

Addendum A

Vehicle Concession Tender Information Package

For St. John's International Airport

March 22, 2017

This addendum is issued to modify the tender document previously issued on February 22, 2017. Changes to document are in red.

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4. SPACE ALLOCATION CONCEPT

Unless impeded by construction activity, counter and office space within Rental Car Area and the associated parking spaces will be offered to each successful tender for the Term of its License. The allocation of parking spaces shall be determined based on the percentage of business enjoyed by each franchise during the previous twelve months, and shall be reviewed annually. Lots shall all be adjacent to one another wherever possible, and shall be allocated in blocks.

In an order of selection as determined by the Authority based upon its ranking of the tender, the first ranked successful tender will be invited to select counter, office, and parking space. Following the completion of the choice by the first ranked successful tender, the second ranked successful tender shall make their choices in a similar fashion, followed by the third ranked successful tender and so on.

The sixth ranked concessionaire's minimum guarantee amount tendered must be at least 70% of the fifth highest tendered guaranteed amount tendered.

Successful Licensors will have 30 days to change counter space locations. If all successful bidders are incumbents, they may have the option to maintain their current location if all licensors agree.

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10. ELIGIBILITY TO TENDER

(b) A party may submit one "Tender" per trade name. In connection with the operation of the Vehicle Rental Concession, the tender shall use only a single trade name. Successful tenders will not be eligible for an "off-airport" vehicle rental concession license under the same brand name.

11. TENDER PROCESS

(c) (ix) Each Tender package shall include of one printed original document, one printed copy, and one electronic copy of the documentation.

13. CONTENT OF TENDER SUBMISSIONS

(e) (a) (iii) (iii) the ability and intention to **provide** in the vehicles to be used for the provision of service at the airport, child and infant restraint systems in a number sufficient to meet the demands of the travelling public; as such demands may be determined by and to the reasonable satisfaction of the Authority from time to time. All such child and infant restraint systems shall be provided in accordance with the manufacturer's instructions and all such systems must comply with the Canadian Motor Vehicle Safety Act (Canada);

"Audited Annual Operating Statement" means the Licensee's audited financial statement of its Gross Revenue for the Vehicle Rental Concession for each License Year as described in section 4.05(2);

1.01 DEFINITIONS (GROSS REVENUE)

9. in each case whether such amounts or other receipts or receivables are evidenced by cheque, cash, credit, charge account, exchange or otherwise and whether such transactions are made by means of mechanical or other vending devices. There shall be no deduction allowed for bad debts, bank charges, uncollected or uncollectible credit accounts or charges made by collection agencies. In addition, each transaction made on installment or credit shall be treated as a transaction for the full contract price in the month during which such charge or transaction is made, irrespective of the time when the Licensee receives payment therefor. Notwithstanding the foregoing, Gross Revenue does not include amounts related to the following:
 - i. transactions, the consideration for which or part thereof has been refunded or credited to the Customer, but only to the extent of such refund or credit,

PROVIDED that the consideration for such transactions shall have been previously included in Gross Revenue;

- ii. any "third party charges" which are the responsibility of the Customer but which the Customer requests the Licensee to pay on his behalf (e.g. parking tickets, moving violations, government fees and fines, tolls, towing and impound fees);
- iii. the cost to the Licensee of any service calls made by the Licensee and charged to its Customers;
- iv. any retail tax including goods and services tax) imposed by any federal, provincial, municipal or other governmental authority directly on sales and collected from Customers at the point of sale by the Licensee as agent for such authority, as long as the amount thereof is actually paid by the Licensee to such authority;
- v. all sales of Trade Fixtures so long as the Trade Fixtures have become redundant or have been replaced by the Licensee with comparable replacement items;
- vi. all bulk sales of the Licensee's assets (other than in its normal course of business) associated with any assignment or sublicensing permitted under the terms of this License;
- vii. the redemption value of gift certificates;
- viii. any discounts granted by the Licensee to its Customers whether by way of coupons or any other business promotional methods;
- ix. any interest paid by the Authority to the Licensee with respect to the Concession Security Deposit;
- x. fuel revenue; and
- xi. monies received by the Licensee from its Customers by way of reimbursement for the cost to the Licensee to repair damages caused to a vehicle by accident or mishap;

4.04 ANNUAL FEE RECONCILIATION

Within forty-five (45) days following the end of each License Year, the Licensee shall deliver to the Authority, at the place then fixed for payment of Fees, an annual fee reconciliation in the form described in schedule "F" (the "Annual Fee Reconciliation") together with the amount owing, if any ' by either party to the other, as the case may be, according to the Annual Fee Reconciliation, and a written statement signed by a responsible authorized representative of the Licensee stating that the Annual Fee Reconciliation is true and correct.

4.14 CONCESSION SECURITY DEPOSIT

1. The Licensee shall deposit with the Authority a Concession Security Deposit equal to one third (1/3) of the amount set out in schedule 'I' for year one of the contract on or before **May 1, 2017**.

7.05 LIENS

2. The Licensee covenants that it will not permit any construction or builders' liens to be or remain registered against the title to St. John's International Airport by reason of work, labour, services or materials supplied to the Licensee or anyone claiming an interest through or under the Licensee, and that it will take all steps necessary to cause any such liens to be discharged within sixty (60) days of receiving notice that any such liens have been registered; **the foregoing shall not prevent the Licensee from contesting any liability to a third party for any claim or the validity of any lien so discharged.**