

**THIRD AMENDMENT TO
AIRPORT CONCESSION AGREEMENT
BETWEEN
THE CITY OF SAN JOSE
AND
ALD DEVELOPMENT CORP.**

This THIRD AMENDMENT AIRPORT CONCESSION AGREEMENT is entered into this ____ day of _____, 2017, by the CITY OF SAN JOSE, a municipal corporation of the State of California ("City"), and ALD DEVELOPMENT CORP., a Delaware corporation authorized to do business in the State of California as ALD DEVELOPMENT CORP., WHICH WILL DO BUSINESS IN CALIFORNIA AS THE CLUB AT SJC ("Concessionaire").

RECITALS

WHEREAS, on October 22, 2012, City and Concessionaire entered into an agreement entitled "AIRPORT CONCESSION AGREEMENT BY AND BETWEEN CITY OF SAN JOSE AND ALD DEVELOPMENT CORP. dba AIRPORT LOUNGE DEVELOPMENT, INC." ("Agreement"); and

WHEREAS, on May 7, 2013, City and Concessionaire entered into a First Amendment to the Agreement to temporarily suspend Concessionaire's obligation to pay the Minimum Annual Guarantee ("MAG") during a time when all transoceanic scheduled service at the Norman Y. Mineta San José International Airport ("Airport") was discontinued indefinitely; and

WHEREAS, subsequent to executing the Agreement, Concessionaire changed its name with the California Secretary of State to ALD DEVELOPMENT CORP., WHICH WILL DO BUSINESS IN CALIFORNIA AS THE CLUB AT SJC; and

WHEREAS, on September 1, 2015, City and Concessionaire entered into a Second Amendment to the Agreement to extend the term and add nondiscrimination requirements as required under federal law and regulations;

WHEREAS, City and Concessionaire have entered into a new agreement for an additional lounge in Terminal A entitled "Shared Use Lounge Concession Agreement by and between the City of San José and ALD Development Corp dba The Club At SJC 2077 Airport Blvd. #A2480"; and

WHEREAS, City and Concessionaire desire to further amend the amended Agreement to further extend the term six (6) years through January 31, 2025, to increase the Percentage Fee retroactive to June 01, 2016, add a Mid-Term Refurbishment Expenditure requirement, add a "Like New" definition, revise the definition of the MAG, and to add provisions required under federal law and regulations;

NOW, THEREFORE, effective upon execution, the parties agree to further amend the amended Agreement as follows:

SECTION 1. SECTION 1 "SUMMARY OF TERMS AND DEFINITIONS" is hereby amended to revise the following definitions:

"**Expiration Date**" (§SECTION 2): shall mean January 31, 2025, subject to earlier termination as provided in this Agreement.

"**Percentage Fee**" Retroactive to June 01, 2016, means thirteen percent (13%) of Concessionaire's Gross Revenues."

SECTION 2. SECTION 1 "SUMMARY OF TERMS AND DEFINITIONS" is hereby amended to add the following definition:

"Like New" means the condition of the Concessionaire's Equipment to appear in perfect condition, intact and pristine with no signs of wear or tear on the Concession Area."

SECTION 3. SECTION 4 "RESTRICTION ON ACTIVITIES" subsection 4.7 entitled "Standards of Operation," subsection 4.7.A is hereby amended to read as follows:

"A. During the term of this Agreement, Concessionaire covenants to maintain, operate and keep or cause the maintenance and operation of the Concession Operations and the Concession Area in accordance with the provisions of this Agreement in a Like New, first-class manner and in a safe, clean and orderly condition at all times to the reasonable satisfaction of the Director.

Concessionaire covenants not to allow the use of any false, misleading or deceptive advertising in the promotion of the Concession Operations."

SECTION 4. SECTION 5 "FEES & DEPOSITS" subsection 5.1.2 is hereby amended to read as follows:

"5.1.2 MAG Calculation

Initial MAG

Commencing upon the Commencement Date and continuing until the expiration of twelve (12) full calendar months after the MAG Commencement Date, the MAG shall equal seventy-five thousand dollars (\$75,000). If the Commencement Date is not the first day of a calendar month, the MAG due for the period from the Commencement Date to the MAG Commencement Date shall be prorated.

