examination and audit or Licensee or such Sublicensee must pay the food, board and travel costs incidental to two auditors conducting such examination or audit at said location. Audits by Parks will be performed in a manner that will not unreasonably interrupt the operation of the business at the Licensed Premises.

5.2 The failure or refusal of the Licensee to, or cause any Sublicensee to, permit Parks, the Comptroller or any other duly authorized representative of the City to audit and examine the Licensee's or any Sublicensee's records, books of account and data or the interference in any way by the Licensee or any Sublicensee in such an audit or examination is presumed to be a failure to substantially comply with the terms and conditions of this License and a default hereunder which

shall entitle Parks to terminate this License following the giving of notice and expiration of applicable cure periods pursuant to Section 3.3(a) hereof.

5.3 Notwithstanding the foregoing, the parties hereto acknowledge and agree that the powers, duties, and obligations of the Comptroller pursuant to the provisions of the New York City Charter shall not be diminished, compromised or abridged in any way.

VI. PARKS SPECIAL EVENTS

6.1 For the purposes of this Section 6 the term “Parks’ Special Event(s)” shall mean any Special Event at the Licensed Premises sponsored by Parks. The Commissioner represents to Licensee that the Commissioner has not, as of the date hereof, granted to any other person or entity any license, permit, or right of possession or use of the Licensed Premises or any portion thereof. For each Parks Special Event, Parks shall comply with the following conditions: (a) Parks shall give Licensee not less than thirty (30) days (or such lesser period as agreed by the parties) advance notice of any Parks’ Special Event, and any annual event will be on a date mutually agreed to by Parks and Licensee, (b) Parks shall not sponsor or permit a Parks’ Special Event on a date that will conflict with a Licensee’s Special Event for which Licensee has submitted to Parks an application for a Special Event Permit and such Special Event Permit has been approved by Parks, (c) Parks shall be responsible for maintenance and clean-up associated with any such Parks’ Special Event and may delegate such maintenance and clean-up obligation to a third-party, but such delegation shall not relieve Parks of primary responsibility to Licensee for such maintenance and clean-up, and (d) each Sublicensee, in its own discretion, may elect to operate or not to operate during any Parks’ Special Event. Subject to the foregoing conditions, Licensee shall, and shall require that each Sublicensee, cooperate with Parks in connection with Parks’ Special Events. Such events shall not, without the prior written consent of Licensee, prohibit the Licensee or any Sublicensee from reasonable access to the Licensed Premises. Furthermore, Parks reserves the right to grant permits for “Demonstrations” as defined in Section 1-02 of Parks’ Rules and Regulations at the Licensed Premises where appropriate under Parks’ Rules and Regulations and where such Demonstrations do not unreasonably interfere with previously scheduled and Parks-approved Licensee’s Special Events as reasonably determined by Parks.

VII. ALTERATIONS

7.1 (a) Licensee and any Sublicensee may alter the Licensed Premises only in accordance with the requirements of subsection (b) of this Section. Alterations shall become property of City, at its option, upon their attachment, installation or affixing.

(b) In order to alter Licensed Premises, Licensee must:

(i) Obtain Commissioner's written approval (which shall not be unreasonably withheld or delayed) for whatever designs, plans, specifications, cost estimates, agreements and contractual understandings may pertain to contemplated purchases and/or work;

(ii) insure that work performed and alterations made on the Licensed Premises are undertaken and completed in accordance with submissions approved pursuant to

section (i) of this Article, in a good and workmanlike manner, and within a reasonable time;

(iii) notify Commissioner of completion of, and the making final payment for, any alteration within ten days after the occurrence of said completion or final payment; and

(iv) comply with the existing City and Parks procedures, as may be amended from time to time during the Term, for review of any proposed Alteration constituting a landscape redesign, renovation, and rehabilitation project in the Licensed Premises.

(c) Commissioner may, in his discretion, make repairs, alterations, decorations, additions or improvements to Licensed Premises at the City's expense, but nothing herein shall be deemed to obligate or require Commissioner to make any repairs, alterations, decorations, additions, or improvements, nor shall this provision in any way affect or impair Licensee's obligation herein in any respect. Parks shall use reasonable efforts to give Licensee at least fourteen days' written notice of any such work and not to interfere substantially with Licensee's operations or use of the Licensed Premises. Parks shall use its reasonable efforts to perform such work in a way which minimizes interference with Licensee's operations at the Licensed Premises.

(d) To guarantee prompt payment of moneys due to a contractor or his or her subcontractors and to all persons furnishing labor and materials to the contractor or his or her subcontractors in the prosecution of any Capital Improvement Project with an estimated cost exceeding two hundred fifty thousand dollars (\$250,000), Licensee shall post a payment bond or other form of undertaking approved by Parks in the amount of one hundred percent (100%) of the cost of such Capital Improvement Project before commencing such work. Such bond or other undertaking shall be in a form acceptable to Parks. For purposes of this provision, a "Capital Improvement Project" shall mean a set of Capital Improvements that are reasonably related in time and purpose as determined by Parks in its sole discretion. Also, for purposes of this provision, "Capital Improvements" shall mean all construction, reconstruction, renovations or Alterations of or to the Licensed Premises governed by this License Agreement.

(e) All Alterations to the Licenses Premises undertaken by the Licensee, its agents, employees, Sublicensees or contractors shall be at the Licensee's (or its Sublicensee's) sole cost and expense (other than any agreed contribution from the City or Parks, and contributions from other public or private sector partners or donors) and such work shall not commence until the Licensee obtains written approval from the Commissioner, or his designee as well as any City or other governmental authorizations and approvals that may be necessary.

VIII. FIXED AND EXPENDABLE EQUIPMENT

8.1 Subject to the provisions of Article X hereof, Licensee shall, at its sole cost and expense or through any Sublicensee and to the reasonable satisfaction of the Commissioner, provide, and replace if necessary, all equipment and materials necessary for the successful operation of this License, and put, keep, repair, preserve and maintain in good order all equipment found on, placed in, installed in or affixed to the Licensed Premises.

8.2 City has title to all Fixed Equipment on the Premises as of the Commencement Date. Title to any Additional Fixed Equipment and to all construction, renovation, or improvements made to the Licensed Premises shall vest in and belong to the City at the City's option, which option may be exercised at any time after the substantial completion of the affixing of said equipment or the substantial completion of such construction, renovation or improvement. To the extent City chooses not to exercise such option it shall, at the termination or expiration of this License, be the responsibility of Licensee, at its sole cost and expense and to the satisfaction of Commissioner, to remove such equipment and restore the Licensed Premises to Parks in a condition no worse than at the commencement of the Term.

8.3 Licensee shall supply at its own cost and expense or through any Sublicensee all Expendable Equipment required for the proper operation of this License, and repair or replace same at its own cost and expense when reasonably requested by Commissioner. Licensee must acquire and use for the purpose intended any Expendable Equipment which the Commissioner reasonably determines is necessary to the operation of this License.

8.4 Licensee shall, and cause any Sublicensee to, acquire, replace or repair, install or affix, at its sole cost and expense, any equipment, materials and supplies required for the proper operation of the Licensed Premises as described herein or as reasonably required by Commissioner.

8.5 Title to all Expendable Equipment obtained by Licensee or any Sublicensee shall remain in Licensee or such Sublicensee and such equipment shall be removed by Licensee at the termination or expiration of this License. In the event such equipment remains in the Licensed Premises following such termination or expiration, Commissioner may treat such property as abandoned and charge all costs and expenses incurred in the removal thereof to Licensee.

8.6 Licensee acknowledges that it is acquiring this License to use the Licensed Premises and Fixed Equipment thereon solely in reliance on its own investigation, that no representations, warranties or statements have been made by the City concerning the fitness thereof, and that by taking possession of the Licensed Premises and Fixed Equipment, Licensee accepts them in their present condition "as is."

8.7 The equipment to be removed by Licensee pursuant to this License Agreement shall be removed from the Licensed Premises in such a way as shall cause no damage to the Licensed Premises, ordinary wear and tear excepted. Notwithstanding its vacating and surrender of the Licensed Premises, Licensee shall remain liable to City for any damage it may have caused to the Licensed Premises.

IX. UTILITIES

9.1 Parks makes no representations regarding the adequacy of utilities currently in place at the Licensed Premises or that any entity can or will make such service available. Licensee shall, and shall cause any Sublicensee to, connect to and/or upgrade any existing utility service or create a new utility system and obtain the appropriate permits and approvals. This includes establishing a dedicated meter and/or submeter that captures electricity usage at the Licensed Premises and an account with the appropriate service providers. Licensee and Sublicensee at

their sole cost will be required to pay for any and all utility costs connected with its operations at the Licensed Premises during the Term. These utility costs include, but are not limited to, electricity as well as paying all water and sewer charges that the City's Department of Environmental Protection ("DEP") assesses for water usage. Licensee shall, and shall any Sublicensee to, adhere to all DEP directives and restrictions regarding drought and water conservation issues during the Term.

X. OPERATIONS

10.1 (a) Licensee, at its sole cost and expense, in addition to any obligation in the M&O Agreement, shall operate and maintain the Licensed Premises for the use and enjoyment of the general public and in such manner as the Commissioner shall prescribe and as permitted by, and in compliance with, all laws, rules, regulations and orders of government agencies having jurisdiction. Licensee may only operate at the Licensed Premises as set forth herein and only when the park in which the Licensed Premises is located is open. All hours of operation are subject to Parks' prior written approval which shall not be unreasonably withheld or delayed. All services, menu items and merchandise and all rates, fees and prices, or changes thereto, to be charged by Licensee for any goods, rights or services provided pursuant to the operation of this License must also be approved in advance in writing by Parks which shall not be unreasonably withheld or delayed. At its sole discretion, but based upon written request from Licensee, Parks may allow changes to Licensee's approved operating hours/schedule. If the Commissioner grants the request, Licensee shall continue to be responsible for all other obligations under the License Agreement.

(b) Licensee shall, and shall cause any Sublicensee to, comply with all national safety guidelines and federal, state and City laws, rules and regulations related to the operation and maintenance of the Licensed Premises.

(c) Licensee must provide or cause any Sublicensee to provide all equipment necessary for the successful operation of the concessions granted hereby.

(d) Licensee shall operate and maintain a properly licensed and amply stocked Kiosk on a seasonal basis approved by Parks. Such Kiosk must be of a high standard of quality. Licensee shall maintain an adequate inventory to assure a constant supply of food and beverages.

(e) Licensee acknowledges that the City is the trademark owner of various marks and has licensed the use of those trademarks for use on certain designated merchandise. If Licensee wants to sell merchandise that uses the City's trademarks, Licensee will be required to purchase merchandise from authorized licensees of the City of New York. Parks will not permit the sale of merchandise promoting musicians, entertainers, sports figures, cartoon characters, commercial products or non-park-related events. The knowing sale of counterfeit or unlicensed merchandise at the Licensed Premises will result in the immediate termination of this License Agreement.

(f) The selling and/or advertisement of cigarettes, cigars, any other tobacco products or electronic cigarettes or non-tobacco smoking product at the Licensed Premises is strictly prohibited. Licensee shall adhere to and enforce this policy and shall cause any Sublicensee to adhere to this policy.

(g) The sale and/or service of alcohol at the Licensed Premises is strictly prohibited without the prior written approval of Parks and the appropriate license(s) from the State Liquor Authority and all other agencies having jurisdiction. Alcoholic beverages may only be served by Licensee in areas designated by Parks. All efforts must be made by Licensee to keep alcohol consumption discrete. Licensee must keep in mind that the Licensed Premises are in a public park and the consumption of alcohol should be encouraged only as an accompaniment to the cuisine.

(h) Any staff assigned by Licensee to sell food and beverages to the public must possess all Federal, State, and City authorizations, and possess, and at all times display, appropriate Department of Health and Mental Hygiene (“DOHMH”) permits. Licensee may only provide food service at the Licensed Premises if it has obtained the appropriate, valid permits and authorizations required by DOHMH. At all times that any of the food service operations at the Licensed Premises are operating, a staff person with a valid DOHMH food handler’s license must be present. If Licensee operates without all necessary permits and licenses, it may be subject to fines and/or confiscation of merchandise.

(i) With respect to the Mobile Food Unit(s), Licensee shall obtain a DOHMH Vendor License for each person designated as an operator of a Mobile Food Unit and a DOHMH Mobile Food Vending Unit Permit for its Mobile Food Unit(s). Licensee must submit both a valid DOHMH Vendor License and a DOHMH Mobile Food Vending Unit Permit to Parks before the operation of Mobile Food Unit(s) can commence. During the License Term, if Licensee operates a Mobile Food Unit without a valid DOHMH Vendor License and a DOHMH Mobile Food Vending Unit Permit, Licensee will be instructed to cease operations and will be subject to fines. When warranted and pursuant to law, ordinance or regulation, Officers of the Parks Enforcement Police (PEP), New York City Police Department, New York Fire Department and DOHMH may confiscate the Mobile Food Unit(s), including merchandise.

