

RENTAL AGREEMENT

by and between

32nd District Agricultural Association, a California State institution

**and**

Tel Phil Enterprises, Inc., a California corporation

Dated: August 1, 2014

SEP - 4 2014

**Div of Fairs & Expositions**

## **TABLE OF CONTENTS**

Premises	1
Term	1
Uses	2
Dates and Hours of Operation	5
Security Deposit	9
Rent	10
Tel Phil Capital Contributions	12
Operation and Management of Outdoor Marketplace	14
Maintenance of the Premises	15
Limitations on Use and Compliance with Applicable Laws	16
Right to Enter	18
Licenses, Permits and Taxes	18
Consent to Improvement or Modification of the Premises	19
Title to Improvements	19
Food and Beverage Service	20
Assignment	20
Insurance	21
Indemnity	21
Notice	23
Surrender of Premises and Holding Over	23
Default and Termination of Agreement.	24
Destruction of Premises / Condemnation	26
Mutual Grant of Licenses	27
General Conditions	32

## **SCHEDULES**

Schedule I-A	Marketplace Map
Schedule 1-B	Supplemental Marketplace Map
Schedule 2	Insurance Requirements
Schedule 3	Standard Contract Terms and Conditions
Schedule 4	Unclaimed Weekend and Cancelled Marathon Weekend Rent Schedule
Schedule 5	Base Rent
Schedule 6	Tel Phil Capital Contributions
Schedule 7	Association Personal Property
Schedule 8	Association Additional Equipment
Schedule 9	Marketplace Parking Plan
Schedule 10	Intentionally Omitted
Schedule 11-A	Association Marks Tel
Schedule 11-B	Phil Marks Intentionally
Schedule 12	Omitted Emergency
Schedule 13	Action Plan Intentionally
Schedule 14	Omitted
Schedule 15	Rent Shortfall Payment Schedule for 2012-2013 and 2013-2014
Schedule 16	Intentionally Omitted
Schedule 17	Intentionally Omitted
Schedule 18	Policies and Procedures of the OC Fair & Event Center
Schedule 19	Approved Tel Phil Special Events and Promotions

## GLOSSARY OF DEFINED TERMS

2012-13 Rent Shortfall	Paragraph F
2013-14 Rent Shortfall	Paragraph F
Additional Equipment	Paragraph W
Additional Weekends	Paragraph D
Adjacent Display Areas	Paragraph W
Agreement	Preamble
Association	Preamble
Association Emergency Contact	Paragraph X
Association Events	Paragraph C
Association Exclusive Events	Paragraph D
Association Indemnitees	Paragraph R
Association Marks	Paragraph X
Association Parties	Paragraph W
Association Personal Property	Paragraph W
Backdate Period	Paragraph F
Base Rent	Paragraph F
Big Ticket Items	Paragraph C
Business Day	Paragraph E
Capital Contribution	Paragraph G
Claim	Paragraph R
Claims	Paragraph R
Contribution Account	Paragraph G
CPI	Paragraph F
CPI Adjustment	Paragraph F
Effective Date	Preamble
Emergency	Paragraph X
Emergency Action Plan	Paragraph X.4
Event of Default	Paragraph U
Excess Power	Paragraph F
Excess Power Year	Paragraph F
Fair Extension Weekend	Paragraph D
Fairgrounds	Paragraph A
Fault Based Revocation	Paragraph W
First Amendment	Paragraph X
Force Majeure	Paragraph U
Garage	Paragraph W
Improvement Project	Paragraph G
Improvement Project Agreement	Paragraph G
Layout	Paragraph X
Letter Agreement	Paragraph X
Marathon Weekend	Paragraph D
Marketplace Map	Paragraph A
Marketplace Parking Plan	Paragraph X
Master Plan	Paragraph A
Modular Homes	Paragraph W

OC Fair	Paragraph D
Operating Period	Paragraph D
Operating Plan	Paragraph H
Option Notice	Paragraph B
Original Lease	Paragraph X
Outdoor Marketplace	Paragraph C
Outstanding Rent Shortfalls	Paragraph F
Parking Loss Payment	Paragraph W
Pit Wash Rack	Paragraph W
Policies and Procedures	Paragraph J
Power Baseline Year	Paragraph F
Power Increase Event	Paragraph F
Pre-2005 Tel Phil Improvement	Paragraph N
Presmises	Paragraph A
Prior Lease	Paragraph X
Quiet Enjoyment Breach	Paragraph U
Rent Shortfall Payment Schedule	Paragraph F
Rental year	Paragraph D
Restrooms	Paragraph W
Second Amendment	Paragraph X
Security Deposit	Paragraph E
Shade Structure	Paragraph W
Sheriff	Paragraph X
Sheriff Security Agreement	Paragraph X
Stage Area	Paragraph W
Supplemental Marketplace Map	Paragraph I
Taking	Paragraph U
Tel Phil	Preabmle
Tel Phil Event Schedule	Paragraph C
Tel Phil Improvements	Paragraph N
Tel Phil Indemnities	Paragraph R
Tel Phil Marks	Paragraph X
Tel Phil Shop	Paragraph I
Tel Phil Snack Bars	Paragraph I
Tel Phil Special Events and Promotions	Paragraph C
Tel Phil Storage Space	Paragraph X
Tent	Paragraph W
Term	Paragraph B
Third Amendment	Paragraph X
Transfer	Paragraph P
Unclaimed Weekend	Paragraph D

## RENTAL AGREEMENT

This Rental Agreement (the "**Agreement**") is made on August 1, 2014 (the "**Effective Date**"), between the 32nd District Agricultural Association, a California state institution ("**Association**"), and Tel Phil Enterprises, Inc., a California corporation ("**Tel Phil**"). The Association hereby rents to Tel Phil, and Tel Phil hereby hires from the Association, the Premises described in this Agreement.

### A. Premises

The premises to be utilized in this Agreement ("**Premises**") consist of the areas identified as the "OC Market Place" and the "OC Market Place Parking" on the map attached hereto as Schedule 1-A (the "**Marketplace Map**"). The Premises is located on the Orange County Fairgrounds (the "**Fairgrounds**").

The parties acknowledge that the Association has adopted a 10-year master plan for the Fairgrounds (as the same may be amended, updated or superseded from time to time, the "**Master Plan**"), and within the term of this Agreement elements of the Master Plan will be implemented. In the event that implementation of the current or any future Master Plan requires that all or a part of the Outdoor Marketplace (as defined below) be relocated to a space on the Fairgrounds of similar size, the Association shall have the right to relocate the Outdoor Marketplace, or the relevant portion thereof, accordingly; provided that the Association may not implement such relocation without the prior written consent of Tel Phil, not to be unreasonably withheld, delayed or conditioned. Without limiting the foregoing, the parties agree that Tel Phil may withhold its consent to any such relocation of the Outdoor Marketplace if (i) it would deprive Tel Phil of the use of the Tel Phil Improvements (as that term is defined in Paragraph N below), or (ii) it would result in a material reduction in the size of the "free parking areas," which are identified in the Marketplace Map as the "OC Marketplace Parking" on both sides of the area identified as the "OC Market Place" on the Marketplace Map and which may be used by Tel Phil for the purpose of providing free parking to the invitees and vendors of the Outdoor Marketplace, subject to the provisions of Paragraph X.6 (Parking) hereof. Any and all costs resulting from any relocation described in this paragraph will be at the sole expense of the Association.

In addition to the rights set forth in the previous paragraph, the Association shall have the right to modify, reconfigure and/or rearrange any area of the Fairgrounds or the operation thereof, other than the Premises, in the Association's sole and absolute discretion at any time, provided that no such modification, reconfiguration or rearrangement may materially interfere with the operation of the Outdoor Marketplace.

### B. Term

The term of this Agreement (the "**Term**") is ten (10) years commencing upon the Effective Date, unless sooner terminated as provided for in this Agreement.

Tel Phil may opt to extend the Term for an additional ten (10) year period. This option may be exercised by giving the Association a written notice of extension (the "**Option Notice**").

The Option Notice shall not be effective if (i) at the time of the giving of the Option Notice or at the time of the commencement of the extension term an Event of Default (as defined below in Paragraph U) exists with respect to Tel Phil's obligation (a) to pay Base Rent (as defined below in Paragraph F), (b) to make any other rental payments for use of the Premises or the Fairgrounds required by this Agreement, (c) to pay the Outstanding Rent Shortfalls in accordance with the Rent Shortfall Payment Schedule (as those terms are defined below in Paragraph F.3), (d) to pay the Association pursuant to Paragraph F.2 in

connection with certain electricity expenses, (e) to replenish the Security Deposit (as defined below in Paragraph E) in accordance with the requirements of Paragraph E.5, (f) to make any Capital Contributions (as defined below in Paragraph G), (g) to make any rental payment for Additional Equipment (as defined below in Paragraph W) in accordance with the requirements of Paragraph W, (h) to make any payment required for storage of the Garage (as defined below in Paragraph W) required by Paragraph W, (i) to indemnify the Association pursuant to any express indemnity set forth in this Agreement, (j) to make any reimbursement payment to the Association required under Paragraph U.2 (Correction of Default) or Paragraph W.1(d) (Shade Structure), or (k) to make any reimbursement payment to the Association required by Paragraph X.4 (Emergency Action Plan); (ii) if with the giving of notice or the passage of time any such Event of Default identified in subparagraph (i) above with respect to Tel Phil would exist; or (iii) any other Event of Default exists by Tel Phil. The Option Notice may not be given earlier than the 270th day prior to the expiration of the original term and must be given on or before the 180th day prior to expiration of the original term. Any extension of this Agreement shall be subject to all the provisions of this Agreement.

## C. Uses

### 1. Permitted Goods and Services

The Premises shall be used for the purpose of conducting an Outdoor Marketplace and for no other purpose without the prior written consent of the Association. "**Outdoor Marketplace**" is defined as the sale of goods and/or services on the Premises organized and administered in the format of a swap meet. Such goods and services (i) shall be of a nature that is appropriate for a family atmosphere in a public place, (ii) shall consist of customary personal use, household and consumer items now or hereafter typically suitable for sale in a swap meet environment by entrepreneurial vendors, and (iii) except as otherwise provided herein, shall not include larger items (sometimes referred to herein generically as "**Big Ticket Items**") such as homes (including without limitation mobile or modular homes), trucks, cars, recreational vehicles, golf carts or other similar wheeled mechanized vehicles, trailers, motorcycles, boats, jet skis or other water craft, hot tub, spas or temporary or permanent structures without the Association's prior written approval which may be granted or withheld in the sole and absolute discretion of the Association. By way of illustration, items satisfying clause (ii) above and not violating clause (iii) above have historically included, without limitation, the following: power wheelchairs or so-called "mobility scooters", bicycles, BBQs, fountains and water features, lawn mowers, appliances, TVs and other electronics. It is understood that the product mix at the Outdoor Marketplace is fluid and responds to evolving market opportunities, so the foregoing recitation of permitted items is meant to be illustrative and not exclusive.

Notwithstanding the foregoing limitations, sale of Big Ticket Items shall be permitted on the Premises, provided that the total square footage of those areas used for the sale of Big Ticket Items on the Premises shall at no time exceed 20% of the total square footage of the area identified as the "OC Market Place" on the Marketplace Map. Any expansion of sales of Big Ticket Items not in compliance with the foregoing sentence shall require the Association's prior written consent, which may be granted or withheld in the sole and absolute discretion of the Association. Approval for such an expansion can be granted by the Chief Executive Officer of the Association, provided that if the Chief Executive Officer does not approve a requested expansion within 30 days of a written request by Tel Phil, Tel Phil shall have the right to appeal such decision to the Board of Directors of the Association.



## 2. Special Events and Promotions

In addition to the uses identified above in this Paragraph C, Tel Phil shall be allowed to produce periodic special events and promotions on the Premises during the operation of the Outdoor Marketplace for the purpose of increasing attendance at the Outdoor Marketplace (the "**Tel Phil Special Events and Promotions**"). The Tel Phil Special Events and Promotions shall be of a nature that is appropriate for a family atmosphere in a public place and may include themed events or entertainment with food and beverage components. In September of each Rental Year, Tel Phil shall submit to the Association for review and approval a list of Tel Phil Special Events and Promotions that Tel Phil intends to produce during the following Rental Year (the "**Tel Phil Event Schedule**"), including a description of each such event and the proposed date on which each such event has been scheduled. Within thirty (30) days of receiving the Tel Phil Event Schedule, the Association shall approve or disapprove of any and all such Tel Phil Special Events and Promotions listed therein in its reasonable discretion. The Association may only disapprove of a Tel Phil Special Event and Promotion appearing in the Tel Phil Event Schedule on the basis that the Association reasonably anticipates that such Tel Phil Special Event and Promotion may conflict or interfere with an Association Event (as defined below) substantially similar to such Tel Phil Special Event and Promotion that the Association reasonably believes will take place within forty five (45) days before or after the date proposed for the Tel Phil Special Event and Promotion. Notwithstanding the foregoing, in connection with its review of a Tel Phil Event Schedule, the Association shall not have the right to disapprove of any Tel Phil Special Event and Promotion set forth on the attached Schedule 19 provided that the Tel Phil Event Schedule states that such Tel Phil Special Event and Promotion will take place within two (2) weeks before or after the date designated for such Tel Phil Special Event and Promotion in Schedule 19. As used herein, "Association Events" shall mean periodic events on the Fairgrounds that the Association and/or its invitees produce or sponsor.

If Tel Phil desires to produce any Tel Phil Special Event and Promotion that is not approved in advance of a Rental Year in accordance with the procedure set forth in the previous paragraph, Tel Phil shall request approval for such Tel Phil Special Event and Promotion in writing from the Association. Such requests must be submitted to the Association no later than ninety (90) days prior to the proposed date for such Tel Phil Special Event and Promotion. Within thirty (30) days of receiving such request, the Association, in its reasonable discretion, shall approve or disapprove of the Tel Phil Special Event and Promotion in question. The Association may only disapprove of a Tel Phil Special Event and Promotion for which Tel Phil has requested approval pursuant to this paragraph on the basis that the Association reasonably anticipates that such Tel Phil Special Event and Promotion may conflict or interfere with an Association Event substantially similar to such Tel Phil Special Event and Promotion that the Association reasonably believes will take place within forty five (45) days before or after the date proposed for the Tel Phil Special Event and Promotion. By way of illustration, but without limitation, if Tel Phil requests approval for a Tel Phil Special Event and Promotion involving pet adoptions that is scheduled to take place within forty-five (45) days prior to or after the date of a pet exposition being hosted by the Association, the Association shall have the right to disapprove of such Tel Phil Special Event and Promotion.

In addition to the foregoing and for the avoidance of doubt, (a) Tel Phil's right to produce any and all Tel Phil Special Events and Promotions is subject to the Association's rights under this Agreement with respect to the Association Exclusive Events, (b) Tel Phil Special Events and Promotions shall only be permitted on days that Tel Phil otherwise has the right to operate the Outdoor Marketplace under this Agreement, and (c) nothing in this Paragraph C.2 shall be construed to limit in any way the Association's

right to produce or host an Association Event on the Fairgrounds, including any Association Event that may be substantially similar to a Tel Phil Special Event and Promotion. Notwithstanding the foregoing, in the event that any Association Event produced by the Association (versus an Association Event that is hosted by the Association and produced by a third-party event operator) is substantially similar to a Tel Phil Special Event and Promotion that has been approved by the Association in accordance with the terms of this Paragraph C.2 and is scheduled to take place within forty five (45) days before or after the date proposed for such Tel Phil Special Event and Promotion, then Tel Phil and the Association will make commercially reasonable efforts to cooperate with each other for the purpose of minimizing any confusion that potential attendees of either the Association Event or the Tel Phil Special Event and Promotion may have with respect to which of the parties is producing which event.

Tel Phil shall also make commercially reasonable efforts to ensure that its vendors do not alter their signage, advertising or mix/type of merchandise in response to, or because of, any Association Event that is scheduled to occur on the Fairgrounds at the same time as the operation of the Outdoor Marketplace. By way of example, Tel Phil shall make commercially reasonable efforts to ensure that no vendor utilizes signage that is designed to divert attendees away from any Association Event toward such vendor's space or business. If Tel Phil discovers that any of its vendors has engaged in such activities, and such vendor does not cease and desist within a reasonable period of time upon written notice from Tel Phil, Tel Phil shall thereafter promptly revoke such vendor's right to sell any merchandise at the Outdoor Marketplace. Tel Phil's obligation to make commercially reasonable efforts to prevent its vendors from engaging in the activities described in this paragraph shall include but not be limited to taking all legally permissible steps to resolve any issues raised by such vendor activities in a prompt manner.

### 3. Other Uses

Any use (i) of the Premises not complying with the requirements of this Paragraph, (ii) of the Premises for any purposes during a weekday or weeknight (e.g., a Thursday night event) (other than those weekday uses expressly authorized under Paragraph D. 1 hereof), (iii) at any time Tel Phil is not otherwise expressly authorized to use the Premises pursuant to this Agreement, or (iv) of the Fairgrounds, other than the Premises, including without limitation the Carnival Lot, not expressly authorized under this Agreement, must be requested through the Association's Event Services Office in written form 90 days prior to the desired use or event. The use will be reviewed by the Association's Event Services Office, may be approved by the Association staff in their sole and absolute discretion, and any such approval may be subject to conditions to be determined by the Association, including without limitation payment of additional rent by Tel Phil at the then current rental rates for events on the Fairgrounds. The Association will respond to such requests for special uses at least 30 days in advance of the requested event. If approved, Tel Phil and Association will work in good faith to coordinate the calendar of these special events.

## **D. Dates and Hours of Operation**

1. Required and Permitted Hours of Operation. Tel Phil shall, subject to the provisions of this Paragraph D.1, keep the Premises open for business and in full operation as an Outdoor Marketplace on every Saturday and Sunday of each month (including on all Unclaimed Weekends, as defined in Paragraph D.6 hereof) from 7:00 a.m. to 4:00 p.m., provided, however, that Tel Phil shall not be obligated to operate the Outdoor Marketplace (a) to the extent the weather is inclement as reasonably determined by Tel Phil, (b) by reason of catastrophic local, regional or national events that render operation of the Outdoor Marketplace commercially infeasible or inappropriate, (c) by reason of danger to human health,

or (d) on other dates mutually agreed upon between the Association and Tel Phil, including, but not limited to, Easter Sunday. For the avoidance of doubt, Tel Phil's right not to operate on certain days in accordance with the previous sentence shall in no way excuse Tel Phil from paying Base Rent with respect to such days. If Tel Phil otherwise determines not to keep the Premises open for business at the times required in this Paragraph for reasons not specified in subparagraphs (a) through (d) above, Tel Phil shall provide at least thirty (30) days prior written notice of the same to the Association. If the Outdoor Marketplace, or any portion thereof, does not operate during the times required in this Paragraph for reasons other than as specified in subparagraph (a) through (d) above, on more than four (4) weekends in any Rental Year, the Association shall have the right to terminate this Agreement by written notice to Tel Phil delivered not later than thirty (30) days after the expiration of the applicable Rental Year. Upon such termination neither party shall have liability to the other party for any obligations under this Agreement, except for those liabilities that accrued prior to the date of termination and such obligations which are intended to survive the termination of this Agreement.

Tel Phil may also conduct an Outdoor Marketplace on the Friday after Thanksgiving and for five (5) weekdays in the seven-day period immediately preceding Christmas, provided that Tel Phil provide the Association with at least ninety (90) days prior notice of any such use. No additional rent shall be due from Tel Phil for such uses of the Premises. However, during such times preferred paid parking areas shall continue to operate in the same manner as such parking areas would operate during the weekends on which Outdoor Marketplace operates.

Each interval of time from commencement to ending of continuous operations of the Outdoor Marketplace shall be referred to herein as an "Operating Period." For the avoidance of doubt, and without limiting the foregoing, each weekend during which the Outdoor Marketplace operates shall be an Operating Period.

On any day during an Operating Period, Outdoor Marketplace hours may commence as early as 12:00 a.m. and must end no later than 6:00 p.m., provided that on each such day the hours from 12:00 a.m. to 7:00 a.m. may be used only for setup of the Outdoor Marketplace and the hours from 4:00 p.m. to 6:00 p.m. may be used only for tear down of the Outdoor Marketplace.

Notwithstanding the foregoing, Tel Phil shall not operate the Outdoor Marketplace at the following times:

- (a) The five (5) weekends for the annual OC Fair (the "OC Fair"), with the dates to be determined in the Association's sole and absolute discretion.
- (b) Any Fair Extension Weekend (as defined below in Paragraph D.2)
- (c) The Marathon Weekend (as defined below in Paragraph D.3).
- (d) Any Additional Weekend (as defined below in Paragraph D.4).

As used herein, the term "Association Exclusive Events" shall refer, collectively, to the period each summer that the Association operates the OC Fair, any Fair Extension Weekend, any Marathon Weekend, and any Additional Weekend.

Tel Phil agrees that, notwithstanding anything to the contrary in this Agreement, commencing on the Sunday prior to any Association Exclusive Event, Tel Phil shall reasonably cooperate with the

Association in connection with the Association's setup for the upcoming Association Exclusive Event, provided that any such setup activity by the Association shall not materially interfere with the operation of the Outdoor Marketplace.

2. Fair Extension Weekends. The Association, by providing six (6) months written notice to Tel Phil, may extend the run of the OC Fair to include additional weekends beyond the five (5) weekends per year on which the OC Fair operates. Each such weekend on which the OC Fair is so extended shall be referred to herein as a "Fair Extension Weekend." The Association shall not be obligated to make any payment to Tel Phil for a Fair Extension Weekend if the extension is designated as an Additional Weekend pursuant to the terms of Paragraph D.4 or Paragraph D.5 below. If the Association has exercised its rights to designate all Additional Weekends in a given Rental Year pursuant to the terms of Paragraphs D.4 or Paragraph D.5 below, the Association may nevertheless designate one or more Fair Extension Weekends, provided that for each such Fair Extension Weekend the Association shall make a payment to Tel Phil in the amount of \$46,405 per weekend within seven (7) days after such Fair Extension Weekend. As used herein "Rental Year" shall mean the 12-month period following the Effective Date and each succeeding 12-month period thereafter.

A. Marathon Weekend. The Association also reserves for the Association's exclusive use of the entire Fairgrounds (including the Premises), during each Rental Year through the term of this Agreement (including any option period), the weekend in May in which the first Sunday of that month falls for the OC Marathon (the "Marathon Weekend"). On not less than six (6) months prior written notice to Tel Phil, the Association shall have the right in any given Rental Year to cancel the Marathon Weekend or move the Marathon Weekend to another weekend.

In the event that the Association in any Rental Year decides in its sole and absolute discretion to cancel the Marathon Weekend in accordance with Paragraph D.3 above, Tel Phil shall have the right to operate an Outdoor Marketplace on the Premises on any such weekend by providing prior written notice of its intent to use the Premises for these purposes within one (1) month of receiving notice from the Association that the Association has decided to cancel the Marathon Weekend. Within seven (7) days after Tel Phil's use of the Premises on any such cancelled Marathon Weekend, Tel Phil shall be obligated to make a payment of additional rent to the Association in immediately available funds in accordance with Schedule 4 hereof. In accordance with Paragraphs D.4 or D.5 of this Agreement, in the event that a Marathon Weekend is cancelled in a given Rental Year, the Association shall have the right to designate one other Additional Weekend (as defined below) beyond any Additional Weekends that the Association would otherwise be entitled to designate under this Agreement.