Annual MAG Adjustment

The MAG shall be adjusted on an annual basis on the Annual Adjustment Date, as defined below.

The first Annual Adjustment Date for each MAG shall occur 12 months after the MAG Commencement Date. Thereafter, this date shall serve as the Annual Adjustment Date. On the first Annual Adjustment Date, the MAG shall be adjusted to equal eighty-five percent (85%) of the Concession Fee actually due to the City during the previous 12-month period.

Upon each subsequent Annual Adjustment Date, the MAG shall be adjusted to equal eighty-five percent (85%) of the Concession Fee actually due to the City during the 12-month period prior to the Annual Adjustment Date. Notwithstanding the previous sentence, in no event shall the MAG be adjusted to be less than the previous year's MAG.

A. Separate and apart from any MAG adjustment on any Annual Adjustment Date, the MAG shall also be adjusted effective 120 days after the opening of the new lounge in Terminal A as referenced in the Agreement titled "Shared Use Lounge Concession Agreement by and between the City of San José and ALD Development Corp dba The Club At SJC 2077 Airport Blvd. #A2480" (the "One-Time MAG Adjustment") For the On-Time MAG Adjustment, the MAG shall equal eighty-five percent (85%) of the Concession Fee due to the City under this Agreement for the first three (3) months following the opening of the new Terminal A lounge, multiplied by four (4). Notwithstanding the previous sentence, the MAG for the One-Time MAG Adjustment shall not be less than \$75,000.

MAG Payment

Concessionaire shall pay the monthly MAG payments in advance, without notice from City, on or before the first day of each calendar month during the Concession Term. Concessionaire's obligation to pay in each month

one-twelfth (1/12) of the MAG shall be independent of any amounts paid in prior months. If the Commencement Date is not the first day of a calendar month, the MAG due for the period from the Commencement Date to the MAG Commencement Date shall be due and payable on the first day of the first calendar month after the Commencement Date. On each Annual Adjustment Date and for the One-Time MAG Adjustment, Concessionaire shall continue to make monthly MAG payments in the same amount as the monthly MAG payments from the previous year (or prior to the effective date of the One-Time MAG Adjustment) until such time that City notifies Concessionaire of the Annual (or One-Time) MAG Adjustment for the then current period. The remaining monthly MAG payments until the next Annual Adjustment Date shall be prorated to account for any deficiencies in the monthly MAG payments made prior to City's notice to Concessionaire."

SECTION 5. SECTION 21 "MAINTENANCE AND REPAIRS" subsection 21.2 entitled "Concessionaire's Obligations," subsection 21.2.A is hereby amended to read as follows:

"A. Concessionaire shall be obligated at all times throughout the term of this Agreement, without cost to City, to maintain the Concession Area, Concession Improvements and Concessionaire's Equipment in Like New, good appearance, repair and safe condition, except for ordinary wear and tear, and in a condition otherwise satisfactory to Director."

SECTION 6. SECTION 22 "ALTERATIONS AND IMPROVEMENTS" subsection 22.8, is hereby added as follows:

"22.8 Minimum Mid-Term Concession Refurbishment Expenditure

22.8.1 No later than June 30, 2019, Concessionaire shall refurbish the Concession Area in accordance with the "Refurbishment, Renovation & Replacement Program" schedule in **Exhibit J**. The Director shall have the sole discretion to change the schedule in response to a written request from Concessionaire. Said refurbishment shall include, but not be limited to, all refinishing, repair, replacement, redecorating and painting necessary to keep facilities in first class condition. The required expenditure by Concessionaire for the mid-term refurbishment (the "Minimum Mid-term Concession Improvement Expenditure") shall be no less than two hundred twenty-five thousand dollars (\$225,000).