(j) Subject to Parks approval, Licensee may install or have installed vending machines for snack and beverage service. In the event that Licensee places vending machines at the Premises, Licensee will be required to comply with the Citywide Beverage Vending Machines Standards and Standards for Food Vending Machines, attached hereto as Exhibits C-1 and C-2 respectively. Licensee shall remove any vending machine at the direction of the Commissioner. In addition, the beverage and/or food standards may be changed during the Term of the License. In the event that Licensee installs vending machines, Licensee will be required to comply with any new and/or changed food or beverage standards in the operation of all vending machines at the Premises. Notwithstanding the foregoing, if the implementation of such new or changed standards will result in a material adverse effect on Licensee’s costs, upon submission to Parks of documentation satisfactory to Parks demonstrating such effect, Licensee and Parks may amend this License as agreed between Parks and Licensee.

10.2 At the Kiosk Licensee shall, at its sole cost and expense, print, frame and prominently display in a place and manner designated by Commissioner, the approved schedule of operating days and hours and rates, fees and prices.

10.3 (a) Smoking and the use of electronic cigarettes anywhere on the Licensed Premises is strictly prohibited.

(b) Additionally, Licensee shall not use, and shall cause any Sublicensee not to use, in its operations any polystyrene packaging or food containers.

(c) Licensee is prohibited, and shall prohibit any Sublicensee, from selling any beverages in glass bottles. All beverages shall be in non-glass, shatter-proof containers.

(d) Licensee shall, and shall cause any Sublicensee to, adhere to and enforce the prohibitions contained in this Section 10.3.

10.4 Licensee, at its sole cost and expense or through any Sublicensee, shall obtain, possess and display prominently at the Licensed Premises all approvals, permits, licenses, and certificates (including amendments thereto) that may be required for the operation and maintenance of the Licensed Premises in accordance with all applicable Federal, State, and City laws, rules and regulations. Licensee shall, and shall cause any Sublicensee to, operate and occupy the Licensed Premises in accordance with all applicable law and shall, at its sole cost and expense, obtain all approvals, licenses, permits and certificates (including amendments thereto) that may be required to operate the Licensed Premises in accordance with applicable law, including any necessary Certificate(s) of Occupancy. Licensee shall, and shall cause any Sublicensee to, at all times operate the Licensed Premises in accordance with the provisions of any required licenses or permits. In the event that, at the Commencement Date Licensee does not have a Certificate of Occupancy because one is not legally required, then Licensee shall, and shall cause any Sublicensee to, obtain a "Letter of No Objection" from the Department of Buildings ("DOB"). Furthermore, in the event that, at the Commencement Date, or at any time during the Term, the Licensee does not have a Certificate of Occupancy, where required; and does not have a "Letter of No Objection". Licensee may conduct its operations in temporary structures that have been approved by Parks. Licensee shall, and shall cause any Sublicensee to, obtain any necessary licenses and permits for such temporary structures before the commencement of operations hereunder.

10.5 Licensee warrants that all merchandise, food, beverages, and services of any kind sold or rented pursuant to this License shall be of a high quality. Licensee shall, and shall cause any Sublicensee to, operate in such a manner as to maintain a very high health inspection rating.

10.6 RESERVED.

10.7 An officer or member of the Licensee shall personally operate this License or employ an operations manager at the Licensed Premises. A member of the Licensee or manager must be available by telephone during all hours of operation, and Licensee shall continuously notify the Commissioner and the Parks Enforcement Patrol Communications Division of a 24-hour pager or cellular telephone number through which Parks may contact the manager or officer in the event of an emergency. Licensee shall replace any manager, officer, employee, subcontractor or Sublicensee whenever reasonably requested by Commissioner.

10.8 Licensee shall, and shall cause any Sublicensee to, provide equipment which will provide security for all monies received. Licensee shall, and shall cause any Sublicensee to, provide for the transfer of all monies collected to the banking institution of Licensee or any

Sublicensee, as applicable. Licensee shall, and shall cause any Sublicensee to, bear the loss of any lost, stolen, misappropriated or counterfeit monies derived from operations under this License.

10.9 Licensee shall, and shall cause any Sublicensee to, at its sole cost and expense, provide, hire, train, supervise and be responsible for the acts of all personnel necessary for the proper operation of this License, including but not limited to:

- (a) collecting and safeguarding all monies generated under this License;
- (b) maintaining the Licensed Premises; and
- (c) conducting and supervising all activities to be engaged in upon the Licensed Premises.

10.10 Licensee must, and shall require any Sublicensee to, provide Americans with Disabilities Act (“ADA”) accessibility throughout the Licensed Premises. Licensee shall comply with all City, State and Federal laws relating to access for persons with disabilities. The Licensee shall, and shall cause any Sublicensee to, also comply with all New York City, State and Federal requirements to provide safe and accessible recreational opportunities for everyone, including persons with disabilities. Licensee is encouraged to exceed accessibility requirements whenever possible and not simply provide the minimum level required. Such accessibility shall be clearly indicated by signs and included in all advertising by Licensee. Licensee shall, and shall cause any Sublicensee to, include in its advertising and promotion program, described in Section 10.15 below, a plan which describes how it intends to make facilities and services available at the Licensed Premises readily accessible and useable by individuals with disabilities.

10.11 Pursuant to a plan approved by Parks, Licensee shall, at its sole cost and expense, be responsible for all security at the Licensed Premises during the Term and shall provide for a twenty-four hour per day security system, which might include a security camera, at the Licensed Premises in accordance with plans that have received the prior written approval of Parks which shall not be unreasonably withheld or delayed. Licensee shall secure the Licensed Premises and any equipment every evening before closing for the day during the Term.

10.12 Licensee shall prepare and provide to Parks operational status reports and reports of major accidents or unusual incidents occurring on the Licensed Premises, on a regular basis and in a format reasonably acceptable to the Commissioner. Licensee shall promptly notify Parks, in writing, of any claim for injury, death, property damage or theft which shall be asserted against Licensee or any Sublicensee with respect to the Licensed Premises. Licensee shall also designate a person to handle all such claims, including all insured claims for loss or damage pertaining to the operations of the Licensed Premises, and Licensee shall notify Parks in writing as to said person's name and address.

10.13 Licensee shall promptly notify Commissioner of any unusual conditions that may develop in the course of the operation of this License such as, but not limited to, fire, flood, casualty and substantial damage of any character.

10.14 Licensee shall maintain close liaison with the Parks Enforcement Patrol and New York City Police Department. Licensee shall cooperate with all efforts to enforce Parks Rules and Regulations at the Licensed Premises and adjacent areas. Licensee shall use its best efforts to prevent illegal activity on the Licensed Premises and shall immediately report any illegal activity to the police upon becoming aware of same.

10.15 Licensee and any Sublicensee may establish an advertising and promotion program, subject to Parks prior written approval, which will not be unreasonably withheld or delayed. Licensee and any Sublicensee shall have the right to print or to arrange for the printing of programs or brochures containing any advertising matter except advertising matter which in the sole discretion of the Commissioner is indecent, in obvious bad taste, which demonstrates a lack of respect for public morals or conduct, or which adversely affects the reputation of the Licensed Premises, Parks, or the City of New York. Licensee and any Sublicensee may release news items to the media as it sees fit. If the Commissioner in his reasonable discretion, however, finds any advertising or other releases to be unacceptable, then Licensee shall, and shall cause any Sublicensee to, cease or alter such advertisements or releases as directed by the Commissioner. The Commissioner shall have prior reasonable approval as to design and distribution of all advertising and promotional materials.

10.16 The design, placement and content of all signage, including signage which includes Licensee's or any Sublicensee's name, trade name(s) and/or logo(s), is subject to Parks' prior written approval. Any and all signage is subject to Parks' prior written approval. All advertising utilized at the Licensed Premises is subject to Parks' prior written approval. Licensee shall, and shall cause any Sublicensee to, not advertise any product brands without Parks' prior written approval. Licensee is, and shall cause any Sublicensee to be, prohibited from displaying, placing or permitting the display or placement of advertisements in the Licensed Premises without the prior written approval of Parks. The display or placement of tobacco or electronic cigarette or non-tobacco smoking product advertising shall be prohibited. The advertising of alcoholic beverages shall not be permitted, but Licensee and any Sublicensee may display signage approved by Parks setting forth its offerings of alcoholic beverages. The following standards will apply to any allowed advertising: Any type of advertising which is false or misleading, which promotes unlawful or illegal goods, services or activities, or which is otherwise unlawful, including but not limited to advertising that constitutes the public display of offensive sexual material in violation of Penal Law Section 245.11, shall be prohibited. Licensee shall, and shall cause any Sublicensee to, immediately remove any prohibited material displayed or placed upon notice from Parks at Licensee's sole cost and expense.

10.17 Licensee shall, and shall cause any Sublicensee to, at its sole cost and expense, post throughout the Licensed Premises such signs as may be necessary to direct patrons to its services and facilities, subject to the prior written approval of Parks. Such signs shall include the necessary wording and arrows to direct patrons to Licensee's attendants. If Licensee or any Sublicensee contemplates placing any signs off-site, such as on nearby highways or streets, Licensee or any Sublicensee shall be responsible for obtaining any necessary approvals or permits from any governmental agency having jurisdiction over such highways, streets or locations. The design and content of all such signs, whether on or off Parks' property, are subject to Commissioner's prior written approval which shall not be unreasonably withheld or delayed.

10.18 Licensee shall, and shall cause any Sublicensee to, obtain the prior written approval of Parks prior to entering into any marketing or sponsorship agreement. In the event Licensee or Sublicensee breaches this provision, Licensee shall or shall cause its Sublicensee, as applicable, to take any action that the City may deem necessary to protect the City's interests.

10.19 Should Commissioner reasonably determine that Licensee or any Sublicensee is not operating the Licensed Premises in a satisfactory manner, Commissioner may in writing order Licensee to, or cause its Sublicensee to, improve operations or correct such conditions as Commissioner may deem unsatisfactory. In the event that Licensee fails to comply with such written notice or respond in a manner reasonably satisfactory to Commissioner within the reasonable timeframe set forth in said notice, subject to unavoidable delays beyond the reasonable control of Licensee, notwithstanding any other provisions herein, then Commissioner may terminate this License.

10.20 Should Commissioner, in Commissioner's sole judgment, determine that an unsafe or emergency condition exists on the Licensed Premises, after written notification, Licensee shall have 24 hours to correct such unsafe or emergency condition. During any period where the Commissioner determines that an unsafe or emergency condition exists on the Licensed Premises then the Commissioner may require a partial or complete suspension of operation in the area affected by the unsafe or emergency condition. If Licensee believes that such unsafe or emergency condition cannot be corrected within said period of time, the Licensee shall notify the Commissioner in writing and indicate the period within which such condition shall be corrected. Commissioner, in Commissioner's sole discretion, may then extend such period of time in order to permit Licensee to cure, under such terms and conditions as appropriate.

10.21 Licensee shall not, and shall cause any Sublicensee to not, use or permit the storage of any illuminating oils, oil lamps, turpentine, benzene, naphtha, or similar substances or explosives of any kind or any substances or items prohibited in the standard policies of insurance companies in the State of New York.

10.22 Licensee shall, and shall cause any Sublicensee, operate the Licensed Premises in accordance with all applicable FDNY Codes.

10.23 Parks' inspectors shall visit the Licensed Premises unannounced to inspect operations, ensure proper maintenance of the Licensed Premises and determine whether or not Licensee is in compliance with the terms of this License Agreement. Based on their inspections, should Licensee or any Sublicensee fail to provide the cleaning, maintenance, and operational services required by this License, Parks shall notify Licensee in writing, and Licensee shall be required to correct or cause to be corrected such shortcomings within the time frame set forth in such notice. If Licensee fails to cure the violation within the time frame set forth in the notice, Parks may, at its option, in addition to any other remedies available to it, assess Licensee as liquidated damages payable to Parks Five Hundred (\$500.00) Dollars per day with respect to each violation of the License, until the shortcomings have been corrected.

If an assessment is received for a violation, there is a process by which the assessment may be appealed if Licensee feels that the assessment has been assessed in error. The procedure is outlined below:

1. Filing an Appeal

- A. If Licensee wishes to appeal the assessment, a notice of appeal must be delivered to Parks within ten (10) days along with a statement of reasons why it believes the assessment was erroneous. The statement of reasons must be notarized. Any evidence supporting Licensee's appeal (such as photographs, documents, witness statements, etc.) should also be included.
- B. If no appeal is received within 10 days of the date the assessment is mailed, the assessment shall be considered final and charged to Licensee's account.

2. Adjudication of Appeal

- A. The appeal shall be sent to the Director of Operations Management & Planning, whose office is located at the Arsenal, 830 Fifth Avenue, New York, NY 10065. The Commissioner has designated the Director of Operations Management & Planning to decide on the merits of these appeals. The decision of the Director of Operations Management & Planning shall constitute the final decision of Parks.
- B. The Director of Operations Management & Planning is authorized to investigate the merits of the appeal, but is not required to hold a hearing or to speak to Licensee in person.

