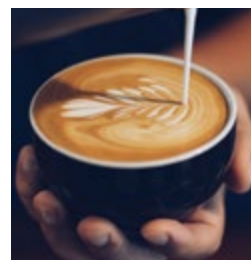
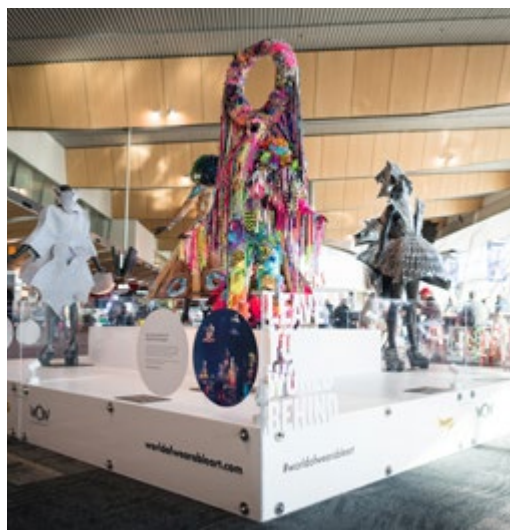




# Wellington Airport Food and Beverage Request for Proposals



September 2018



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# »Definitions

The following terms used in this RFP have the meanings shown below:

**Acknowledgement Date** means Wednesday 19 September 2018.

**AIC** means Airport Identity Card.

**Airport or WLG** means the Wellington International Airport at Rongotai in the Wellington Land District, being an area of approximately 100 hectares which includes a runway, an international terminal and a domestic terminal, and other buildings, installations, and facilities, including all land subsequently acquired or designated (or both) for airport purposes.

**Avsec** means the Aviation Security Service.

**Closing Date** means Friday 2 November 2018.

**Financial requirements** means the documents to be completed by respondents and returned to us, attached at Schedule 3.

**Lease** means the Lease of the Premises attached at Schedule 4.

**Manager** means Astra Davidson-Powell, Manager Retail and Advertising for WIAL, or such other person notified by WIAL as its Manager from time to time.

**MAG Rent** means the minimal annual guaranteed rent, payable under the Lease.

**MTB** means the Main Terminal Building at the Airport.

**Notification Date** means Monday 3 December 2018.

**Preferred Operator** means a successful respondent selected by WIAL.

**Pro-forma Response Schedules** means all of the returnable forms attached at Schedule 3.

**Questions Closing Date** means Friday 5 October 2018.

**Rent** means that as defined in the lease.

**Response Form** means the form attached at Schedule 2.

**RFP** means this request for proposal document, or where the context requires, includes the process carried out pursuant to this request for proposal document.

**RFP Acknowledgement Form** means the form attached at Schedule 1 to be returned by Wednesday 19 September 2018.

**RFP Documents** has the meaning given to that phrase in Part C, Section 1 of this RFP.

**Schedule** means all schedules attached to this RFP, and includes all forms contained within them.

**Technical requirements** means all of the information listed under the heading Technical requirements in Part D.

**Turnover Rent** means the percentage/s of Gross Revenue, payable under the Lease.

**We, us, our, and WIAL** means Wellington International Airport Limited.

If not defined above, capitalised terms will have the meaning given to them in the Lease.



# »Introduction



A

# »» Introduction

## Play a major role in shaping the future success of Wellington's gateway airport by delivering a world-class food and beverage experience.

Wellington Airport invites interested parties to respond to this Request for Proposals to operate Food and Beverage units in the main terminal at Wellington Airport. Undergoing a dramatic redevelopment, this central area will be opened up delivering a large space with expansive views to the airfield and the hills beyond. This attractive new space will accommodate a number of new commercial opportunities in prime locations within the main passenger dwell area.

The successful respondents to this RFP will join us in pushing new boundaries in delivering a unique, distinctive experience to more than 6 million passengers, one million greeters / farewellers and 1500 campus employees.

This is your chance to be part of our exceptional growth story.

Wellington is a city that is often described as 'punching above its weight'. It's the coolest little capital in the world. We've already gone some way towards delivering this experience in the airport, but we know we can go further, and our Food and Beverage partners play an absolutely fundamental role in making the WLG experience unique.

In your RFP response you should detail how you propose to deliver an exceptional food and beverage experience which delivers to global quality and service standards while embodying everything that is unique and different about Wellington.

We're expecting our Food and Beverage partners to focus on the common and complimentary goals of driving sales while delivering great products and service to customers. The successful respondents will have an offer that is of the highest quality in terms of concept type, design and operational delivery coupled with a business plan that chases growth, maximises sales, optimises income to WIAL and runs as a profitable business in its own right.

### We're looking for partners who can deliver:



#### **A truly distinctive experience**

by proposing a concept and a business plan that aligns with the "Best of Wellington" to achieve a sophisticated, cutting edge F&B experience.



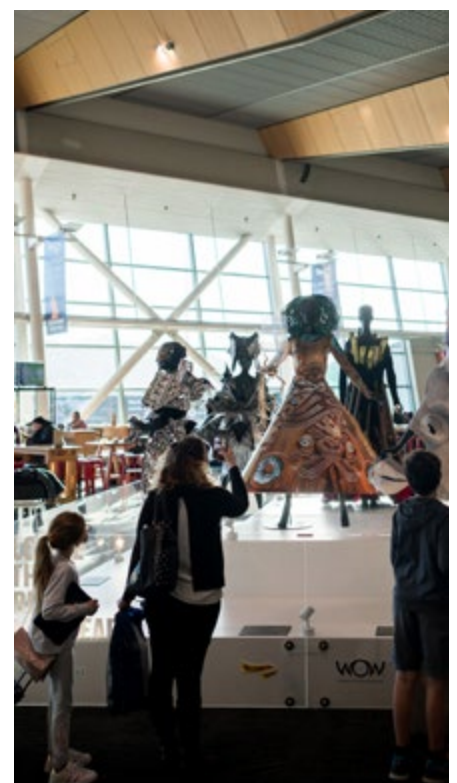
#### **Choice**

by proposing concepts and a supporting business plan that will achieve the optimum sales penetration across all target demographics by tailoring the concept or brand, the menu and products and the overall experience to our passengers and our airport.