B. Additional Weekends in the First Five Rental Years. The Association also reserves for the Association's exclusive use of the entire Fairgrounds (including the Premises), during the first five (5) Rental Years, and subject to the provisions of the following paragraph, one additional operating weekend during the period from July 1st through December 31st per Rental Year. The additional weekends described in this Paragraph D.4 and Paragraph D.5 below shall be referred to herein as the "**Additional Weekends.**" The Association will provide to Tel Phil at least six (6) months' written notice in advance of the Additional Weekend. If in any applicable Rental Year during the first five Rental Years the Association exercises its right to cancel the Marathon Weekend pursuant to Paragraph D.3 above, then the Association's right in the applicable Rental Year to designate Additional Weekends shall extend to two (2) weekends in the applicable Rental Year. In such event, during each of the first five Rental Years, a maximum of one (1) Additional Weekend may be designated in the first calendar half of the applicable Rental Year and one (1) Additional Weekend in the second calendar half of the applicable Rental Year.

**C. Additional Weekends after the Fifth Rental Year.** The Association also reserves for the Association's exclusive use of the entire Fairgrounds (including the Premises), commencing in the sixth Rental Year until the end of the Term of this Agreement (as may be extended by any option period), and subject to the provisions of the following paragraph, three (3) additional operating weekends per Rental Year.

With respect to each Additional Weekend that takes places after the commencement of the sixth Rental Year, the Association will provide to Tel Phil at least six (6) months' written notice in advance of each such Additional Weekend. If in any applicable Rental Year commencing with the sixth Rental Year the Association exercises its right to cancel the Marathon Weekend pursuant to Paragraph D.3 above, then the Association's right in the applicable Rental Year to designate Additional Weekends shall extend to four (4) weekends in the applicable Rental Year.

No more than two (2) of the Additional Weekends that may be designated commencing on the sixth Rental Year may be designated in the six-month period commencing January 1 through and including June 30 of each Rental Year, and no more than one (1) such Additional Weekend may be designated in the months of May and June.

No more than two (2) of the Additional Weekends that may be designated commencing on the sixth Rental Year may be designated in the six-month period commencing July 1 through and including December 31 of each Rental Year, and no more than one (1) such Additional Weekend may be designated in the month of December.

**D. Unclaimed Weekends.** For each Additional Weekend in a given Rental Year that the Association does not exercise its rights to exclusive use of the Fairgrounds (including the Premises) pursuant to the terms of Paragraphs D.4 and D.5 hereof, there shall be one weekend at the end of such Rental Year known as an "**Unclaimed Weekend.**" For the avoidance of doubt, the number of Unclaimed Weekends at the end of each of the first five Rental Years may be up to two (if the Marathon Weekend is cancelled, but otherwise such number will be one), and the number of Unclaimed Weekends at the end of each Rental Year commencing in the sixth Rental Year may be up to four (if the Marathon Weekend is cancelled, but otherwise but otherwise such number will be three). For the purposes of illustrating the foregoing provision, if in the seventh Rental Year the Marathon Weekend has not been cancelled, and the Association has exercised its right to designate only one of the three Additional Weekends which the Association would be entitled to exercise, the last two (2) weekends of such Rental Year would be Unclaimed Weekends. Tel Phil shall operate the Outdoor Marketplace on each Unclaimed Weekend and shall make a payment of additional rent to the Association in accordance with Schedule 4 hereof within seven (7) days after Tel Phil's use of the Premises on any such Unclaimed Weekend. For the avoidance of doubt, Tel Phil's failure to operate on any Unclaimed Weekend shall count toward the four (4) weekends per Rental Year limit set forth in Paragraph D.1 for failure to operate the Outdoor Marketplace, which, when exceeded, would give the Association the right to terminate this Agreement by written notice to Tel Phil delivered not less than thirty (30) days after the expiration of the applicable Rental Year, unless excused by any of the reasons set forth in subparagraphs (a) through (d) of said Paragraph D.1.

**E. Setup and Tear Down.** Setup for the Outdoor Marketplace may not commence earlier than one (1) day prior to an operational day. Tear down must be completed by one (1) day following an operational day. Tel Phil acknowledges and agrees that the time permitted for setup and tear down may be restricted or limited because of other events taking place on the Fairgrounds. Setup and tear down activities must be limited to the Premises, provided, however, that Tel Phil shall have a non-exclusive

right to enter and pass through the Fairgrounds solely to the extent necessary to access the Tel Phil Storage Space (as defined below in Paragraph X.3) in connection with Tel Phil's set up and tear down activities.

**F. Removal of Tel Phil Property/Facilities.** Except as otherwise expressly provided in this Section D.8 or in Paragraph W below or as approved by the Association in writing, at the conclusion of each Operating Period, Tel Phil shall ensure that all personal property, temporary structures, and equipment used by Tel Phil or any Outdoor Marketplace vendor with respect to the Outdoor Marketplace operations is removed from the Premises. Without in any way limiting the foregoing, Tel Phil agrees that following the final Outdoor Marketplace operation day prior to any Association Exclusive Event, the Premises shall be in good condition, reasonable wear and tear excepted, and the Association shall have the unconditional right to use the Premises for such Association Exclusive Event, subject to the terms and provisions of this Agreement.

Notwithstanding anything to the contrary in this Paragraph D.8, (i) Tel Phil's rights and obligations with respect to storing and removing (i) the Modular Homes, the Tent, and the Stage Area (as those terms are defined below in Paragraph W.2(b) hereof) shall be governed by the provisions of Paragraph W.2(b), (ii) Tel Phil shall have the right to maintain the Garage (as defined in below in Paragraph W.2(b)) on the Premises at its current location throughout the Term, subject to the terms and conditions set forth in Paragraph W.2(b), (iii) Tel Phil shall have the right to maintain the Shade Structure (as defined in Paragraph W.2 hereof) on the Premises at its current location throughout the Term, subject to the terms and conditions set forth in Paragraph W.1(d), and (iv) Tel Phil shall have the right to maintain the metal containers at their current location underneath the Shade Structure (as defined in Paragraph W.11(d) hereof) at all times during the Term other than commencing three (3) days prior to the start of the OC Fair and throughout the duration of the OC Fair including any Fair Extension Weekend, in accordance with the provisions of Paragraph W.11(d) hereof.

**G. Other Uses.** Other than as expressly permitted pursuant to this Paragraph D, Tel Phil may not use or occupy the Premises at any times without the prior written consent of the Association, which consent may be given or denied by the Association in its sole and absolute discretion. Notwithstanding the foregoing, the Association acknowledges and agrees that Tel Phil employees shall be allowed to perform maintenance and operational activities in the Tel Phil Shop and the Tel Phil Snack Bars (as those terms are defined below in Paragraph I) throughout the Term so long as such activities do not unreasonably interfere with or otherwise materially adversely affect any other events or operations on the Fairgrounds, whether such other events or operations are conducted by the Association, any tenant of the Fairgrounds or any other third party.

## **E. Security Deposit**

1. **Deposit.** Prior to the Effective Date, Tel Phil has deposited with the Association the sum of \$25,000.00 as a security deposit (the "**Security Deposit**"). The Security Deposit shall serve as security for the full and faithful performance by Tel Phil of the terms, conditions, and covenants of this Agreement. The Association shall have the right to commingle the Security Deposit with the Association's general funds.

2. **Deduction for Defaults.** If at any time during the term of this Agreement Tel Phil is subject to an Event of Default with respect to any of its obligations under this Agreement, the Association shall have the right to appropriate and apply any portion of the Security Deposit reasonably necessary to remedy any such Event of Default.'

3. Deduction for Repairs. Without limiting any other provision of this Paragraph E, if at any time during the term of this Agreement Tel Phil, Tel Phil's subcontractors, independent contractors, vendors, agents, or employees damage the Premises, then Association shall have the right to appropriate and apply any portion of the Security Deposit reasonably necessary to fund the necessary repair.

4. Deduction at Termination of Agreement. Without limiting any other provision of this Paragraph E, and subject to Tel Phil's right to remove the Pre-2005 Tel Phil Improvements (as defined below in Paragraph N) upon termination of this Agreement as set forth in Paragraph N hereof, if on termination of this Agreement Tel Phil fails to leave the Premises in a condition comparable to the condition of the Premises at the time the Association delivered possession to Tel Phil at the commencement of this Agreement, ordinary wear and tear excepted, then in addition to its other rights and remedies under applicable law or this Agreement, the Association shall be entitled to appropriate and apply all or any portion of the Security Deposit reasonably necessary to put the Premises in the condition comparable to the condition of the Premises at the time of delivery.

5. Replenishment and Increase of Deposit. If all or any portion of Tel Phil's Security Deposit is properly applied by the Association during the term of this Agreement for any purpose authorized by this Agreement, the Association will provide Tel Phil with written notification, and this written notification shall include an itemized statement describing the disposition of the security. Upon receipt of written notification, Tel Phil shall have ten Business Days to replenish this amount. Tel Phil's failure to replenish the Security Deposit within ten Business Days from receipt of written notification shall constitute a material breach of this Agreement. As used herein, "Business Day" shall mean each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions in the State of California are authorized or obligated by law or execute order to close.

6. Return of Deposit at Termination of Agreement. The Association shall return to Tel Phil the portion of the Security Deposit remaining after any deductions authorized by this Agreement or otherwise authorized by law, if any, in the following manner. If a deduction has been made only for the nonpayment of rent, the remaining portion, if any, shall be returned not later than two (2) weeks after the date Association receives possession of the Premises. If a deduction has been made for any other reason authorized by this Agreement or otherwise authorized by law, the remaining portion, if any, shall be returned not later than 30 days from the date Association receives possession of the Premises. Tel Phil shall not be entitled to any interest on any portion of the Security Deposit.

## **F. Rent**

### **1. Base Rent**

The annual "**Base Rent**" for each Rental Year shall be determined in accordance with Schedule 5 hereof. Base Rent shall be made in 24 equal installments payable on the 1st and 15th of each month, or if such day is not a Business Day, on the immediately preceding Business Day. In addition to the increase in Base Rent for each applicable Rental Year reflected in the attached Schedule 5, the Base Rent shall also be increased annually upon the commencement of each new Rental Year by the percentage of the average annual change from each Rental Year to the next in the CPI (the "**CPI Adjustment**"). As used herein, the term "**CPI**" shall mean the United States Department of Labor, Bureau of Labor Statistics, Consumer Price Index for All Urban Consumers, All Items, for the Los Angeles-Riverside-Orange County, California area (1982-84=100) (Series Id. CUURA421SAO). In the event said CPI is discontinued or is not available for purposes of calculating the CPI Adjustment, then any similar index reasonably selected by the Association



published by any other branch or department of the U.S. Government comparable to the CPI shall be used, and if none is so published, then the Association shall reasonably designate a comparable index generally recognized as authoritative to determine the CPI Adjustment. Notwithstanding the foregoing and for the avoidance of doubt, (i) the CPI Adjustment can only lead to an increase in Base Rent and will not under any circumstances lead to a reduction in Base Rent, and (ii) the increase to Base Rent pursuant to each CPI Adjustment shall not exceed three percent (3%) annually.

Tel Phil and the Association acknowledge that though the Effective Date of this Agreement is August 1, 2014, this Agreement was executed and delivered by the parties on September 2, 2014. Tel Phil has not paid any rent to the Association for the use of the Premises with respect to the period from the Effective Date until the date of the execution and delivery of this Agreement (the "**Backdate Period**"). Upon execution and delivery of this Agreement, the first three (3) installments of the Base Rent, as well as the Capital Contribution (as defined below in Paragraph G) with respect to the first Rental Year, shall be immediately due and payable to the Association by Tel Phil. Such payments shall be made in satisfaction of Tel Phil's obligations set forth under Paragraph F and Paragraph G of this Agreement with respect to the Backdate Period, and also shall be in lieu of any payments that would have been due from Tel Phil under the terms of the Prior Lease (as defined in Paragraph X.23 below) with respect to the Backdate Period.

## 2. Utilities

In the event that Tel Phil changes its operation of the Outdoor Marketplace in a way that significantly increases the amount of electricity consumed by the Outdoor Marketplace (including without limitation by Tel Phil, its vendors, suppliers, its invitees and/or any other party using electricity in connection with the Outdoor Marketplace) as measured in MWh (the "**Power Increase Event**"), Tel Phil shall reimburse or otherwise fairly compensate the Association for the increased costs of electricity caused by the Power Increase Event in accordance with the terms of this Paragraph F.2. Upon the occurrence of a Power Increase Event, the parties shall enter into a written agreement that provides for a mechanism to fairly and accurately calculate the amount of electricity consumed by the Outdoor Marketplace during the one year period preceding the Power Increase Event (the "**Power Baseline Year**") as well as the amount of electricity consumed by the Outdoor Marketplace during each one-year period following the Power Baseline Year (each, an "**Excess Power Year**"). For each Excess Power Year, Tel Phil shall reimburse the Association, at the average rate payable per MWh by the Association in such Excess Power Year, for the amount of the positive difference between the electricity consumed by the Outdoor Marketplace in such Excess Power Year and the electricity consumed by the Outdoor Marketplace in the Power Baseline Year (the "**Excess Power**") as measured in MWh. Tel Phil shall make such reimbursement payment within thirty (30) days of receiving an invoice from the Association following the end of each Excess Power Year.

## 3. Rent Shortfall Payment Schedule for 2012-2013 and 2013-2014

Tel Phil acknowledges that with respect to the period that commenced on August 1, 2012 and ended on July 31, 2013, the aggregate rent paid by Tel Phil to the Association pursuant to the terms of the Prior Lease (as defined in Paragraph X.23 below) fell short of the \$2,000,000 "Minimum Performance" benchmark set forth in Section F (2.5) of the Prior Lease by the amount of \$226,904 (the "**2012-2013 Rent Shortfall**"). Tel Phil further acknowledges that the aggregate rent paid by Tel Phil with respect to the period that commenced on August 1, 2013 and ended on July 31, 2014 under the Prior Lease was less than the \$2,000,000 "Minimum Performance" benchmark set forth in Section F (2.5) of the Prior Lease by



the amount of \$293,486 (the "**2013-2014 Rent Shortfall**", and together with the 2012-2013 Rent Shortfall, the "**Outstanding Rent Shortfalls**").

In consideration of the Association entering this Agreement, Tel Phil agrees to make payments to the Association in accordance with the payment schedule attached hereto as Schedule 15 (the "**Rent Shortfall Payment Schedule**"). The Rent Shortfall Payment Schedule provides for the payment of the Outstanding Rent Shortfalls plus simple interest at the rate of three percent (3%) per annum on the Outstanding Rent Shortfalls. Such rate of interest (i) began accruing on the 2012-2013 Rent Shortfall as of August 1, 2013 and (ii) shall begin accruing on the 2013-2014 Rent Shortfall as of August 1, 2014. The parties acknowledge that notwithstanding the fact that interest on the 2013-2014 Rent Shortfall begins to accrue as of August 1, 2014, such interest becomes payable commencing September 1, 2015, and is included in the monthly payments reflected in the Rent Shortfall Payment Schedule as of such date.

Tel Phil's failure to make any payment when due in accordance with the Rent Shortfall Payment Schedule shall be an Event of Default (as defined below in Paragraph U.1) if such payment remains unpaid after the applicable notice and cure period requirements set forth in Paragraph U .2 have transpired.

#### **G. Tel Phil Capital Contributions**

On the first Business Day of each Rental Year, in addition to any payments that would otherwise be due from Tel Phil under this Agreement, Tel Phil shall make a payment of additional rent (each a "**Capital Contribution**") to the Association in accordance with Schedule 6 hereof. The Association shall record the Capital Contributions received from Tel Phil in a memorandum account (the "**Contribution Account**"). The Association shall have the right to comingle funds held in the Contribution Account with the Association's general funds.

During the term of this Agreement, Tel Phil and the Association shall work together in good faith to agree conceptually upon one or more projects (each an "**Improvement Project**") for the improvement of the Premises and/or the Fairgrounds. Once Tel Phil and the Association have agreed upon a concept for an Improvement Project, the Association, in its sole and absolute discretion, shall proceed to develop and construct the Improvement Project in conjunction with third-party contractors and service providers including without limitation a developer, architect, engineer, general contractor, attorney and other third-parties that the Association may enter into agreements with for the purpose of building the Improvement Project and executing associated tasks. Tel Phil shall not have any approval rights with respect to any agreements or arrangements entered into by the Association in connection with any Improvement Project, provided, however, that, with respect to each Improvement Project, prior to the commencement of any construction of an Improvement Project, Tel Phil shall have the right to approve, in its reasonable discretion the following with respect to such Improvement Project: (1) the final set of plans and specifications for the Improvement Project, (2) the project budget and (3) the construction schedule.

The Association and Tel Phil shall enter into a written agreement (each, an "Improvement Project Agreement") specifying the amount of capital that each shall be obligated to contribute to each Improvement Project prior to the design and construction phases of the Improvement Project and specifying when such required capital contributions must be paid. Tel Phil's contributions to each Improvement Project shall be satisfied with funds from the Contribution Account, and the Association shall have the right, exercisable at any time by the Association in its sole and absolute discretion, to make one or more disbursements of funds from the Contribution Account for the purpose of satisfying Tel Phil's capital requirements for any Improvement Project. For the avoidance of doubt, nothing in this

Paragraph G shall be interpreted to require Tel Phil to pay amounts in excess of the Capital Contributions in order to fund the design or construction of any Improvement Project.

In the event that the balance of the Contribution Account is less than the amount necessary to pay Tel Phil's required capital contributions for a certain Improvement Project pursuant to the applicable Improvement Project Agreement, the Association shall have the right to contribute additional capital to cover the shortfall. The amount of any additional capital paid by the Association to cover such shortfalls shall be reimbursed to the Association from future payments by Tel Phil into the Contribution Account as such payments are made. If upon the expiration or earlier termination of this Agreement the Association has not been fully reimbursed for payments made by the Association to cover Tel Phil's capital contribution requirements under all applicable Improvement Project Agreements, Tel Phil shall make a payment to the Association in an amount that will fully reimburse the Association.

Disbursements from the Contribution Account by the Association may be made directly to any third party for services rendered or goods delivered in connection with an Improvement Project, or may be paid to the Association to reimburse the Association for payments made by the Association to third parties to cover Tel Phil's capital contribution requirements.

Any and all Capital Contributions in the Contribution Account that are not fully expended by the expiration or earlier termination of the Agreement shall belong to the Association.

The Association agrees to indemnify Tel Phil for any and all losses, injuries, defects or damages arising out of the construction of the Improvement Projects to the extent not caused by the negligence or willful misconduct of Tel Phil. The provisions of Paragraph I shall govern Tel Phil's and the Association's obligations to maintain the improvements constructed in connection with each Improvement Project.

Reference is made to California Assembly Bill No. 22, which was approved by the Governor of California on July 28, 2009 and added to the California Food and Agricultural Code as Sections 3884.1 and 3884.2 ("**AB 22**"). If an action is filed in a court of competent jurisdiction by any party challenging the validity of this Agreement based on the provisions of AB 22 and naming Tel Phil as a party to such action, the Association agrees to defend Tel Phil (with qualified attorneys of the Association's choosing) against any such action and hold Tel Phil harmless from any monetary judgments against Tel Phil resulting from such action, provided that such obligation shall be limited only to any such monetary judgments and shall not extend to indemnifying Tel Phil for any consequential or incidental damages or costs that Tel Phil may sustain as a result of any such action. If this Agreement is terminated by an act or decree of the State of California (or any agency, division or department thereof), or by a non-appealable determination of a court of competent jurisdiction, in each case as the result of a challenge to this Agreement based on the provisions of AB 22, then the Association shall refund any Capital Contributions made by Tel Phil as of the date of such termination. Other than as specifically set forth in this Paragraph, Tel Phil shall not have any other remedy or recourse against the Association for any such termination of this Agreement based on the provisions of AB 22. Notwithstanding the foregoing, if in the event of such a termination, applicable law would allow the Prior Lease to be reinstated as a valid and enforceable agreement, then the Prior Lease shall be reinstated until the expiration of the term of the Prior Lease.

## **H. Operation and Management of Outdoor Marketplace**

### **1. Operating Plan**

(a) Operation, management and maintenance of the Outdoor Marketplace will be at Tel Phil's sole expense. Ninety (90) days prior to the commencement of each Rental Year, commencing ninety (90) days prior to the Second Rental Year, Tel Phil shall submit to the Association an annual operating plan with respect to the Outdoor Marketplace (the "Operating Plan") as further described in this Paragraph.

The Operating Plan shall include those items listed below:

- i. The Marketplace Parking Plan (as defined in Paragraph X.6 hereof); and
- ii. The Emergency Action Plan (as defined Paragraph X.4 hereof);

(b) The Association shall have thirty (30) days after receipt of the Operating Plan to review and provide comments in writing to Tel Phil on the Operating Plan. The Association shall have the right, but not the obligation, to provide comments to Tel Phil on the Operating Plan. If Tel Phil provides any responses to the Association's comments on the Operating Plan, the Association shall have an additional two (2) weeks from receipt of such responses to submit additional written comments to Tel Phil to address any issues raised by Tel Phil's responses.

(c) The Association shall have the right to approve of the Marketplace Parking Plan and the Emergency Action Plan in its reasonable discretion. No approval of any part of the Marketplace Parking Plan or the Emergency Action Plan by the Association shall be deemed to satisfy any other approval requirements in favor of the Association under this Agreement, unless such other approval is expressly requested in the Operating Plan with reference to the specific section of this Agreement requiring approval. If, despite the good faith efforts of each party, the Marketplace Parking Plan and the Emergency Action Plan are not approved by the Association within sixty (60) days of the timely submission of the Operating Plan to the Association by Tel Phil, the most recently approved Marketplace Place Plan and Emergency Action Plan shall govern until updated versions of such plans acceptable to the Association are approved by the Association.

(d) Tel Phil shall operate the Outdoor Marketplace in accordance with the Operating Plan, including without limitation the components of the Operating Plan approved as of the Effective Date as referenced below in Paragraphs X.3 (Storage), X.4 (Emergency Action Plan), and X.6 (Parking). The Operating Plan may not be amended by Tel Phil without the prior written consent of the Association. Notwithstanding the foregoing, Tel Phil, at its own expense, shall make any changes to Operating Plan that are necessitated pursuant to the requirements of any applicable statute, ordinances, governmental rule or regulation, including without limitation changes in state, federal or local governmental requirements applicable to the Association or vendors operating on land owned by the Association.

(e) In the event of any conflict between the content of any Operating Plan and the terms of this Agreement, the terms of this Agreement shall govern.