22.8.2 Should Concessionaire fail to expend the full amount of the Minimum Mid-term Concession Improvement Expenditure, Concessionaire shall pay to the City an amount equal to the difference, if any, between the required Minimum Mid-term Concession Improvement Expenditure and Concessionaire's actual expenditures made within sixty (60) days of completion of the mid-term refurbishment.

22.8.3 The Minimum Mid-term Concession Improvement Expenditure shall not include any amount determined by the Director to have been spent by Concessionaire to maintain the Concession Area and Common Area in Like-New condition during the Term of this Agreement.

22.8.4 Upon completion of the mid-term refurbishment, the Minimum Mid-Term Refurbishment Expenditure shall be amortized by Concessionaire over the then remaining Term of this Agreement."

SECTION 7. SECTION 22 "ALTERATIONS AND IMPROVEMENTS" subsection 22.9 is hereby added as follows:

"22.9 Allowable Improvement Costs

The following Concession Improvement Costs (collectively referred to as "Concessionaire's Allowable Improvement Costs") may be counted toward Concessionaire's Minimum Mid-Term Concession Improvement Expenditure:

- 22.9.1** Costs incurred by Concessionaire for: improvements; furnishings; fixtures (both removable and non-removable); interior walls and doors; plumbing, electrical and mechanical improvements; lighting; wall finishes; ceiling finishes; flooring; removable and non-removable counters; and removable and non-removable equipment that is necessary to the operation of the Concession Area.
- 22.9.2** Design and engineering costs not to exceed ten percent (10%) of the total approved cost of Concessionaire's Improvements as defined above.
- 22.9.3** City's Planning, Building and Code Enforcement Department fees (as provided in **SECTION 22.3**).
- 22.9.4** Costs and expenses which are payable by Concessionaire for City engineering and inspection fees ("E&I Fees") as provided in **SECTION 22.3**.
- 22.9.5** Directly contracted construction costs."

SECTION 8. SECTION 22 "ALTERATIONS AND IMPROVEMENTS" subsection 22.10 is hereby added as follows:

"22.10 Unallowable Improvement Costs

The following capital improvement costs shall **not** be counted as part of Concessionaire's Minimum Concession Improvement Expenditure:

22.10.1 Concessionaire's costs for internal design, review, management and oversight of Concession Area construction.

22.10.2 Concessionaire's licensing or franchising costs.

22.10.3 Any other future renovation and remodeling of Concession Improvements which Concessionaire, at its option, elects to make during the Term."

SECTION 8. SECTION 24 "CITY'S REMEDIES" subsection 24.5 is hereby amended as follows:

"24.5 Performance Standard Breaches

The following specified items shall be referred to as "Performance Standard Breaches". Concessionaire agrees to pay to the City the amount specified below as liquidated damages for the applicable breach.

1. Shared Use Lounge not open during approved Required Hours of Operation or during such times of flight delays.	\$200 per occurrence
2. The number of verbal and/or written customer complaints issued directly to the City exceeds four (4) in any one calendar month period.	\$200 per complaint, beginning with the fifth (5 th) complaint in a calendar month.
3. Shared Use Lounge improperly or poorly stocked as defined in Concessionaire's proposal or as specified or determined by the Director.	\$200 per occurrence.
4. Health code citations.	\$400 for each citation not cleared during any cure period provided by the Health Department; an additional \$100 per day past the cure period for each cited violation until correction.
5. Any reports requested by Director not received by the requested date.	\$25 per day until any such reports are received.

6. Concessionaire personnel are not in designated uniform/attire when working at the Shared Use Lounge.	\$200 per person, per day until correction.
7. Menu price adjustments or menu removals not accomplished within the timeframe prescribed by the Director.	\$200 per occurrence, per day.
8. All posted menu items not available at all times that items are posted as available.	\$200 per occurrence, per day.
9. Shared Use Lounge not kept in a Like New, safe, clean, sanitary and good physical condition.	\$600 per occurrence, per day.
10. Lack of employee attendance at Airport-sponsored orientation and customer service training classes	\$200.00 per employee who has not attended class within the first thirty (30) days of hire date or the first date that a class is offered, whichever is later.
11. Delivery of supplies by other than approved routes/modes/times.	\$350.00 per occurrence.