#### **Outstanding sales and income performance**

by proposing a business case that is built on informed, achievable sales, delivering realistic PSRs against our passenger growth forecasts.



## Concepts

WIAL is creating additional Food and Beverage capacity to service current and future passenger volumes and at the same time provide further choice to our customers.

This RFP process seeks to lease around 1000sq m of space predominantly to the north and centre of the main departure lounge area. A further 500sq m (approx) of space will be available in the vicinity of these units for operators to develop F&B-friendly seating areas.

Almost all the locations are pre-security, accessible to all domestic and international departing and arriving passengers as well as staff and well-wishers.

In addition, this RFP includes a single F&B location in the international departure lounge, post-security. This unit currently trades as Squawk Café and is approximately 28sq m.

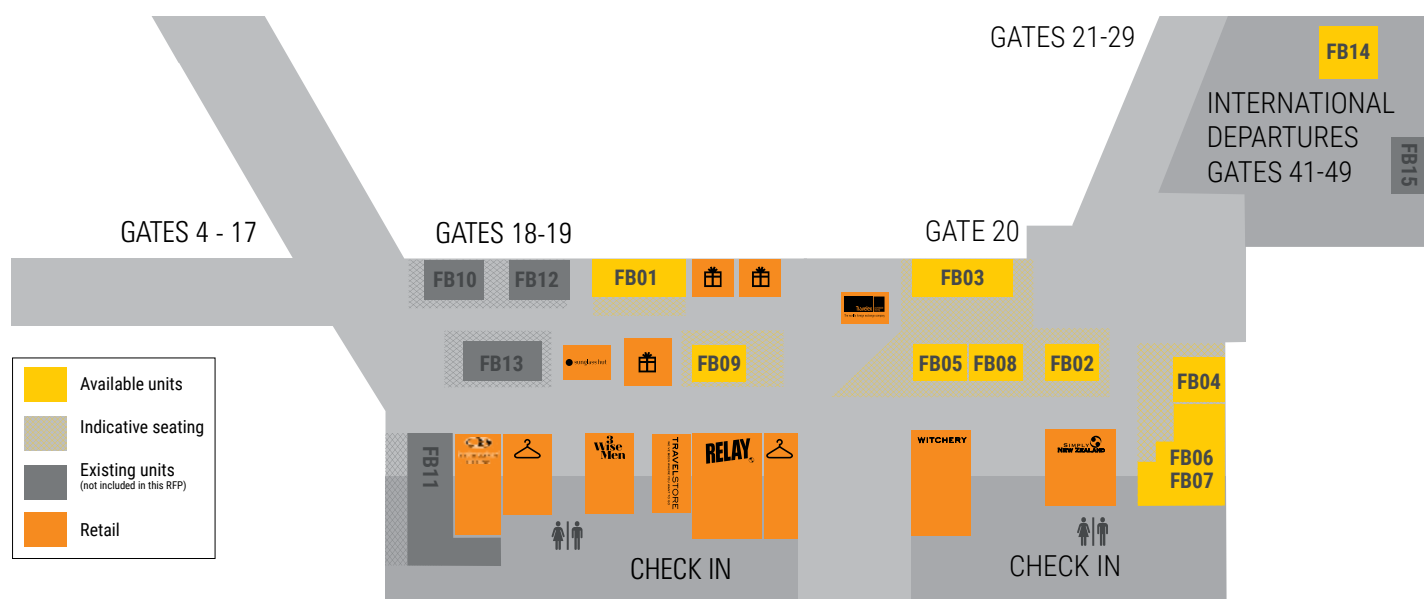
In addition to the locations being tendered in this RFP, some Food and Beverage units are already operating. In the main departures lounge. These are:

- United Brew Works – local bar with food offer
- Three Quarter Society – local premium coffee
- Best Ugly Bagels – local bagels and coffee
- Wishbone – pre-prepared meals

In the international departures lounge these are:

- Subway - subs and wraps

All F&B locations are marked on this terminal map. Locations included in this RFP are marked in yellow. Locations which are already leased and not included in this RFP are marked in grey. See Schedule 5.






## Units Available - Main Terminal

All unit sizes are approximate.


<b>FB01</b>	<b>100sqm</b>	<p><b>BAKERY / CAFE</b></p> <p>Full café offer with hot and cold savoury and sweet goods, including pies, wraps, salads, strong grab and go offering. This unit should deliver an offer which caters for all day parts (breakfast, lunch, dinner and snacking) and various dietary requirements including vegan, vegetarian and gluten-free options. But this place should also provide welcoming, familiar comfort food. This cafe could be licensed.</p> <p><i>Should have seats within unit. With location at glass, kitchen facility will be limited.</i></p>	
<b>FB02</b>	<b>40sqm</b>	<p><b>CONTEMPORARY ASIAN</b></p> <p>Sushi, rice paper rolls, gyoza, dim sim and possible noodles/hot ramen offer. Can be international or local. Cold drinks should also be offered and this unit could be licensed.</p> <p><i>Island unit.</i></p>	
<b>FB03</b>	<b>55sqm</b>	<p><b>DRINKS-LED BAR</b></p> <p>Impactful hero bar location leading with beer, wine and spirits, highlighting local suppliers. Food offer of small plates, light meals and snacks. There should be a strong emphasis on showcasing wine, beers and spirits produced in New Zealand and particularly within the region. This should extend to the tapas or small-plate style food offering which should celebrate the produce of the North Island.</p> <p><i>Island unit in hero location in front of glass; use of height preferred here (consider 2-levels); optimise views and light.</i></p>	
<b>FB04</b>	<b>208sqm</b>	<p><b>FAST CASUAL DINING</b></p> <p>This is a sit down dining option that will offer a full, diverse menu that celebrates the local produce and suppliers through the menu and concept execution. This unit could be an airport adaption of a local favourite restaurant or it could be developed specially for Wellington Airport. This unit should deliver an offer which caters for all day parts (breakfast, lunch, dinner and snacking) and various dietary requirements including vegan, vegetarian and gluten-free options. This unit could be licensed but should have a strong emphasis on local and regional suppliers.</p> <p><i>Utilises existing kitchen and built out mezzanine with dedicated circulation. Needs to have impactful double height design to optimise already excellent sightline to far north of terminal.</i></p>	