10.24 Parks does not guarantee that illegal vendors, persons unauthorized by Parks or disabled veteran vendors will not compete with Licensee or operate near the Licensed Premises. Parks encourages licensees to report illegal vendors by calling 311.

10.25 Parks makes no representations that there is adequate storage at the Licensed Premises. Licensee, at its sole expense or through any Sublicensee, will be responsible for the storage of all equipment and personal property. Licensee shall be responsible for, at its sole cost and expense, obtaining any additional storage space required for the operation of the concession granted hereby. Licensee shall not, and shall cause any Sublicensee to not, store any equipment or supplies at the Licensed Premises without the prior written approval of Parks. No item shall be placed upon any public space, including the ground adjacent to the Licensed Premises without Parks' prior written approval which shall not be unreasonably withheld or delayed. Licensee will be required to secure all outdoor equipment, if any, on a nightly basis and anytime the concession granted hereby is closed.

10.26 Intentionally omitted.

10.27 Licensee shall, and shall cause any Sublicensee to, have a sufficient number of staff available at the Licensed Premises during regular operating hours to ensure proper operation of the concessions granted hereby. Parks reserves the right to require that all staff wear uniforms that have been approved in writing by Parks which shall not be unreasonably withheld or delayed.

10.28 Licensee shall, and shall cause any Sublicensee to, comply with all laws, rules and regulations of appropriate agencies, specifically DEP, regarding noise levels, and Licensee shall be responsible for payment of any and all fees or royalties to the American Society of Composers, Authors and Publishers (ASCAP), Broadcast Music, Inc. (BMI), or such other entity as they may require for music or music programming. Licensee and any Sublicensee may operate and play sound equipment and music only at a sound level reasonably acceptable to the Commissioner. Any musical programming or other types of entertainment must be approved by Parks which shall not be unreasonably withheld or delayed. A cabaret license will be strictly prohibited at the Licensed Premises.

10.29 Licensee shall, and shall cause any Sublicensee to, comply with the Earned Sick Time Act, also known as the Paid Sick Leave Law, as a licensee of the City of New York as set forth in the Paid Sick Leave Law Concession Rider annexed hereto as Exhibit D.

XI. MAINTENANCE, SANITATION AND REPAIRS

11.1 Licensee shall, in addition to any obligation in the M&O Agreement, at its sole cost and expense (or through arrangements with third parties), operate and maintain the Premises in good and safe condition and in accordance with industry standards during the Term. This includes, but is not limited to, the maintenance of and the making of all necessary repairs to the Premises, all interior and exterior structures, building systems, utility systems and connections, sewer systems and connections, restrooms (including the stocking of supplies), equipment, lighting, sidewalks, paved areas, vaults, gutters, curbs, and fixtures during the Term. In addition, all signs and structures at the Kiosk at the Premises must be kept in good condition and free of graffiti.

11.2 During the Term, Licensee shall perform its maintenance duties under this License Agreement to the reasonable satisfaction of Commissioner. All such maintenance shall be performed by Licensee in a good and worker-like manner.”

11.3 At Parks’ request during the Term, upon reasonable prior written notice Licensee shall conduct site inspections at the Licensed Premises with a representative of Parks. Such inspections shall assess the condition of the Licensed Premises and all Fixed and Additional Fixed Equipment therein, and determine the nature and extent of repairs, if any, to be performed by Licensee. Licensee shall make all necessary repairs in accordance with Section 11.1 during the Term.

11.4 During the Term, Licensee shall be responsible for, at its sole cost and expense, clean-up of all waste, garbage, refuse, rubbish and litter at the Licensed Premises and the removal of all snow from the Licensed Premises. Licensee shall provide adequate and easily accessible waste and recycling receptacles, approved by Parks. After collection by Licensee, Parks will remove all waste, garbage, refuse, rubbish and litter from the Licensed Premises in accordance with a

schedule to be agreed between Licensee and Parks. The location and placement of all waste and recycling receptacles is subject to Parks' prior written approval which shall not be unreasonably withheld or delayed. Licensee shall comply with all City, State, and Federal regulations regarding recycling. In addition, Licensee shall demonstrate to Parks' reasonable satisfaction, through a detailed maintenance plan, that it will keep and maintain the Licensed Premises in excellent condition during the Term.

11.5 During the Term Licensee shall maintain and improve the landscaping at the Licensed Premises. This shall include, but is not limited to, performing any seeding, trimming, pruning, planting, fertilization, terrain shaping, and soil improvements. In addition, Parks requires that any trees on the Licensed Premises be pruned as needed. Licensee shall submit detailed plans to Parks of all horticultural and landscaping work to be performed. All work to be performed at the Licensed Premises is subject to Parks' prior written approval which shall not be unreasonably withheld or delayed. In addition, Licensee shall obtain all necessary permits, approvals, and authorizations from all City, State, and Federal agencies having jurisdiction over the Licensed Premises before any work is performed, and such work shall be of a quality which meets Parks' standards. Licensee is prohibited from cutting down, pruning or removing any trees on the Licensed Premises without the prior written approval of Parks. Any attachments to the trees, such as lights, will not be permitted.

11.6 At the expiration or sooner termination of this License, Licensee shall turn over the Licensed Premises and the Fixed and Additional Fixed Equipment to Parks in a reasonably well maintained state, in good repair, ordinary wear and tear excepted.

11.7 With respect to the activities set forth in Section 1.1(a)(1)(i-iv), at its sole cost and expense, Licensee shall, or shall cause Sublicensee to, keep all signs and structures in good condition and shall remove any and all graffiti that may appear on the buildings and structures during the Term hereof. Such graffiti removal shall be commenced promptly after the appearance of any such graffiti and shall continue until such graffiti is removed.

11.8 Licensee shall conduct regular pest control inspections and extermination, as needed. Pest control methods chosen by Licensee shall be subject to the approval of Parks. To the extent Licensee applies pesticides to the Licensed Premises, Licensee, or any subcontractor hired by Licensee, shall comply with Chapter 12 of Title 17 of the New York City Administrative Code and limit the environmental impact of its pesticide use.

11.9 For any vehicle fuel dispensing tanks or underground heating oil storage tanks over 1,100 gallon capacity, Licensee shall, and shall cause any Sublicensee to, maintain up-to-date Petroleum Bulk Storage ("PBS") registrations with State Department of Environmental Conservation ("DEC") and register such tanks with the DEP. Licensee shall, and shall cause any Sublicensee to, assume all registration and update costs. Licensee shall, and shall cause any Sublicensee to, keep a copy of the PBS Certificate on site and provide copies to Parks 5-Boro Office on Randalls Island, New York. Licensee shall, and shall cause any Sublicensee to, perform or have performed a tightness test conducted at least once every five years, to comply with Parks monitoring leak detection checklists for the tank(s) and all other legal requirements. Any changes, removals or additions of tanks must be pre-approved by Parks which shall not be unreasonably withheld or delayed.

XII. APPROVALS

12.1 Licensee is solely responsible for obtaining all government approvals, permits and licenses required by Federal, State and City laws, regulations, rules and orders to fulfill this License. Parks shall provide Licensee with reasonable cooperation in obtaining the necessary approvals, permits, and licenses and shall not unreasonably withhold or delay its consent to signing, where its signature is needed, any accurate application made by Licensee required to obtain such approvals, permits and licenses.

12.2 Whenever any act, consent, approval or permission is required of the City, Parks or the Commissioner under this License, the same shall be valid only if it is, in each instance, in writing and signed by Commissioner or his duly authorized representative. No variance, alteration, amendment, or modification of this instrument shall be valid or binding upon the City, Parks, the Commissioner or their agents, unless the same is, in each instance, in writing and duly signed by the Commissioner or his duly authorized representative.

XIII. PARKS EVENTS

13.1 (a) Licensee shall, and shall require that each Sublicensee, cooperate with Parks in connection with unanticipated events and emergencies at the Licensed Premises.

(b) (i) In addition to the services to be performed by Licensee described in this License Agreement, Parks may provide, or provide permits for, additional program activities on the Licensed Premises, including other non-profit or public events ("Parks' Events").

(ii) Parks agrees that it will not schedule an event or program activity at any time during the occurrence of an event previously scheduled by the Licensee and approved by Parks.

(iii) Parks shall consult with the Licensee prior to issuing permits for or scheduling or approving additional program activities or organized events. Parks shall use reasonable efforts to provide the Licensee with no less than thirty (30) (or lesser period as shall be acceptable by the Licensee) days prior written notice of any such proposed program activities.

(iv) Parks will use reasonable efforts to ensure that the parties authorized by it to conduct Parks' Events will be responsible for maintenance and clean-up associated with any such Parks' Event.

(v) Such events shall not be defined as Third-Party Events under this agreement.

XIV. PROHIBITION AGAINST TRANSFER; ASSIGNMENTS AND SUBLICENSES

14.1 Subject to the terms of this Article 14, Licensee shall not sell, transfer, assign, sublicense or encumber in any way this License, ten percent (10%) or more of the shares of or interest in Licensee, or any equipment furnished as provided herein, or any interest therein, or consent, allow or permit any other person or party to use any part of the Licensed Premises,

buildings, space or facilities covered by this License, nor shall this License be transferred by operation of law, unless approved in advance in writing by Commissioner, it being the purpose of this License Agreement to grant this License solely to Licensee herein named.

Should Licensee choose to assign or sublicense the management and operation of any element of the Licensed Premises to another party, Licensee shall seek the approval of the Commissioner by submitting a written request including proposed assignment documents as provided herein which approval shall not be unreasonably withheld or delayed. The Commissioner may request any additional information he deems reasonably necessary and Licensee shall promptly comply with such requests.

The term "assignment" shall be deemed to include any direct or indirect assignment, sublet, sale, pledge, mortgage, transfer of or change in more than ten percent (10%) in stock or voting control of or interest in Licensee, including any transfer by operation of law. No sale or transfer of the stock of or interest in Licensee or its nominee may be made under any circumstance if such sale or transfer will result in a change of control of Licensee violative of the intent of this Section 14.

14.2 No assignment or other transfer of any interest in this License Agreement shall be permitted which, alone or in combination with other prior or simultaneous transfers or assignments, would have the effect of changing the ownership or control, whether direct or indirect, of more than ten percent of stock or voting control of Licensee in the Licensed Premises without the prior written consent of Commissioner, which shall not be unreasonably withheld. Licensee shall present to Commissioner the assignment or sublicense agreement for approval, together with any and all information as may be required by the City for such approval, including a statement prepared by a certified public accountant indicating that the proposed assignee or Sublicensee has a financial net worth acceptable to the Commissioner together with a certification that it shall provide management control acceptable to the Commissioner for the management and operation of the Licensed Premises. The constraints contained herein are intended to assure the City that the Licensed Premises are operated by persons, firms and corporations, which are experienced and reputable operators and are not intended to diminish Licensee's interest in the Licensed Premises.

14.3 No consent to or approval of any assignment or sublicense granted pursuant to this Section 14 shall constitute consent to or approval of any subsequent assignment or sublicense. Failure to comply with this provision shall cause the immediate termination of this License.

XV. PARKS CONSTRUCTION

15.1 Parks reserves the right to perform safety, maintenance or construction work deemed necessary by Commissioner in the Commissioner's sole discretion at or throughout the Licensed Premises at any time during the Term. Licensee shall, and shall cause any Sublicensee to, cooperate with Parks to accommodate any such work by Parks and provide public and construction access through the Licensed Premises as deemed necessary by the Commissioner. Parks shall use its reasonable efforts to give Licensee at least one week's notice of any such work and not to interfere substantially with Licensee's operations or use of the Licensed Premises. Parks may temporarily close a part or all of the Licensed Premises for a Parks purpose

as determined by the Commissioner. In the event that Licensee must close the Licensed Premises for the purposes provided for in this License because of such Parks' work, then Licensee may propose and submit for the Commissioner's approval a plan to equitably address the impact of the closure, including but not limited to a suspension of all financial obligations of this License. Licensee shall, and shall cause Sublicensee to, be responsible for security of all Licensee's property or Sublicensee's property, as applicable on the Licensed Premises at all times. Parks shall be solely responsible for claims, damages, or injury resulting from its work hereunder, except to the extent such claims, damages and injury are caused by the negligence or willful misconduct of Licensee or any Sublicensee.

XVI. COMPLIANCE WITH LAWS

16.1 Licensee shall comply and cause its employees and agents and Sublicensees to comply with all laws, rules, regulations and orders now or hereafter prescribed by Commissioner, and to comply with all laws, rules, regulations and orders of any City, State or Federal agency or governmental entity having jurisdiction over operations of the License and the Licensed Premises and/or Licensee's use and occupation thereof.

16.2 Licensee shall not use or allow the Licensed Premises, or any portion thereof to be used or occupied for any unlawful purpose or in any manner violative of a certificate pertaining to occupancy or use during the Term of this License.

XVII. NON-DISCRIMINATION

17.1 Licensee or any Sublicensee shall not unlawfully discriminate against any employee, applicant for employment or patron because of race, creed, color, national origin, age, sex, handicap, marital status, or sexual orientation.