SECTION 10. SECTION 34, "FEDERAL FAIR LABOR STANDARDS ACT (FEDERAL MINIMUM WAGE)," is hereby added as follows:

"This Agreement incorporates by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers.

The Concessionaire has full responsibility to monitor compliance to the referenced statute or regulation. The Concessionaire must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division."

SECTION 11. SECTION 35, "OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970," is hereby added as follows:

"This Agreement incorporates by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. Concessionaire must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The Concessionaire retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Concessionaire must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration."

SECTION 12. SECTION 36, "GENERAL CIVIL RIGHTS PROVISIONS," is hereby added as follows:

"The tenant/concessionaire/lessee and its transferee agree to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision obligates the tenant/concessionaire/lessee or its transferee for the period during which Federal assistance is extended to the airport through the Airport Improvement Program.

In cases where Federal assistance provides, or is in the form of personal property; real property or interest therein; structures or improvements thereon, this provision obligates the party or any transferee for the longer of the following periods:

- (a) The period during which the property is used by the airport sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits;
or
- (b) The period during which the airport sponsor or any transferee retains ownership or possession of the property.”


SECTION 13. Exhibit J, “PREVENTIVE MAINTENANCE AND REPAIR”, is hereby added, attached, and incorporated into the Agreement.

SECTION 14. All of the terms and conditions of the amended Agreement not modified by this Third Amendment shall remain in full force and effect.

WITNESS THE EXECUTION HEREOF on the day and year first written above.

"CITY"

APPROVED AS TO FORM:



KEVIN FISHER
Chief Deputy City Attorney

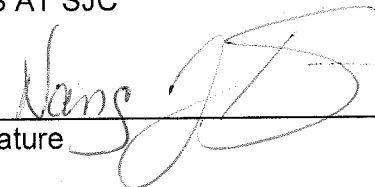
CITY OF SAN JOSE, a municipal
corporation of the State of California

TONI J. TABER, CMC
City Clerk

Date: _____

"CONCESSIONAIRE"


ALD DEVELOPMENT CORP.,
a Delaware corporation authorized to do
business in the State of California as ALD
DEVELOPMENT CORP., WHICH WILL
DO BUSINESS IN CALIFORNIA AS THE
CLUB AT SJC



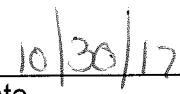
Signature



Print Name



Title



Date

CORPORATE SECRETARY CERTIFICATE

This certificate shall be executed by the secretary or assistant secretary of the corporation.

I, D. MARION WOOD certify that I
Name of Secretary or Assistant Secretary

am the ☒ Secretary or ☐ Assistant Secretary of the corporation named in the

attached agreement; that NANCY J. KNIPP
Name of Person that Signed Agreement

signed the agreement on behalf of the corporation as the SENIOR VICE PRESIDENT and OFFICER
Title of Person that Signed the Agreement

of the corporation; and that the agreement was duly signed for and on behalf of
the corporation by authority of its Board of Directors, and is within the scope of its
corporate powers.

A. Marion Wood
Signature of Secretary or Assistant Secretary

October 27, 2017
Date

Corporate Seal

EXHIBIT J

PREVENTIVE MAINTENANCE AND REPAIR

Preventive Maintenance and Repair: continuous preventive maintenance for all lounge equipment, fixtures/displays, furnishings and tile/carpet is essential to maintaining a first class experience over the life of the lounge.