FB05	40sqm	<p><b>LOCAL PREMIUM COFFEE BOUTIQUE</b></p> <p>Coffee-led, with snacks and takeaway products. Should be local to Wellington or NZ. The coffee is the hero here and the vibe should be distinctively 'Wellington'.</p> <p><i>Island unit - could be back to back with FB08 - could share BOH with FB08.</i></p>	
FB06	90sqm	<p><b>QSR - GOURMET BURGER</b></p> <p>This unit should offer a menu comprising premium beef, chicken, vegetarian and other burger options. Various dietary requirements such as vegetarian and gluten-free options should be considered as well as sides and complimentary items. The unit can be licensed. No downtown Fast Food burger concepts. No international brands unless they are NZ-originating; national and local brands only.</p> <p><i>In-line unit - could share BOH with FB07.</i></p>	
FB07	90sqm	<p><b>QSR</b></p> <p>Contemporary QSR - WIAL respectfully requests operators to propose which concept would best meet the needs of passengers and compliment the rest of the F&amp;B offer. Vegetarian, vegan, gluten-free and other dietary requirements should be considered as part of the menu offer.</p> <p><i>In-line unit - could share BOH with FB06.</i></p>	
FB08	40sqm	<p><b>QSR - JUICE / HEALTHY</b></p> <p>Juice or healthy option, drinks-led with snacks and takeaway offer. Food items should be clearly sourced from local or regional suppliers and have a distinct focus on health and wellbeing.</p> <p><i>Island unit - could be back to back with FB05. Could share BOH with FB05.</i></p>	
FB09	TBC	<p><b>QSR - SHORT TERM</b></p> <p>Short term F&amp;B location to optimise trends. Bidders are requested to include some innovative, creative ways to introduce and optimise F&amp;B trends that could be optimised commercially for a short period when they are at their peak popularity.</p> <p><i>Island unit in prime spot with all services provided by airport; short lease cycle</i></p>	


<b>FB14</b>	<b>28sqm</b>	<p><b>CAFE</b> This should be a café-style execution offering sandwiches, toasties, pastries, cakes and other baked goods. A broad selection of hot and cold drinks should include beer and wine</p> <p><i>Island location in international departure lounge. This unit should be operated in conjunction with FB01, FB04 or FB05. Bidders for any of these units are requested to include this unit in their proposals.</i></p>	
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## Existing Units - Not included in this RFP

<b>FB10</b>	<b>35sqm</b>	<p><b>THREE QUARTER SOCIETY</b> Local premium coffee boutique.</p>	
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<b>FB11</b>	<b>180sqm</b>	<p><b>UNITED BREW WORKS</b> Local brewery with gourmet hotdogs.</p>	
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<b>FB12</b>	<b>38sqm</b>	<p><b>BEST UGLY BAGELS</b> Local bagels and coffee.</p>	
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<b>FB13</b>	<b>60sqm</b>	<p><b>WISHBONE</b> Local meals and takeaway.</p> <p><i>Will move from temporary unit against glass to low height kiosk/island unit.</i></p>	
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<b>FB15</b>	<b>20sqm</b>	<p><b>SUBWAY</b> Made to order subs, wraps and salads. Located in International Departures.</p>	
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## Conditions of bids

A total of 9 permanent units plus one pop-up unit are available as part of this RFP.

WIAL intends to award a maximum of 5 units to an individual bidder.

Proposals responding to our Technical and Financial Requirements must be submitted for each of the units individually.

However, bidders may also submit an additional Financial proposal for up to 5 units.

Bidders may submit more than one proposal in response to this RFP.

## Timeline for RFP Process

The following is an indicative timeline for this RFP process:

Wednesday 12 September 2018	RFP issued
Wednesday 19 September 2018	Recipients to confirm receipt of RFP document
Wednesday 19 September - Wednesday 3 October	Site visits by request
Friday 5 October 2018	Period for questions closes
Friday 2 November 2018	Deadline for submissions
Wednesday 14 - Friday 16 November 2018	Presentations to airport (by invitation)
Monday 3 December 2018	Notification of successful bidders
Monday 1 April - Monday 1 July 2019	Commencement of contracts

## Submission Requirements

Each RFP response should be submitted in accordance with the Submission Requirements listed in Part C of this RFP.

Each RFP response should address all of the items detailed in Parts D and E of this RFP.

# »The Opportunity



**B**



# »About Wellington







# About Wellington

**Wellington is the self-styled 'coolest little capital in the world.' The cultural and constitutional capital of New Zealand, the city contributes over 13% of New Zealand's gross domestic product (GDP). We also have the most educated workforce in the country.**

## A diverse population

The Wellington region's population is over half a million and growing, with 200,000 of these people resident in the city of Wellington itself.

Wellington comprises 11% of the total population of New Zealand and contributes 12% to total employment.