## I. Maintenance of the Premises

### 1. Tel Phil's Maintenance Obligations

Without limiting Tel Phil's obligations pursuant to Paragraph X.7 hereof (Refuse and Waste Removal), Tel Phil shall use reasonable care in its use and occupancy of the Premises, shall maintain the Premises in good, clean and safe condition and shall prevent waste upon, or damage to, the Premises during Tel Phil's use of the Premises. For the avoidance of doubt, Tel Phil's maintenance obligation set forth in this Paragraph shall not extend to repairing, remedying or cleaning any damage, defects, destruction or waste caused by an act or omission of the Association or any of its agents, employees, representatives or vendors.

Tel Phil shall provide for vermin and pest control services by a licensed exterminator on the Premises during Tel Phil's use of the Premises. Tel Phil shall provide for such extermination services wherever and whenever necessary (but in no event less often than once per month) on the Premises, including but not limited to in all areas where food is stored, prepared, served, sold, or dispensed.

Tel Phil will, and will adopt rules requiring each of its vendors to, maintain all of its equipment, inventories and other tangible property owned by Tel Phil, or such vendor, in a well maintained, neat, orderly and careful manner to ensure that they remain clean, safe and operational at all times. Tel Phil's indemnity obligations pursuant to Paragraph R hereof shall apply to any and all Claims arising from the failure of Tel Phil or any of its vendors to maintain the Premises pursuant to the first subparagraph of this Paragraph 1(1) or to comply with the maintenance requirements of this subparagraph. The maintenance obligations set forth in this Paragraph shall also extend to the Tel Phil Improvements (as defined below in Paragraph N hereof), to all property licensed to Tel Phil pursuant to Paragraph Whereof, and to the Tel Phil Storage Space (as defined below in Paragraph X.3 hereof).

Tel Phil's maintenance activities, including equipment and facilities repairs, (a) must be confined to the Premises, the Tel Phil Improvements, and the areas identified in the map attached hereto as Schedule 1-B (the "**Supplemental Marketplace Map**") as the "Tel Phil Shop," and as the "**Tel Phil Snack Bars**" and (b) may not occur on any other part of the Fairgrounds. Tel Phil acknowledges and agrees that Tel Phil's right to perform maintenance on the Tel Phil Improvements, and in the Tel Phil Shop and the Tel Phil Snack Bars may be limited by the Association due to other events occurring on the Fairgrounds.

### 2. Association's Maintenance Obligations

The Association agrees to keep and maintain the Premises in good, clean and safe condition and to prevent waste upon, or damage to, the Premises when the Premises are not being used by Tel Phil, and agrees to do repairs necessary to the asphalt and concrete to ensure that it can be safely used by Tel Phil's vendors and patrons. For the avoidance of doubt, the Association's maintenance obligation set forth in this Paragraph shall not extend to repairing, remedying or cleaning any damage, defects, destruction or waste caused by an act or omission of Tel Phil or any of its agents, employees, representatives or vendors. The Association's indemnity obligations pursuant to Paragraph R hereof shall apply to any and all Claims arising from the failure of the Association to perform its obligations set forth in this Paragraph 1.2.

### 3. Improvement Project Maintenance Obligations

Any damage caused by either the Association or Tel Phil or their respective invitees, agents, employees, and vendors to any improvements constructed pursuant to any Improvement Project shall be repaired by the party responsible for the damage. For the purpose of the foregoing, a party is responsible for damage caused by its invitees, agents, employees and vendors.

#### **J. Limitations on Use and Compliance with Applicable Laws**

Every aspect of Tel Phil's operation of the Outdoor Marketplace shall be in compliance with all applicable statutes, ordinances, governmental rules and regulations, as well as the requirements of the applicable utility providers and insurance carriers, including without limitation the following:

1. All laws and regulations governing Tel Phil's advertising, marketing, and promotion of the Outdoor Marketplace;
2. All requirements of the Department of Alcoholic Beverage Control;
3. All federal, state and local statutes, laws, ordinances and regulations relating to environmental issues; including, but not limited to South Coast Air Quality Management Association regulations, Regional Water Quality Control Board regulations. Tel Phil shall at all times conduct its business in compliance with the Clean Air Act, the Clean Water Act, the Porter-Cologne Water Quality Act, the California Environmental Quality Act, the National Environmental Protection Act, and all comparable, related, and successor statutes, laws, ordinances, and regulations; and
4. All federal, state, and local statutes, laws, ordinances and regulations relating to equal employment, disability access, and non-discrimination, including, but not limited to, the Unruh Act, Americans with Disabilities Act, Occupational Safety and Health Act, California Civil Code sections 51 through 54.6, inclusive, and all comparable, related, and successor statutes, laws, ordinances, and regulations. Notwithstanding the foregoing, the parties agree that Tel Phil shall have no obligation to make any improvements or modifications to the Premises, including the parking lots servicing the Premises, pursuant to the requirements of the Americans with Disabilities Act, provided, however, that Tel Phil shall be responsible for ensuring that all aspects of the Tel Phil Improvements, and any fixtures, personal property, or structures belonging to or constructed by Tel Phil are in compliance with the Americans with Disabilities Act.

Without limiting the foregoing, and in addition to the use restrictions set forth in Paragraph C above, Tel Phil will not conduct, or knowingly or negligently permit to be conducted on the Premises any business or act, which is or may be contrary to, or in violation of, any federal, state, or local statute, law, regulation, or ordinance. Tel Phil shall not engage in or knowingly or negligently permit any condition upon the Premises inappropriate to the neighborhood in which the Fairgrounds is located, which includes governmental buildings, educational institutions and residential neighborhoods. Without limiting the foregoing, Tel Phil's indemnity obligations pursuant Paragraph R hereof shall extend to any Claims arising from the failure of Tel Phil or any of its vendors to comply with federal, state, or local statute, law, regulation, or ordinance, regardless of whether Tel Phil had actual or constructive knowledge of such violation.

Tel Phil shall also comply with the Policies and Procedures of the OC Fair & Event Center (the "Policies and Procedures") as modified and attached hereto as Schedule 18, as the same may be modified periodically by the Association in its sole and absolute discretion and posted to the



Association's website at [http://ocfair.com/OCF2/event\\_planning/Docs/PoliciesProceduresBooklet.pdf](http://ocfair.com/OCF2/event_planning/Docs/PoliciesProceduresBooklet.pdf), provided that Tel Phil shall be obligated to comply with any modifications to the Policies and Procedures only to the extent such modifications (a) are generally applicable to other renters of the Fairgrounds, or portions thereof, and (b) would not materially interfere with the operations of the Outdoor Marketplace. In the event of any conflict between the terms of the Policies and Procedures and the terms of this Agreement, the terms of this Agreement shall govern. Tel Phil's obligations pursuant to this Paragraph shall extend only to those provisions of the Policies and Procedures that are applicable to Tel Phil's operations. The provisions of the Policies and Procedures that are not applicable to the Outdoor Marketplace have been crossed out in the version of the Policies and Procedures attached hereto as Schedule 18. For the avoidance of doubt, in the event the Association permits Tel Phil to make any use of the Premises not authorized by this Agreement, or to make use of any other portion of the Fairgrounds, which the Association may elect to do in its sole and absolute discretion, including without limitation pursuant to Paragraph C.3 (Other Uses) hereof or Paragraph W.2(c) (Adjacent Display Areas) hereof, the Policies and Procedures shall apply to any such use of the Premises or the Fairgrounds in the form in which such Policies and Procedures appear on the Association's website referenced above, without any of the modifications reflected in the attached Schedule 18.

#### **K. Right to Enter**

The Association reserves the right to enter onto the Premises at any time for any reasonable purpose, including emergencies. Designated agents of the Association shall have the right to make periodic inspections of the Premises to determine whether Tel Phil has complied with, and is complying with, the terms and conditions of the Agreement. Designated agents of the Association shall also have the right to enter the Premises for the purpose of accomplishing repairs or replacements where Tel Phil is obligated to make such repairs or replacements and has failed to do so after a reasonable notice period determined by the Association. The notice period shall depend upon the nature and extent of repair or replacement required and the impact of the defect on the safety and profitability of the Outdoor Marketplace. No such entry by, or on behalf of, the Association on the Premises shall cause or constitute a termination of the Agreement or be deemed to constitute an interference with the possession of the Premises by Tel Phil.

#### **L. Licenses, Permits and Taxes**

Tel Phil shall obtain, maintain and pay for all licenses and permits required for its business throughout the entire term of the Agreement, and any extensions, including, but not limited to, holdover periods, if any. Tel Phil shall indemnify and hold the Association Indemnitees harmless for any Claims arising from Tel Phil's failure to comply with the requirements of the previous sentence.

Tel Phil shall make commercially reasonable efforts to ascertain that each of its vendors has obtained and maintains all licenses and permits required for such vendor's business throughout the entire term of the Agreement, and any extensions, including, but not limited to, holdover periods, if any. Promptly (and in no more than ten (10) Business Days) after written request by the Association, Tel Phil shall provide evidence to the Association of any such licenses requested by the Association. Tel Phil's indemnity obligations pursuant Paragraph R hereof shall extend to any Claims arising from the failure of any vendor of Tel Phil to obtain or maintain any licenses or permits required for such vendor's business, notwithstanding the fact that (i) Tel Phil may not have received such any licenses from such vendor, or

(ii) Tel Phil may not have had knowledge that such vendor did not obtain, maintain or pay for such required licenses.

Tel Phil is aware and agrees that this Agreement, or Tel Phil's use of the Premises, may be subject to federal, state or local charges, taxes or fees. All personal property taxes, income taxes, possessory interest taxes, general and special assessments, and other charges of every description levied on or assessed against the operation of the Outdoor Marketplace, shall be paid promptly by Tel Phil directly to the charging authority before delinquency and before any fine, interest or penalty shall become due or be imposed by operation of law for nonpayment. Tel Phil shall hold the Association Indemnitees harmless and indemnify the Association Indemnitees against and from any and all charges, fees, assessments and taxes imposed under this Paragraph.

**M. Consent to Improvement or Modification of the Premises**

Tel Phil shall make no improvement or modification of the Premises for any reason without the prior written consent of the Association. Subject to the last sentence of this paragraph concerning non-structural modifications to the internal areas of the Tel Phil Improvements only, the Association may grant or withhold its consent for any improvement or modification of the Premises in its sole and absolute discretion. No improvement or modification made by Tel Phil during the term of this Agreement may be subsequently modified, altered, or removed without such prior written consent of the Association. Any improvement, alteration, or modification of the Premises made by Tel Phil shall be at the sole cost and expense of Tel Phil. The Association acknowledges that the Tel Phil Improvements in existence as of the Effective Date have been previously approved by the Association. Notwithstanding the foregoing, Tel Phil shall be allowed to make non-structural modifications to the internal areas of the Tel Phil Improvements without the Association's prior written consent.

All improvements, alterations, or modifications made by Tel Phil shall be in strict compliance with any and all conditions specified by the Association, and with all codes, statutes, ordinances and regulations by any governmental agency having jurisdiction. Tel Phil shall defend and indemnify the Association Indemnitees against all Claims, including but not limited to, all expenses, liens, mechanics liens, claims, charges or damages to property or any other person, arising out of work performed on the Premises by lessee, together with reasonable attorneys fees and all costs and expenses which might arise by reason of the making of repairs, improvements or modifications; excepting only to the extent of the sole negligence or willful misconduct of the Association.

**N. Title to Improvements**

1. Title to the Tel Phil Improvements shall remain with Tel Phil until the expiration or earlier termination of this Agreement. Upon the expiration of this Agreement or the earlier termination of the Agreement, at the sole and absolute discretion and option of the Association exercised by written notice to Tel Phil:

(a) All the Tel Phil Improvements shall, without compensation to Tel Phil, become the Association's property free and clear of all claims to or against them by Tel Phil or any third person, and Tel Phil shall defend and indemnify the Association Indemnitees against all Claims arising from Association's exercise of the rights conferred by this Paragraph N.1.(a). If requested by the Association in writing, Tel Phil will execute such writing as required by the Association to confirm Association's title to any improvements as set forth in this Paragraph N.1.(a); or

(b) The Association may demand the removal from the Premises any Tel Phil Improvements at Tel Phil's sole cost and expense. Removal of the Tel Phil Improvements requires that Tel Phil restore the Premises to their original condition, ordinary wear and tear excepted. If Tel Phil does not remove the Tel Phil Improvements within sixty (60) days after a notice is sent from the Association to Tel Phil demanding such removal, the Association shall be entitled, in its sole and absolute discretion, to remove, destroy and/or store the Tel Phil Improvements at Tel Phil's sole cost and expense.

2. Notwithstanding the foregoing, Tel Phil shall have the rights set forth below in this Paragraph N.2 with respect to Tel Phil Improvements constructed on or before November 8, 2004 (the "**Pre-2005 Tel Phil Improvements**"). Upon the expiration or earlier termination of this Agreement, Tel Phil may, at its sole cost and expense, remove from the Premises any and all of the Pre-2005 Tel Phil Improvements. In the event that Tel Phil elects to exercise its rights to remove the Pre-2005 Tel Phil Improvements in accordance with this paragraph, Tel Phil shall, at its sole cost and expense, return the applicable portion of the Premises to its pre-construction condition (including without limitation laying down asphalt consistent with the surrounding area of the Premises), ordinary wear and tear excepted. If Tel Phil does not elect to remove the Pre-2005 Tel Phil Improvements from the Premises at the conclusion of the Term, or upon earlier termination of this Agreement, title to the Pre-2005 Tel Phil Improvements shall transfer to the Association with no further action required by the Association, and without any requirement that the Association make any payment to Tel Phil for such transfer. If title to the Pre-2005 Tel Phil Improvements is transferred to the Association in accordance with this paragraph, Tel Phil agrees to execute any and all documents that may reasonably be required to affect such transfer.

As set forth in Paragraph I hereof, Tel Phil shall be obligated to maintain the Tel Phil Improvements in order to ensure that the Tel Phil Improvements remain clean, safe and operational at all times.

As used herein, the term "**Tel Phil Improvements**" means (i) the improvements that Tel Phil has previously constructed, are currently located on the Premises, which consist of the Tel Phil Restrooms and the Tel Phil Snack Bars, and (ii) any improvements that Tel Phil constructs on the Premises after the Effective Date at its sole cost and expense and with the prior written permission of the Association pursuant to Paragraph M above.

**O. Food and Beverage Service**

Tel Phil will provide food and beverage service within the operation of the Outdoor Marketplace. Such food and beverage service may be provided by specialty food preparers under contract with Tel Phil. Food and beverage are to be prepared and served from concession stands that are approved by the County of Orange Health Department. Construction of any permanent food service facilities, if desired by Tel Phil, must be submitted to the Association for approval pursuant to Paragraph M above.

Any and all food and beverage service operated in the Outdoor Marketplace shall operate from food service facilities that are clean and sanitary in accordance and consistent with all applicable rules, demands and requirements of law, pertinent health and sanitary codes and requirements of duly authorized health authority of the County of Orange and any other health department having jurisdiction.

**P. Assignment**

Tel Phil shall not directly or indirectly sell, assign, license, transfer, mortgage, charge or otherwise encumber, or permit or suffer any other party to sell, assign, transfer, mortgage, charge or



otherwise encumber, whether voluntarily or by operation by law (collectively referred to as a **"Transfer"**), all or any part of the Tel Phil's interest under this Agreement without the prior written approval of the Association. During the first five (5) Rental Years, such approval may be granted or withheld in the sole and absolute discretion of the Association. Thereafter, but subject to the last unnumbered paragraph of this Paragraph, such approval shall not be unreasonably withheld by the Association; provided that Tel Phil agrees that in evaluating whether to approve of a proposed assignment after the fifth (5th) Rental Year, the Association may take into account all applicable reasonable factors, including but not limited to the proposed transferee's creditworthiness, experience, operating history, financial condition, reputation and/or business plan.

Without limiting the generality of the foregoing, Transfers of the direct or indirect ownership interests of the partnership, membership, shareholding or other ownership interests in Tel Phil shall be deemed Transfers subject to the restrictions of this Paragraph unless (1) such Transfers are made for the purpose of family or estate planning, or (2) after any such Transfer Bob Teller and/or Jeff Teller, or the issue of either, remain in control of Tel Phil. For the purposes of this Paragraph, "control" shall mean the power to direct the management, operations or business of Tel Phil. In addition, Transfers to an entity under the control of Tel Phil, under common control with Tel Phil or controlling Tel Phil will not require the approval of the Association so long as (x) after the Transfer Bob Teller and/or Jeff Teller, or the issue of either, retains control and at least a majority of the voting and capital interests of such entity, and (y) any capital contributed to or distributed out of such entity will be used only for the business of the Outdoor Marketplace.

Notwithstanding anything to the contrary in this Paragraph, throughout the entire Term Tel Phil shall not be permitted to assign its interest under this Agreement as collateral security for an obligation without the Association's prior written consent, which may be granted or withheld in the Association's sole and absolute discretion. Without limiting the generality of the foregoing, the Association shall not be required to enter into any leasehold mortgagee protections in favor of any lender.

#### **Q. Insurance**

Tel Phil shall obtain and maintain the insurance coverage set forth in the attached Schedule 2 at its sole expense. Such insurance must comply with the insurance requirements set forth Schedule 2.

Nothing in this Paragraph Q shall be construed as limiting in any way the extent to which Tel Phil may be held responsible for damages resulting from Tel Phil's operations, acts, omissions, and/or negligence. Insurance coverage obtained in compliance with this Paragraph Q shall not relieve Tel Phil of liability in excess of such minimum coverage, nor shall it preclude the Association from taking other actions available to it under contract documents or by law, including, but not limited to, actions pursuant to Tel Phil's indemnity obligations.

#### **R. Indemnity**

Tel Phil hereby indemnifies and shall defend and hold harmless (using counsel reasonably acceptable to the Association) the Association, the State of California and its agencies and entities and each of its respective officers, directors, affiliates, partners, members, managers, agents, employees, licensees, invitees and contractors (the "Association Indemnitees") against all loss, expense (including, but not limited to, attorneys' fees and court costs), damage, injury, liability, cause of action, any claim however caused or alleged to have been caused, of any kind or character (collectively "Claims" and individually a "Claim") in any way arising from (i) fraud, deceit, self-dealing, gross negligence, breach of

fiduciary duty or willful misconduct by Tel Phil, (ii) any breach of this Agreement by Tel Phil, (iii) any losses sustained as a result of failure to maintain the required insurance coverage, as described in this Agreement, or (iv) the use or operation of the Premises (including without limitation from the parking areas) by Tel Phil or its Outdoor Marketplace vendors, even if arising upon application of the principles of strict liability. Notwithstanding the foregoing, Tel Phil's indemnity obligations shall not apply with respect to any Claims to the extent arising from the negligence or willful misconduct of the Association.

The Association hereby indemnifies and shall defend and hold harmless (using counsel reasonably acceptable to Tel Phil) Tel Phil and its agencies and entities and each of its respective officers, directors, affiliates, partners, members, managers, agents, employees, licensees, invitees and contractors (the "**Tel Phil Indemnitees**") against all Claims in any way arising from (i) fraud, deceit, self-dealing, gross negligence, breach of fiduciary duty or willful misconduct by the Association, (ii) any breach of this Agreement by the Association, or (iii) the use or operation by the Association, or its employees, licensees, invitees, or contractors of the Premises other than during the operation of the Outdoor Marketplace. Notwithstanding the foregoing, the Association's indemnity obligations shall not apply with respect to any Claims to the extent arising from the negligence or willful misconduct of Tel Phil.

The indemnities and agreements to defend and hold harmless set forth in this Paragraph R shall survive the expiration or other termination of this Agreement. Each party agrees that in the event it has any liability to or owes the other party any sums as a result of the foregoing indemnity or any other provision of this Agreement, the indemnified party shall have the right to offset said sums against any other monies due to the indemnifying party. If any claim is made against an indemnified party or if the indemnified party has any claims against the indemnifying party for damages on account of injury or damage of any sort in connection with the matters for which the indemnifying party is providing an indemnity hereunder, the indemnified party shall have the right, at its option, to withhold from the indemnifying party any payments due to the indemnifying party hereunder until such claim is finally settled to the satisfaction of the indemnified party. The indemnities set forth in this Paragraph R shall not be construed to negate, abridge or otherwise reduce any right of indemnity or any other rights to which an indemnified party would otherwise be entitled. In addition, for the avoidance of doubt, the scope of an indemnifying party's indemnification obligation hereunder is not intended to limit such party's liability to the indemnified party for any breach of the indemnifying party's obligations hereunder.

Each indemnity provided for under this Agreement shall be subject to the following provisions:

1. The indemnity shall cover the costs and expenses of the indemnitee, including reasonable attorneys' fees and court costs, related to any actions, suits or judgments incident to any of the matters covered by such indemnity.
2. The indemnitee shall notify the indemnitor of any Claim against the indemnitee covered by the indemnity within thirty (30) days after the indemnitee has notice of such Claim, but failure to notify the indemnitor shall in no case prejudice the rights of the indemnitee under this Agreement unless the indemnitor shall be prejudiced by such failure and then only to the extent the indemnitor shall be prejudiced by such failure. Should the indemnitor fail to discharge or undertake to defend the indemnitee against such liability with counsel reasonably acceptable to the indemnitee within thirty (30) days of the indemnitor's receipt of notice of the existence of the applicable Claim (or such shorter period as is reasonably required under the then applicable circumstances in order to mitigate in material respect the exposure of the indemnitee with respect to the applicable Claim), then the indemnitee may reasonably settle such liability. In such event, the liability of the indemnitor hereunder shall be conclusively

established by such settlement, which amount of such liability shall include both the settlement consideration and the reasonable costs and expenses, including attorneys' fees, incurred by the indemnitee in effecting such settlement.

3. Payment of a Claim shall not be a condition precedent to any indemnification provided in this Agreement.

#### **S. Notice**

Tel Phil shall, within three (3) Business Days, report in writing to the Association any incident that might reasonably be expected to result in any claim under any of the indemnity or insurance provision of this Agreement. Tel Phil also agrees to provide the Association with information as to the disposition of any claims within thirty (30) days following said disposition.

#### **T. Surrender of Premises and Holding Over**

##### **1. Surrender of Premises At End of Term**

The Association shall not be required to give notice to quit possession at the expiration of the Term. Tel Phil covenants and agrees that on expiration of the Term, or on an earlier termination as hereinafter provided, it will peacefully surrender possession of the Premises in good condition, reasonable wear and tear excepted, and Association shall have the unconditional right to possession of the Premises, subject to the provisions of Paragraph M and Paragraph N hereof, including without limitation the provisions of Paragraph N regarding the Pre-2005 Tel Phil Improvements.

##### **2. Holding Over**

In the event that Tel Phil should hold over and remain in possession of the Premises after the expiration of the Term, or sooner termination, such holding over shall be deemed not to operate as a renewal or extension of the Term and such hold over may be terminated by the Association at will. If Tel Phil, with Association's consent, which may be given or denied by the Association in its sole and absolute discretion without limitation, remains in possession after expiration of the term, such holding over shall be deemed to be a month-to-month tenancy on the terms and conditions set forth in this Agreement; provided, however, (a) that such month-to-month tenancy may be terminated at any time on thirty (30) days prior written notice to the other party, and (b) the Base Rent payable by Tel Phil during such holdover period shall equal 125% of the Base Rent payable immediately prior to expiration or earlier termination of the Agreement.