Lounge equipment is maintained continuously with additional preventive maintenance performed quarterly or semi-annually. Daily equipment upkeep is conducted through daily cleaning routines of all lounge equipment and regular on-site management evaluation. Preventive maintenance is conducted by manufacture certified local service technicians to ensure long-term efficiency. Preventive maintenance is also conducted semi-annually during the first two years of a lounge's operation and quarterly thereafter. Below is a sample of the performance maintenance schedule:

Preventive Maintenance Program

	Fixtures	Furnishings	Equipment
Year 1	Semi - Annual Preventive Maintenance	Semi-Annual Cleaning Program	Semi - Annual Preventive Maintenance
Year 2	Semi - Annual Preventive Maintenance	Semi-Annual Cleaning Program	Semi - Annual Preventive Maintenance
Year 3	Quarterly Preventive Maintenance / Begin Fixture Refurbishment / Renovation, Replacement Program as Needed to Maintain Standards	Semi-Annual Cleaning / Begin Furniture Refurbishment / Renovation, Replacement Program as Needed to Maintain Standards	Quarterly Preventive Maintenance

The Preventive Maintenance Program above is a three year program that shall reoccur every three (3) years during the entire term of the agreement.

Timely maintenance routines are essential to maintaining the guest experience and to reducing operational costs. Upon determination of a potential service need, lounge management will immediately contact a local manufacturer certified technician to evaluate and resolve the need. Unless the cause of the service need directly affects the guest's lounge experience, all repairs will be performed outside of the lounge's hours of operation.

Cleaning: continuous cleaning of all components of the lounge is paramount to maintaining a world class lounge environment. In order to facilitate this continuous cleaning, we staff to achieve a continuous cleaning schedule including overnight deep-cleaning and 'focus item'

J-1

clean. Focus items are items noted as in need of special attention. In addition, we deploy a dedicated floor attendant to maintain lounge cleanliness during normal hours of operation.

Cleaners and floor attendants continually monitor and maintain over 40 separate lounge cleaning focus areas. Below is a list of 'focus clean' areas for all lounges:

Lounge and Business Center

1. Lounge Appearance sweep including general lounge appearance, trash on tables, items to remove for cleaning and sanitization, etc.
2. Dust and damp-wipe all tables, desks and workstations
3. Replace lounge fixtures according to established floor plan including all chairs, tables, trash bins, etc.
4. Empty all trash bins before $\frac{1}{4}$ full using new liner during each changing
5. Empty, damp-wipe and line all trash bins nightly
6. Remove all trash to terminal trash compactor upon completion
7. Clean all windows and glass nightly or as needed
8. Clean window ledges nightly
9. Clean both sides of entry doors nightly
10. Vacuum, dust, and polish all furniture nightly
11. Dusting of all lounge surfaces, vertical and horizontal nightly
12. Dust plants nightly
13. Dust all blinds, draperies and valances nightly
14. Dust and clean all base-boards nightly
15. Dust all fixtures and displays nightly
16. Dust walls weekly
17. Straighten all periodicals during daily operation
18. Discard all daily periodicals nightly, dust all periodical shelves and replace weekly/monthly periodicals
19. Polish all silver trays weekly
20. Wipe all keyboards with anti-bacterial wipes
21. Clean all ceiling vents nightly

Restrooms

1. Restroom Appearance Sweep including general appearance, paper on floor, water on surfaces, odors, etc.
2. Replenish all paper and feminine products
3. Replenish all soaps and lotions
4. Empty all trash bins before $\frac{1}{4}$ full using new liner during each changing
5. Empty, damp-wipe and line all trash bins nightly
6. Remove all trash to terminal trash compactor upon completion
7. Dusting of all restroom surfaces, vertical and horizontal
8. Deep cleaning of all restroom surfaces nightly

Floors (All including kitchen)

1. Lounge appearance sweep including crumbs and/or any items needing to be vacuumed with the motorless vacuum
2. Vacuum all carpets, moving all chairs nightly
3. Sweep all tile/marble floors
4. Wet mop all tile/marble floors
5. All floor drains mopped nightly and scrubbed weekly.

Kitchens and Service Areas

1. Empty all trash cans before $\frac{3}{4}$ full using new liner each changing
2. Empty, pressure spray or damp-wipe and line all trash cans nightly
3. Remove all trash to terminal trash compactor upon completion
4. Scrub sinks, run disposal and flush with hot water nightly
5. Clean dishwasher filter daily for debris and rinse with hot water
6. De-lime dishwasher semi-monthly or as needed
7. Remove and power wash floor mats nightly
8. Empty ice machine bin and clean/sanitize monthly
9. Clean coffee brewer head weekly
10. Run de-lime coil in coffee brewer weekly
11. Clean outside of refrigerators
12. Damp wipe refrigerator shelves weekly

Trash Disposal: professional and timely trash removal is essential to the operation of a world class lounge. Prompt and continuous removal of all collected trash items to identified airport collection sites is essential to maintaining a clean lounge environment.