The Wellington region is home to many diverse cultures. Statistics New Zealand estimates around 25% of people in the region are born overseas.

## Workforce, wealth and education

The most common occupational group in Wellington is 'Professionals'. The Wellington region has the highest proportion of working age population and the highest median income in the country.

For people aged 15 years and over, the median income in Wellington region is \$28,000, significantly higher than the New Zealand median of \$24,400. A total of 23.6% of people aged 15 years and over have an annual income of more than \$50,000, compared with 18% of people throughout New Zealand. This rises to 30.2% in Wellington city. 55.1% of Wellingtonians own their own home\*.

Wellington has the most highly educated workforce in New Zealand. 46.3% of people aged 15 years and over in the Wellington region have a post-school qualification, compared with 39.9% of people throughout New Zealand. 28% of the city's residents hold a bachelors degree or higher, compared with 20% of New Zealand as a whole.

Source: Census 2013, Statistics New Zealand/wellingtonnz.com

Population mix Wellington region	
European	73.2%
Maori	12.4%
Pacific peoples	4.7%
Asian	10%
Middle Eastern/Latin American/African	1.4%
New Zealander	1.7%

\* Note: Total of more than 100% due to people being able to associate with more than one ethnic group. Source: Statistics New Zealand

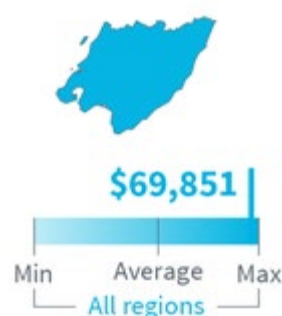
## Wellington Region GDP 2017

GDP value, (billion)



13.2% of NZ GDP

GDP per capita



Change in GDP, 2012-17





# »About the Airport





# Wellington Airport

**This opportunity comes at an exciting time in the evolution of the Airport. We are a vitally important piece of national infrastructure, playing a pivotal economic role as the gateway to the capital city and the surrounding region.**

The third busiest airport in New Zealand, we currently process over 6.3 million passengers annually, including more than 911,000 international passengers.

Wellington is the closest international airport to in excess of 1.2 million people. Our international terminal building – The Rock – is a highly-awarded and iconic airport building recognised across the world.

The Airport is operated by WIAL, an entity owned 66% by NZ Airports Limited (wholly owned by Infratil Limited) and 34% by Wellington City Council.

## The Airport's future

As well as being one of New Zealand's three major international airports we are the central hub of New Zealand's domestic aviation network.

We enable freight, business and government activities and are a dynamic hub in our own right, employing about 1,500 people and, through our activities, sustaining nearly 9,900 full-time-equivalent jobs in the region.

Our master plan supports our strategy for potential long-haul air services, enabled by the development of new, larger, quieter, longer-range and more fuel-efficient aircraft. Passenger numbers will exceed 7m by 2027.

Our plan also positions the airport as a strategic regional asset by ensuring ongoing business, travel and trade opportunities for the Wellington region.

## Regional Catchment







## Economic contribution

We're proud to make a significant contribution to the Wellington region's economy, contributing around \$1.45 billion per year.

Our GDP contribution is greater than that of the entire Wellington agriculture and food and beverage processing and manufacturing industries combined, and slightly smaller than that of the education industry in the region (which includes all schools, universities, polytechnics and private training establishments).

According to an assessment by BERL Economic\*, by 2030 the Airport's direct impact on regional output will be \$1.6 billion per year, with a total impact of \$3.1 billion on the regional economy.

We expect to meet forecast growth and create more business and industry opportunities. Ensuring we remain an efficient, flexible, cost-effective and environmentally considerate business while continuing to deliver a unique 'Wellington' experience to all our visitors is also key.

\* An independent study by BERL Economic, commissioned by WIAL in 2008

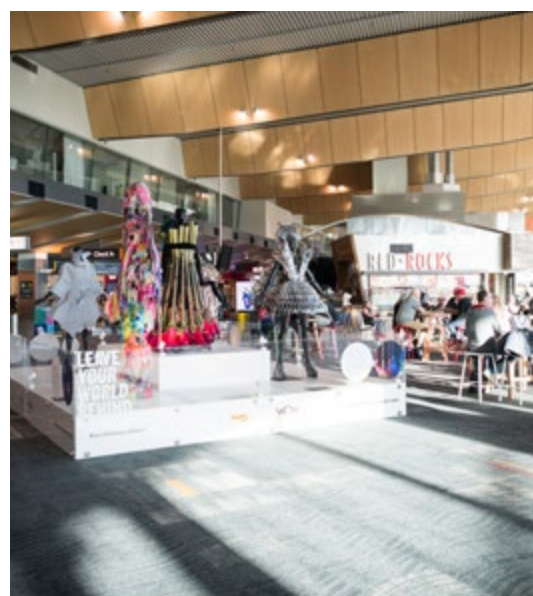
## Investing in the future

In July this year, Wellington Airport commenced a \$15 million upgrade of the main terminal building. This comprehensive project will transform the experience in the main common departure lounge, opening up the space to create a light, open and intuitive environment.

The upgrade has created the opportunity to revisit the commercial facilities in this area, resulting in the addition of the new F&B opportunities contained in this RFP.

This development follows a recently completed extension of the southern part of the terminal.

A number of other significant works are in progress at Wellington Airport, including a new multi-level car park and transport hub and a 134-room four star hotel to be operated by Rydges both due to open later this year.



These investments will underpin our strategy to create world-class facilities that will attract and retain long-haul services that give Wellington further direct connections to new markets.

## Customer experience vision

As a key enabler of tourism activity, we're building on the knowledge that, for some tourists, their airport experience is their first impression of New Zealand. The Airport is an important, high-profile piece of infrastructure that every Wellingtonian should be proud of.