#### **U. Default and Termination of Agreement**

##### **1. Events of Default**

In the event either party shall default in the performance of the terms or conditions of this Agreement, the other party may notify the defaulting party of such default in writing. Written notice referred to in this Paragraph shall be as set forth in Paragraph X.17 below. Failure on the part of the non-defaulting party to notify the defaulting party of default in accordance with this Paragraph shall not be deemed a waiver by the non-defaulting party of its rights regarding such default at a subsequent time and if such notice is given later, it will have the same effect as if promptly made.

An "**Event of Default**" shall be deemed to have occurred if a party is in default under any of its obligations under this Agreement, has received notice of the same from the other party, and has not cured the same within the cure period set forth below (if any).

## 2. Correction of Default

Within five (5) days of receipt of written notice of default from the non-defaulting party, the defaulting party shall cure such default if the default is with respect to any payment required to be made by pursuant to this Agreement or within thirty (30) days of receipt of the written notice of default if it is of any other nature; provided, however, that if any non-monetary default is such that it cannot reasonably be cured within such thirty (30) day period, the defaulting party shall promptly commence the cure of such default and thereafter diligently prosecute such cure to completion so long as the total time to correct such default shall not exceed ninety (90) days.

In the event that the defaulting party fails to cure the default to the satisfaction of the non-defaulting party within the cure period specified in this Paragraph U.2, or such greater period as the non-defaulting party may consent to in writing in its sole and absolute discretion, the default shall be deemed to be an Event of Default and the non-defaulting party shall have all rights accorded by Jaw, including without limitation the right to terminate this Agreement, and/or recover damages. Without limiting the foregoing, if the Association is the non-defaulting party it shall have (A) all rights pursuant to Section 1951.2 of the California Civil Code, (B) the right to perform such defaulted obligation itself and to demand reimbursement from Tel Phil for the costs incurred by the Association to effectuate such cure, (C) the rights granted under Paragraph E of this Agreement, and (D) the right to terminate this Agreement, and/or recover damages.

Upon an Event of Default, delinquent amounts shall accrue interest at I 0% per annum compounding annually until paid in full, or, if such rate is not permitted under applicable law, the maximum rate permitted under applicable Jaw.

## 3. Insolvency of Tel Phil

If Tel Phil shall (i) initiate proceedings of any nature under the federal Bankruptcy Code, or any amendment or successor thereto, or any similar state or federal law for the relief of debtors, (ii) make a general assignment for the benefit of creditors, (iii) have initiated against it a proceeding under any section or chapter of the Bankruptcy Code, or any similar federal or state law for the relief of debtors, which proceeding is not dismissed or discharged within a period of sixty (60) days after the filing thereof, (iv) admit in writing its inability to pay its debts as they mature or to perform its obligations under this Agreement, (v) be the subject of an attachment or execution or other judicial seizure of all or any substantial part of Tel Phil's assets or Tel Phil's interest under this Agreement or any part thereof, which remains undismissed or undischarged for a period of sixty (60) days after levy thereof or (vi) consent to the appointment of a receiver or have a receiver appointed to manage it or any substantial part of its assets or of its interest under this Agreement or any part thereof, which receivership remains in place for a period of at least sixty (60) days or take any action in furtherance of any of the aforesaid purposes, or shall abandon this Agreement, the same shall be deemed to be an Event of Default and the Association may terminate this Agreement. In the event of such termination, Tel Phil shall be liable, without limitation, for all payments required to be made to the Association up to and including said date of termination.

## 4. Acceptance of Rental

The acceptance of rental shall not constitute a waiver or estoppel of the Association's right to exercise its remedies for the breach of any of the terms or conditions of this Agreement.

## 5. Force Majeure

Subject to the terms of this Paragraph, no party shall be in default under this Agreement if such party's inability to perform its obligations hereunder was caused by Force Majeure. As used in this Agreement, "**Force Majeure**" means the actual period of any delay encountered by the party in question resulting from acts of God, governmental delays, acts of terrorism, a default by the other party under the terms of this Agreement if the party claiming delay by reason of Force Majeure is not also in default of its obligations hereunder, and other events beyond the reasonable control of the party claiming such Force Majeure delay, in no event to exceed ninety (90) days in the aggregate with respect to any such event. Force Majeure specifically excludes, and no extensions shall be provided for, (i) failure to obtain financing necessary to enable the applicable party to commence or complete the applicable task, including the failure to obtain such financing as the result of inadequate equity funding obtained by the applicable party; and (ii) any increase in labor costs because of any reason, including, without limitation, the application of any prevailing wage statute, rule or regulation. The party claiming a delay by reason of Force Majeure must, in order to assert such claim, deliver written notice of the claimed occurrence of the applicable event of Force Majeure. Such notice must be delivered within a reasonable time period after discovery of the Force Majeure event, taking into account the nature of the Force Majeure, provided, however, that in all events such notice, to be effective, must be delivered within ten (10) Business Days of the occurrence of the applicable event. If such notice is not timely given then any claimed delay will not constitute a delay by reason of Force Majeure. Notwithstanding the foregoing, the party claiming Force Majeure agrees to take commercially reasonable steps to mitigate the effects of any Force Majeure event, and to continuously and diligently attempt to cure such Force Majeure event, if possible. The calculation of any Force Majeure delay period shall take into account the time that the applicable party could have saved by implementing commercially reasonable mitigation measures. If a Force Majeure event which is a Quiet Enjoyment Breach results in Tel Phil being unable to operate, and Tel Phil does not operate the Outdoor Marketplace during any Operating Period as a result thereof, then with respect to such Operating Period and any succeeding Operating Period during the continuance of such Force Majeure event, all Base Rent and additional rent payable hereunder shall abate proportionately based upon the number of Operating Periods in such calendar month, until such Force Majeure event has ceased or cured and Tel Phil is again able to operate the Outdoor Marketplace during any Operating Period. For example, if, by reason of a Force Majeure event which is a Quiet Enjoyment Breach, Tel Phil cannot operate for half of the Operating Periods in a calendar month, then 50% of the Base Rent and 50% of all additional rent otherwise payable during such calendar month shall be abated. If either party is unable to perform for any cause beyond its reasonable control for a period in excess of ninety (90) days, then either party may terminate this Agreement upon thirty (30) days' written notice to the other party without further liability. For the avoidance of doubt, except as provided herein, in no event shall Force Majeure be used as an excuse to delay or abrogate any payment owed by either Tel Phil or the Association pursuant to this Agreement. As used herein, a "**Quiet Enjoyment Breach**" means the breach by the Association of the covenant of quiet enjoyment such that as the result of such breach it is not reasonably practicable for Tel Phil to utilize the Premises for the Outdoor Marketplace during the pendency of such breach.

## V. Destruction of Premises/Condemnation

### 1. Destruction

Tel Phil shall carry property insurance insuring against damage or destruction by fire or other casualty typically covered by such insurance to the Tel Phil Improvements in an amount not less than the replacement value of the Tel Phil Improvements. If all or any portion of the Tel Phil Improvements are damaged or destroyed by such insured peril, Tel Phil shall, after receipt of the proceeds paid from the foregoing property insurance, promptly repair the damage and restore the Tel Phil Improvements to at least the same condition that existed before that damage or destruction. Tel Phil acknowledges that the Association does not carry any earthquake or flood insurance with respect to the Premises. In the event of damage or destruction to the Premises which is caused by an earthquake, flood or other peril not required to be insured against hereunder by either party (and not covered by insurance actually carried by either party), then the parties shall each contribute equally for the cost of such restoration up to a total of \$500,000.00 (i.e. \$250,000 from each party), and in the event the cost of such restoration is reasonably estimated to exceed \$500,000, then either party shall be entitled to terminate this Agreement unless the other party agrees to pay all of the additional incremental restoration cost over \$500,000. To the extent the Association contributes any money pursuant to this Paragraph to fund the repair of any of the Pre-2005 Tel Phil Improvements, Tel Phil may not exercise any right it may have pursuant to Paragraph N hereof to remove any such Pre-2005 Tel Phil Improvements upon termination of this Agreement unless and until Tel Phil reimburses the Association in the amount of the unamortized portion of the contributions made by the Association toward such repairs. During any restoration following damage or destruction of the Premises or improvements thereon, Base Rent and any additional rent shall abate in proportion to the degree of impact on Tel Phil's business operations from the Premises during such restoration, but only to the extent that any business interruption insurance Tel Phil may maintain would not otherwise compensate Tel Phil for payment of such Base Rent and additional rent.

## 2. Sale or Condemnation.

If all or any part of Premises is sold by the State of California, or is taken by any public or quasi-public agency or entity under the power of eminent domain or private purchase in lieu thereof (a "Taking") during the term of this Agreement, either Association or Tel Phil may terminate this Agreement by giving reasonable notice under the circumstances; provided, however, that neither the Association or Tel Phil shall have the right to terminate this Agreement unless the portion of Premises sold by the State of California or taken by eminent domain is so extensive as to render the remainder of the Premises commercially infeasible for the uses permitted by this Agreement, and the Association is unable or unwilling (in its sole and absolute discretion) to provide a substantially equivalent amount of space in lieu to the Premises sold or taken. Any and all damages and compensation awarded or paid because of a Taking shall belong to the parties pursuant to their respective interests under applicable law. Without limiting the foregoing, Tel Phil shall have the right to receive that portion of any award attributable to the value of the unexpired term of this Agreement, the taking or damage to Tel Phil's fixtures, equipment and other personal property within the Premises, including the Tel Phil Improvements (provided, however, that the Association will receive a portion of any damages and compensation awarded corresponding to the contributions made by the Association toward repair of the Tel Phil Improvements pursuant to Paragraph V. 1 above), for Tel Phil's relocation expenses, and for any loss of goodwill or other damage to Tel Phil's business by reason of such Taking. In the event of a Taking of the Premises or any part thereof for temporary use, (a) this Agreement shall continue in full force and effect, but Base Rent and any additional rent shall abate in proportion to the degree of impact on Tel Phil's business operations from the Premises during such Taking, and (b) Tel Phil shall be entitled to receive for itself such portion or portions of any award made for such use with respect to the period of the Taking which is within the Term, provided that if such Taking shall remain in force at the expiration or earlier termination of this Agreement, Tel Phil shall perform its obligations with respect to surrender of the Premises and the Association shall be entitled to the portion of any award which is attributable to any period of time beyond



the Term expiration date. For purpose of this paragraph, a temporary taking shall be defined as a Taking for a period of one hundred twenty (120) days or less.

## **W. Mutual Grant of Licenses**

### **1. Grants of Licenses by Tel Phil**

Tel Phil, as licensor, hereby grants to the Association, as licensee, a license for the Association Parties to use the following property, subject to the stated terms and conditions:

(a) Restrooms. Tel Phil has previously constructed certain restroom facilities (the "Restrooms") on the Premises as depicted on the Supplemental Marketplace Map. The Association and its invitees, agents, employees, and vendors, and the invitees, agents, and employees of such vendors (collectively, the "Association Parties") shall have the non-exclusive right to use the Restrooms as standard restroom facilities during the Association Exclusive Events with or without prior notice to Tel Phil. The Association Parties shall also have the non-exclusive right to use the Restrooms as standard restroom facilities at any other time (other than during the Outdoor Marketplace) with at least one (1) Business Day prior notice to Tel Phil. For the avoidance of doubt, the term "vendors" as used herein shall include any person with which the Association has contracted to use the real property on which the OC Fair, or any other program sponsored or administered by the Association, takes place, including without limitation OC Marathon, LLC. Notwithstanding the foregoing, Tel Phil shall be solely liable for the maintenance and operation of the Restrooms in accordance with applicable law and hereby covenants to use reasonable care in maintaining and repairing the Restrooms, and shall keep the Restrooms in good operating condition throughout the term of this Agreement; provided that during any period of time that the Restrooms are in use by the Association or the Association Parties, the Association at its sole expense shall be solely liable for the day-to-day maintenance and operation of the Restrooms in accordance with applicable law and hereby covenants to use reasonable care in maintaining the Restrooms, and shall keep the Restrooms in good operating condition, clean and stocked with necessary supplies. For the avoidance of doubt, the maintenance obligation of each party set forth in this Paragraph shall not extend to repairing, remedying or cleaning any damage, defects, destruction or waste caused by an act or omission of the other party or its invitees, agents, employees or vendors.

(b) Shade Structure. Tel Phil currently maintains a shade structure on the Premises (the "Shade Structure") as depicted on the Supplemental Marketplace Map. Tel Phil shall leave the Shade Structure on the Premises during the OC Fair, any Extension Weekend, the Marathon Weekend, and any Additional Weekend, and shall not be required to remove the Shade Structure during any such times. The Association Parties shall have the exclusive right to use the Shade Structure for any purpose during the OC Fair and during any Fair Extension Weekend. The Association shall be solely liable for the maintenance and operation of the Shade Structure during OC Fair and any Fair Extension Weekends in accordance with applicable law and hereby covenants to use reasonable care in maintaining the Shade Structure during those times. For the avoidance of doubt, the Association's maintenance obligation set forth in the foregoing sentence shall not extend to repairing, remedying or cleaning any damage, defects, destruction or waste caused by an act or omission of Tel Phil. Tel Phil shall ensure that any and all items of personal property owned by Tel Phil or its vendors, including without limitation any metal containers stored underneath the Shade Structure, are removed from under the Shade Structure and stored at the sole expense of Tel Phil, at least three (3) days prior to the commencement of the OC Fair. The Association shall ensure that any and all items of personal property owned by the Association are removed from under the Shade Structure at least three (3) days prior to the commencement of the Outdoor Marketplace. In the

event that either Tel Phil or the Association does not remove the specified personal property from underneath the Shade Structure in accordance with its respective obligations hereunder and at the times specified in this Paragraph, the other party shall have the right to remove such personal property and demand reimbursement from the defaulting party for its out-of-pocket costs for such removal and storage of such personal property. For the avoidance of doubt, Tel Phil shall have the right to maintain the metal containers stored underneath the Shade Structure in their current location during any Association Exclusive Events other than the OC Fair and any Fair Extension Weekend.

(c) In the event that the Restrooms or the Shade Structure are damaged for any reason at any time during which the Restrooms or the Shade Structure are in use or possession of the Association, or in use or possession of the Association Parties, the Association shall restore the Restrooms or the Shade Structure to their original condition prior to such damage. The Association shall report any such damage immediately to Tel Phil. Notwithstanding the foregoing, the Association shall not have any obligation to repair or restore the Restrooms or the Shade Structure in the event that damage is caused by events beyond the reasonable control of the Association or the Association Parties, including but not limited to fire or other casualty, flood, storm, explosion, earthquake, other natural disasters, riots, terrorism, or wars. Tel Phil may inspect the condition of the Restrooms or the Shade Structure at any time.

## 2. Grants of Licenses by the Association.

The Association, as licensor, hereby grants to Tel Phil, as licensee, permission to use the following property, subject to the stated terms and conditions:

(a) Association Personal Property. Tel Phil shall have the right to use the property owned by Association as more particularly listed in the attached Schedule 7 (the "Association Personal Property") during the operation of the Outdoor Marketplace and to the extent that the Association Personal Property remains in existence. If any of the Association Personal Property shall be lost, damaged, destroyed or otherwise impaired when in use by or in the possession of Tel Phil, the provisions of Paragraph W.2 (g) shall apply. Regardless of when such loss, damage, destruction, or other impairment occurs, the Association shall not be under any obligation to replace any such property in order to make it available for Tel Phil's use.

(b) Modular Home, Tent and Garage Storage; Stage Area. Tel Phil shall have the right throughout the Term to leave (i) one (1) garage for a modular home (the "Garage"), (ii) three (3) modular homes (the "Modular Homes"), (iii) the tent identified as the "Tel Phil Tent" on the Supplemental Marketplace Map (the "Tent"), and (iv) the 90'x75' "Stage Area" identified on the Supplemental Marketplace Map (the "Stage Area") on the Premises, provided that, in each case (A) the items listed in subsections (i) - (iv) hereof are of similar size and appearance as exist as of the Effective Date and (B) such items remain in their current locations, in Main Parking Lot A as depicted on the Supplemental Marketplace Map (or such other location agreed to in writing by the Association in its sole and absolute discretion). Notwithstanding the foregoing, Tel Phil shall (I) remove the Stage Area from the Premises by no later than by 5:00 p.m. on the Monday immediately following the conclusion of the Outdoor Marketplace Operating Period preceding any Association Exclusive Event, and (II) remove the Modular Home and the Tent from the Premises no later than by 5:00 p.m. on the Wednesday immediately following the conclusion of the Outdoor Marketplace Operating Period preceding any Association Exclusive Event. Such items shall be kept off the Premises during the Association Exclusive Events, unless the Association provides Tel Phil with prior written approval to keep such items on the Premises during the Association Exclusive Events, which the Association may or may not do in its sole and absolute discretion. Notwithstanding the foregoing, at any time that Tel Phil is obligated to remove the Tent or the Stage Area from the Premises pursuant to this Paragraph W.2 (b), Tel Phil shall have the right to store



such items in the Tel Phil Storage Space, provided that there is sufficient room in the Tel Phil Storage space to accommodate the storage of such items. For the avoidance of doubt, Tel Phil shall not be obligated to remove the Garage from the Premises during the Association Exclusive Events.

The following provisions shall apply with respect to (x) the Modular Homes, the Tent and the Stage Area, to the extent that the Association provides Tel Phil with prior written approval to keep such items on the Premises during Association Exclusive Events pursuant to this Paragraph W.2(b), and (y) the Garage. For each day on which the Garage, the Modular Homes, the Tent or the Stage Area are permitted pursuant to this Paragraph W.2 (b) to remain on the Premises in such locations that prevent the use of the parking areas serving the Fairgrounds, Tel Phil shall be required to pay the Association an amount (the "Parking Loss Payment") equal to the number of spaces occupied by the Garage, the Modular Homes, the Tent and the Stage Area multiplied by the then-current average turnover rate per day per space (as reasonably determined by the Association and currently 1.8 times), multiplied by the prevailing per space rate charged by the Association for parking in such spaces. By way of example, if the Garage is left in its current location in Main Parking Lot A during a two-day Association Exclusive Event, occupying four parking spaces, the payment due from Tel Phil would be calculated as follows: 2 days (x) 4 spaces (x) average turnover of 1.8 times per day (x) the prevailing rate of \$10 = \$144. The Parking Loss Payment is payable by Tel Phil in consideration of the parking fee income that the Association estimates it would lose as a result of allowing Tel Phil to keep the Garage; the Modular Homes, the Tent and the Stage Area on the Premises. Each Parking Loss Payment shall be due within ten (10) days of Tel Phil's receipt of an invoice from the Association, which will be issued by the Association after the applicable Association Exclusive Event. The prevailing parking rates used in the calculation of the Parking Loss Payment shall be increased annually to reflect reasonable increases in parking fees imposed by the Association.

Other than as expressly set forth in this Agreement, Tel Phil shall not have any right to keep any modular homes, garages, tents, or other structures in Main Parking Lot A or any other area on the Premises unless agreed to by the Association in writing at its sole and absolute discretion.

(c) Adjacent Display Areas. In the event that Tel Phil desires to use certain areas adjacent to the Premises, the precise location of which will be determined by the Association in its sole and absolute discretion (the "Adjacent Display Areas"), for purposes authorized by the Association or for a promotional event authorized by the Association, Tel Phil shall make a written request to the Association at least ninety (90) days prior to the scheduled event indicating the precise location of the Adjacent Display Areas that Tel Phil desires to use, describing the nature of the event and requesting the Association's written consent to hold such event. The Association may grant or withhold such consent in its sole and absolute discretion, and may condition such consent upon terms to be set by the Association in its discretion, including without limitation requiring (i) that the event take place in an area other than in the portion of the Adjacent Display Areas requested by Tel Phil, or (ii) that Tel Phil pay additional rent for the use of the Adjacent Display Areas at the Association's published rates to the extent applicable. Such mutually agreed-upon additional rent shall be exclusive of any and all amounts due from Tel Phil to the Association under this Agreement.

(d) Additional Equipment. In the event that Tel Phil desires use of the equipment owned by the Association more particularly set forth in the attached Schedule 8 (the "Additional Equipment"), Tel Phil shall make a request, to be approved by a representative of the Association in writing, that the Association make the Additional Equipment and an operator of the Additional Equipment (for the Additional Equipment that requires an operator) available to Tel Phil. For the Additional Equipment that requires an operator, unless otherwise agreed to in writing by the Association, use of such Additional

Equipment shall be permitted only if the Additional Equipment is operated by an operator appointed by the Association (who, without limitation, may be an employee of the Association). If the Association consents in writing to the operation of the Additional Equipment by an operator other than an operator appointed by the Association, Tel Phil shall indemnify and hold harmless the Association Parties against any and all Claims arising from its use of the Additional Equipment, including without limitation those liabilities arising from the acts or omissions of the Additional Equipment operator. If the Additional Equipment is operated by an operator appointed by the Association, the Association shall indemnify and hold harmless Tel Phil Indemnitees against any and all Claims arising from its use of the Additional Equipment, including without limitation those liabilities arising from the acts or omissions of the Additional Equipment operator. Tel Phil's request for use of any Additional Equipment shall specify the reason why it requires use of the Additional Equipment. The Association may grant or withhold such request in its sole and absolute discretion, and may condition its consent upon terms to be set by the Association in its discretion, including without limitation Tel Phil paying additional rent for the use of the Additional Equipment in accordance with the rent schedule set forth in the attached Schedule 8. Such additional rent shall be exclusive of any and all amounts due from Tel Phil to the Association under the Agreement. To the extent that Tel Phil desires to utilize in its Outdoor Marketplace operations any equipment or other personal property owned by the Association other than the Additional Equipment, Tel Phil may request to do so using the Association's form standard rental agreement and at the then standard rental prices.

If Tel Phil desires to rent any equipment from the Association other than the Additional Equipment, Tel Phil shall make a request for such rental from the Association in writing. The Association may grant or withhold such request in its sole and absolute discretion, and may condition its consent upon terms to be set by the Association in its discretion, including without limitation requiring that Tel Phil pay additional rent for the use of such equipment at the Association's published rates to the extent applicable. Such mutually agreed-upon additional rent shall be exclusive of any and all amounts due from Tel Phil to the Association under this Agreement.

(e) Tel Phil Shop. Tel Phil shall have the right to use the Tel Phil Shop during the operation of the Outdoor Marketplace for the sole purpose of maintaining and repairing equipment and/or facilities used by Tel Phil in the Outdoor Marketplace.

(f) Cleaning Stations. Tel Phil shall have the right to use the pit area cleaning stations (the "Pit Wash Rack") identified on the Supplemental Marketplace Map for the purpose of cleaning their mobile food and beverage stands.