Lounge trash is collected by discretely removing the receptacle from the lounge into the kitchen or back service hall where the bag is removed and replaced with a clean liner. The trash bin is then discreetly returned to the lounge. Similarly, restroom trash is discreetly collected during regular bathroom checks. All removed trash is combined and taken directly to the nearest identified airport collection site. Trash will not be left to sit in the lounge since that is essential for avoidance of health and pest hazards.

Refurbishment and Replacement: Airline Lounge Development and Gideon Toal Management Services, through our combined experience in shared-use lounge ownership and operations recognize the need to pursue a pro-active and well defined furniture/tile/carpet and fixture/display refurbishment and replacement program. The refurbishment and replacement program is in addition to any needed repairs or replacement due to damage or wear and tear and is intended for the purpose of maintaining the lounge's new appearance over each five year refurbishment and replacement period.

As detailed in the chart below, refurbishment or replacement of fixture/display and furniture/tile/carpet begins in year three of the lounge's operation and continues through year five by which time all components of the program will have been completed. The furniture, tile and carpet refurbishment program includes repair and/or replacement of worn portions of furnishings including reupholstering of seating using identical, complementary or upgraded materials to restore the item to comparable or better quality. Each completed component will then begin a new 5 year refurbishment and replacement cycle.

Refurbishment, Renovation & Replacement Program		
	Fixtures & Displays	Furnishings, Tile & Carpet
Years 1-2	n/a	n/a
Year 3	10%	25%
Year 4	40%	35%
Year 5	50%	40%

Continuous preventive maintenance of all fixtures, displays, furnishings/tile/carpet and equipment maintains the quality and prolongs the life of all lounge items. Continuous fixture, display and equipment preventive maintenance is enhanced by semi-annual or quarterly professional maintenance inspections. Steam cleaning and treating of carpet, fabrics, tile and wood care and treatment further enhance the lounge appearance and increase the lifespan of affected pieces. When repairs are required, manufacturer certified personnel assess and complete all repairs promptly.

Lounge cleaning is a continuous process performed primarily by both dedicated cleaners and dedicated floor attendants intent on making sure that every guest visit of the day would appear to be the first. Lounge cleaners focus on over 40 areas of observation including the ongoing removal of trash from the lounge to the appropriate airport trash disposal area.

All lounge fixtures, displays, and furnishings/floorings are maintained through the application of a basic five year refurbishment, renovation and replacement program which requires that each piece is cleaned, repaired and restored to new appearance or replaced. This five year program ensures that every aspect of the lounge appearance and function is maintained to the standards that reflect ALD/GTMS' high level SOPs that in turn enable us to drive optimum levels of customer satisfaction. Although we recognize that the lease period is for a period of three (3) years only, our intention is to operate the lounge based on our established maintenance practices and to work closely with SJC on ensuring maintenance of the standards detailed herein.

City of San José Contract/Agreement Transmittal Form

Route order if applicable

AMENDMENT

TO: ☐ City Manager _____
☒ City Clerk 2 _____
☒ City Attorney 1 _____
☐ Return to Department _____

Type of Contract Other

Existing CHAD # 638957
(Use Listing column NOT Maintenance)

REQUIRED INFORMATION FOR ALL CONTRACTS

Name of Contractor: ALD Development Corp.

Address of Contractor: _____

Contractor Contact Person: Graham Richards Contractor's _____

Contractor Email: graham.richards@airportlounge.dev _____

Description of Contract To extend the term for ALD
and Project Name: _____

T-24416.007
For 11/28

Term Start Date: 10/22/2012 _____

Agenda Date (If applicable): 11/28/2017 Agenda _____

Resolution No.: _____ Ordinance No.: _____

Contract Amount: \$136,600 per year Revenue? No Change Order Amount: _____

Insurance filed with Risk Management? Yes (attach insurance or exemption)

Department is responsible for making sure insurance is on file and current.