## Service quality and standards

We're committed to providing a great quality of service to all users of our Airport's services. To do this, we make ongoing investments in various initiatives to address the service areas our customers would like us to focus on.

WIAL continues to rate highly and improve our Airport Service Quality (ASQ) survey scores, with an average overall satisfaction score of 4.13 (out of 5) in 2016 increasing to 4.25 in 2017.

We continue to consult with our airline customers and other stakeholders on operational matters. A forum for Airport stakeholders, TEAM WLG - an acronym for Together Everyone Achieves More - meets regularly to discuss service reliability, service performance and review our ASQ results. We believe this ongoing collaboration between WIAL and our partners plays an important role in delivering further improvements in service quality.

WIAL also continually reviews the quality of service we provide to our passengers and customers. We commission passenger surveys and share these results with our business partners. As we conclude our redevelopment projects over the coming years we will be implementing further quality monitoring to measure the service standards we are giving our passengers in our redeveloped facilities.

We also take a collaborative decision-making approach in meetings with our stakeholders including airlines and Government agencies.

**It's our aim to capture Wellington's individuality, creativity and innovation and reflect this back on all users of our Airport to deliver a truly memorable visitor experience.**



Singapore Airlines Route Launch Event



Middle of Middle-earth installations



World of WearableArt Display



**- WLG -**

**TEAM WLG**  
**Together Everyone Achieves More**



# »Market Information



# Passenger data

Wellington Airport's passengers comprise 6.3m passengers travelling to 27 destinations every year.



6.3m

Total passengers

5.3M

Domestic passengers

911,000

International passengers

54%

Male

45%

Female

## Passenger age groups (International)

20 - 34 years	24%
35 - 49 years	25%
50 - 64 years	25%
65+ years	12%



## Reason for travel

### Domestic

Business	30%
Holiday / vacation	28%
Visiting friends and relatives	27%
Business & leisure mix	10%
Other	5%

### International

Business	17%
Holiday / vacation	32%
Visiting friends and relatives	44%
Other	6%



## International departures nationality

New Zealand	52%
Overseas	48%
Australian	35%
European	6%
Asia	4%
Americas	2.5%
Other	1%



## Airline destinations



# 27

**Destinations  
directly served**



# 9

**Airlines**

- Air New Zealand
- Qantas
- Virgin
- Singapore Airlines
- Fiji Airways
- Jetstar
- Sounds Air
- Air Chathams
- Golden Bay Air



# 21

**Domestic destinations**

- Auckland
- Hamilton
- Tauranga
- Rotorua
- Taupo
- Gisbourne
- Napier
- New Plymouth
- Palmerston North
- Picton
- Blenheim
- Nelson
- Takaka
- Westport
- Timaru
- Christchurch
- Dunedin
- Queenstown
- Invercargill
- Chatham Islands
- Invercargill