(g) In the event that the Association Personal Property, the Additional Equipment, the Tel Phil Shop or the Cleaning Stations are damaged or lost for any reason at any time during which such property is in Tel Phil's use or possession, or the use or possession of Tel Phil's representatives, agent, contractor or employees, Tel Phil shall restore such property to its condition prior to such damage, or, if such restoration is not possible, replace such property with new property that is substantially identical to the property as it existed prior to such damage. Tel Phil shall report any such damage immediately to the Association. Notwithstanding the foregoing, Tel Phil shall not have any obligation to repair or restore the Association Personal Property, the Additional Equipment, the Tel Phil Shop or the Cleaning Stations in the event that damage is caused by events beyond the reasonable control of Tel Phil, including but not limited to fire or other casualty, flood, storm, explosion, earthquake, other natural disasters, riots, terrorism, or wars. The Association may inspect the condition of the Association Personal Property, the Additional Equipment or the Tel Phil Shop at any time.

3. Consideration. Each party, in its capacity as licensor hereunder, acknowledges that it has received reasonably equivalent value for the grant of each license pursuant to this Agreement. The benefit such party receives from each license it has been granted hereunder, exclusive of any other consideration provided for in this Agreement, is fair compensation for each license it has granted to the other party pursuant to this Agreement.

4. Term of Licenses. Each license to use property that has been or may be granted under this Paragraph W shall commence on the Effective Date of this Agreement, and shall be coterminous with the Agreement (whether the Agreement is terminated early by reason of an Event of Default, or expires by its terms). In addition to the foregoing, each party in its capacity as licensor shall have the right to immediately revoke by written notice any license by reason of (a) an Event of Default committed by a licensee or (b) the licensee's failure to use the licensed property in a manner that is not consistent with the purpose for which such property was licensed (each, a "Fault Based Revocation"); provided that any license revoked pursuant to this sentence shall be reinstated by the licensor if the licensee remedies the Event of Default or ceases any and all unauthorized use of the licensed property within one day after receipt of such notice from the licensing party.

5. Indemnity. Without limiting the provisions of Paragraph R of the Agreement, or any other provision of the Agreement, each party agrees to indemnify and hold the other party, and such other party's agents, directors, employees and affiliates, harmless from and against all Claims arising out of, involving or in connection with the indemnifying party's exercise of its rights under this Paragraph W. The general indemnity provisions set forth in Paragraph R.1-R.3 hereof shall apply to the indemnity set forth in this Paragraph W.5.

## **X. General Conditions**

### **1. Amendment or Modification of Agreement**

No modification or amendment of this Agreement shall be binding on the Association unless the same is reduced to writing, approved by the Board of Directors of the Association, and executed by the Association and approved by the appropriate State agencies.

### **2. Advertising, On-site Signage and Sponsorship**

In all advertising materials prepared by Tel Phil for the Outdoor Marketplace, the Fairgrounds shall be referred to exclusively as the "OC Fair & Event Center."

Neither party may use any of the other party's proprietary trademarks or trade names in any of its advertising material without prior written consent of such other party,

Solely in the event of the Association's prior written consent in each instance, and subject to Tel Phil's compliance with the terms and conditions of this Agreement, the Association grants to Tel Phil a limited, non-exclusive, non-transferable license to use those specific trade names, trademarks, logos and designations set forth in Schedule 11-A hereof ("Association Marks"), during the Term, solely in connection with the advertising of Tel Phil's products and services and as approved by the Association. Any such use of an Association Mark by Tel Phil must correctly attribute ownership of such mark to the Association and must be in accordance with applicable law and the Association's then-current trademark usage guidelines (if any). Tel Phil will not remove or obscure any Association Marks as delivered to Tel Phil. Tel Phil acknowledges and agrees that the Association owns the Association Marks ( and that the

Association Marks are the exclusive property of the Association) and that any and all goodwill and other proprietary rights that are created by or that result from Tel Phil's use of an Association Mark hereunder inure solely to the benefit of the Association. Tel Phil will at no time contest or aid in contesting the validity or ownership of any Association Mark or take any action in derogation of the Association's rights therein, including, without limitation, applying to register any trademark, trade name or other designation that is confusingly similar to any Association Mark. Upon any termination or expiration of this Agreement, this license shall immediately terminate, Tel Phil shall cease all uses of the Association Marks, and shall destroy or return all copies of then-current advertising in Tel Phil's possession or control which contain the Association Marks.

Solely in the event of Tel Phil's prior written consent in each instance, and subject to the Association's compliance with the terms and conditions of this Agreement, Tel Phil grants to the Association a limited, non-exclusive, non-transferable license to use those specific trade names, trademarks, logos and designations set forth in Schedule 11-B hereof ("Tel **Phil** Marks"), during the Term, solely in connection with the advertising of the Association's products and services and as approved by Tel Phil. Any such use of a Tel Phil Mark by the Association must correctly attribute ownership of such mark to Tel Phil and must be in accordance with applicable law and Tel Phil's then-current trademark usage guidelines (if any). The Association will not remove or obscure any Tel Phil Marks as delivered to the Association. The Association acknowledges and agrees that Tel Phil owns the Tel Phil Marks (and that the Tel Phil Marks are the exclusive property of Tel Phil) and that any and all goodwill and other proprietary rights that are created by or that result from Tel Phil's use of a Tel Phil Mark hereunder inure solely to the benefit of Tel Phil. The Association will at no time contest or aid in contesting the validity or ownership of any Tel Phil Mark or take any action in derogation of Tel Phil's rights therein, including, without limitation, applying to register any trademark, trade name or other designation that is confusingly similar to any Tel Phil Mark. Upon any termination or expiration of this Agreement, this license shall immediately terminate, the Association shall cease all uses of the Tel Phil Marks, and shall destroy or return all copies of then-current advertising in the Association's possession or control which contain the Tel Phil Marks.

Tel Phil shall not place permanent advertising signage on or about the Premises except such signage approved by the Association, including without limitation any advertisement related to any approved sponsorship pursuant to the following paragraph. Such approval must be in writing prior to installation of the signage. Operational signs are to be temporary in nature, placed only in the defined Outdoor Marketplace Premises and must be removed and stored at the end of each Outdoor Marketplace Operating Period.

Tel Phil shall not enter into any sponsorship agreement which conflicts with any existing sponsorship agreement between the Association and any third party with respect to the Fairgrounds or any portion thereof. In the event the Association enters into a sponsorship agreement which it believes conflicts, or will in the future conflict, with any existing sponsorship agreement between Tel Phil and any third party, the Association has the right to require Tel Phil to terminate such Tel Phil sponsorship agreement by providing thirty (30) days prior written notice to Tel Phil. However, if the existing Tel Phil sponsorship agreement is for a longer term than thirty (30) days, (not to exceed one year), then Tel Phil shall have the right to allow its existing sponsorship agreement to remain in effect for the remainder of its term (not to exceed one year). Tel Phil agrees that any sponsorship agreement that Tel Phil enters into with any third party shall be limited to sponsorship of the Outdoor Marketplace only and in no event may Tel Phil agree to any sponsorship arrangement that entails sponsorship of the Premises or the Fairgrounds. Without limiting the foregoing and for the avoidance of doubt, Tel Phil

shall not allow any of its sponsors to display promotional materials on the Premises (including without limitation by causing its sponsors to cover up such displays, if necessary) other than during the operation of the Outdoor Marketplace.

### 3. Storage

In addition to the Garage storage license set forth in Paragraph W.2(b) hereof, at its sole discretion, the Association shall provide Tel Phil with certain space (collectively, the **"Tel Phil Storage Space"**) to be used exclusively for storing equipment pertaining only to the operation of the Outdoor Marketplace and no other purposes. Storage of any other items, including without limitation any personal items, is prohibited. The Tel Phil Storage Space is comprised of the areas depicted on the Supplemental Marketplace Map as "Tel Phil Storage Building," "Tel Phil Exterior Storage," "Tel Phil Storage," and "Exterior Storage." All expenses associated with the transport and storage of such personal property shall be the sole responsibility of Tel Phil.

The Tel Phil Storage Space may be used by Tel Phil for storage of property pertaining only to the operation of the Outdoor Marketplace at any time during the Rental Year, provided that the following portions of the Tel Phil Storage Space may not be used for any storage whatsoever during the Association Exclusive Events: the areas identified on the Supplemental Marketplace Map as (a) "Tel Phil Exterior Storage and Concession: Exterior- 60 x 90 = 5400," and (b) "Tel Phil Exterior Storage-SI Parking Spaces." In addition, upon ten (10) days written notice from the Association to Tel Phil, Tel Phil shall remove any items stored in the area identified in subsection (b) of the preceding sentence in order to accommodate any event that the Association may choose to produce or host at any time. With respect to any period during which Tel Phil must remove property from the areas identified in subsections (a) and (b) of this Paragraph, the Association shall provide Tel Phil reasonably comparable storage for such property elsewhere on the Fairgrounds.

Unless expressly provided otherwise in this Agreement, Tel Phil may only store its property related to the Outdoor Marketplace in the Tel Phil Storage Space. Any space for storage beyond the Tel Phil Storage Space needed by Tel Phil shall require written approval from the Association, which approval may require Tel Phil to pay additional rent for such use of such additional storage space.

### 4. Emergency Action Plan

In the event of any Emergency, Tel Phil shall immediately contact (a) the appropriate Police Department and/or Fire Department officials, and/or the paramedics, to respond to the Emergency, and (b) the following employees or agents of the Association listed below (the **"Association Emergency Contact"**):

Safety & Security Department  
Office Location: Just inside Gate 5 on the Fairgrounds  
Tel.: (714) 708-1588

The foregoing contact information may be modified by the Association by providing written notice to Tel Phil. In the event of an Emergency, Tel Phil shall contact the Association Emergency Contact by at least one of the means set forth above and will maintain reasonable documentary evidence of such contact.

As used herein, an "**Emergency**" shall mean an event occurring at the Outdoor Marketplace that entails imminent danger to a person or material danger to property or the violation of any law and that requires the presence of first responders.

Any injury not rising to the level of an Emergency need not be reported to the Association if it occurs in the footprint of the Outdoor Marketplace, but must be reported by Tel Phil to the Association if it occurs in any of the parking areas servicing the Outdoor Marketplace.

The Association and Tel Phil have prepared an emergency action plan in connection with operation of the Outdoor Marketplace (the "**Emergency Action Plan**"). The Emergency Action Plan is attached hereto as Schedule 13 and must be complied with at all times by Tel Phil.

The Association shall have the right to determine, in its sole and absolute discretion, which law enforcement agency shall provide security services to the Outdoor Marketplace in accordance with the Emergency Action Plan. The Association and Tel Phil acknowledge that, as of the Effective Date, law enforcement services are provided to the Fairgrounds, including to the Outdoor Marketplace, by the Orange County Sheriff's Department (the "**Sheriff**") pursuant to the Standard Agreement between the Sheriff and the Association (the "**Sheriff Security Agreement**"). All fees, costs and expenses due to the Sheriff pursuant to the Sheriff Security Agreement are paid by the Association, provided that the Association by entering into the Sheriff Security Agreement and/or performing its obligations pursuant thereto has no obligation to Tel Phil whatsoever to perform any obligations under the Sheriff Security Agreement or provide any law enforcement or security services to the Outdoor Marketplace, whether through the Sheriff or any other vendor of law enforcement or security services. Tel Phil shall be obligated to reimburse the Association for those portions of the law enforcement services provided pursuant to the Sheriff Security Agreement relating to the Outdoor Marketplace, as determined by the Sheriff. If the Sheriff does not allocate a portion of such services to the Outdoor Marketplace, the Association and Tel Phil shall determine by mutual agreement which portion of the fees, costs and expenses charged by the Sheriff to the Association under the Sheriff Security Agreement are allocable to law enforcement services for the Outdoor Marketplace. Tel Phil shall make the reimbursement payments required by this paragraph to the Association within ten (10) days of receiving an invoice for such payments from the Association. If there is any dispute regarding such reimbursement, Tel Phil shall pay the undisputed portion of the reimbursement within such five (5) day period pending resolution of the dispute. Tel Phil shall indemnify and hold harmless the Association Indemnitees for any and all Claims that the Association incurs in connection with the services provided by the Sheriff to the Outdoor Marketplace, whether or not caused by the negligence of the Association. In the event that the Sheriff is no longer willing or able to provide security services to the Fairgrounds or the Outdoor Marketplace on terms reasonably acceptable to the Association, the Association may elect to enter into a new agreement for law enforcement or security services with any other law enforcement agency in the Association's sole and absolute discretion. If no law enforcement agency is willing or able to provide security services to the Fairgrounds or the Outdoor Marketplace on terms reasonably acceptable to the Association, the Association and Tel Phil shall mutually agree in their respective reasonable judgment upon an alternative provider of security services. Tel Phil agrees that the provisions of this Paragraph shall apply to any such new security agreement.

All expenses for implementation and operation of the Emergency Action Plan shall be the sole responsibility of Tel Phil. An updated version of the Emergency Action Plan shall be submitted to the Association prior to each Rental Year as part of the Operating Plan, in accordance with the provisions of Paragraph hereof.



Tel Phil shall provide Emergency medical response services during each operating day of the Outdoor Marketplace, (y) Tel Phil shall provide the Association an "emergency key" in order to access all of Tel Phil's facilities in case of an Emergency, and (z) Tel Phil shall otherwise act responsibly to assure the safety of all persons and property in the event of an Emergency at any time during Tel Phil's occupation or use of the Premises.

5. Fencing

Tel Phil agrees to install temporary fencing or barricades of the Outdoor Marketplace selling area for each day the Outdoor Marketplace is in operation, at its sole cost and expense. Prior to installation of any fencing, written plans for fencing must be provided to the Association for its written approval. Temporary fencing shall be removed from the Premises at the conclusion of an Outdoor Marketplace day or weekend and stored in the Tel Phil Storage Space; provided, however, that to the extent that the Association allows Tel Phil to keep any fencing or barricades on the Premises at any time after the conclusion of the Outdoor Marketplace (which the Association may choose to do in its sole and absolute discretion and pursuant to a separate written consent) such fencing and barricades shall not be kept in any location where they would potentially block the flow of traffic on the Premises.

6. Parking

Tel Phil and the Association have approved the parking plan for Outdoor Marketplace visitors, sellers and employees attached hereto as Schedule 9 (the "**Marketplace Parking Plan**"). An updated version of the Marketplace Parking Plan shall be submitted as part of the Operating Plan prior to each Rental Year, in accordance with the provisions of Paragraph hereof. The Marketplace Parking Plan may not be amended without the written consent of both Tel Phil and the Association. The Marketplace Parking Plan sets forth the terms and conditions pursuant to which Tel Phil shall operate the parking for the Outdoor Marketplace. The Marketplace Parking Plan shall also provide that the areas identified in the Marketplace Map as the "OC Marketplace Parking," which appear on both sides of the area identified as the "OC Market Place" on the Marketplace Map, may be used by Tel Phil for the purpose of providing free parking to the invitees and vendors of the Outdoor Marketplace; provided, however, that such free parking areas shall be reduced in size by the mutual agreement of Tel Phil's staff and the Association's staff to allow for a preferred paid parking area with respect to which the Association shall be entitled to appoint an Association representative to conduct preferred parking sales and collect all revenue generated from any preferred parking areas directly from the attendees and to keep all such revenues. The Marketplace Parking Plan identifies the initial parameters of the preferred parking area, but such parameters may be modified by the mutual agreement of the Tel Phil staff and the Association staff.

Tel Phil acknowledges that the Association is bound by a 1996 Settlement Agreement with the City of Costa Mesa outlining maximum fairgrounds parking and usage. Tel Phil acknowledges receipt of a copy of the 1996 Settlement Agreement, agrees to abide with the 1996 Settlement Agreement, without exception.

7. Refuse and Waste Removal

Tel Phil shall provide waste receptacles at locations on the Premises sufficient to handle expected waste generated by visitors to the Outdoor Marketplace. Tel Phil shall ensure that such receptacles are kept clean and properly serviced during and after each operating day. During the hours that Tel Phil is setting up for and operating the Outdoor Marketplace, Tel Phil, at its sole cost and expense, shall collect

all refuse and waste materials created by Tel Phil's operations in all areas of the Premises and the Fairgrounds and place the same in the waste receptacles provided by Tel Phil. Prior to the end of operations on each day the Outdoor Marketplace operates, Tel Phil shall, at its sole cost and expense, remove all waste deposited in such waste receptacles by disposing of their contents into trash basins controlled by Tel Phil. Tel Phil shall also dispose of any and all waste in the trash basins controlled by Tel Phil at Tel Phil's sole cost and expense.

After Tel Phil has removed all waste in accordance with the previous paragraph, the Association shall be responsible for the sweeping of the Outdoor Marketplace debris in and around the Outdoor Marketplace sellers' area including surrounding fence lines and streets by 11:59 p.m. on each day of the operation of the Outdoor Marketplace. All expenses incurred in the course of such sweeping shall be the sole responsibility of the Association. Notwithstanding the foregoing, if for any reason the Outdoor Marketplace is cancelled on any given day and Tel Phil does not provide notice to the Association by calling the Association's Safety & Security Department at (714) 708-1588 by 12:00 p.m. on the cancelled day and speaking telephonically to a representative of the Association's Safety & Security Department (or if nobody answers when Tel Phil calls, by at least leaving a message on the voicemail of the Association's Safety & Security Department), then Tel Phil shall be responsible for paying any amounts owed by the Association to the third party sweeping company and/or sweeper as a result of such cancellation.

Wet refuse must be stored by Tel Phil at its sole expense in water-tight containers pending removal from the Premises. Grease and waste foods shall be kept by Tel Phil at its sole expense in closed metal containers until removed from the Premises.

Tel Phil shall recycle all cardboard material generated by the Outdoor Marketplace.

#### 8. Parking Lot Improvements

The Association shall give Tel Phil at least thirty (30) days notice prior to making any improvements to the Parking Lots such as paving, striping, electrical, sewer repair or installation. The Association will make reasonable attempts to implement any construction, repairs or improvements without substantial negative impact to the Outdoor Marketplace operation; provided, however, that in no event shall the making of improvements to the Parking Lots preclude the operation of the Outdoor Marketplace.

#### 9. Other Events

Tel Phil acknowledges that the Association rents Fairgrounds facilities and property outside of the Premises for the operation of other public and private events. Tel Phil agrees to cooperate with Association staff and to make necessary reasonable adjustments in the operation of the Outdoor Marketplace to accommodate periods of increased or large event use on the Fairgrounds.

#### 10. Noise Mitigation

Tel Phil covenants to take all necessary steps to prevent any and all of its vendors, invitees, personnel, agents or representatives from causing or creating excessive noise, including without limitation noise produced by recorded or live musical performance at any Tel Phil Special Event and Promotion, that may disrupt, disturb or otherwise be a nuisance to events and activities produced or hosted by the Association on the Fairgrounds.

The Association covenants to take all necessary steps to prevent any and all of its invitees, personnel, agents or representatives, and those of any third party under contract with the Association, from



causing or creating excessive noise, including without limitation noise produced by recorded or live musical performance at any Association Event, that may disrupt, disturb or otherwise be a nuisance to events and activities produced or hosted by the Outdoor Marketplace.

#### 11. Monthly Meeting Coordination

Tel Phil and the Association shall meet with each other at least once per month to discuss operational issues related to the business of the Outdoor Marketplace and the Fairgrounds, including without limitation their respective event planning activities, upcoming events, and any other items deemed necessary for discussion by either Tel Phil or the Association.

At the monthly coordination meeting that takes place in the month of September of each Rental Year, the Association and Tel Phil shall discuss any arrangement whereby each party may provide, in its sole and absolute discretion, additional products and/or services to the other party, such as use of certain non-proprietary information technology or certain promotional services in connection with events produced or hosted by either Tel Phil or the Association. There shall be no cash consideration for such additional products and/or services, and consideration for such products and/or services provided by one party shall be like-kind products and/or services provided by the other party. Neither the Association nor Tel Phil shall be under any obligation to provide any such products and/or services other than pursuant to a separate written agreement signed by both parties and nothing in this Agreement shall obligate the parties to enter into such separate written agreement.

#### 12. Public Information

The Association may periodically ask Tel Phil to provide certain basic information about the operation of the Outdoor Marketplace and the Tel Phil Special Events and Promotions. The purpose of these requests by the Association will be solely to assist the Association in communicating with members of the public who contact the Association to inquire about the Outdoor Marketplace and the Tel Phil Special Events and Promotions. Upon receiving such a request for information, Tel Phil shall reasonably cooperate with the Association in providing such information, provided that in no event shall Tel Phil be obligated to provide any information that Tel Phil considers to be confidential or proprietary in response to any such request.

#### 13. Shipments

The Association and Tel Phil agree that if either such party should receive a delivery of any property intended for the other party, the receiving party shall make commercially reasonable efforts to inform the other party of the mistaken delivery. The receiving party shall have no obligation to store such property for any period of time, but if the receiving party chooses to store such property for any period of time, such storage shall solely be as an accommodation to the other party and the receiving party shall not be liable for any loss of or damage to such property.

#### 14. Layout

Tel Phil shall submit a proposed event floor plan prepared on a CAD layout (the "**Layout**") to the Association upon the Association's request, but no more than twice each Rental Year, provided that the Association may request a Layout more than twice in each Rental Year if the Association is making any such request pursuant to the requirements of any governmental agency, including without limitation the California State Fire Marshal. The Layout is known in the Policies and Procedures as the "Floor Plan." if

applicable law requires that the Layout must be approved by the California State Fire Marshal, then (i) the Association shall have the right to submit the Layout with a California State Fire Marshal Special Event Permit Application to the California State Fire Marshal for approval, (ii) the Layout shall detail all the State Fire Marshal requirements set forth in the section of the Policies and Procedures entitled "Floor Plan," and (iii) if the California State Fire Marshal does not approve the Layout for any reason, Tel Phil shall modify the Layout to meet the requirements of the California State Fire Marshal.

15. Prohibition of Liens

Tel Phil shall not suffer or permit to be placed against the Premises, or any part thereof, any mechanic's, materialmen's, contractor's or subcontractor's liens arising from any claim for damages growing out of the work of construction, repair, restoration, replacement or improvement on the Premises or any other claim or demand howsoever the same may arise, but Tel Phil shall pay, cause to be paid, or bond against, all of said liens, claims or demands before any action is brought to enforce the same against the Premises; and Tel Phil shall indemnify and hold the Association Indemnitees and said Premises free and harmless from all Claims in connection therewith.

16. ATM Service

The Association has the exclusive right to provide ATM services on the Premises and the Fairgrounds, provided that Tel Phil shall have the right to operate two (2) ATMs in their current locations as of the Effective Date. Tel Phil shall have the right to operate these ATMs only during operation of the Outdoor Marketplace and at no other time.

The Association shall have exclusive right to any and all revenues earned for ATM service for the ATMs it has installed. Each party shall also have the obligation to keep its ATMs in good working order.