Is Form 700 Required? (Contract will clearly state form 700 is required) No

If yes, attach Filer names. Contact your department contract liaison to enter required filer info into NetFile.

Business License No: 6205835075 Expiration Date: 09/15/2018

Department is responsible for making sure business license is current. Check here if exempt. ☐

Department: _____ Department Contact Name: Rebekah Bray

Airport (80) Department Phone Number: 408-392-3675

Department Contact Email: rbray@sjc.org

CITY MANAGER'S OFFICE REQUIRED INFORMATION (FOR CONTRACTS SIGNED BY CITY MANAGER)

Method of Procurement: Not Applicable Date Conducted: _____

For RFB, RFP, or RFQ provide number below.

For Sole Source/Unique Service, provide justification memo.

Retroactive? No If yes, attach copy of approved retroactivity memo.

Department Head Signature: _____ Date: _____

Office of the City Manager Signature: _____ Date: _____



CERTIFICATE OF LIABILITY INSURANCE

11/1/2017

DATE (MM/DD/YYYY)
5/1/2017

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER	Lockton Companies 444 W. 47th Street, Suite 900 Kansas City MO 64112-1906 (816) 960-9000	CONTACT NAME: PHONE (A/C, No, Ext): FAX (A/C, No): E-MAIL ADDRESS:
INSURED	ALD DEVELOPMENT CORP. DBA AIRPORT LOUNGE DEVELOPMENT, INC. 5217 TENNYSON PKWY Ste. 100 PLANO TX 75024	INSURER(S) AFFORDING COVERAGE INSURER A: Valley Forge Insurance Company INSURER B: Federal Insurance Company INSURER C: Hartford Fire Insurance Company INSURER D: National Fire Insurance Co of Hartford INSURER E: INSURER F:

COVERAGES		CERTIFICATE NUMBER: 13462551		REVISION NUMBER: XXXXXXXX			
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.							
INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR INSD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
B	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y	N	36031319	7/1/2016	11/1/2017	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
B	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input checked="" type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY	Y	N	73587082	7/1/2017	11/1/2017	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX \$ XXXXXXXX
B	<input checked="" type="checkbox"/> UMBRELLA LIAB <input checked="" type="checkbox"/> EXCESS LIAB DED <input checked="" type="checkbox"/> RETENTION \$10,000	N	N	79885227	7/1/2016	11/1/2017	EACH OCCURRENCE \$ 9,000,000 AGGREGATE \$ 9,000,000 \$ XXXXXXXX
D	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N N	N/A	WC611912304 WC611912285(CA)	1/7/2017 1/7/2017	1/7/2018 1/7/2018	<input checked="" type="checkbox"/> PER <input type="checkbox"/> STATUTE <input type="checkbox"/> OTHER EL EACH ACCIDENT \$ 1,000,000 EL DISEASE - EA EMPLOYEE \$ 1,000,000 EL DISEASE - POLICY LIMIT \$ 1,000,000
C	EMPLOYEE THEFT	N	N	37TP028853417	4/1/2017	4/1/2018	LIMIT: \$2,000,000; DED: \$10,000
C	CLIENT PREMISES EMPLOYEE THEFT	N	N	37BDDHP8026	5/1/2017	5/1/2018	LIMIT: \$250,000; DED: \$2,500
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) PRODUCTS AND COMPLETED OPERATIONS ARE SUBJECT TO THE GENERAL AGGREGATE. The certholder is an additional insured with respect to the general liability and auto liability coverage, subject to the terms and conditions of the policy.							

CERTIFICATE HOLDER	CANCELLATION
13462551 City of San Jose - Finance Department Risk & Insurance 200 E Santa Clara St - 14th Floor San Jose CA 95113-1905	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE

ACORD 25 (2016/03)

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