# 6

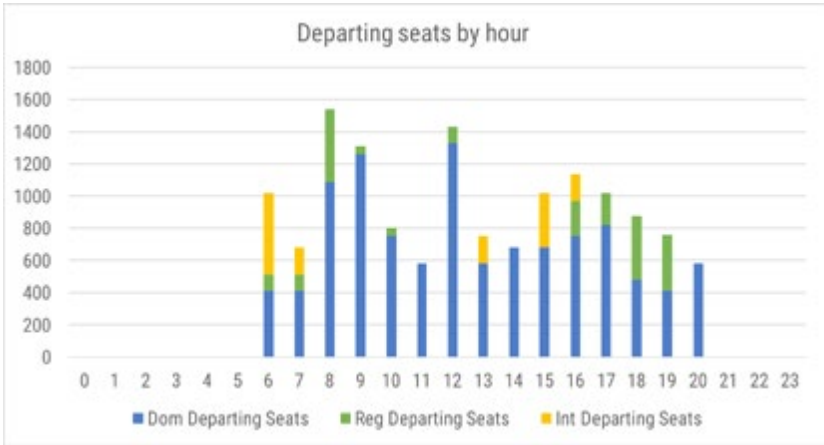
**International  
destinations**

- Singapore
- Fiji
- Melbourne
- Sydney
- Brisbane
- Gold Coast

+ onwards connections  
to Oceania, Asia, Europe,  
The Americas and Africa

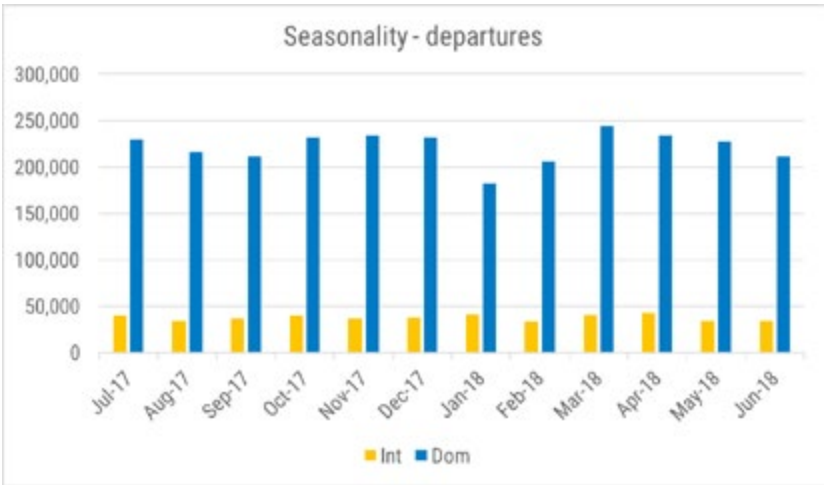


# Traffic profile



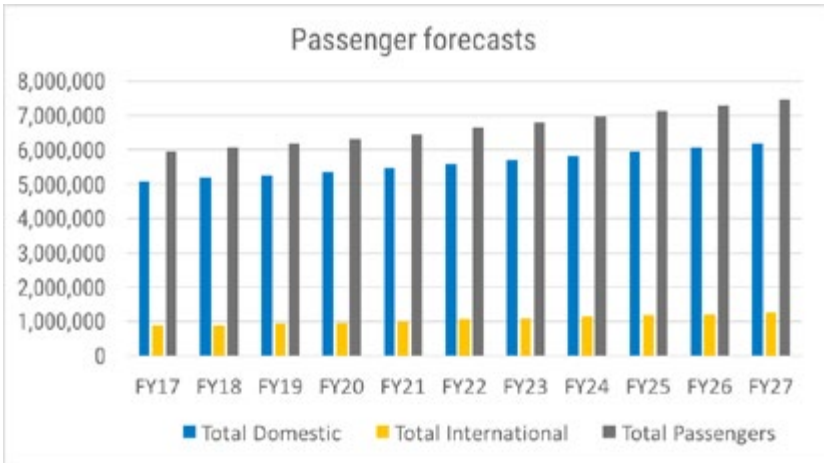
## Daily profile

The shape of the day indicates a morning peak and a late afternoon peak. From a food and beverage perspective this is ideal, as passengers are dwelling in the terminal at times of the day when they might typically eat.



## Traffic seasonality

Wellington Airport's passenger traffic does not have strong seasonality; apart from a dip around January when traffic dips noticeably when business traffic falls away, the rest of the year sees relatively consistent passenger traffic.



## Passenger forecasts

# »Submission Requirements





# »Submission Requirements

## Part C: Submission Requirements

### 1. RFP Documents

This RFP comprises the following documents:

- this RFP document, including all terms and conditions; and
- all Schedules, including all returnable forms included in the Schedules,

(together referred to as the RFP Documents).

### 2. RFP Acknowledgement Form

The respondent shall by no later than the Acknowledgement Date notify WIAL of its intention to submit (or to not submit) a proposal by completing and returning the RFP Acknowledgement Form to the Manager at the address provided.

### 3. Submitting your RFP response

Your complete RFP response must be returned to us, by no later than the Closing Date, in a single sealed envelope, marked **'F&B RFP - Attention: Astra Davidson-Powell, Manager Retail and Advertising'**, and include:

- A single document containing responses to all Technical requirements.
- A single document containing responses to all Financial requirements.
- All completed returnable Schedules, comprising:
  - The Response Form.
  - The Pro-forma Schedules.

The envelope must include all of the above information and documents in both:

- a hard copy paper form; and
- a duplicate electronic copy (contained on a portable USB memory stick).

Documents on the USB stick should be supplied in same file format in which they were provided:

- Schedule 2: PDF
- Schedule 3: Microsoft Excel format plus a duplicate version saved in a portable document format (PDF).

Proposals should be placed in the tender box located in the foyer of our corporate offices, at:

**Level 2  
Main Terminal Building  
Wellington International Airport  
Stewart Duff Drive  
Rongotai 6022  
Wellington  
New Zealand**



Proposals sent by post must be sent in time so that they may be placed in the tender box before the Closing Date. While every care will be taken to place postal proposals in the tender box, we have no responsibility for failure to do so before the Closing Date. Postal proposals should be clearly marked to show they are proposals.

You may forward by email proposals or parts of proposals only in exceptional circumstances, and after prior arrangement with us.

We are not obliged to consider any proposal placed in the tender box after the Closing Date, regardless of the reason. After the Closing Date, we may ask respondents to revise, clarify or provide additional information.

Further submission details are contained in Parts D and E.

#### **4. Communication**

All communications regarding this RFP, and requests for clarification or further information, should be directed to the Manager:

**Astra Davidson-Powell**  
**Manager Retail and Advertising**  
**Corporate Office, Level 2, Main Terminal Building**  
**Wellington International Airport Limited**  
**PO Box 14175**  
**Wellington 6022**

**Contact phone number:** +64 4 385 5103

**Email:** [astra.davidson-powell@wellingtonairport.co.nz](mailto:astra.davidson-powell@wellingtonairport.co.nz)

#### **5. Request for further information or interpretation of RFP**

If you require any further information to assist you with your RFP response, or interpretation of any part of this RFP, or if you find any discrepancies in or require clarification as to the meaning of any part of this RFP, you must notify our Manager in writing by no later than the Questions Closing Date.

We will issue a written explanatory notice to all respondents who have returned an RFP Acknowledgement Form regarding any interpretation of the RFP Documents, and any changes to them. Interpretations or changes will not be made in any other way. A copy of each explanatory notice will be emailed to the person nominated to receive communications concerning this RFP in your RFP Acknowledgement Form. All explanatory notices issued will become part of this RFP.

#### **6. Non-complying proposals**

We are entitled to reject any proposal not in conformance with the form required, or not provided in accordance with the conditions of this RFP. However, an alternative proposal may be considered at our discretion.

#### **7. RFP Closing Date**

We must receive your proposal, in accordance with Section 3 above, by no later than the Closing Date.



# » Technical Requirements





# » Technical Requirements

## Part D: Technical Requirements

Your proposal must address each of the following areas as part of an overall business plan. The format, structure and layout are flexible but each subject area must be addressed under the same headings used below.

Please note that if your proposal includes more than one unit, you do not have to respond to the Technical Requirements in full for each unit; only the following three relevant sections should be supplied for each unit:

- 'Concept description'
- 'Unit design and rationale'
- 'Product information'.

### Management and team structure, experience and track record

- Details about the structure of your organisation at a corporate level and at a regional level
- Clearly indicate where Wellington Airport, Wellington (and New Zealand if relevant) sit within your organisational structure, including which resources will be shared and which will be dedicated to the Airport
- A suggested staffing plan, including role titles and responsibilities of each role, and an example of a typical staffing plan for a full week of trading.