17. Notices

Any and all notices given under this Agreement or otherwise may be served by enclosing the notice in a sealed envelope addressed to the other party as required by this Paragraph X.17, and sent by certified or registered mail with postage prepaid; or, by personal delivery. Notice shall be deemed given on the day of personal delivery, or five days after mailing. Refusal to accept delivery is deemed to be delivery of the applicable notice. Notice shall be given as follows:

To the Association:

32nd District Agricultural Association  
88 Fair Drive  
Costa Mesa, CA 92626  
Attn: Chief Executive Office

With a copy to:

Steven L. Edwards, Esq.  
Manatt, Phelps & Phillips, LLP  
695 Town Center Drive, 14<sup>th</sup> Floor  
Costa Mesa, CA 92626  
(714) 371-2500

To Tel Phil:

Tel Phil Enterprises, Inc.  
504 South Bayfront  
Balboa Island  
Newport Beach, CA 92662  
Attn: Jeffrey E. Teller, President

With copies to:

Stewart R. Suchman, Esq.  
5160 Campus Dr.  
Newport Beach, CA 92660-2101  
(949) 251-0251

And

M. Katherine Jenson  
Rutan & Tucker, LLP  
611 Anton Blvd., St. 1400  
Costa Mesa, CA 92626  
(714) 641-3413

18. Successors

Each and all of the terms and conditions herein contained shall be binding upon and shall inure to the benefit of the successors in the interest of the Association and, subject to the provisions as to assignment, any successors in interest. of Tel Phil.

19. Time is of the Essence

Time is of the essence in the performance of this Agreement.

20. Independent Contractor

Tel Phil is not an employee or agent of the Association by reason of this Agreement or otherwise. Tel Phil is an independent contractor, and as between the Association and Tel Phil, Tel Phil shall be solely responsible for its acts or omissions arising from, or relating to this Agreement.

21. Applicable Law

This Agreement shall be interpreted and enforced in accordance with the laws of the State of California and shall be deemed to have been made, and shall be performed, in the State of California.

22. Prohibition Against Similar Operation

During the first five Rental Years, Tel Phil shall not own or operate any similar scale Outdoor Marketplace in a 25-mile radius from the Fairgrounds.

23. Entire Agreement

The Association and Tel Phil previously entered into certain Outdoor Marketplace Lease dated August 1, 2005 (the "**Original Lease**") whereby Tel Phil leased from the Association the Premises. The Original Lease was amended pursuant to that certain Amendment to Outdoor Marketplace Lease effective February 1, 2009 (the "**First Amendment**"), that certain Second Amendment to Outdoor Marketplace Lease effective April 1, 2009 (the "**Second Amendment**"), that certain letter agreement dated May 26, 2011 (the "**Letter Agreement**"), and that certain Third Amendment to Outdoor Marketplace Lease effective June 22, 2012 (the "**Third Amendment**" and together with the Original Lease, the First Amendment, the Second Amendment, and the Letter Agreement, the "**Prior Lease**"). This Agreement constitutes the entire Agreement between the parties regarding the subject matter hereof, together with all schedules and exhibits attached hereto (all of which are by this reference incorporated herein), and supersedes any prior written or verbal agreements between the Association and Tel Phil regarding the subject matter hereof, including without limitation the Prior Lease; provided, however, that the releases, including any conditions to the effectiveness thereof, set forth in (A) Section 6 of the Third Amendment regarding prior use of licensed property and (B) Section 8 of the Third Amendment regarding the settlement of the Sweeping Dispute (as defined in the Third Amendment), shall remain in full force and effect.

24. Headings

The headings of this Agreement are inserted only as a matter of convenience and reference and do not define or limit the scope or intent of any provisions of this Agreement and shall not be construed to affect in any manner the terms and provision hereof or the interpretation or construction thereof.

25. Standard Contract Terms and Conditions

Tel Phil accepts and agrees to act in accordance with and be subject to the Standard Contract Terms and Conditions set forth in Schedule 3, which is incorporated by this reference.

26. Severability

If any covenant, term, condition or provision of this Agreement shall, to any extent, be invalid or unenforceable, the remainder of this Agreement shall be valid and enforceable to the fullest extent permitted by law

27. Attorneys Fees

If either party brings any action or proceeding arising out of, or in any way related to this Agreement, or any right or remedy under this Agreement, the prevailing party shall be entitled to recover reasonable attorneys fees and other costs of action.

[Remainder of This Page Left Intentionally Blank]

IN WITNESS WHEREOF, the Association and Tel Phil have executed this Agreement as of the date first written above.

ASSOCIATION:

**32nd District Agricultural Association,**  
a California state institution

By: 

Name: Stan Tkaczyk

Title: Board Chair

By: 

Name: Doug Lofstrom

Title: Chief Executive Officer

TEL PHIL

**Tel Phil Enterprises, Inc.,**  
a California Corporation

By: 

Name: Jeffrey E. Teller

Title: President

APPROVED AS TO FORM ONLY:

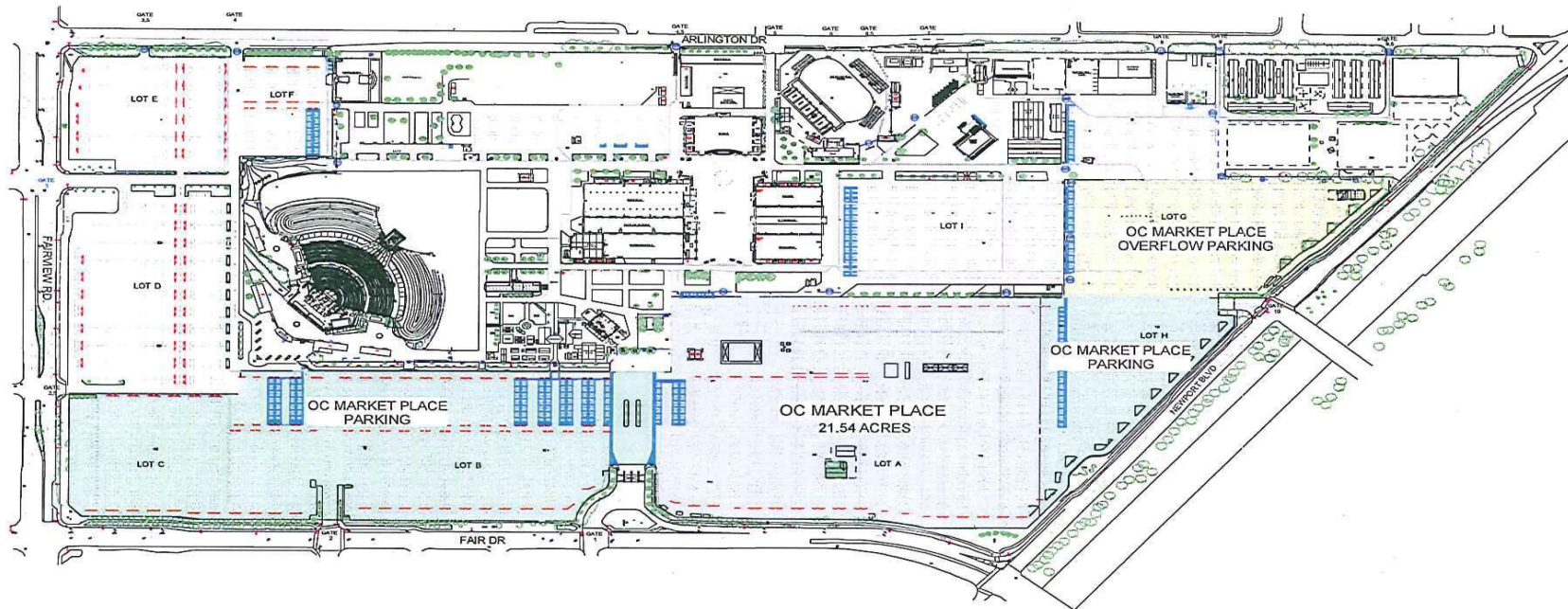
DEPARTMENT OF FOOD AND AGRICULTURE,  
DIVISION OF FAIRS & EXPOSITIONS

By: 

NAME: John Quiroz

TITLE: Administrator

**SCHEDULE 1-A**  
**MARKETPLACE MAP**



DRAWING TITLE:



# OC FAIR & EVENT CENTER COSTA MESA, CA

SHEET TITLE:

MARKET PLACE AREA/ACRE

DATE: 06-09-14

SHEET NO.

PLOTTED BY: AGR

1 OF 1

REVISIONS

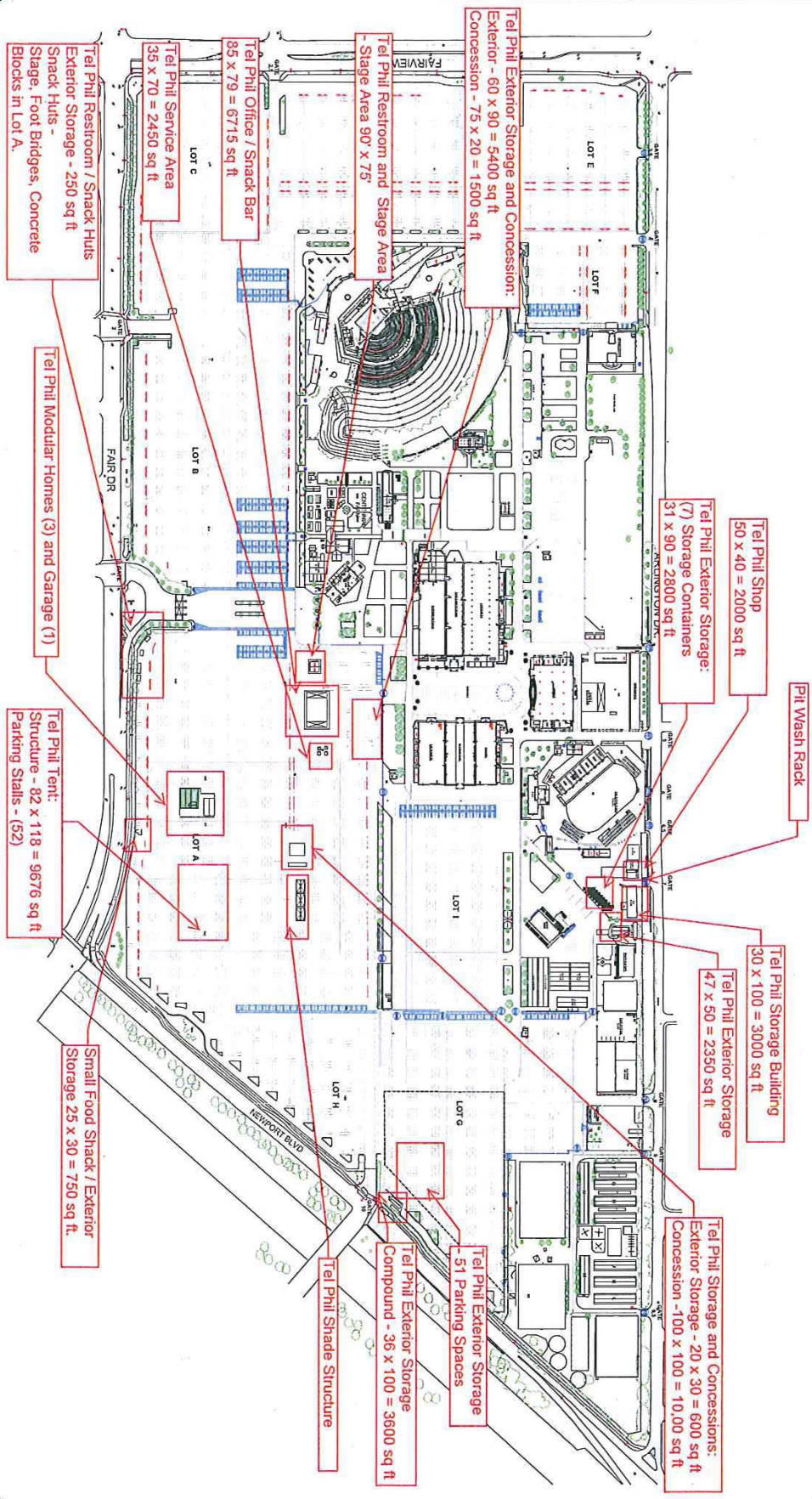
DATE

SCALE: 1 IN = 500 FT



**SCHEDULE 1-B**  
**SUPPLEMENTAL MARKETPLACE MAP**





		<b>2013 FAIRGROUND LAYOUT</b>	
OC FAIR & EVENT CENTER COSTA MESA, CA		SHEET TITLE: <b>OCF &amp; EC</b>	
SCALE: 1 IN = 300 FT		Date: 6/5/2014	
REVISIONS		DATE: 01-29-13	
DATE		SHEET NO.	
PLOTTED BY: AGR		1 OF 1	

SCHEDULE 2  
INSURANCE REQUIREMENTS

As used in this Schedule 2, the term "contractor/renter" shall mean Tel Phil.

California Fair Services Authority

## **I. Evidence of Coverage**

The contractor/renter shall provide a signed original evidence of coverage form for the term of the contract or agreement (hereinafter "contract") protecting the legal liability of the State of California, District Agricultural Associations, County Fairs, Counties in which County Fairs are located, Lessor/Sublessor if fair site is leased/subleased, Citrus Fruit Fairs, California Exposition and State Fair, or Entities (public or non-profit) operating California designated agricultural fairs, their directors, officers, agents, servants, and employees, from occurrences related to operations under the contract. This may be provided by:

### **A. Insurance Certificate:**

The contractor/renter provides the fair with a signed original certificate of insurance (the ACORD form is acceptable), lawfully transacted, which sets forth the following:

1. List as the Additional Insured:

"That the State of California, the District Agricultural Association, County Fair, the County in which the County Fair is located, Lessor/Sublessor if fair site is leased/subleased, Citrus Fruit Fair, California Exposition and State Fair, or Entities (public or non-profit) operating California designated agricultural fairs, their directors, officers, agents, servants, and employees are made additional insured, but only insofar as the operations under this contract are concerned."

2. Dates:

The dates of inception and expiration of the insurance. For individual events, the specific event dates must be listed, along with all set-up and tear down dates.

3. Coverage:

a) General Liability:

Commercial General Liability coverage, on an occurrence basis, at least as broad as the current Insurance Service Office (ISO) policy form #CG 0001. Limits shall be not less \$1,000,000 per occurrence.

b) Automobile Liability:

Commercial Automobile Liability coverage, on a per accident basis, at least as broad as the current ISO policy form #CA 0001, Symbol #1 (Any Auto) with limits of not less than \$1,000,000 combined single limits per accident for contracts involving use of contractor vehicles (autos, trucks, or other licensed vehicles) on fairgrounds.

c) Workers' Compensation:

Workers' Compensation coverage shall be maintained covering contractor/renter's employees, as required by law.

d) Liquor Liability:

Liquor Liability coverage with limits of not less than \$1,000,000 per occurrence shall be maintained for contracts involving the sale of alcoholic beverages.

4. Cancellation Notice:

Notice of cancellation of the listed policy or policies shall be sent to the Certificate Holder in accordance with policy provisions.

5. Certificate Holder:

a) For Individual Events Only - Fair, along with fair's address, is listed as the certificate holder:

(1) 32" District Agricultural Association, QC Fair & Event Center, 88 Fair Drive, Costa Mesa, CA 92626.

b) For Master Insurance Certificates Only - California Fair Services Authority, Attn: Risk Management, 1776 Tribute Road, Suite 100, Sacramento, CA 95815 is listed as the certificate holder.

6. Insurance Company:

The company providing insurance coverage must be acceptable to the California Department of Insurance.

7. Insured:

The contractor/renter must be specifically listed as the insured.

**OR**

B. CFSA Special Events Program:

The contractor/renter obtains liability protection through the California Fair Services Authority (CFSA) Special Events Program, when applicable.

**OR**

C. Master Certificates:

A current master certificate of insurance for the contractor/renter has been approved by and is on file with California Fair Services Authority (CFSA).

**OR**

D. Self-Insurance:

The contractor/renter is self-insured and acceptable evidence of self-insurance has been approved by California Fair Services Authority (CFSA).

II. General Provisions

A. Maintenance of Coverage:

The contractor/renter agrees that the commercial general liability (and automobile liability, workers' compensation, and/or liquor liability, if applicable) insurance coverage herein provided for shall be in effect at all times during the term of this contract. In the event said insurance coverage expires or is cancelled at any time or times prior to or during the term of this contract, contractor/renter agrees to provide the fair, prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the contract, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of California Fair Services Authority, and contractor/renter agrees that no work or services shall be performed prior to the giving of such approval. In the event the contractor/renter fails to keep in effect at all times insurance coverage as herein provided, the fair may, in addition to any other remedies it may have, take any of the following actions: (1) declare a material breach by contractor/renter and terminate this contract; (2) withhold all payments due to contractor/renter until notice is received that such insurance coverage is in effect; and (3) obtain such insurance coverage and deduct premiums for same from any sums due or which become due to contractor/renter under the terms of this contract.

B. Primary Coverage:

The contractor/renter's insurance coverage shall be primary and any separate coverage or protection available to the fair or any other additional insured shall be secondary.

C. Contractor's Responsibility:

Nothing herein shall be construed as limiting in any way the extent to which contractor/renter may be held responsible for damages resulting from contractor/renter's operations, acts, omissions or negligence. Insurance coverage obtained in the minimum amounts specified above shall not relieve contractor/renter of liability in excess of such minimum coverage, nor shall it preclude the fair from taking other actions available to it under contract documents or by law, including, but not limited to, actions pursuant to contractor/renter's indemnity obligations. **The contractor/renter indemnity obligations shall survive the expiration, termination or assignment of this contract.**

D. Certified Copies of Policies:

Upon request by fair, contractor/renter shall immediately furnish a complete copy of any policy required hereunder, with said copy certified by the underwriter to be a true and correct copy of the original policy.

III. Participant Waivers

Hazardous participant events shall not be held without the prior written consent of the Association in each instance. For permitted hazardous participant events, the contractor/renter agrees to obtain a properly executed release and waiver of liability agreement (Form required by contractor/renter's insurance company or CFSA Release and Waiver Form) from each participant prior to his/her participation in the events sponsored by contractor/renter. Contact California Fair Services Authority at (916) 921-2213 for further information.

## SCHEDULE3

### STANDARD CONTRACT TERMS AND CONDITIONS (F-31, RENTAL AGREEMENT)

**1. National Labor Relations Board (PCC Section 10296)**

Contractor, by signing this contract, does swear under penalty of perjury that no more than on final unappealable finding of contempt of court by a Federal Court has been issued against contractor within the immediately preceding two-year period because of the contractor's failure to comply with an Order of a Federal Court which orders the contractor to comply with an order of National Labor Relations Board (Public Contract Code Section 10296).

**2. Non-Discrimination Clause/Statement of Compliance (GC 12990/CCR 8103-8120)**

During the performance of this contract, contractor and its subcontractors shall not unlawfully discriminate harass or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Contractors and subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment. Contractors and subcontractors shall comply with the provision of the Fair Employment and Housing Act (Gov. Code Section 12900, et seq.) and the applicable regulations promulgated there under (CA Code of Regulations, Title 2, Section 7285.0, et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Gov. Code Section 12990 (a-f), set forth in Ch. 5 of Div. 4 of Title 2 of the CA Code of Regulations are incorporated into this contract by reference and made part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. This contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this contract. Contractor by signing this contract hereby certifies, unless specifically exempted, compliance with Gov. Code 12990 (a-f) and CA Code of Regulations, Title 2, Div. 4, Ch. 5 in matters relating to reporting requirements and the development, implementation and maintenance of a Nondiscrimination Program. Prospective contractor agrees not to unlawfully discriminate, harass or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave.

**3. Amendment (GC 11010.5)**

Contract modification, when allowable, may be made by formal amendment only.

**4. Governing Law**

This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

**5. Conflict of Interest (PCC 10410, 10411, 10420)**

Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contracted immediately for clarification.

Current State Employees (PCC I 0410):

- 1) No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2) No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

**Former State Employees (PCC 10411):**

- 1) For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2) For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void (PCC 10420).

**6. Contractor Name Change**

An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment, Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

**7. Air or Water Pollution Violation QVC 13301)**

Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

SCHEDULE4

ADDITIONAL WEEKEND AND CANCELLED MARATHON WEEKEND

RENT SCHEDULE

Rental Year	Additional Rent Rate Per Cancelled Marathon Weekend/Unclaimed Weekend
1	\$46,405
2	\$46,405
3	\$46,405
4	\$46,405
5	\$46,405
6	\$52,000
7	\$54,000
8	\$56,000
9	\$58,000
10	\$60,000
11	\$62,000
12	\$64,000
13	\$66,000
14	\$68,000
15	\$70,000
16	\$72,000
17	\$74,000
18	\$76,000
19	\$78,000
20	\$80,000



## SCHEDULES

### BASE RENT

Rental Year	Base Rent
1	1,700,000
2 *	1,750,000
3 *	1,800,000
4 *	1,850,000
5 *	1,900,000
6 *	2,000,000
7 *	2,015,500
8 *	2,015,500
9 *	2,065,500
10 *	2,165,500
11 *	2,215,500
12 *	2,265,600
13 *	2,315,500
14 *	2,365,500
15 *	2,415,500
16 *	2,465,600
17 *	2,515,500
18 *	2,565,500
19 *	2,615,500
20 *	2,668,500
<b>TOTAL</b>	<b>43,670,000</b>

\*Subject to the CPI Adjustment as set forth in Paragraph F.1 of the Agreement.

**SCHEDULE 6**

**TEL PHIL CAPITAL CONTRIBUTIONS**

<b>Rental Year</b>	<b>Amount</b>
1	\$62,500
2	\$62,500
3	\$62,500
4	\$156,250
5	\$156,250
6	\$100,000
7	\$100,000
8	\$100,000
9	\$100,000
10	\$100,000
11	\$100,000
12	\$100,000
13	\$100,000
14	\$100,000
15	\$100,000
16	\$100,000
17	\$100,000
18	\$100,000
19	\$100,000
20	\$100,000
<b>Total</b>	<b>\$2,000,000</b>

## **SCHEDULE7**

### **ASSOCIATION PERSONAL PROPERTY**

- 30 round picnic tables and, if available, an additional 20 round picnic tables
- 245 metal barricades
- 5 electric boxes (spider)
- 4 cement poles

## SCHEDULES

### ASSOCIATION ADDITIONAL EQUIPMENT

EQUIPMENT:	PER:	RATE:**
Forklift / incl. Operator	HR	\$45.00
Scissor-Lift / incl. Operator	HR	\$45.00
Man-Lift / incl. Operator	HR	\$45.00
*Table, Round Picnic	EA	\$9.00
Table, Rectangular Picnic	EA	\$9.00
Bench, Metal	EA	\$9.00
Bleacher	EA	\$150.00
*Metal Foot Bridge· Parking Lots Only	EA	\$9.00
Black Concrete Base Pole, 12' High	EA	\$45.00
Spider Box - Interior	EA	\$33.00
Spider Box - Exterior	EA	\$27.00
20Amp Cord	EA	\$15.00
Cable Ramp	EA	\$9.00

\* Tel Phil will be charged for use of each Round Picnic Table or Metal Foot Bridge in excess of the 50 Round Picnic Tables or 245 Metal Foot Bridges, respectively, that are described in Schedule 7 of this Agreement.

\*\* All rates are current as of the Effective Date and are subject to periodic increases consistent with the Association's published rental rate increases.