17.2 All advertising for employment shall indicate that Licensee and any Sublicensee is an Equal Opportunity Employer.

XVIII. NO WAIVER OF RIGHTS

18.0 No acceptance by Commissioner of any compensation, fees, penalty sums, charges or other payments in whole or in part for any periods after a default of any terms and conditions herein shall be deemed a waiver of any right on the part of Commissioner to terminate this License. No waiver by Commissioner of any default on the part of Licensee in performance of any of the terms and conditions herein shall be construed to be a waiver of any other or subsequent default in the performance of any of the said terms and conditions.

XIX. RESPONSIBILITY FOR SAFETY, INJURIES OR DAMAGE, AND INDEMNIFICATION

19.0 Notwithstanding the indemnification provision of the M&O Agreement, Licensee shall indemnify the City in accordance with this Section 19 as follows:

19.1 A. Licensee shall be solely responsible for the safety and protection of its employees, agents, servants, Sublicensees, contractors, and subcontractors, and for the safety and protection of the employees, agents, or servants of its Sublicensees, contractors or subcontractors.

B. Licensee shall be solely responsible for taking all reasonable precautions to protect the persons and property of the City or others from damage, loss or injury resulting from any and all operations under this License.

C. Licensee shall be solely responsible for injuries to any and all persons, including death, and damage to any and all property arising out of or related to the operations under this License, whether or not due to the negligence of the Licensee, including but not limited to injuries or damages resulting from the acts or omissions of any of its employees, agents, servants, Sublicensees, contractors, subcontractors, or any other person.

D. Licensee shall use the Licensed Premises in compliance with, and shall not cause or permit the Licensed Premises to be used in violation of, any and all federal, state or local environmental, health and/or safety-related laws, regulations, standards, decisions of the courts, permits or permit conditions, currently existing or as amended or adapted in the future which are or become applicable to Licensee or the Licensed Premises (collectively “Environmental Laws”). Except as may be agreed by the City as part of this License, Licensee shall not cause or permit, or allow any of Licensee’s personnel to cause or permit, any Hazardous Materials to be brought upon, stored, used generated, treated or disposed of on the Licensed Premises. As used herein, “Hazardous Materials” means any chemical, substance or material which is now or becomes in the future listed, defined or regulated in any manner by any Environmental Law based upon, directly or indirectly, its properties or effects.

19.2 A. To the fullest extent permitted by law, Licensee shall indemnify, defend and hold the City and its officials and employees (an “Indemnified Party”) harmless against any and all claims and demands of third parties for injury, including death, or property damage arising out of operations under this License Agreement (“Claims”), and all liens, judgments, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature (including, without limitation, reasonable attorneys’ fees and disbursements) arising from any Claims (together with Claims, “Liabilities”), arising out of or related to any of the operations under this License (regardless of whether or not Licensee itself has been negligent) and/or Licensee’s or Sublicensee’s or any of their respective employees, agents, servants, contractors or subcontractor’s failure to comply with the law or any of the requirements of this License. Insofar as the facts or law relating to any of the foregoing would preclude an Indemnified Party from being completely indemnified by Licensee, the Indemnified Party shall be partially indemnified by Licensee to the fullest extent permitted by law.

B. Licensee shall include the following indemnification (or a substantially comparable provision) in each Sublicense Agreement entered into during the Term of this Agreement:

To the fullest extent permitted by law, Sublicensee shall indemnify, defend and hold the City and its officials and employees (an “Indemnified Party”) harmless against any and all claims

and demands of third parties for injury (including death) or property damage arising out of operations under this Sublicense (“Claims”), and all liens, judgments, penalties, fines, liabilities, settlements, damages, costs and expenses of whatever kind or nature (including, without limitation, reasonable attorneys' fees and disbursements) arising from any Claims (together with Claims, “Liabilities”), arising out of or related to any of the operations under this Sublicense (regardless of whether or not the Sublicensee itself has been negligent) and/or Sublicensee’s, or any of its employees, agents, servants, contractors or subcontractors, failure to comply with the law or any of the requirements of this Sublicense, regardless of whether any of the foregoing have been negligent. Insofar as the facts or law relating to any of the foregoing would preclude the Indemnified Party from being completely indemnified, the Indemnified Party shall be partially indemnified by Sublicensee to the fullest extent permitted by law.

To the extent Liabilities arise from the following, they shall be excluded from Sublicensee’s indemnification and defense obligations under this paragraph: (i) any construction performed by Parks or Parks’ contractors, (ii) any Parks’ Special Event, or (iii) the negligence or willful misconduct of the City or any of its officials, employees, contractors or agents (except for any negligence imputed to the City or any of its officials, employees, contractors, or agents arising from the negligence by Licensee or any Sublicensee in the performance of its maintenance obligations under this Agreement).

C. To the fullest extent permitted by law, the Licensee shall defend, indemnify, and hold harmless the Indemnified Parties against any and all Claims and Liabilities that the Indemnified Parties may be subject to or which they may suffer or incur allegedly arising out of any infringement, violation, or unauthorized use of any copyright, trade secret, trademark or patent or any other property or personal right of any third party by the Licensee, any Sublicensee or any of their respective employees, agents, servants, contractors or subcontractors in the operations under this License including any such infringement, violation, or unauthorized use arising while Licensee is in compliance with the License. Insofar as the facts or law relating to any of the foregoing would preclude an Indemnified Party from being completely indemnified by the Licensee, the Indemnified Party shall be partially indemnified by the Licensee to the fullest extent permitted by law.

D. Licensee’s obligation to defend, indemnify and hold an Indemnified Party harmless shall not be (i) limited in any way by Licensee’s obligations to obtain and maintain insurance under this Licensee, nor (ii) adversely affected by any failure on the part of an Indemnified Party to avail themselves of the benefits of such insurance.

XX. INSURANCE

20.1 A. Throughout the Term, Licensee shall, or shall cause its Sublicensees to, maintain insurance that adheres to requirements of this Section XIX. Licensee shall ensure that the types of insurance indicated in this Article are obtained and remain in force covering Licensed Premises, and that such insurance adheres to all requirements herein. The City may require higher liability limits or other types of insurance if, in the reasonable opinion of Commissioner, Licensee’s operations warrant it.

B. Licensee is authorized to undertake or maintain operations under this License only during the effective period of all required coverage.

20.2 A. The Licensee shall maintain Commercial General Liability insurance in the amount of at least One Million Dollars (\$1,000,000) per occurrence for bodily injury (including death) and property damage and One Million Dollars (\$1,000,000) for personal and advertising injury. In the event such insurance contains an aggregate limit, the aggregate shall apply on a per-location basis applicable to the Licensed Premises and such per-location aggregate shall be at least Two Million Dollars (\$2,000,000). This insurance shall protect the insureds from claims that may arise from any of the operations under this License. Coverage shall be at least as broad as that provided by the most recently issued Insurance Services Office (“ISO”) Form CG 00 01, shall contain no exclusions other than as required by law or as approved by the Commissioner, and shall be “occurrence” based rather than “claims-made.”

B. Such Commercial General Liability insurance shall name the City, together with its officials and employees, as an Additional Insured for claims that may arise from any of the operations under this License. Coverage shall be at least as broad as the most recent edition of ISO Form CG 20 26 and, if provided by the Sublicensee, shall be a scheduled endorsement.

C. If Licensee or a Sublicensee of Licensee or a contractor of either serves alcoholic beverages anywhere on the Licensed Premises, Licensee shall carry or cause to be carried liquor law liability insurance not less than One Million Dollars (\$1,000,000) per occurrence, and name the City together with its officials and employees, as additional insureds. Such insurance shall be effective prior to the commencement of any such operations and continue throughout such operations. At his sole discretion, the Commissioner may increase or decrease the limit(s) if the Commissioner believes that the nature of such operations merits an increase or decrease.

20.3 Licensee shall maintain Workers’ Compensation insurance, Employers Liability insurance, and Disability Benefits insurance on behalf of, or with regard to, all employees involved in the Licensee’s operations under this License, and such insurance shall comply with the laws of the State of New York.

20.4 A. With regard to all operations under this License, Licensee shall maintain or cause to be maintained Commercial Automobile Liability insurance in the amount of at least One Million Dollars (\$1,000,000) each accident (combined single limit) for liability arising out of the ownership, maintenance or use of any owned, non-owned or hired vehicles. Coverage shall be at least as broad as the latest edition of ISO Form CA0001.

B. If vehicles are used for transporting hazardous materials, such Commercial Automobile Liability insurance shall be endorsed to provide pollution liability broadened coverage for covered vehicles (endorsement CA 99 48) as well as proof of MCS-90.

20.5 A. Licensee shall maintain comprehensive broad form property insurance (such as an “All Risk” policy) covering the Kiosk. Such insurance shall provide full Replacement Cost coverage for the Kiosk (without depreciation or obsolescence clause) at a value reasonably determined by Parks and include, without limitation, coverage for loss or damage by acts of terrorism, water (other than flood-related), subsidence and earthquake. Such insurance shall be

"occurrence" (rather than "claims-made") based and shall designate the Licensee as Named Insured and the City as Additional Insured and Loss Payee as its interests may appear.

B. This section does not require coverage for damage caused by flooding.

C. The limit of such property insurance shall be no less than the full Replacement Cost of the Kiosk, including, without limitation, the costs of post-casualty debris removal and soft costs, to the extent that such costs can be covered by an "all risk" or "special perils form" insurance policy. If such insurance contains an aggregate limit, it shall apply separately to the Kiosk.

D. In the event of any loss to any of the Kiosk, Licensee shall provide the insurance company that issued such property insurance with prompt, complete and timely notice, and simultaneously provide the Commissioner with a copy of such notice. Licensee shall also (i) take all appropriate actions in a timely manner to adjust such claim on terms that provide the City with the maximum possible payment for the loss, and (ii) either provide the City with the opportunity to participate in any negotiations with the insurer regarding adjustments for claims or, at the Commissioner's discretion, allow the City itself to adjust such claim.

20.6 Licensee represents and warrants that its operations at the Licensed Premises will not involve petroleum products (other than to operate vehicles in connection with Licensee's use of the Property), asbestos, lead, pcb's or any other hazardous materials.

20.7 A. Policies of insurance required under this Article shall be provided by companies that may lawfully issue such policy and have an A.M. Best rating of at least A- / "VII" or a Standard and Poor's rating of at least A, unless prior written approval is obtained from the Commissioner.

B. Policies of insurance required under this Article shall be primary and non-contributing to any insurance or self-insurance maintained by the City.

C. Whenever this article requires that insurance coverage be "at least as broad" as a specified form (including all ISO forms), there is no obligation that the form itself be used, provided that Licensee can demonstrate that the alternative form or endorsement contained in its policy provides coverage at least as broad as the specified form.

D. There shall be no self-insurance program or self-insured retention with regard to any insurance required under this Article unless approved in writing by the Commissioner. Under no circumstances shall the City be responsible for the payment of any self-insured retention (or any other aspect of a self-insurance program). Further, Licensee shall ensure that any such self-insurance program provides the City with all rights that would be provided by traditional insurance under this Article, including but not limited to the defense and indemnification obligations that insurers are required to undertake in liability policies.

E. The City's limits of coverage for all types of insurance required under this Article shall be the greater of (i) the minimum limits set forth in this Article or (ii) the limits provided to

Licensee under all primary, excess and umbrella policies covering operations under this License Agreement.

G. All required policies, except Workers' Compensation, Employers Liability, and Disability Benefits, shall include a waiver of the right of subrogation with respect to all insureds and loss payees named therein.

20.8 A. Certificates of Insurance for all insurance required in this Article must be submitted to and accepted by the Commissioner prior to execution of this License Agreement.

B. For Workers' Compensation, Employers Liability Insurance, and Disability Benefits insurance policies, Licensee shall submit one of the following:

1. C-105.2 Certificate of Worker's Compensation Insurance;
2. U-26.3 -- State Insurance Fund Certificate of Workers' Compensation Insurance;
3. Request for WC/DB Exemption (Form CE-200);
4. Equivalent or successor forms used by the New York State Workers' Compensation Board; or
5. Other proof of insurance in a form acceptable to the City. ACORD forms are not acceptable proof of workers' compensation coverage.

C. For all insurance required under this Article other than Workers Compensation, Employers Liability, and Disability Benefits insurance, Licensee shall submit one or more Certificates of Insurance in a form acceptable to the Commissioner. All such Certificates of Insurance shall (a) certify the issuance and effectiveness of such policies of insurance, each with the specified minimum limits; and (b) be accompanied by the provision(s) or endorsement(s) in the Licensee's policy/ies (including its general liability policy) by which the City has been made an additional insured or loss payee, as required herein. All such Certificates of Insurance shall be accompanied by either a duly executed "Certification by Insurance Broker or Agent" in the form annexed hereto as Exhibit E or as otherwise required by the Commissioner or certified copies of all policies referenced in such Certificate of Insurance.

D. Certificates of Insurance confirming renewals of insurance shall be submitted to the Commissioner prior to the expiration date of coverage of all policies required under this Concession. Such Certificates of Insurance shall comply with subsections (B) and (C) directly above.