### Summary of units included in your RFP response

- Clearly outline which units are included in your proposal
- Provide the unit number or numbers as well as a brief description of each concept

### Concept description

- A detailed description of your proposed concept or concepts, including all specific differentiators which make the brand or concept unique, including why and how it meets the specific needs of WLG customers.

### Unit design and rationale

- A conceptual plan, incorporating design and fit-out for the unit must be submitted with all RFP responses (detailed plans and specifications will have to be completed by the successful respondent). A Tenancy Fitout Manual will be provided to the successful respondent.
- A floorplan indicating the location of Back of House and Front of House, including the location of counters and service areas, dining areas, etc should also be included. Please clearly indicate the total sq m dedicated to each area including seating, as well as the number and type of seats.
- 2-5 renderings or artists' impressions which best demonstrate the unit's look and feel and which convey the desired experience of your concept.
- Details of the concept or brand and how it will be executed, including:
  - Finishing materials for all works; this could be in the form of a mood board
  - Furniture types and styles
  - The positions, size, content, style and colour scheme of branding and signage
  - Staff uniforms





- Highlight the design features and characteristics that make this concept unique and differentiated from the other units
- Highlight how this unit contributes to the unique sense of place being delivered at Wellington Airport

#### **Product information**

- Full proposed menu and pricing strategy
- Details of specific supplier companies or brands across the key subcategories if relevant, such as coffee roaster, soft drinks, snacks, meats, fresh produce, etc highlighting where suppliers are local, regional and national.
- Examples or details of of any loyalty program, staff/airline incentives and other ways you build a relationship with your customers through the execution of your brand.

#### **Corporate Social Responsibility**

- Noting our own environmental sustainability goals in particular, please include initiatives that you will deliver at WLG. These should be focused around your supply chain for perishable and non-perishable products.

#### **Mobilisation**

- Please provide a programme of works for build out and mobilisation of the unit.

#### **Qualifications and Standards**

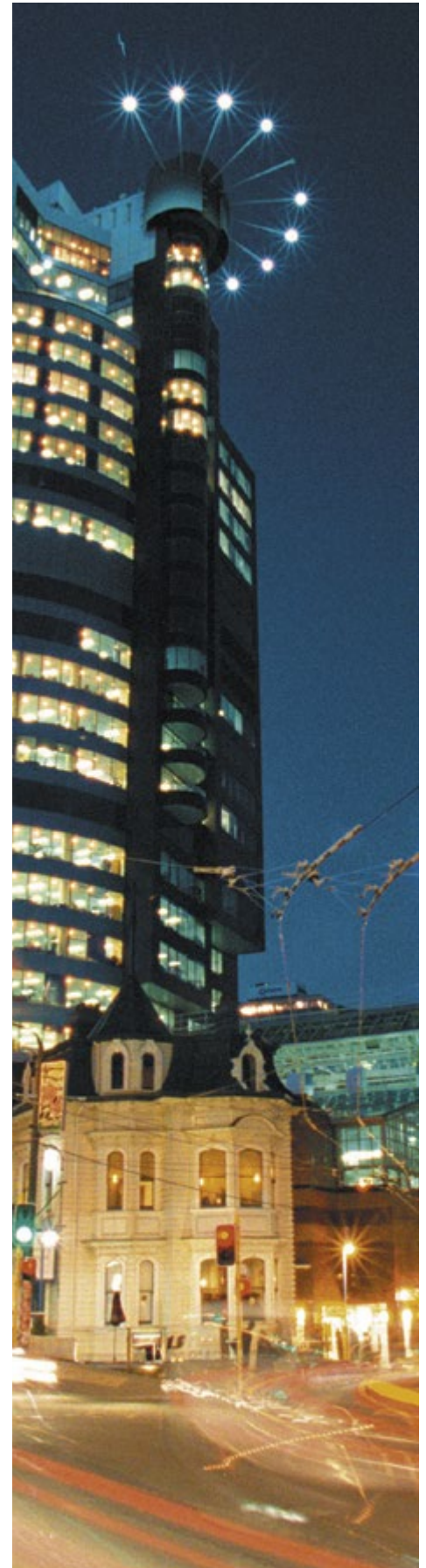
- Demonstrate that your company has knowledge of all the Personal Hygiene Regulations systems (PHR), the Hazard Analysis Critical Control Points (HACCP) systems of food handling and testify that you will obtain and maintain through the term of the contact all licences, approvals, permits and any other permits required to operate a foodservice business.
- Outline how you will ensure your staff are appropriately trained, qualified and certified to work in this unit.

#### **Reference locations**

- Please provide examples of other locations where you have successful Food and Beverage operations. Include details of the concept, location, menu and how the concept meets the needs of its specific target market.

#### **References**

- Please provide the name and contact details of two references.