SCHEDULE 9  
MARKETPLACE PARKING PLAN

[Attached]

## **Marketplace Parking Plan**

Association will provide parking space to Tel Phil customers and vendors at no charge for parking vehicles in the areas identified in the Marketplace Map as the "OC Marketplace Parking," which appear on both sides of the area identified as the "OC Market Place." However, such free parking areas may be reduced in size by the mutual agreement of Tel Phil's staff and Association's staff to allow for an increase in the preferred paid parking area described below in this Schedule.

Tel Phil will manage and operate all parking and gate functions, subject to Association's rights to operate gate functions as expressly set forth below in this Schedule. Association may staff at its expense a guest relations function at all parking gates under operational management of Tel Phil in order to provide event information to customers coming for Association events.

Tel Phil shall have the right to use the areas identified in the Marketplace Map as "OC Marketplace Overflow Parking" for overflow parking for Tel Phil invitees provided that such area is not being used by Association and subject to logistical coordination with Association staff. There is no charge for use of this overflow area and Tel Phil's invitees shall not be charged for parking in such overflow area.

The Association shall have the right to use the area identified in the Marketplace Map as "Lot C" for overflow parking for Association invitees provided that such area is not being used by Tel Phil and subject to logistical coordination with Tel Phil Staff. There will be no charge to Association for use of this area for overflow parking, but Association may charge its invitees parking fee in such area.

Tel Phil has the right to use gates 1, 2, 3, and 10 for vendors and customers of the Outdoor Marketplace, subject to the terms of this and the following paragraph. Tel Phil can operationally open and close such gates, provided that Tel Phil may open and close gate 3 only during the time designated for Tel Phil's vendors to load their materials for the Outdoor Marketplace. Once such loading time has ended, Association shall have the exclusive right to operate gate 3.

In the event Association has the need to use any of the aforementioned gates, Association will have the right to use such gates provided that Association coordinates such activities with Tel Phil staff and such use by Association will not materially impact Tel Phil's operations.

Tel Phil will maintain a preferred parking option for its customers during all hours that the Outdoor Marketplace is open to the public. The area reserved for preferred parking shall be located adjacent to gate 1 and may be modified pursuant to the first paragraph of this Schedule. Association will staff, at its expense, the collection of preferred parking fees from Tel Phil customers. Preferred parking fees collected is revenue dollars belonging to the Association. Other than the collection of fees, which shall be handled exclusively by Association, Tel Phil will manage preferred parking operations at its expense. Association will charge the lowest year round event parking fee charged for other Association events. Association will also honor Tel Phil's reasonable promotions for preferred parking, provided that such promotions will not materially decrease Association's revenues from the preferred parking, as determined by Association.

Tel Phil and Association Staff will coordinate on a regular basis all parking operations in order to insure efficiency and minimize impact on all customers attending events at the Fairgrounds.

Tel Phil shall not have any right to charge for parking in any of the parking areas described in this Schedule, or in any other area.

Tel Phil shall indemnify Association for any Claims resulting from Tel Phil's management of the parking operations. Association will indemnify Tel Phil for any Claims resulting from the acts or omissions of Association's employees related to parking operations. The indemnity set forth in this paragraph is subject to terms and conditions of items 1 - 3 of Paragraph R of the Agreement.

**SCHEDULE 10**

**Intentionally Omitted**



**SCHEDULE 11-A**  
**ASSOCIATION MARKS**

- OCFEC
- OC Fair & Event Center
- OC Fair & Event Center, Costa Mesa
- OC Fair & Event Center, Costa Mesa, California

[SEE LOGOS ON NEXT PAGE]



OFFICIAL LOGO



FULL COLOR



SCREENED



GRAYSCALE



BLACK & WHITE



FULL COLOR ICON



SCREENED ICON



GRAYSCALE ICON



BLACK & WHITE ICON



FULL COLOR ON BLACK



REVERSE ONE COLOR



REVERSE BLACK & WHITE

## COLOR CODES

Orange  
PMS 1655 C  
C-0 M-50 Y-100 K-0

Green  
PMS 361 C  
C-75 M-0 Y-100 K-25

## SCHEDULE 11-B

### TEL PHIL MARKS

I. Trademarks/Service Marks registered with the U.S. Patent & Trademark Office

	Reg. No.	Mark
1.	1826680	Words "Orange County Market Place" as used in connection with restaurant services.
2.	1848770	Stylized mark (Mr. Market Place logo) as used in connection with restaurant services.
3.	1757187	Stylized mark (Orange County Market Place/Mr. Market Place logo) as used in connection with managing, operating and renting retail space.
4.	1727674	Words "Orange County Market Place" as used for mugs.
5.	1685359	Stylized mark (Mr. Market Place logo) as used for mugs.
6.	2202420	Words "Orange County Market Place" as used in connection with business management and consultation services, namely devising and implementing emergency preparedness plans for retail establishments; procurement, namely purchasing insurance for others; real estate management, namely collection admission fees of public to rental establishments; cleaning of rental grounds, trash collection; parking lot services including foot and vehicle traffic in and out of parking lots and collection of payment for parking; educational services, namely providing courses of instruction in the field of emergency preparedness; security guard services; medical services; and alternative dispute resolution, namely resolving complaints or problems of both retail establishments and the public.
7.	1856950	Words "Orange County Market Place" as used in connection with providing space for retail establishments and services.

I. California Trademarks/Service Marks

	Reg. No.	Renewal No.	Mark
I.	40072	9039	Words "Orange County Market Place" as used in connection with retail services, operational services of swap meets.
2.	40045	9038	Words "Orange County Market Place" as used in connection with restaurant services.
3.	38753	8878	Stylized mark (Orange County Market Place/Mr. Market Place logo) as used in connection with operational services of swap meets.
4.	39162	8890	Stylized mark (Orange County Market Place/Mr. Market Place logo) as used in connection with restaurant services
5.	94507	19369	Words "Orange County Market Place" as used for mugs.
6.	94508	19368	Stylized mark (Mr. Market Place logo) as used for plastic mugs.
7.	2257150	--	Words "Automotive Road of Dreams" as used in connection with the display and sale of motor vehicles

**SCHEDULE 12**

**Intentionally Omitted**

SCHEDULE 13  
EMERGENCY ACTION PLAN  
[Attached]



**OC Fair and Event Center  
& OC Marketplace  
Emergency Action Plan**



# OCFEC/OC MARKETPLACE EMERGENCY COMMUNICATION PLAN

The purpose of the Emergency Communication Plan is to provide a standardized basis for communication that can be enacted during an incident or emergency. The severity of the incident or emergency will determine the size and scope of the response.

An emergency or crisis can be anything that may attract the scrutiny of the media, interfere with normal business operations, jeopardize the safety of those on grounds or tarnish the public image of the OCFEC or the OC Marketplace.

Potential incidents or emergencies that may require implementation of the Emergency Communication Plan have been identified as:

Earthquake	Severe weather
Power Failure/Outage	Fire
Medical Emergencies	Ride Incident/Accident
Crowd issues	Biological/Chemical Exposure
Criminal or Terrorist Threats/Activities	

## ACTIVATION & NOTIFICATION:

Either the OCFEC or OC Marketplace management team will determine who will manage the incident based on the availability of staff, the nature of the incident and the location of the incident.

In the event of emergency or significant occurrence, proceed to contact the following designated staff members from the OCFEC or the OC Marketplace in the order listed below until contact is made and a situational report is delivered.

## OCFEC CONTACTS:

OCFEC Safety & Security Dispatch (24/7)	(714)708-1588
Nick Buffa - OCFEC Safety & Security Dept.	(714) 316-6156
Howard Sandler - OCFEC Events Director	(714) 625-9864
Jerry Eldridge - Facilities Director	(714) 474-5983
Robin Wachner - Communications Director	(714) 371-6268

## **OC MARKETPLACE CONTACTS:**

OCMP Corporate Office	(949)723-6660
OCMP Operations Office	(714)557-0426
<b>Ryan Miller</b> - Vice President Operations	(949)202-6466
<b>Erik Sanchez</b> - Operations Manager	(949)202-6477
David Sesena - Operations Manager	(949)202-6467
<b>Temoc Chavez</b> - Facilities Manager	(949)202-6475

*If time is of the utmost importance regarding a life threatening issue, call 911 first and then notify the appropriate personnel from either the OCFEC or the OC Marketplace immediately after the 911 call is placed.*

## **OCFEC INCIDENT COMMAND CENTER:**

In the event of a non OC Marketplace related emergency, an OCFEC Incident Command Center will be established in the Safety & Security Department conference room. If the Safety & Security conference room is unavailable, the Newport conference room located in the East end of the OCFEC Administration Building will be used. If both of these locations are unavailable, an alternate Command Center will be established by the supervisor, manager, director or other executive in charge of managing the incident or emergency.

The Main Mall is the re-grouping area for OCFEC staff in the event that buildings & structures present hazards due to structural instability, criminal threats, contamination, power outage or other incidents that may expose staff or patrons to unsafe conditions.

## **OC MARKETPLACE INCIDENT COMMAND CENTER:**

In the event of an emergency related to and contained within the OC Marketplace footprint, an OC Marketplace Incident Command Center will be established at the Main OC Marketplace snack-bar building if deemed necessary. If the Main OC Marketplace snack-bar building is unavailable, an alternate Incident Command Center will be established by OC Marketplace staff and the OCFEC Safety & Security Department shall be notified immediately of its location.

## **RESPONSIBILITIES:**

First responders (*Police, Fire, Paramedics*) will take action immediately if there is a potentially life threatening situation but it is important to remember that the OCFEC Leadership team is ultimately responsible for managing any major incident that occurs on OCFEC property. In the event that the Emergency Communication Plan is activated, it is imperative that OCFEC staff manage the incident and ultimately make decisions in an effort to protect OCFEC staff, property, assets or its image.

## **OFF-SITE EMERGENCY CONTACTS:**

* Orange County Sheriff's Department	(714) 647-7000
Costa Mesa Police Department	(714) 754-5252
Costa Mesa Fire Department	(714) 754-5106

**911 SHOULD ONLY BE USED IN THE EVENT OF AN IMMEDIATE LIFE  
THREATENING CRISIS OR EMERGENCY.**

**SCHEDULE 14**

**Intentionally Omitted**

# SCHEDULE 15

## Tel Phil Monthly Payment Schedule

### 2013 & 2014 Shortfall Payments

Payment			Total Monthly
Date	2013 Term	2014 Term	Payments
09/01/14	19,793.86	0.00	19,793.86
10/01/14	19,793.86	0.00	19,793.86
11/01/14	19,793.86	0.00	19,793.86
12/01/14	19,793.86	0.00	19,793.86
01/01/15	19,793.86	0.00	19,793.86
02/01/15	19,793.86	0.00	19,793.86
03/01/15	19,793.86	0.00	19,793.86
04/01/15	19,793.86	0.00	19,793.86
05/01/15	19,793.86	0.00	19,793.86
06/01/15	19,793.86	0.00	19,793.86
07/01/15	19,793.86	0.00	19,793.86
08/01/15	19,793.85	0.00	19,793.85
09/01/15	0.00	12,992.82	12,992.82
10/01/15	0.00	12,992.82	12,992.82
11/01/15	0.00	12,992.82	12,992.82
12/01/15	0.00	12,992.82	12,992.82
01/01/16	0.00	12,992.82	12,992.82
02/01/16	0.00	12,992.82	12,992.82
03/01/16	0.00	12,992.82	12,992.82
04/01/16	0.00	12,992.82	F,992.82
05/01/16	0.00	12,992.82	12,992.82
06/01/16	0.00	12,992.82	12,992.82
07/01/16	0.00	12,992.82	12,992.82
08/01/16	0.00	12,992.82	12,992.82
09/01/16	0.00	12,992.82	12,992.82
10/01/16	0.00	12,992.82	12,992.82
11/01/16	0.00	12,992.82	12,992.82
12/01/16	0.00	12,992.82	12,992.82
01/01/17	0.00	12,992.82	12,992.82
02/01/17	0.00	12,992.82	12,992.82
03/01/17	0.00	12,992.82	12,992.82
04/01/17	0.00	12,992.82	12,992.82
05/01/17	0.00	12,992.82	12,992.82
06/01/17	0.00	12,992.82	12,992.82
07/01/17	0.00	12,992.82	12,992.82
08/01/17	0.00	12,992.71	12,992. 71
Total	237,526.31	311,827.57	549,353.88

**SCHEDULE 16**

**Intentionally Omitted**

SCHEDULE 17

Intentionally Omitted

SCHEDULE 18

POLICIES AND PROCEDURES OF THE OC FAIR & EVENT CENTER

[Attached]



# *Policies* & PROCEDURES





# OCFEC Year Round Event Program Policies & Procedures

## ACCESS BY FACILITY PERSONNEL

In performance of their duties, Facility personnel shall have the right to enter the areas contracted by the Renter. Specific hours may or may not be designated. At all times, Renter will honor the official OCFEC identification credentials worn by OCFEC personnel.

## ADVERTISING

A signed and executed event rental agreement is required prior to any advertising or promotions of the event. All advertising and promotion materials, including press releases, flyers, radio and /or television spots, website content and exhibitor packets shall be review and approved by your OCFEC event coordinator prior to production.

The OCFEC shall be referred to as "OC FAIR & EVENT CENTER" - in all marketing materials, public listings, radio/print/TV broadcast advertising, external & on-site signage, vendor information, public communications, collateral reference, internet listings, media alerts, media interviews, press releases, and all references, and all reference to property identification of the event. All other references to the property location are deemed invalid. For further information see the OCFEC branding guidelines available at [www.ocfair.com](http://www.ocfair.com) or your OCFEC event coordinator.

As stated in the CPC (California Penal Code) section 556-556.1 Renter shall not unlawfully place, post, erect or display any signs or forms of advertising on any public street or thoroughfare or any private property which pertains to your contracted event at the OCFEC. Failure to adhere to this provision may result in the cancellation of future bookings.

## AIR CONDITIONING AND HEATING

Air conditioning and/or heating are provided during published hours only and included in the rental rate for the building. Requests for air condition and/or heating during non-event periods will be charged at the prevailing rate.

## ALCOHOL

Alcohol brought on the grounds by exhibitors, attendees or show personnel is strictly prohibited. The OCFEC Foodservice Provider shall only serve alcoholic beverages on the OCFEC property. Exception to this policy shall only be valid with written OCFEC approval.

## AMERICANS WITH DISABILITIES ACT

While the OCFEC will provide those accommodations that are structural in nature, the Renter shall provide those accommodations that are show specific such as wheelchairs, guided escort services to a specific booth, but not to all exhibits.

An Equal Access Guide has been developed by the OCFEC for the public use. Copies are available at [ocfair.com](http://ocfair.com). For more information contact your Event Coordinator.

## ANIMALS

With the exception of guide, signal or service dogs, animals are not allowed on the property without prior written approval from the OCFEC. Approval is based on whether the animal is legitimately part of a show, exhibit or activity requiring the use of animals. If allowed, the Renter is ultimately responsible for the liability associated with animals and the sanitary needs.

## ARTIST CONTRACTS

Renter shall provide, or, if needed by the OCFEC, the Renter shall provide, with the artist(s) scheduled to perform, during the event, the following:

#### ATM SERVICE

ATM's shall be provided by the OCFC. Residents shall be notified of the location of the ATM's and the location of the ATM's shall be provided by the OCFC.

Re later than, 30 days prior to the start of the event,.

#### BOARD OF EQUALIZATION

State of California Board of Equalization requires the Residents shall be notified of the location of the ATM's and the location of the ATM's shall be provided by the OCFC.

Board of Equalization, re less than thirty days prior to the start of the event,.

#### BUSINESS LICENSE

A Business License is required from the City of Costa Mesa for any event generating income at the OCFC.

#### BOOKING POLICY COMPETING EVENTS

Non-Profit Events and Trade Shows

Competing events where more than 50% of the event is similar in nature shall not be scheduled within

30 calendar days of each other.

#### Public Consumer Shows

Competing events where more than 50% of the event is similar in nature shall not be scheduled within

45 calendar days of each other.

#### EVENT SELECTION CRITERIA

Below are the various points evaluated by OCFC:

Available Space - Determines if the desired space of the applicant is available and does not negatively affect other users of the OCFC property.

Available Dates - Determines if the desired dates of the applicant are available and does not negatively affect other users of the OCFC property.

Scope of Event - Determines if the scope of the event can be effectively supported by the available infrastructure of the OCFC property. In addition, evaluates to ensure the event is within the mission and values of the OCFC.

Competing Events - Determines if the applicant's event may compete with a similar or like event within the date range designated in the Competing Events Policy.

Safety Concerns - Determines any safety risks and liabilities that may be caused by the requester's event. Renter Experience - Determines and evaluates the event experience of the Renter. Venue References - Determines and evaluates past experience of the requestor's event at other venues.

Bank References - Determines and evaluates the requestor's experience and credit worthiness with their bank.

Event Business Plan - Determines and evaluates the requestor's proposed business plan for the event.

Financial Return to OCFEC - Determines and evaluates the proposed net financial gain from the event. This includes evaluating the estimated rent and ancillary revenue vs. estimated event expenses.

#### OCFEC PRODUCED EVENTS

GGFeG s13ensered everits, iReludiR\$ the eRRual--GreR@e GeuRt,' Fair eRd eftttfel Yeuth ex13e, take 13reeedeRee e'ier eRy e-,eRI. If GGFE:G sehedules el'H'lflivity that iRterferes with e beeked eveRI, eR alternate date er leeetieR will be 13rnvided, er ell ffieRies v.ill be refuRded.

#### BOOKING PROCESS Application/Proposal

Requested dates more than 24 months prior to the proposed event shall not be considered.

An OCFEC completed event application is required for all booking requests. OCFEC, at it's sole discretion may consider an event proposal as an application in cases where additional information is necessary to evaluate the request.

#### Selection Criteria:

- Available Space
- Available Dates
- Scope of event
- Competing Events
- Safety concerns
- Renter Experience
- Venue References
- Bank References
- Event Business Plan

#### Review:

Review of completed applications/proposals typically takes 5 to 15 business days. Review of applications involving more complex events typically takes 15 to 30 business days.

At the conclusion of the review process, a draft rental agreement will be developed or a letter of denial will be sent to the applicant. It is important to understand that an event is not considered approved until a final rental agreement has been signed by both the Renter and the OCFEC. The first scheduled payment is submitted according to the terms in the rental agreement.

## CAMPING Rates

- Individual Campers shall be charged according to the current on the OCFEC rate sheet.
- Trailer Rallies shall be charged according to the current rates on the OCFEC rate sheet.
- Exhibitors with a contracted OCFEC event shall be charged according to the current rates on the OCFEC rate sheet.
- Camping rates include a designated space with electrical and water service. Sewer service is based upon availability.
- Camping rates are applied for each overnight stay.
- Payments shall be made at the Department of Public Safety Office just inside Gate 5.
- Cash is the only acceptable form of payment.

## Campground Hours

- For the enjoyment of your fellow campers please observe the quiet hours between 10 p.m. and 7 a.m. Generators may not be run during those hours.
- Gate 5 is closed from 12 midnight to 6 a.m.
- Campers may stay up to a maximum 14 consecutive days per visit. There must be a break of 7 days between visits with a maximum of 60 days per year.

## Utilities

Power available at each camping space is a 50 Amps 240 volt straight blade connector and a standard 20 Amp 120 volt household receptacle.

Water connection is available at each camping space. Sewer connections are only available at designated locations.

A dump station is available within the campground and is included in the nightly rate charged to use the facility. Please do not dump wastewater anywhere else within the campground or the OCFEC.

## Contacts

In case of emergency or any other condition that requires immediate attention, please contact our Department of Public Safety at (714) 708-1588 (24 hours a day) or visit the Department of Public Safety Office just inside Gate 5.

## Rules & Regulations

- Vehicles must display the proper OCFEC issued permit at all times.
- Second vehicles must have an OCFEC issued permit to leave and re-enter.
- Speed limit is 10 mph.
- RV sites must be kept clean for the enjoyment of all our guests.
- Pets are to be kept on a leash at all times and are to stay within the campground only.
- Pets must be cleaned up after immediately.

- Pets are not to be left alone tied to a vehicle. If you leave your pet in your RV, make sure there is adequate ventilation.
- Any type of fencing or barrier is not permitted.
- One RV and one vehicle per site.
- Guests must pay for all extended stays by 10 a.m.
- Drugs, weapons, fighting, lewd conduct, reckless driving, speeding, motorized/non-motorized scooters and skateboards are not permitted.
- Non-contained fires for cooking or heating are not permitted.
- Any guests, their children or visitors who become a nuisance will be asked to leave.
- The Rules and Regulations must be adhered to, as well as any other directions given by the OCFEC Department of Public Safety. Any violators of the above policies will be asked to leave the property without refund.
- OCFEC management has the right to close the campground at any time without prior notice. Every effort to find an alternate location will be made.

PURSUANT TO THE CALIFORNIA RECREATIONAL VEHICLE OCCUPANCY LAW, THE "RECREATIONAL VEHICLE MAY BE REMOVED AS SPECIFIED IN SECTION 799.22 ..." FOR FAILURE TO PAY OR FAILURE TO COMPLY WITH PARK CAMPING POLICY.

CIVIL CODE SECTIONS 799.22, 799.43 AND 799.58  
ORANGE COUNTY SHERIFF'S DEPT. (714) 288-6742

#### CANCELLATIONS OF RENTAL AGREEMENT

Renter understands that if the Rental Agreement is not returned within 10 business days after receipt of the Rental Agreement, the due dates stated in the Rental Agreement, OCFEC reserves the right to bill the Renter for the Rental Agreement without further notice.

365 calendar days or more prior to the start of the rental, the Renter is responsible for a fee of \$1,000 vs. the amount due to the Rental Agreement if the Rental Agreement is returned (whichever is greater): The fee shall serve as the liquidated damages to the OCFEC for the loss of business.

180 calendar days or less prior to the start of the rental, the Renter is responsible for a fee of \$1,000 vs. the amount due to the OCFEC if the Rental Agreement is returned (whichever is greater): The fee shall serve as the liquidated damages to the OCFEC for the loss of business.

Renter is required to submit a letter of intent to the Rental Agreement, if the Rental Agreement is returned (whichever is greater): The fee shall serve as the liquidated damages to the OCFEC for the loss of business.

## CARE>BOARE>

Renter shall be responsible for all damage to carpets, floors & walls during an event. Understanding that temporary stains will occasionally occur, Renter shall be responsible for cleaning costs associated with the removal. If carpet/wall coverings cannot be sufficiently cleaned or if the damage is severe (cuts, rips or tears) Renter shall be responsible for the costs of the carpet or wall covering replacement. Renter installing temporary carpet or wall coverings shall be responsible for any residue left from the removal of the carpet or wall coverings.

## CARPETS, FLOORS & WALLS

Renter shall not be permitted to use staples, pins, tack and nails to affix to any walls within the OCFEC facility. Renter shall be responsible for any holes or marred wall surfaces from the use of tape. Renter shall be responsible for any tape residue left on the floors.

Renter shall be responsible for any wires left on the walls or floors.

Renter shall be charged according to the current rates in the General Pricing booklet for any labor or equipment necessary for the repair or removal costs.