E. Acceptance or approval by the Commissioner of a Certificate of Insurance or any other matter does not waive Licensee's obligation to ensure that insurance fully consistent with the requirements of this Article is secured and maintained, nor does it waive Licensee's liability for its failure to do so.

F. Licensee shall be obligated to provide the City with a copy of any policy of insurance required under this Article upon request by the Commissioner or the New York City Law Department.

20.9 A. Licensee may satisfy its insurance obligations under this Article through primary policies or a combination of primary and excess/umbrella policies, so long as all policies provide the scope of coverage required herein.

B. Licensee shall require its construction contractors that perform construction on the Licensed Premises to maintain Commercial General Liability Insurance in accordance with Section 20.2, and such insurance shall include the City, including its officials and employees, as an additional insured with coverage at least as broad as ISO Forms CG 20 26 and CG 20 37. In the event Licensee requires any other entity, by contract or otherwise, to procure insurance with regard to any operations under this License Agreement and requires such entity to name Licensee as an Additional Insured under such insurance, the Licensee shall ensure that such entity also name the City, including its officials and employees, as an Additional Insured (with coverage for Commercial General Liability insurance at least as broad as ISO Form CG 20 26.

C. Licensee shall be solely responsible for the payment of all premiums for all policies and all deductibles or self-insured retentions to which they are subject, whether or not the City is an insured under the policy.

D. Where notice of loss, damage, occurrence, accident, claim or suit is required under a policy maintained in accordance with this Article, Licensee shall notify in writing all insurance carriers that issued potentially responsive policies of any such event relating to any operations under this License Agreement (including notice to Commercial General Liability insurance carriers for events relating to Licensee's own employees) no later than 20 days after such event. For any policy where the City is an Additional Insured, such notice shall expressly specify that "this notice is being given on behalf of the City of New York as Insured, together with its officials and employees, as well as the Named Insured." Such notice shall also contain the following information: the number of the insurance policy, the name of the named insured, the date and location of the damage, occurrence, or accident, and the identity of the persons or things injured, damaged or lost. Licensee shall simultaneously send a copy of such notice to the City of New York c/o Insurance Claims Specialist, Affirmative Litigation Division, New York City Law Department, 100 Church Street, New York, New York 10007.

E. Licensee's failure to secure and maintain insurance in conformity with this Article, or to give the insurance carrier timely notice on behalf of the City, or to do anything else required by this Article shall constitute a material breach of this License Agreement. Such breach shall not be waived or otherwise excused by any action or inaction by the City at any time.

F. Insurance coverage in the minimum amounts provided for in this Article shall not relieve the Licensee of any liability under this License Agreement, nor shall it preclude the City from exercising any rights or taking such other actions as are available to it under any other provisions of this License Agreement or the law.

G. In the event of any loss, accident, claim, action, or other event that does or can give rise to a claim under any insurance policy required under this Article, Licensee shall at all times fully cooperate with the City with regard to such potential or actual claim.

H. Apart from damages or losses covered by Workers' Compensation Insurance, Employers Liability Insurance, Disability Benefits Insurance, or Commercial Automobile insurance, Licensee waives all rights against the City, including its officials and employees, for any damages or losses that are covered under any insurance required under this Article (whether or not such insurance is actually procured or claims are paid thereunder) or any other insurance applicable to the operations of Licensee and/or its employees, agents, or servants of its contractors or subcontractors.

I. In the event Licensee receives notice, from an insurance company or other person, that any insurance policy required under this Article shall expire or be cancelled or terminated (or has expired or been cancelled or terminated) for any reason, Licensee shall immediately forward a copy of such notice to both the Commissioner, City of New York Department of Parks and Recreation, The Arsenal, 830 Fifth Avenue, New York, NY 10065 and the New York City Comptroller, attn: Office of Contract Administration, Municipal Building, One Centre Street, room 1005, New York, New York 10007. Notwithstanding the foregoing, Licensee shall ensure that there is no interruption in any of the insurance coverage required under this Article.

XXI. WAIVER OF COMPENSATION

21.1 Licensee hereby expressly waives any and all claims for compensation for any and all loss or damage sustained by reason of any defects, including, but not limited to, deficiency or impairment of the water supply system, gas mains, electrical apparatus or wires furnished for the Licensed Premises, or by reason of any loss of any gas supply, water supply, heat or current which may occur from time to time, or for any loss resulting from fire, water, windstorm, tornado, explosion, civil commotion, strike or riot, and Licensee hereby expressly releases and discharges Commissioner, his agents, and City from any and all demands, claims, actions, and causes of action arising from any of the causes aforesaid.

21.2 Licensee further expressly waives any and all claims for compensation, loss of profit, or refund of its investment, if any, or any other payment whatsoever, in the event this License is terminated by Commissioner sooner than the fixed term because the Licensed Premises are required for any park or other public purpose, or because the License was terminated or revoked for any reason as provided herein.

XXII. INVESTIGATIONS

22.1 (a) The parties to this License shall cooperate fully and faithfully with any investigation, audit or inquiry conducted by a State of New York (hereinafter "State") or City governmental agency or authority that is empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath, or conducted by the Inspector General of a governmental agency that is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license that is the subject of the investigation, audit or inquiry.

(b) (i) If any person who has been advised that his or her statement, and any information from such statement, will not be used against him or her in any subsequent criminal proceeding refuses to testify before a grand jury or other governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to examine witnesses under oath concerning the award of or performance under any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision or public authority thereof, or the Port Authority of New York and New Jersey, or any local development corporation within the City, or any public benefit corporation organized under the laws of the State of New York; or

(ii) If any person refuses to testify for a reason other than the assertion of his or her privilege against self incrimination in an investigation, audit or inquiry conducted by a City or State governmental agency or authority empowered directly or by designation to compel the attendance of witnesses and to take testimony concerning the award of, or performance under, any transaction, agreement, lease, permit, contract, or license entered into with the City, the State, or any political subdivision thereof or any local development corporation within the City, then

(A) The Commissioner or agency head whose agency is a party in interest to the transaction, submitted bid, submitted proposal, contract, lease, permit, or license shall convene a hearing, upon not less than five days written notice to the parties involved to determine if any penalties should attach for the failure of any person to testify.

(B) If any non-governmental party to the hearing requests an adjournment, the Commissioner or agency head who convened the hearing may, upon granting the adjournment, suspend any contract, lease, permit, or license pending the final determination pursuant to Section 22 (d) below without the City incurring any penalty or damages for delay or otherwise.

(c) The penalties which may attach after a final determination by the Commissioner or agency head may include but shall not exceed:

(i) The disqualification for a period not to exceed five years from the date of an adverse determination of any person or entity of which such person was a member at the time the testimony was sought, from submitting bids for, or transacting business with, or entering into or obtaining any contract, lease, permit or license with or from the City; and/or

(ii) The cancellation or termination of any and all existing City contracts, leases, permits, or licenses that the refusal to testify concerns and that have not been assigned as permitted under this license, nor the proceeds of which pledged, to an unaffiliated and unrelated institutional lender for fair value prior to the issuance of the notice scheduling the hearing, without the City incurring any penalty or damages on account of such cancellation or termination; monies lawfully due for goods delivered, work done, rentals, or fees accrued prior to the cancellation or termination shall be paid by the City.

(d) The Commissioner or agency head shall consider and address in reaching his or her determination and in assessing an appropriate penalty the factors in Section 22(d) (i) and (ii) below. He or she may also consider, if relevant and appropriate, the criteria established in Sections 22(d) (iii) and (iv) below in addition to any other information which may be relevant and appropriate.

(i) The party's good faith endeavors or lack thereof to cooperate fully and faithfully with any governmental investigation or audit, including but not limited to the discipline, discharge, or disassociation of any person failing to testify, the production of accurate and complete books and records, and the forthcoming testimony of all other members, agents, assignees or fiduciaries whose testimony is sought.

(ii) The relationship of the person who refused to testify to any entity that is a party to the hearing, including, but not limited to, whether the person whose testimony is sought has an ownership interest in the entity and/or the degree of authority and responsibility the person has within the entity.

(iii) The nexus of the testimony sought to the subject entity and its contracts, leases, permits or licenses with the City.

(iv) The effect a penalty may have on an unaffiliated and unrelated party or entity that has a significant interest in an entity subject to penalties under (c) above, provided that the party or entity has given actual notice to the Commissioner or agency head upon the acquisition of the interest, or at the hearing called for in (b) (ii)(A) above gives notice and proves that such interest was previously acquired. Under either circumstance the party or entity must present evidence at the hearing demonstrating the potentially adverse impact a penalty will have on such person or entity.

(e) (i) The term "license" or "permit" as used herein shall be defined as a license, permit, franchise or concession not granted as a matter of right.

(ii) The term "person" as used herein shall be defined as any natural person doing business alone or associated with another person or entity as a partner, director, officer, principal or employee.

(iii) The term "entity" as used herein shall be defined as any firm, partnership, corporation, association, or person that receives monies, benefits, licenses, leases, or permits from or through the City or otherwise transacts business with the City.

(iv) The term "member" as used herein shall be defined as any person associated with another person or entity as a partner, director, officer, principal or employee.

(f) In addition to and notwithstanding any other provision of this License the Commissioner or agency head may in his or her sole discretion terminate this License Agreement upon not less than three days written notice in the event Licensee fails to promptly report in writing to the Commissioner of Investigation of the City of New York any solicitation of money

goods requests for future employment or other benefit or thing of value, by or on behalf of any employee of the City or other person, firm, corporation or entity for any purpose which may be related to the procurement or obtaining of this agreement by the Licensee, or affecting the performance or this License Agreement.

XXIII. CHOICE OF LAW, CONSENT TO JURISDICTION AND VENUE

23.1 This License Agreement shall be deemed to be executed in the City of New York, State of New York, regardless of the domicile of the Licensee, and shall be governed by and construed in accordance with the laws of the State of New York.

23.2 Any and all claims asserted by or against the City arising under this License or related thereto shall be heard and determined either in the courts of the United States located in New York City ("Federal Courts") or in the courts of the State of New York ("New York State Courts") located in the City and County of New York. To effect this License Agreement and its intent, Licensee agrees:

(a) If the City initiates any action against the Licensee in Federal Court or in New York State Court, service of process may be made on the Licensee either in person, wherever such Licensee may be found, or by registered mail addressed to the Licensee at its address set forth in this License, or to such other address as the Licensee may provide to the City in writing; and

(b) With respect to any action between the City and the Licensee in New York State Court, the Licensee hereby expressly waives and relinquishes any rights it might otherwise have (i) to move to dismiss on grounds of forum non conveniens, (ii) to remove to Federal Court; and (iii) to move for a change of venue to a New York State Court outside New York County.

23.3 With respect to any action between the City and the Licensee in Federal Court located in New York City, the Licensee expressly waives and relinquishes any right it might otherwise have to move to transfer the action to a United States Court outside the City of New York.

23.4 If the Licensee commences any action against the City in a court located other than in the City and State of New York, upon request of the City, the Licensee shall either consent to a transfer of the action to a court of competent jurisdiction located in the City and State of New York or, if the court where the action is initially brought will not or cannot transfer the action, the Licensee shall consent to dismiss such action without prejudice and may thereafter reinstitute the action in a court of competent jurisdiction in New York City.

XXIV. WAIVER OF TRIAL BY JURY

24.1 (a) Licensee hereby waives trial by jury in any action, proceeding, or counterclaim brought by the City against Licensee in any matter related to this License.

(b) No action at law or proceeding in equity against the City shall lie or be maintained upon any claim based upon this License Agreement or arising out of this License Agreement or in any way connected with this License Agreement unless Licensee shall have

strictly complied with all requirements relating to the giving of notice and of information with respect to such claims, all as herein provided.

(c) No action shall lie or be maintained against the City by Licensee upon any claims based upon this License unless such action shall be commenced within eighteen (18) months of the termination or conclusion of this License, or within eighteen (18) months after the accrual of the cause of action, whichever first occurs.

(d) In the event any claim is made or any action brought in any way relating to this License Agreement herein other than an action or proceeding in which Licensee and the City are adverse parties, Licensee shall diligently render to the City of New York without additional compensation any and all reasonable assistance which the City of New York may reasonably require of Licensee.

XXV. CUMULATIVE REMEDIES - NO WAIVER

25.0 The specific remedies to which the City may resort under the terms of this License are cumulative and are not intended to be exclusive of any other remedies or means of redress to which it may be lawfully entitled in case of any other default hereunder. The failure of the City to insist in any one or more cases upon the strict performance of any of the covenants of this License, or to exercise any option herein contained, shall not be construed as a waiver or relinquishment for the future of such covenants or option.

XXVI. EMPLOYEES

26.0 All experts, consultants and employees of Licensee who are employed by Licensee to perform work under this License are neither employees of the City nor under contract to the City and Licensee alone is responsible for their work, direction, compensation and personal conduct while engaged under this License. Nothing in this License shall impose any liability or duty on the City for acts, omissions, liabilities or obligations of Licensee or any person, firm, company, agency, association, corporation or organization engaged by Licensee as expert, consultant, independent contractor, specialist, trainee, employee, servant, or agent or for taxes of any nature including but not limited to unemployment insurance, workers' compensation, disability benefits and social security.

XXVII. BACKGROUND CHECKS

27.1 (a) For purposes of this Paragraph, the word "personnel" means each employee and volunteer whose duties and responsibilities relate primarily to working with children or in close proximity to children. Licensee will be responsible for the recruitment and screening of appropriate personnel and verification of credentials, references, and suitability for working with children. Licensee agrees to comply with all guidelines and procedures of Parks concerning the screening and employment of personnel provided in writing to Licensee, including, but not limited to, the following:

(i) Licensee will be responsible for screening of all personnel, including:

(A) substantiating credentials, including, but not limited to, School-Age Child Care (SACC) Certification in accordance with the New York

Codes, Rules, and Regulations (“NYCRR”) under 18 NYCRR 414; and,

(B) reference checks.

(ii) Licensee agrees not to hire or retain any personnel who refuse to:

(A) provide the names of references;

(B) provide documentation of credentials;

(C) provide information on criminal conviction records pursuant to Section 296 of the New York State Executive Law and Section 8-107 of the Administrative Code of the City of New York as outlined in Background Checks Rider attached hereto as Exhibit F; and,

(D) provide other requested information, which may bear on the applicant’s fitness to work with or in close proximity with children.

(iii) Licensee agrees not to hire or retain any personnel:

(A) who, to Licensee’s knowledge, have not completely and truthfully reported information concerning their criminal convictions pursuant to Section 296 of the New York State Executive Law and Section 8-107 of the Administrative Code of the City of New York as outlined in Background Checks Rider attached hereto as Exhibit F;

(B) to the extent disclosed by a background check consistent with Section 296 of the New York State Executive Law and Section 8-107 of the Administrative Code of the City of New York, whose criminal convictions record directly bears on their fitness to work with or in close proximity with children, or whose employment would involve an unreasonable risk to the safety or welfare of children, subject to and consistent with Article 23-A of the New York State Correction Law; and,

(C) who have been the subject of an indicated child abuse and maltreatment report on file with the State Central Registry, or are the subject of an ongoing investigation pursuant to a child abuse and maltreatment report on file with this Registry.

(b) Licensee and Parks agree that Licensee is an independent contractor. It is understood and agreed that all personnel employed by Licensee are employees of Licensee and are not employees of the City, and that Licensee alone is responsible for their work, direction, compensation, and personal conduct while engaged pursuant to this Agreement. Licensee agrees that neither it nor its personnel or agents will hold themselves out as, or claim to be, officers or employees of the City of New York, or of any department, agency, or unit thereof, and that they will not, by reason hereof, make any

claim, demand, or application for any right or privilege applicable to an officer or employee of the City of New York, including, but not limited to, Workers' Compensation and Disability Insurance coverage, unemployment insurance benefits, social security coverage, or employee retirement membership or credit. Nothing included in this Paragraph or in any other provision of this Agreement shall be construed to impose any liability or duty upon the City to the persons, firms, or corporations employed or engaged by Licensee as employees, servants, agents, consultants, experts, or independent contractors or in any other capacity whatsoever or to render the City liable to any persons, firms, corporations, associations or to any government for the acts, omissions, liabilities, obligations, and/or taxes of any nature, including, but not limited to, unemployment insurance of Licensee or its consultants, experts, employees, servants, agents, or independent contractors.

XXVIII. INDEPENDENT STATUS OF LICENSEE

28.0 Licensee is not an employee of the City and in accordance with such independent status neither Licensee nor its employees or agents will hold themselves out as, nor claim to be officers, employees, or agents of the City, or of any department, agency, or unit thereof, and they will not make any claim, demand, or application to or for any right or privilege applicable to an officer of, or employee of, the City, including but not limited to, workers' compensation coverage, unemployment insurance benefits, social security coverage or employee retirement membership or credit.

XXIX. INTENTIONALLY OMITTED

29.0 Intentionally Omitted.

XXX. CONFLICT OF INTEREST

30.0 Licensee represents and warrants that neither it nor any of its directors, officers, members, partners or employees, has any interest nor shall they acquire any interest, directly or indirectly, which would or may conflict in any manner or degree with the performance or rendering of the services herein provided. Licensee further represents and warrants that in the performance of this License no person having such interest or possible interest shall be employed by it. No elected official or other officer or employee of the City, nor any person whose salary is payable, in whole or part, from the City treasury, shall participate in any decision relating to this License which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is, directly or indirectly, interested nor shall any such person have any interest, direct or indirect, in this License or in the proceeds thereof.

XXXI. PROCUREMENT OF AGREEMENT

31.1 Licensee represents and warrants that no person or selling agency has been employed or retained to solicit or secure this License upon an agreement or understanding for a commission, percentage, brokerage fee, contingent fee or any other compensation. Licensee further represents and warrants that no payment, gift or thing of value has been made, given or promised to obtain this or any other agreement between the parties. Licensee makes such representations and warranties to induce the City to enter into this License and the City relies upon such representations and warranties in the execution hereof.

31.2 For a breach or violation of such representations or warranties, the Commissioner shall have the right to annul this License without liability, entitling the City to recover all monies paid hereunder, if any, and the Licensee shall not make any claim for, or be entitled to recover, any sum or sums due under this license. This remedy, if effected, shall not constitute the sole remedy afforded the City for the falsity or breach, nor shall it constitute a waiver of the City's right to claim damages or refuse payment or to take any other action provided by law or pursuant to this License.

XXXII. NO CLAIM AGAINST OFFICERS, AGENTS OR EMPLOYEES

32.0 No claim whatsoever shall be made by the Licensee against any officer, agent or employee of the City for, or on account of, anything done or omitted in connection with this License.

XXXIII. ALL LEGAL PROVISIONS DEEMED INCLUDED

33.0 Each and every provision of law required to be inserted in this License shall be and is deemed inserted herein, whether or not actually inserted.

XXXIV. SEVERABILITY: INVALIDITY OF PARTICULAR PROVISIONS

34.0 If any term or provision of this License or the application thereof to any person or circumstances shall, to any extent, be invalid or unenforceable, the remainder of this License, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each term and provision of this License shall be valid and enforceable to the fullest extent permitted by law.

XXXV. JUDICIAL INTERPRETATION

35.0 Should any provision of this License require judicial interpretation, it is agreed that the court interpreting or considering same shall not apply the presumption that the terms hereof shall be more strictly construed against a party by reason of the rule of construction that a document should be construed more strictly against the party who itself or through its agent prepared the same, it being agreed that all parties hereto have participated in the preparation of this License and that legal counsel was consulted by each responsible party before the execution of this License.

XXXVI. MODIFICATION OF AGREEMENT

36.0 This License Agreement constitutes the whole of the agreement between the parties hereto, and no other representation made heretofore shall be binding upon the parties hereto. This License Agreement may be modified from time to time by agreement in writing, but no modification of this License Agreement shall be in effect until such modification has been agreed to in writing and duly executed by the party or parties affected by said modification.

XXXVII. NOTICES

37.0 Where provision is made herein for notice or other communication to be given in writing, the same shall be given by hand delivery or by mailing a copy of such notice or other communication by certified mail, return receipt requested, addressed to Commissioner or to the attention of Licensee at their respective addresses provided at the beginning of this License Agreement, or to any other address that Licensee shall have filed with Commissioner.

XXXVIII. LICENSEE ORGANIZATION, POWER AND AUTHORITY

38.0 Licensee represents and warrants that Licensee is a not-for-profit corporation duly organized, validly existing and in good standing under the laws of the State of New York and has the power and authority to enter into this License Agreement and perform its obligations hereunder. This is a continuing representation and warranty.

XXXIX. MISCELLANEOUS

39.0 The headings of sections and paragraphs are inserted for convenience only and shall not be deemed to constitute part of this License Agreement or to affect the construction thereof. The use in this License Agreement of singular, plural, masculine, feminine and neuter pronouns shall include the others as the context may require.

IN WITNESS WHEREOF, the parties hereto have caused this License Agreement to be signed and sealed on the day and year first above written.

CITY OF NEW YORK DEPARTMENT OF
PARKS & RECREATION

HUDSON YARDS/HELL’S KITCHEN
BID, INC.

By: _____

By: _____

Dated: _____

Dated: _____

APPROVED AS TO FORM AND
CERTIFIED AS TO LEGAL AUTHORITY

Acting Corporation Counsel

Exhibits:

- Exhibit A: Premises
- Exhibit B: Report Form
- Exhibit C-1: Citywide Beverage Vending Machine Standards
- Exhibit C-2: Standards for Food Vending Machines
- Exhibit D: Paid Sick Leave Law Concession Rider
- Exhibit E: Form of Certification by Insurance Broker or Agent
- Exhibit F: Background Checks Rider
- Exhibit G: Maintenance and Operation Agreement

STATE OF NEW YORK

ss:

COUNTY OF NEW YORK

On this day of , 2018 before me personally came _____ to me known, and known to be the _____ of the Department of Parks and Recreation of the City of New York, and the said person described in and who executed the foregoing instrument and (s)he acknowledged that (s)he executed the same in her/his official capacity and for the purpose mentioned therein.

Notary Public

STATE OF NEW YORK

ss:

COUNTY OF

On this day of , 2018 before me personally came to me known and who, being duly sworn by me, did depose and say that (s)he is the _____ of The Hudson Yards/Hell's Kitchen BID, Inc. and that (s)he was authorized to execute the foregoing instrument on behalf of that company and acknowledged that (s)he executed the same on behalf of that company for the purposes mentioned therein.

Notary Public

EXHIBIT A
(The Premises)

To be provided upon Certificate to Proceed

EXHIBIT B

REPORT FORM

Local Law 28 of 2008							
Partnership Reporting Form							
Reporting Period: July 1 - June 30							
Fiscal Year: XXXX							
Partner	Park Location	Borough	Fiscal Year- end	Total Spending - Maintenance and Operations	Total Spending - Program- ming	Total Spending - Capital	
HY/HK BID	Hudson Park	Manhatta n	30-Jun				

EXHIBIT C-1

Citywide Beverage Vending Machines Standards

For Vending Locations Regularly Used by Adults

All of the following criteria must be met:

A) Specifications regarding the product mix:

- 1) No more than two columns (or "buttons") may be unlimited calorie beverages (the maximum of two columns applies irrespective of the total number of columns in the machine).
- 2) Unless otherwise approved by the City in writing, water is required to be stocked for a minimum of 2 columns (or "buttons"). Unless otherwise approved by the City, in its sole discretion in writing, water for the purposes of these Standards shall mean bottled water that is intended for human consumption, that contains 0 calories per 8 oz, and contains no added flavor, color, or sweeteners of any kind. Any product containing water modified with added flavors, colors or sweeteners or with calories in excess of 0 calories per 8 oz shall not be considered water for the purposes of these Standards.
- 3) The remaining products must be ≤ 25 calories per 8 oz.

B) Specifications regarding product display placement:

- 1) Water must be placed in the position with the highest selling potential.
- 2) "High Calorie" beverages (defined as any beverage > 25 calories per 8 oz) must be placed in the position with the lowest selling potential.
- 3) For machines where the buttons are arrayed vertically, highest selling potential means those closest to eye level, usually the top buttons, and lowest selling potential means those furthest from eye level, usually the bottom buttons. Or as determined by industry best practices.
- 4) However, because machines have different display arrangements, the City will have sole discretion to approve all product display and placement.

C) Specifications regarding size:

- 1) All beverage selections with the exception of water and seltzer are limited to 12 oz. For the purposes of these Standards, seltzer is defined as water naturally or artificially impregnated with mineral salts or gasses, having 0 calories per 8 oz. and no artificial sweeteners.
- 2) All water and seltzer selections must be at least 12 oz.
- 3) Portion sizes smaller than 12 oz are encouraged for High Calorie beverages.

D) Calorie labeling:

- 1) Every machine must display the total calorie content for each item, as sold, clearly and conspicuously, adjacent or in close proximity so as to be clearly associated with the item, using a font and format that is at least as prominent, in size and appearance, as that used to post either the name or price of the beverage where it can be seen before the consumer presses the button to choose the beverage. Existing nutrition labeling on the beverages does not meet this requirement. The City will have sole discretion regarding the display of calorie information.
(adapted from HC §81.50)

E) Promotional space:

- 1) Promotional space on the vending machines (i.e. sides, front graphic panel, etc.) including but not limited to the language and graphics, if used, is subject to the approval of the City in its sole discretion and must be used only to promote healthy beverage choices (≤ 25 calories per 8oz) and/or healthy activities.

F) Price:

- 1) Pricing models that encourage healthy choices (e.g. by establishing lower prices for healthy beverage choices (≤ 25 calories per 8 oz) relative to "High Calorie" beverages (> 25 calories per 8 oz)) are encouraged.