## CARTS

All carts shall be the property of the OCFEC and shall remain affixed to the facility at all times while in the possession of the OCFEC.

It shall be the responsibility of the OCFEC to provide all users of electrical, [Jes, or siFRiler lyfle-cefis ebe, the fleliey es set foFil, ifl this deetJFRrnI. TI, is fleliey, es established se that ell tJusers el these ea Fis er1d the ethers e1etJF1d ther11 e1e eble le lre,el en !lie [JletJRds is a F11er1r1er that is es sefe es fl6Ssible. The OCFEC is fltJblie flFeflefiy er1d il'l edditierle-lrte I tJles sleled ir1 this flelie, the Celifornie \ehiele Cede is-er1fereeeble et ell limes.

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Drivers shall:

- Be 18 years of age or older.
- Possess a valid and unrestricted driver's license while operating the cart.
- Never drive more than 10 MPH at any time on the grounds.
- Always be courteous and polite when operating the cart.
- Make sure every rider is seated. Riding on a dashboard or on someone's lap is not permitted. All arms and legs must be inside the cart at all times.
- Always apply the parking brake when leaving the vehicle and take the key.
- Keep a minimum of three (3) feet between you and the closest pedestrian.
- Remember that pedestrians always have the right of way. Do not honk the horn or tell people to "get out of the way" to get by them.
- Always watch for darting children.
- Not overload the cart with cargo. Cargo may not be placed in the cart in a manner which blocks the driver's view, makes the cart unbalanced, or in which the load extends from the cart in an unsafe manner.
- Wait until the cart comes to a complete stop before letting anyone get in or out.
- Never leave a cart blocking any roadway or pedestrian walkway.
- Obey the rules of the road at all times
- Not drive a cart at any time while under the influence of drugs or alcohol.
- Not consume alcohol while operating a cart.
- Not operate carts on the grounds during the hours the fair is open to the public, or when otherwise directed by OCFEC Management or their representatives.
- Insure that carts are only be used for business purposes, i.e. moving product, equipment, etc. Do not use the carts for personal use. (Not applicable for certain events)
- Tampering with any cart at anytime, in any manner will result in loss of driving privilege. In the case of OCFEC staff, disciplinary action up to and including termination may result.
- Driving any vehicle in an unsafe manner will result in loss of driving privileges. In the case of OCFEC staff, disciplinary action up to and including termination may result.

#### COORDINATION & COMMUNICATION

Your OCFEC Event Coordinator has been assigned to provide the event expertise and coordinate, in a successful manner, all OCFEC. It is in your best interest to follow the guidelines of the OCFEC Event Coordinator. It is the responsibility of your Event Coordinator to ensure that all OCFEC Departmental policies are followed. Please contact your Event Coordinator if you need further clarification.

## CONTRACTOR REGISTRATION

Renters must provide a list of employees that will be used during the event. The list assists us with the pre-arrangement of services and security.

Preparation of the event is essential while working with the OSHA. The Safety Staff will be on-site. The event is a professional event for the community, which includes fellow workers and the public.

Abide by the Safety and Health Regulations of the OSHA and the OSHA Safety Staff will be on-site. The event is a professional event for the community, which includes fellow workers and the public.

The event is a professional event for the community, which includes fellow workers and the public. The event is a professional event for the community, which includes fellow workers and the public.

Employees are required to wear safety gear, including safety glasses, which includes:

- proper use of safety gear, including safety glasses, which includes:
- employees must wear safety gear, including safety glasses, which includes:
- safety gear, including safety glasses, which includes:
- if the employer's safety gear, including safety glasses, which includes:

## COURTESY CREDENTIALS

Renter understands that they shall provide courtesy credentials in order for OSHA management, staff and Board of Directors to attend and monitor the event.

## COMPLIANCE WITH LAWS

The Renter, its employees, and the event must comply with the OSHA, which includes:

Stress, Stress, and the OSHA, which includes:

## CRISIS COMMUNICATIONS

OSHA, Emergency, and the OSHA, which includes:

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## DECORATING COMPANIES

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## DECORATIVE MATERIALS

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## DESIGNATED RENTER STAFF

Renter shall provide the OCFEC Event Coordinator with a list of Renter staff and their designated areas of responsibilities. The staff list should include a clear indication of those staff members authorized to obligate Renter for charges for services, personnel and equipment.

## DUMPSTERS

OCFEC shall advise renter of dumpsters utilized at event site. This includes dumpsters used during event, including those used for construction, demolition, and other purposes. The renter shall be responsible for the cost of the dumpsters and for obtaining the necessary permits for their use. The renter shall also be responsible for ensuring that the dumpsters are properly placed and maintained throughout the event.

## ELECTRICAL SERVICES

The OCFEC requires all electrical equipment used at the event to be UL listed and meet applicable National Electrical Code and OCFEC requirements. Electrical fixtures and fittings must be UL listed and so marked. OCFEC reserves the right to withhold electrical power until any violation of the codes is corrected and the OCFEC electrician approves the correction.

Outside electrical services shall be provided by the renter with the written agreement of the renter and the OCFEC Event Coordinator. The renter shall be responsible for the cost of the electrical services and for obtaining the necessary permits for their use.

All electrical equipment used for lighting, sound, exhibit equipment, or other effects must meet applicable National Electrical Code and OCFEC requirements. Electrical fixtures and fittings must be UL listed and so marked. OCFEC reserves the right to withhold electrical power until any violation of the codes is corrected and the OCFEC electrician approves the correction.

All electrical specifications and exact desired electrical locations shall be detailed on an OCFEC based CAD layout and provided to your OCFEC coordinator within 21 days of your event. Additional fees and penalties may be charged to the Renter if the layout is not detailed or is provided to OCFEC less than 21 days of the start of your event.

All labor hours provided by OCFEC Electricians and equipment used for each event shall be charged to the Renter at the applicable rates shown on the most current OCFEC General Pricing Information. OCFEC Electrician labor include all hours utilized for installation of electrical equipment, monitoring and responding to Renter requests during move-in, event, move-out periods and removal of electrical equipment.

OCFEC reserves the right to inspect and approve or reject all electrical installations.

Renter shall be responsible for any equipment that is either damaged or lost when OCFEC Electricians remove the electrical equipment following the event. Damage or lost equipment shall be itemized and deducted from the Refundable Deposit following the event.

Please contact your OCFEC event coordinator for questions.

## ELECTRICAL CORDS

Cords are not permitted to run across any public access way including aisles and roadways. There is to be a clearance of three feet left in front of any electrical panel. No zip cord (household extension cords (2) prong wiring will not be permitted).

## EQUIPMENT RENTAL

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## EVENT COORDINATOR

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## EVENT EXPENSES

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## EXHIBIT DISPLAYS

As a general policy, exhibitors are responsible for providing or arranging for their own carpeting in the booth area. Renter or exhibitors shall also be responsible for the cleaning and maintenance of the carpet.

## EXHIBITOR LOAD IN/LOAD OUT

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## FIRST AID COVERAGE

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#### GAMES OF CHANCE

"Games of Chance" or any other related activities are prohibited if the activity is played for commercial purposes and for profit. If a "raffle" or "free drawing" is to be utilized during the event by the Renter and/or exhibitors, it must be called an "Opportunity Drawing".

## GENERAL PRICING INFORMATION

The rates & procedures of the OCFC fee sheet is provided to assist with the rental of your event. Please email [info@ocfc.com](mailto:info@ocfc.com) for a complete list of fees, reimbursable equipment fees, rental, burseable services, and other miscellaneous fees. The OCFC fee sheet is available on the OCFC website. Please email [info@ocfc.com](mailto:info@ocfc.com) for more information.

## HELIUM BALLOONS

Helium balloons may not be distributed or sold inside or outside the facility. With the prior approval of the OCFC, helium balloons may be used when they are permanently affixed to a booth display.

If helium balloons are released for any reason within the facility, labor and equipment costs associated with the removal of the balloons from ceilings shall be charged to the Renter at the current fees listed in the General Pricing Information booklet. Additionally, helium balloons may not be released into the outside environment from the premises of OCFC.

## HOLIDAYS

OCFC is available on all State Holidays, including Martin Luther King Jr. Day, Lincoln's Birthday, Presidents Day, Cesar Chavez Day, Easter, Memorial Day, Independence Day, Labor Day, Columbus Day, Veterans Day, Thanksgiving Day, Friday after Thanksgiving, Christmas Eve, Christmas Day, New Years Eve and New Years Day. On these days, the Renter shall incur additional fees for personnel and service costs.

## INJURIES

All injuries shall be reported immediately to the Department of Public Safety so a report can be taken. They can be reached at (714) 708 1588.

## INSURANCE

Insurance is required for every event held at the OCFC. Please email [info@ocfc.com](mailto:info@ocfc.com) for OCFC Event Coordination fee and other event requirements. It is prohibited to conduct an event at the OCFC without the insurance required by the OCFC.

All required insurance policies shall be submitted to the OCFC Event Coordination fee within 60 days prior to the event date.

Access to the event space will be permitted without proper policies of insurance for every event. Depending on the type of event, the OCFC will require the purchase of insurance through the OCFC's insurance company.

## KEYS

Keys are available upon request for the show offices and ticket booths. Keys are not available for the buildings. To avoid unanticipated delays, please let us know what your needs are at least 14 days prior to the event. Renter can be provided with up to two (2) keys that fit our standard room locks for each office or ticket booth. Requested keys will be provided to the Renter by your Event Coordinator during move-in and must be returned to your Event Coordinator prior to leaving OCFC after your event. There will be a \$50 per key fee assessed for any keys not returned prior leaving OCFC after your event.



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A lost and found location may be operated at the Renter's discretion and expense. OCFEC reserves the right to require, based upon the scope of the event the Renter to provide this service for their event. The OCFEC Department of Public Safety operates a 24-hour lost and found, which is also available for your use. Every effort shall be made by OCFEC staff to see that property found or turned in is handled in such a way as to provide the best possible opportunity for return of the property to its rightful owner. Please note that because we do not store show materials, unclaimed items may be disposed of at the conclusion of the move out.

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Renter agrees that all motor vehicles on display within an exhibit building shall have battery cables disconnected, taped, fuel tanks not more than 1/4 full, provided with locked caps, or sealed in a manner approved by the State Fire Marshal.

A 15% discount will be deducted from the applicable rental rates during the day of rent of the facility during off-peak days (Monday through Thursday only). Non-profit companies are required to provide a valid IRS' 501 (C)(3) certificate to be eligible for the discount. Discount shall only include rent of the facility on event days only and not apply for any days of move-in; move out, reimbursable fees of personnel or equipment.

All Attachments to any portion of the permanent structure of the Facility shall meet accepted engineering and safety standards. All attachments shall have sufficient strength to support weights placed on them and be secured in such a way to prevent items from falling or causing damage.

The OCFEC reserves the right to demand clarification of welds and safe working loads, deny installation, demand removal of questionable attachments and/or require appropriately qualified personnel to install or remove such attachments.

## PARKING

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## PARKING LOT USAGE (RIDE AND DRIVE EVENTS)

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## PROPANE

Propane is not allowed in any of the OCFEC buildings. Please ask your event coordinator for any additional information.

## PUBLIC INFORMATION FORM

OR a form supplied by the OCFEC, Renter shall provide the OCFEC with the scheduled hours of operation, estimated daily attendance, admission fees, proposed premises, public relations information and a flyer either provided by the OCFEC or that will assist the OCFEC in the Department with such aspects as website listings, press releases, materials and receipt of staff. This form shall be provided to your Event Coordinator prior to the selection of sales or exhibitor space.

## PYROTECHNICS & LASERS

A special permit is required for the use of pyrotechnics and/or lasers. Each situation must be individually pre-approved in writing by your OCFEC Event Coordinator and the State Fire Marshal.

If approved, the use of pyrotechnics and/or lasers will be strictly controlled and continuously monitored by the State Fire Marshal. Standby Fire Personnel will be required at the Renter's sole expense during the demonstration.

## RADIOS

Event Sales & Services issued radios to the Renter are for the purposes of communication between the Renter and your Event Coordinator. Renter shall be liable for any replacement or repair to the loss or damage of the radio at the time of the Renter's possession. Event Sales & Services issued radios should be returned by the Renter prior to the conclusion of move-out. Radios can be returned to your Event Coordinator or the Department of Public Safety located inside Gate 5.

## REFUNDABLE DEPOSIT

Is required of all renters to ensure additional reimbursable expenses to include but not limited to OCFEC personnel, equipment, less, stroller, demountable, electrical labor, catering, etc. to the OCFEC. A refund of \$250.00 or 25% of the total fee, whichever is greater, is required.

## RIGGING

The OCFEC reserves the right to require that all rigging in the Facility be performed by only those organizations and/or individuals whose qualifications have been approved by the OCFEC. Labor and equipment fees shall be at the Renter's expense.

All rigging proposals shall receive written approval from your OCFEC Event Coordinator. Requests shall be submitted at least 60 days prior to your event. State Fire Marshal and OCFEC requirements shall apply to all rigging activity on the property.

## SAFETY

OCFEC's goal is to provide a safe environment for you and everyone associated with your event. Please help us meet our goal by adhering to the basic safety-related policies, which follow in this section:

- All show and exhibitor equipment must be UL approved. Extension cords shall be three-wire with ground and shall service one appliance or device. Multi-plug adapters must be UL approved and have an overload internal circuit breaker. Home-type "cube" taps are prohibited. Spliced wires are heat generators and are prohibited.
- All doors shall remain accessible from the inside of the building at all times. Chains or any other extra locking devices shall not be permitted on the doors at anytime.

- Cooking/warming devices shall be electric and shall be UL or FM approved. Cooking/warming devices and heated products need to be four (4) feet away from the front of the display, or have a shield 18 inches high, 1/2 inch thick across the front and down the sides of the demonstration area. A2A 1 OBC fire extinguisher must be in the booth and readily available near the demonstration area.
- The use of welding equipment, open flames, decorative candles or smoke emitting devices or material is prohibited. Exceptions may be made with prior approval by the Fire Marshal.
- All decorations, drapes, signs, banners, acoustical materials, hay, straw, moss, split bamboo, plastic cloth or similar decorative materials or any other potentially combustible material shall be flame retarded to the specification of the State Fire Marshal. A California State Fire Marshal's Flame Proof Certificate will be required. Field tests for flame resistance are not acceptable.

All fabrics, whether treated or inherently flame resistant, shall be labeled, tagged, stamped, printed or stenciled with the following information:

1. The Seal of Registration of the State Fire Marshal of California.
  2. Name and registration number of the concern responsible for the job or production.
  3. Name of the registered chemical used or the registered fabric or material.
  4. Date chemical was applied, or the fabric or material was produced.
  5. The statement, "This article must be re-treated after washing or dry-cleaning by systems with soap and water added" (If treated with a "Type II" chemical.)
- Exits, entrances, air supply vents, ramps, sidewalks, hallways, stairways, elevators, escalators and aisle ways must be kept clear at all times. Exit signs must be kept visible at all times. Fire extinguishers, fire protection valves and fire hose cabinets must be kept clear at all times.
  - The use of burning fluids, oils, camphene, liquid oxygen, ethylene, kerosene, gasoline or anything else of like nature is discouraged in the facilities. If your event absolutely requires the use of hazardous materials, maximum limits and controls include our reserved right to curtail the use of the materials.
  - In the event that an alarm goes off, please know that we do not deactivate any alarm until the proper emergency response team is on-site, verifies the cause of the alarm and then deactivates the alarm. We operate at a maximum safety level that helps us to insure life. In case of an emergency following an alarm, we will activate our public address system and provide direction to everyone in the facility. When the public address system starts to operate, please listen and follow the directions. Doing anything else will increase the hazard and will put you and your attendees at risk.
  - Electrical equipment shall be installed, operated and maintained in a manner that does not create a hazard to life or property. Sufficient access and working space must be provided for all electrical equipment and must comply with current N.E.C. standards.
  - No spray painting is allowed on the premises.

## SALES AND USE TAXES AND LICENSES

### PROPERTY TAXATION

The facility rental will create a taxable possessory interest. Rent will be subject to the payment of property taxes levied on such interest by the Orange County Assessor.

### SEATING CAPACITY

Seating capacity information and diagrams are available. Please contact your Event Coordinator for information.

### SECURITY: PUBLIC SAFETY & EVENT SECURITY SERVICES FACILITY PUBLIC SAFETY

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### EVENT SECURITY SERVICES

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By state law and in the interest of public health, smoking shall not be permitted in or within 20 feet of any State of California building, including the Parade of Products area.



## SOUND COMPLIANCE

Events held at the OCFEC shall comply with sound standards as outlined in the 1980 Settlement Agreement between the OCFEC and the City of Costa Mesa's permanent injunction. A summary of the sound standards is as follows:

Sound Level	Time Period	Day of Week
55 dB(A)	7:00am - 10:30pm	Sun. - Thurs.
50 dB(A)	10:30pm - 7:00am	Sun. - Thurs.
55 dB(A)	7:00am - 11:00pm	Fri. - Sat.
50 dB(A)	11:00pm - 7:00am	Fri. - Sat.

The sound levels shall not exceed:

- (1) The sound standard for a cumulative period of more than thirty (30) minutes in any hour; or
- (2) The sound standard plus five (5) dB(A) for a cumulative period of more than fifteen (15) minutes in any hour; or
- (3) The sound standard plus ten (10) dB(A) for a cumulative period of more than five (5) minutes in any hour; or
- (4) The sound standard plus fifteen (15) dB(A) for a cumulative period of more than one (1) minute in any hour; or
- (5) The sound standard plus twenty (20) dB(A) for any period of time.

The sound level shall be measured in the residential neighborhoods surrounding the OCFEC property. The Renter shall work with the OCFEC to ensure compliance with the applicable sound level standards.

## SOUND MONITORING

In the interest of ensuring sound standards are met, the OCFEC may, at its sole discretion, require the presence of the OCFEC Sound Engineer during certain events which may adversely impact the established sound standards or cause concern with neighboring community. The OCFEC Sound Engineer may also require and approval of the sound equipment proposed for the event.

The OCFEC Sound Engineer reserves the right to require the Renter to either immediately adjust the sound level to acceptable level or discontinue all amplified sound. The OCFEC Sound Engineer is scheduled at the Renter's expense.

## SPONSORSHIP

Renter shall seek from the OCFEC prior to seeking sponsorship.

OCFEC has the right to refuse any sponsorship that is not in the best interest of the OCFEC. Beer, wine, spirits, and other alcoholic beverages are not permitted.

## STAKING

Using alternatives to staking is required unless written approval is granted from the OCFEC. Typical alternatives to staking include the use water barrels or large weights. Staking requests shall be detailed with an OCFEC CAD layout showing the exact location intended to stake, specifications of all stakes and the plan of how the stake will be removed and the area returned to its original state. All requests shall be submitted for review and approval at least 45 days prior to your event. All damage related to staking shall be deducted from the Refundable Deposit following the event.

## TEAR DO'A'N

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## TELEPHONE SERVICE

Telephone service is available by calling AT&T at (800) 339-3204. From outside California call (213) 975-5519. Office hours are Monday - Friday, 8:00am - 5:00pm (PST)

AT&T requires that orders be placed no later than two (2) weeks before the requested installation date. For fast service on repair problems, call (800) 332-1321 (24 hours). The following information is needed when placing an order:

Location:	OC Fair and Event Center
Bldg/booth #:	The number of the event building and booth location number
Event name:	Advertised name of event.
Connect date:	Date of desired connection (must be Monday - Friday, Excluding holidays.
Disconnect date:	Date of desired disconnection
Billing information:	Your name and address (do not use OCFEC address for Billing information)

## TENTS

The following fire and life-safety requirements shall be applicable for all tents, awnings and fabric-covered enclosures.

1. All tents, awnings and other fabric-covered enclosures shall be made from a nonflammable material or shall be treated and maintained in approved flame-retardant condition. Documentation shall be maintained with the tent or awning.
2. Any paper or fabric used in displays or exhibits shall be fire resistive or treated with an approved fire retardant solution prior to use. Documentation of such shall be available during any inspection.
3. All tents with occupancy of 11 or more shall bear the seal of the California State Fire Marshal.
4. No smoking shall be allowed in any tent and "No Smoking" signs shall be posted.
5. No vehicles shall be parked within 100 feet of a tent unless it is necessary for the operation of the tent, or parked on a street closer than 20 feet from the tent.

6. Illuminated exit signs shall be provided at each required exit when the occupant load is 100 or more. A minimum of two exits shall be provided for each tent with an occupancy load of up to 199. Three exits shall be provided for occupant loads of 200 to 499. Four exits shall be provided for 500 to 999 occupant loads.

7. No open-flame device shall be permitted in any tent or tent structure.

8. Emergency lighting shall be provided for any structure or tent with an occupant load of 100 persons or more. The power source may be generator or battery.

9. Fire extinguishers in tents shall be provided as follows:

- a. 10 500 square feet of floor space area, one 2A: 1 OBC extinguisher.
- b. To 1000 square feet of floor space area, two 2A; 1 OBC extinguishers.
- c. Each additional 1000 square feet of space area will require one additional fire extinguisher.

#### TICKETING / BOX OFFICE

Ticketing shall be provided for all events. If a ticket is utilized for this service, all ticketing shall be done by the event organizer. If a ticket is utilized for this service, all ticketing shall be done by the event organizer. If a ticket is utilized for this service, all ticketing shall be done by the event organizer.

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For all ticketing, the event organizer shall be responsible for the sale of tickets. If a ticket is utilized for this service, all ticketing shall be done by the event organizer. If a ticket is utilized for this service, all ticketing shall be done by the event organizer.

#### ADVANCE TICKET SALES:

Advance ticket sales shall be done by the event organizer. If a ticket is utilized for this service, all ticketing shall be done by the event organizer. If a ticket is utilized for this service, all ticketing shall be done by the event organizer.

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## TICKETING / BOX OFFICE CON-HNUED...

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## TICKETING / BOX OFFICE CONTINUE9...

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## TRAFFIC CONTROL

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## LASTLY...

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Our sole effort is to insure the success of your event and safeguard the safety and experience or all our visitors. We know that you will appreciate our efforts.

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## **SCHEDULE 19**

### **APPROVED TEL PHIL SPECIAL EVENTS AND PROMOTIONS**

January- December - Every 1st and 4th weekend, Antique and Vintage Market March

16th

Annual St. Patrick Day Celebration

Annual Green Festival

March 29th

Annual Bugstock (VW Car show and Concert)

April 19th

Annual Easter Festival and Treasure Hunt

April 26th & 27th

Rockabilly Showdown Weekend

May- June

Spring concert series - Tribute Bands every weekend

July 5th & 6th

Woodstock Weekend & Radio Disney "Win, Lose or Draw Event"

August 17th

Elvis Singing Competition

August 23rd

Health and Wellness Expo

August 24th

15th Annual Elvis Festival

September 27th

Battle of the Blues Harp Bands

September 28th

Big Squeeze - OC Accordion and Oktoberfest Experience

October 4th - 25th Battle of the Blues Harps Bands and Sam Adams beer festival

October 26th

Annual Trick or Treat Festival/Hearse show

November 29th - December 21"

Santa photos booth