For Vending Locations Regularly Used by Children age 18 and under

A) Specifications regarding the product mix:

- 1) Beverage vending machines can only include:
 - Water
Unless otherwise approved by the City, in its sole discretion in writing, water for the purposes of these Standards shall mean bottled water that is intended for human consumption, that contains 0 calories per 8 oz, and contains no added flavor, color, or sweeteners of any kind. Any product containing water modified with added flavors, colors or sweeteners or with calories in excess of 0 calories per 8 oz shall not be considered water for the purposes of these Standards.
 - Unsweetened milk, 1% or nonfat only
 - Beverages with ≤ 25 calories per 8 oz
 - Carbonation and caffeine are allowed
- 2) Prohibited:
 - Artificial sweeteners
 - Other "natural" non-nutritive or very low-calorie sweeteners (e.g. stevia, erythritol)
 - Artificial flavors and colors
- 3) If the location is regularly used by **programs serving children age 12 or younger** (e.g. afterschool locations, summer camp), in addition to the standards above, products:
 - Should not be caffeinated
 - Should be ≤ 10 calories per 8 oz

B) Calorie labeling:

- 1) Every machine must display the total calorie content for each item, as sold, clearly and conspicuously, adjacent or in close proximity so as to be clearly associated with the item, using a font and format that is at least as prominent, in size and appearance, as that used to post either the name or price of the beverage where it can be seen before the consumer presses the button to choose the beverage. Existing nutrition labeling on the beverages does not meet this requirement. The City will have sole discretion regarding the display of calorie information.

(adapted from HC §81.50)

C) Promotional space:

- 1) Promotional space on the vending machines (i.e. sides, front graphic panel, etc.) including but not limited to the language and graphics, if used, is subject to the approval of the City in its sole discretion and must be used only to promote healthy beverage choices (≤ 25 calories per 8 oz) and/or healthy activities.

Note that New York City beverage vending standards may be revised or updated in the future. Vendors would have time to come into compliance with any changes.

EXHIBIT C-2

New York City Food Standards Part III: Standards for Food Vending Machines

The Standards for Food Vending Machines were enacted December of 2011, pursuant to Executive Order 122. These Standards apply to all types of food vending machines including non-refrigerated "snack" and refrigerated machines. Follow these standards to make vending machine choices healthier for employees and visitors.

Snack Standards

Snacking in excess can lead to weight gain. Snacks, when consumed, should add healthy nutrients to the overall diet and help curb hunger.

1) Require that snacks meet all of the following criteria, per package:

- Calories: no more than 200 calories
- Total fat: no more than 7 grams
 - Nuts, seeds, nut butters and cheese are exempt
 - Combination products of dried fruit and nuts are exempt
- Saturated fat: no more than 2 grams
 - Nuts, seeds, nut butters and cheese are exempt
- Trans fat: 0 grams trans fat
- Sodium: no more than 200 mg
 - Cottage cheese: no more than 400 mg
- Sugar: no more than 10 grams
 - Fruit and vegetable products with no added sugar are exempt
 - Yogurt: no more than 30 grams sugar per 8 ounces
- Contain at least 2 grams of fiber, if product is grain/potato-based (e.g. granola bars, crackers, pretzels, cookies, chips)

2) Limit grain/potato-based snacks (includes similar products, such as corn, plantain and taro chips) to no more than 50% of food items in machine.

3) Require that calorie information is posted for each food item, as packaged.

EXHIBIT D

PAID SICK LEAVE LAW
CONCESSION AGREEMENT RIDER

Introduction and General Provisions

The Earned Sick Time Act, also known as the Paid Sick Leave Law (“PSLL”), requires covered employees who annually perform more than 80 hours of work in New York City to be provided with paid sick time.¹ Licensees of the City of New York or of other governmental entities may be required to provide sick time pursuant to the PSLL.

The PSLL became effective on April 1, 2014, and is codified at Title 20, Chapter 8, of the New York City Administrative Code. It is administered by the City’s Department of Consumer Affairs (“DCA”); DCA’s rules promulgated under the PSLL are codified at Chapter 7 of Title 6 of the Rules of the City of New York (“Rules”).

The Licensee agrees to comply in all respects with the PSLL and the Rules, and as amended, if applicable, in the performance of this agreement. The Licensee further acknowledges that such compliance is a material term of this agreement and that failure to comply with the PSLL in performance of this agreement may result in its termination.

The Licensee must notify the Concession Manager in writing within ten (10) days of receipt of a complaint (whether oral or written) regarding the PSLL involving the performance of this agreement. Additionally, the Licensee must cooperate with DCA’s education efforts and must comply with DCA’s subpoenas and other document demands as set forth in the PSLL and Rules.

The PSLL is summarized below for the convenience of the Licensee.

The Licensee is advised to review the PSLL and Rules in their entirety. On the website www.nyc.gov/PaidSickLeave there are links to the PSLL and the associated Rules as well as additional resources for employers, such as Frequently Asked Questions, timekeeping tools and model forms, and an event calendar of upcoming presentations and webinars at which the Licensee can get more information about how to comply with the PSLL. The Licensee acknowledges that it is responsible for compliance with the PSLL notwithstanding any inconsistent language contained herein.

Pursuant to the PSLL and the Rules:

Applicability, Accrual, and Use

¹ Pursuant to the PSLL, if fewer than five employees work for the same employer, as determined pursuant to New York City Administrative Code §20-912(g), such employer has the option of providing such employees uncompensated sick time.

An employee who works within the City of New York for more than eighty hours in any consecutive 12-month period designated by the employer as its “calendar year” pursuant to the PSL (“Year”) must be provided sick time. Employers must provide a minimum of one hour of sick time for every 30 hours worked by an employee and compensation for such sick time must be provided at the greater of the employee’s regular hourly rate or the minimum wage. Employers are not required to provide more than forty hours of sick time to an employee in any Year.

An employee has the right to determine how much sick time he or she will use, provided that employers may set a reasonable minimum increment for the use of sick time not to exceed four hours per day. In addition, an employee may carry over up to forty hours of unused sick time to the following Year, provided that no employer is required to allow the use of more than forty hours of sick time in a Year or carry over unused paid sick time if the employee is paid for such unused sick time and the employer provides the employee with at least the legally required amount of paid sick time for such employee for the immediately subsequent Year on the first day of such Year.

An employee entitled to sick time pursuant to the PSL may use sick time for any of the following:

- such employee’s mental illness, physical illness, injury, or health condition or the care of such illness, injury, or condition or such employee’s need for medical diagnosis or preventive medical care;
- such employee’s care of a family member (an employee’s child, spouse, domestic partner, parent, sibling, grandchild or grandparent, or the child or parent of an employee’s spouse or domestic partner) who has a mental illness, physical illness, injury or health condition or who has a need for medical diagnosis or preventive medical care;
- closure of such employee’s place of business by order of a public official due to a public health emergency; or
- such employee’s need to care for a child whose school or childcare provider has been closed due to a public health emergency.

An employer must not require an employee, as a condition of taking sick time, to search for a replacement. However, an employer may require an employee to provide: reasonable notice of the need to use sick time; reasonable documentation that the use of sick time was needed for a reason above if for an absence of more than three consecutive work days; and/or written confirmation that an employee used sick time pursuant to the PSL. However, an employer may not require documentation specifying the nature of a medical condition or otherwise require disclosure of the details of a medical condition as a condition of providing sick time and health information obtained solely due to an employee’s use of sick time pursuant to the PSL must be treated by the employer as confidential.

If an employer chooses to impose any permissible discretionary requirement as a condition of using sick time, it must provide to all employees a written policy containing those requirements, using a delivery method that reasonably ensures that employees receive the policy. If such

employer has not provided its written policy, it may not deny sick time to an employee because of non-compliance with such a policy.

Sick time to which an employee is entitled must be paid no later than the payday for the next regular payroll period beginning after the sick time was used.

Exemptions and Exceptions

Notwithstanding the above, the PSLL does not apply to any of the following:

- an independent contractor who does not meet the definition of employee under section 190(2) of the New York State Labor Law;
- an employee covered by a valid collective bargaining agreement in effect on April 1, 2014 until the termination of such agreement;
- an employee in the construction or grocery industry covered by a valid collective bargaining agreement if the provisions of the PSLL are expressly waived in such collective bargaining agreement;
- an employee covered by another valid collective bargaining agreement if such provisions are expressly waived in such agreement and such agreement provides a benefit comparable to that provided by the PSLL for such employee;
- an audiologist, occupational therapist, physical therapist, or speech language pathologist who is licensed by the New York State Department of Education and who calls in for work assignments at will, determines his or her own schedule, has the ability to reject or accept any assignment referred to him or her, and is paid an average hourly wage that is at least four times the federal minimum wage;
- an employee in a work study program under Section 2753 of Chapter 42 of the United States Code;
- an employee whose work is compensated by a qualified scholarship program as that term is defined in the Internal Revenue Code, Section 117 of Chapter 20 of the United States Code; or
- a participant in a Work Experience Program (WEP) under section 336-c of the New York State Social Services Law.

Retaliation Prohibited

An employer may not threaten or engage in retaliation against an employee for exercising or attempting in good faith to exercise any right provided by the PSLL. In addition, an employer may not interfere with any investigation, proceeding, or hearing pursuant to the PSLL.

Notice of Rights

An employer must provide its employees with written notice of their rights pursuant to the PSLL. Such notice must be in English and the primary language spoken by an employee, provided that DCA has made available a translation into such language. Downloadable notices are available on DCA's website at <http://www.nyc.gov/html/dca/html/law/PaidSickLeave.shtml>.

Any person or entity that willfully violates these notice requirements is subject to a civil penalty in an amount not to exceed fifty dollars for each employee who was not given appropriate notice.

Records

An employer must retain records documenting its compliance with the PSLI for a period of at least three years, and must allow DCA to access such records in furtherance of an investigation related to an alleged violation of the PSLI.

Enforcement and Penalties

Upon receiving a complaint alleging a violation of the PSLI, DCA has the right to investigate such complaint and attempt to resolve it through mediation. Within 30 days of written notification of a complaint by DCA, or sooner in certain circumstances, the employer must provide DCA with a written response and such other information as DCA may request. If DCA believes that a violation of the PSLI has occurred, it has the right to issue a notice of violation to the employer.

DCA has the power to grant an employee or former employee all appropriate relief as set forth in New York City Administrative Code 20-924(d). Such relief may include, among other remedies, treble damages for the wages that should have been paid, damages for unlawful retaliation, and damages and reinstatement for unlawful discharge. In addition, DCA may impose on an employer found to have violated the PSLI civil penalties not to exceed \$500 for a first violation, \$750 for a second violation within two years of the first violation, and \$1,000 for each succeeding violation within two years of the previous violation.

More Generous Policies and Other Legal Requirements

Nothing in the PSLI is intended to discourage, prohibit, diminish, or impair the adoption or retention of a more generous sick time policy, or the obligation of an employer to comply with any contract, collective bargaining agreement, employment benefit plan or other agreement providing more generous sick time. The PSLI provides minimum requirements pertaining to sick time and does not preempt, limit or otherwise affect the applicability of any other law, regulation, rule, requirement, policy or standard that provides for greater accrual or use by employees of sick leave or time, whether paid or unpaid, or that extends other protections to employees. The PSLI may not be construed as creating or imposing any requirement in conflict with any federal or state law, rule or regulation.

EXHIBIT E
CERTIFICATES OF INSURANCE

Instructions to New York City Agencies, Departments, and Offices

All certificates of insurance (except certificates of insurance solely evidencing Workers' Compensation Insurance, Employer's Liability Insurance, and/or Disability Benefits Insurance) must be accompanied by one of the following:

- (1) the Certification by Insurance Broker or Agent on the following page setting forth the required information and signatures;

-- OR --

- (2) copies of all policies as certified by an authorized representative of the issuing insurance carrier that are referenced in such certificate of insurance. If any policy is not available at the time of submission, certified binders may be submitted until such time as the policy is available, at which time a certified copy of the policy shall be submitted.

CITY OF NEW YORK
CERTIFICATION BY INSURANCE BROKER OR AGENT

The undersigned insurance broker or agent represents to the City of New York that the attached Certificate of Insurance is accurate in all material respects.

[Name of broker or agent (typewritten)]

[Address of broker or agent (typewritten)]

[Email address of broker or agent (typewritten)]

[Phone number/Fax number of broker or agent (typewritten)]

[Signature of authorized official, broker, or agent]

[Name and title of authorized official, broker, or agent (typewritten)]

State of)

) ss.:

County of)

Sworn to before me this ____ day of _____ 20__

NOTARY PUBLIC FOR THE STATE OF _____

EXHIBIT F

Background Checks Rider

1. **Recruitment; Screening; Fingerprinting:** The Licensee shall be responsible for the recruitment and screening of employees and volunteers performing work under the License Agreement, including the verification of credentials, references, and suitability for working with clients and participants. Where consistent with State and federal law, if directed by the Parks Department, the Licensee will undertake the fingerprinting of employees and volunteers, including applicants, in accordance with instructions from the Parks Department.

2. **Convictions:** The Licensee shall comply with Section 296(15) of the New York State Executive Law and Subdivision 10 of Section 8-107 of the Administrative Code of the City of New York, under which it is an unlawful discriminatory practice for an employer, employment agency or an agent thereof to deny employment to any applicant and, under Section 8-107, to take adverse action against any employee, based on (a) the person's or employee's having been convicted of one or more criminal offenses, or (b) a finding of a lack of "good moral character" where such finding is based on the applicant or employee having been convicted of one or more criminal offenses, when the denial or adverse action violates Article 23-A of the New York State Correction Law.

3. **Non-Pending Arrests or Accusations:** The Licensee shall comply with Section 296(16) of the New York State Executive Law and Subdivision 11 of Section 8-107 of the Administrative Code of the City of New York, under which it is an unlawful discriminatory practice for an employer to deny employment to any applicant or take adverse action against any employee when the denial or adverse action violates Section 296(16)—which generally concerns arrests or criminal accusations that are not then pending and which were followed by a termination in favor of the applicant or employee, a youthful offender adjudication, or by a conviction that has been sealed—unless the denial or adverse action is specifically required or permitted by statute.

4. **Declare, Print, or Circulate:** The Licensee shall comply with Subdivision 11-a of Section 8-107 of the Administrative Code of the City of New York, under which it is an unlawful discriminatory practice for an employer, employment agency or agent thereof to declare, print, or circulate, or cause the declaration, printing or circulation of any solicitation, advertisement, or publication that directly or indirectly expresses any limitation or specification in employment based on a person's arrest or criminal conviction.

5. **Inquiries:**

(i) **Applying for Employment:** The Licensee shall comply with Subdivision 11-a of Section 8-107 of the Administrative Code of the City of New York, under which it is an unlawful discriminatory practice for an employer, employment agency or agent thereof to make any inquiry or statement (as those terms are defined in Section 8-107(11-a)) related to the pending arrest or criminal conviction record of any person who is in the process of applying for

employment with the employer or its agent until after the employer or its agent has extended a conditional offer of employment to the applicant.

(ii) Conditional Offer of Employment: Pursuant to Subdivision 11-a(b) of Section 8-107 of the Administrative Code of the City of New York, the Licensee may inquire about the applicant's arrest or conviction record after extending a conditional offer of employment, provided that, prior to taking any adverse employment action based on the inquiry, the employer, employment agency, or agent thereof (a) provides a written copy of the inquiry to the applicant in a manner determined by the New York City Commission on Human Rights; (b) performs an analysis of the applicant pursuant to Article 23-A of the Correction Law and provides a written copy of the analysis to the applicant in a manner determined by the Commission on Human Rights, which shall include but not be limited to supporting documents that formed the basis for an adverse action based on the analysis and the employer's or employment agency's reasons for taking such adverse action against the applicant; and (c) allows the applicant a reasonable time to respond of at least three (3) business days, during which time the position shall be held open for the applicant. Pursuant to Section 8-107(11-a), nothing in that provision prevents an employer, employment agency, or agent thereof from denying employment to any applicant or from taking adverse action against any employee for reasons other than the applicant's or employee's arrest or criminal conviction record.

(iii) Non-Pending Arrests or Accusations: The Licensee shall comply with New York State Executive Law § 296(16) and Section 8-107(11) of the Administrative Code of the City of New York, under which it is an unlawful discriminatory practice for an employer to make any inquiry in writing or otherwise regarding any arrest or criminal accusation of an applicant or employee when the inquiry violates Section 296(16), unless the inquiry is specifically required or permitted by statute.

(iv) Response to Inquiries: Pursuant to New York State Executive Law § 296(16) and Subdivision 11-a(d) of Section 8-107 of the Administrative Code of the City of New York, an applicant's refusal to respond to inquiries or statements prohibited under this Section shall not disqualify the applicant from the prospective employment.

6. Background Checks Required by Law; Licensure: Pursuant to New York State Executive Law § 296(16) and Subdivision 11-a(e) of Section 8-107 of the Administrative Code of the City of New York, Licensees are permitted to perform background checks pursuant to any state, federal or local law that requires criminal background checks for employment purposes or bars employment based on criminal history. In addition, if the Licensee is hiring for positions where certain convictions or violations are a bar to employment in that position under Law, the Licensee may ask questions about those convictions or violations.

Notwithstanding any other provision of this Section, if the Licensee is hiring for positions requiring licensure, including positions such as interns and apprentices for such licensed positions (e.g. prospective attorneys), the Licensee may ask applicants the same questions asked by the licensing body, in accordance with New York State Law.

7. Review of Decision: Where practicable, the Licensee shall provide for the review by a supervisor of a decision not to hire based on prior criminal convictions.

8. The Licensee may consult with the Parks Department regarding the application of this Section.

EXHIBIT G

Maintenance and Operation Agreement

CONCESSION PRE-SOLICITATION REVIEW MEMORANDUM

A. DETERMINATION TO UTILIZE OTHER THAN COMPETITIVE SEALED BIDS ☐ N/A

Instructions: Attach copy of draft RFP or other solicitation document, and check all applicable box(es) below.

The Agency has determined that it is not practicable or advantageous to use Competitive Sealed Bids because:

- ☐ Specifications cannot be made sufficiently definite and certain to permit selection based on revenue to the City alone.
- ☐ Judgment is required in evaluating competing proposals, and it is in the best interest of the City to require a balancing of revenue to the City, quality and other factors.
- ☐ The agency will be pursuing a negotiated concession for the reasons listed in section (B)(3)(b)
- ☒ Other (Describe): The New York City Department of Parks and Recreation ("Parks") will be pursuing a Sole Source License Agreement ("Agreement") pursuant to Section 1-16 of the Concession Rules ("different procedure") for the reasons listed in section (B)(2).

B. DETERMINATION TO USE OTHER THAN COMPETITIVE SEALED PROPOSALS ☐ N/A

1. Briefly summarize the terms and conditions of the concession. *Add additional sheet, if necessary.*

To be determined at a later date – when/if the Franchise and Concession Review Committee ("FCRC") approves the use of a different procedure to negotiate a sole source agreement with the Greenbelt Conservancy, Inc.

2. Briefly explain the basis for the determination not to solicit Competitive Sealed Proposals.

The Greenbelt Conservancy, Inc. ("GC"), a not-for-profit organization, was formed in 1989 to support the operation, administration and public use of the Greenbelt's city parkland and facilities. GC promotes conservation and enhancement of the Greenbelt through increased public awareness, support and enjoyment of its resources. Through its fundraising efforts, GC has secured millions of dollars of privately raised funds and donation services, which in turn has leveraged millions in capital expense funds for the benefit of the Greenbelt.

Prior to the opening of The Carousel for All Children ("Carousel") in Willowbrook Park, one of the parks that make up the Staten Island Greenbelt, GC launched a fundraising campaign to raise a board-restricted maintenance fund to help maintain the Carousel and its grounds in perpetuity. The naming of the Carousel figures and the inscription of surrounding pavers helped GC raise over \$100,000 to establish the Carousel maintenance fund. The maintenance fund, which is held in a Merrill Lynch Financial Services investment account, has grown to approximately \$350,000, a substantial source of funding to maintain the carousel that is unique to GC. — Since its opening in 1999, GC has been an effective manager and caretaker of the Carousel, a 53-figure hand-painted wooden Victorian-style merry-go-round. Since GC was instrumental in the initial concept and fundraising associated with the design and construction of the Carousel, in 1999 the FCRC approved a sole source agreement between Parks and GC to operate the Carousel for a term of five (5) years. In 2004, Parks issued an RFP for the operation of the carousel. GC was the successful proposer.

On September 15, 2008, Parks entered into a license agreement with GC to maintain and conserve the Staten Island Greenbelt and its facilities for a term of five (5) years with an additional five (5) year renewal at Parks' discretion. Parks exercised the five-year renewal and is pursuing a new license agreement with GC to maintain and conserve the Staten Island Greenbelt. On July 21, 2009, Parks entered into a sole source license agreement with GC specifically for the renovation, operation, and maintenance of the Carousel for a term of four (4) years with an additional five (5) one-year renewal options. Parks executed the fifth and final one-year renewal option which expires September 15, 2018.

GC has made and continues to make substantial investments at the Carousel and its surrounding grounds, including the installation of a sprinkler system, landscape, security services, wood deck stripping and refinishing, and annual interior and exterior painting. In order to continue to provide funding for various investments to and maintenance of the Carousel and its surrounding grounds, GC is requesting a sole source agreement with Parks to operate the Carousel and the food and beverage and souvenir concessions. Under the 2009 license agreement, GC compensates Parks an annual

CONCESSION PRE-SOLICITATION REVIEW MEMORANDUM

A. DETERMINATION TO UTILIZE OTHER THAN COMPETITIVE SEALED BIDS ☐ N/A

Instructions: Attach copy of draft RFP or other solicitation document, and check all applicable box(es) below.

The Agency has determined that it is not practicable or advantageous to use Competitive Sealed Bids because:

- ☐ Specifications cannot be made sufficiently definite and certain to permit selection based on revenue to the City alone.
- ☐ Judgment is required in evaluating competing proposals, and it is in the best interest of the City to require a balancing of revenue to the City, quality and other factors.
- ☐ The agency will be pursuing a negotiated concession for the reasons listed in section (B)(3)(b)
- ☒ Other (Describe): The New York City Department of Parks and Recreation ("Parks") will be pursuing a Sole Source License Agreement ("Agreement") pursuant to Section 1-16 of the Concession Rules ("different procedure") for the reasons listed in section (B)(2).

B. DETERMINATION TO USE OTHER THAN COMPETITIVE SEALED PROPOSALS ☐ N/A

1. Briefly summarize the terms and conditions of the concession. *Add additional sheet, if necessary.*

To be determined at a later date – when/if the Franchise and Concession Review Committee ("FCRC") approves the use of a different procedure to negotiate a sole source agreement with the Greenbelt Conservancy, Inc.

2. Briefly explain the basis for the determination not to solicit Competitive Sealed Proposals.

The Greenbelt Conservancy, Inc. ("GC"), a not-for-profit organization, was formed in 1989 to support the operation, administration and public use of the Greenbelt's city parkland and facilities. GC promotes conservation and enhancement of the Greenbelt through increased public awareness, support and enjoyment of its resources. Through its fundraising efforts, GC has secured millions of dollars of privately raised funds and donation services, which in turn has leveraged millions in capital expense funds for the benefit of the Greenbelt.

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percentage of 5% of Gross Receipts derived from the operation of these concessions. Parks and GC will negotiate the terms of compensation to Parks in any new resulting sole source agreement.

GC has played an integral role in the genesis of the Carousel and has been successfully operating the Carousel since its inception and continues to maintain a fund solely for the purpose of maintaining the Carousel and its grounds. Therefore, due to the unique nature of this concession and GC's specific commitment to the Carousel Parks, believes it is in the best interest of the City to award the concession through a different procedure and not a competitive solicitation process.

- 3a. Briefly explain the selection procedure that will be utilized.

Parks is requesting FCRC authorization to utilize a different procedure, pursuant to Section 1-16 of the Concession Rules of the City of New York, to negotiate a Sole Source License Agreement with GC which will go before the FCRC on June 13, 2018 ("Step 1"). Once negotiated and if determined by Parks to be a significant concession, Parks and the FCRC will hold a joint public hearing on the proposed Agreement before presenting it to the FCRC for "Step 2" approval at a second public meeting. If Parks determines the concession to be non-significant, Parks will present the fully negotiated Agreement with GC to the FCRC and request the required FCRC authorization to enter into the Agreement directly (without the need for an initial joint public hearing).

- 3b. If the selection procedure is a negotiated concession, check the applicable box:

The Agency made a determination that it is not practicable and/or advantageous to award a concession by competitive sealed bidding or competitive sealed proposals due to the existence of a time-sensitive situation where a concession must be awarded quickly because:

- ☐ The agency has an opportunity to obtain significant revenues that would be lost or substantially diminished should the agency be required to solicit the concession by competitive sealed bids or competitive sealed proposals and the diminished revenue does not relate only to the present value of the revenue because of the additional time needed to solicit competitive sealed bids or competitive sealed proposals; *[Explain]*
- ☐ An existing concessionaire has been terminated, has defaulted, has withdrawn from, or has repudiated a concession agreement, or has become otherwise unavailable; *[Explain]*
- ☐ The agency has decided, for unanticipated reasons, not to renew an existing concession in the best interest of the City and requires a substitute/successor concessionaire. *[Explain]*
- ☐ DCAS is awarding a concession to an owner of property adjacent to the concession property, or to a business located on such adjacent property, and has determined that it is not in the best interest of the City to award the concession pursuant to a competitive process because of the layout or some other characteristic of the property, or because of a unique service that can be performed only by the proposed concessionaire. *[Explain]*

Approved by CCPO: _____ **on** ____/____/____.

4. If the agency has/will request unanimous FCRC approval to waive advance written notice to affected CB(s) that a selection procedure other than CSB or CSP will be utilized, explain the exigent circumstances.

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Approved by CCPO: _____ **on** ____/____/____.

4. If the agency has/will request unanimous FCRC approval to waive advance written notice to affected CB(s) that a selection procedure other than CSB or CSP will be utilized, explain the exigent circumstances.