# »Financial Requirements



E



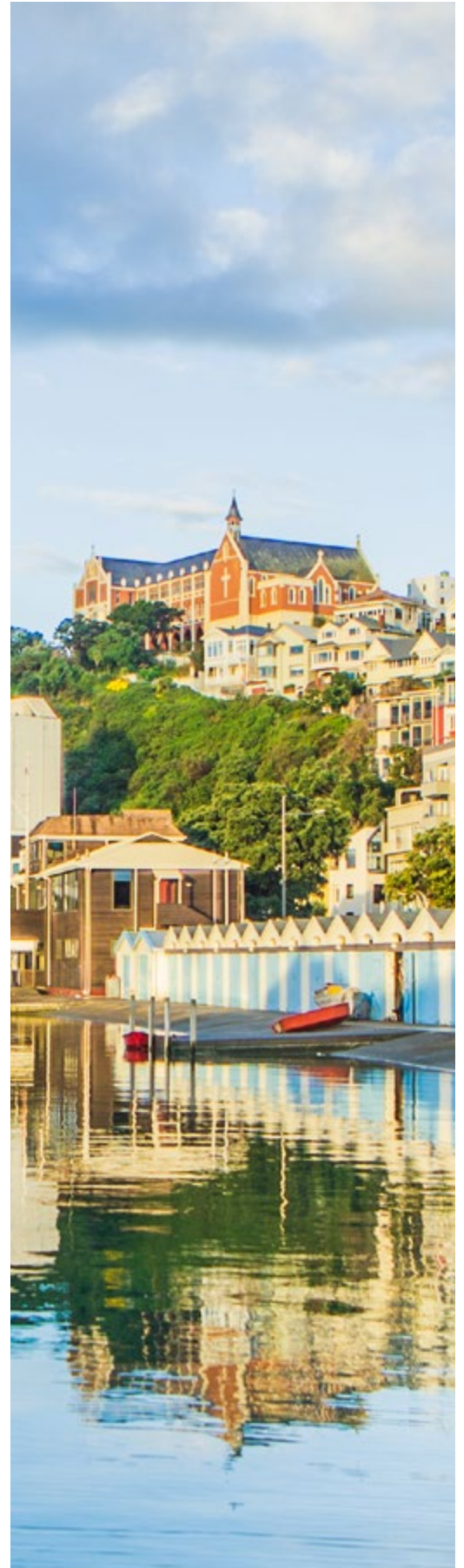
# »Financial Requirements

## Part E: Financial Requirements

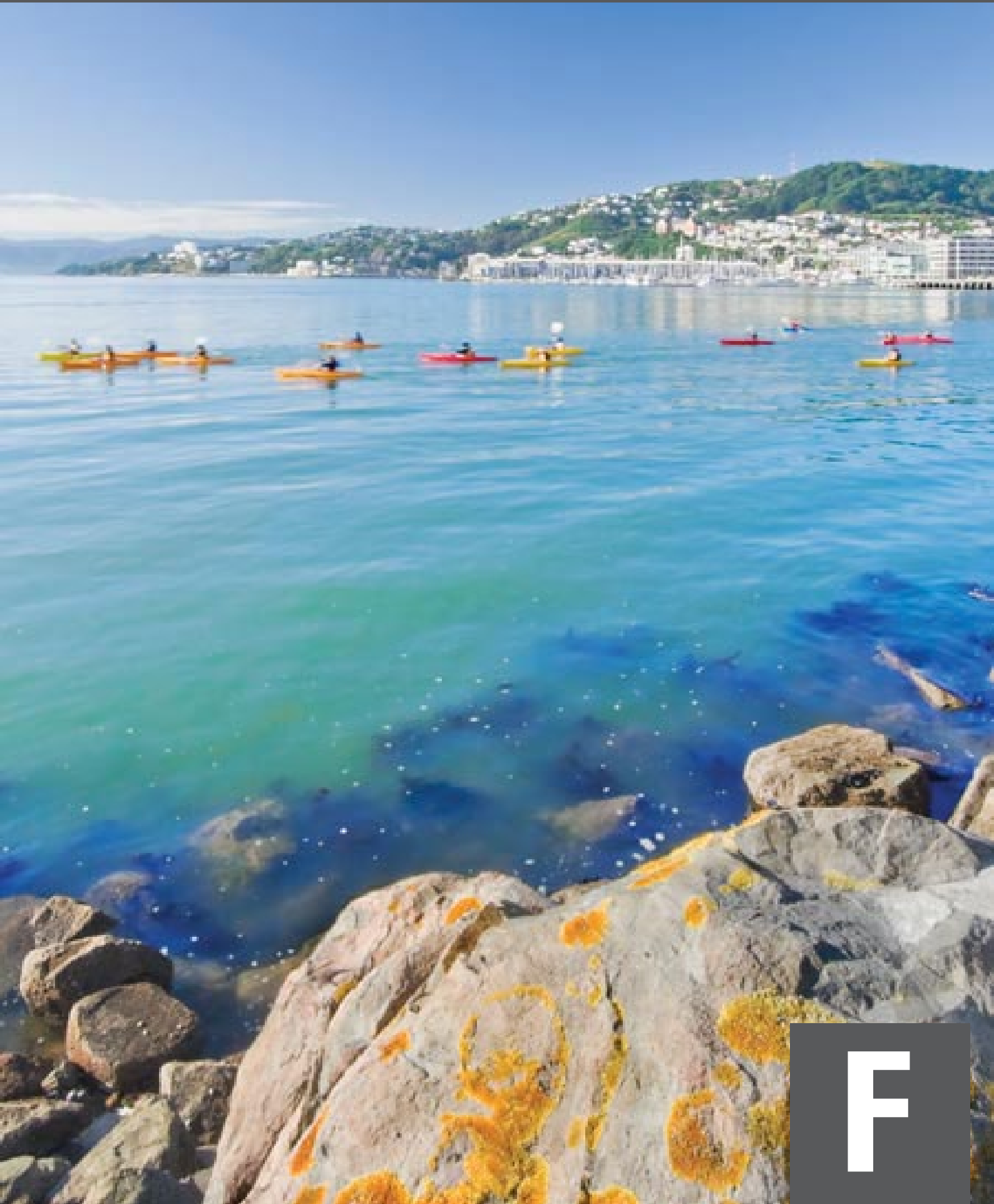
Your proposal should confirm each of the following elements, with supporting commentary and rationale:

- Rent structure - see attached tables
  - Minimum guarantee
  - Percentage rents
- Forecast sales by year, by unit
- Proposed capital investment and reinvestment, if applicable.

You will be expected to complete and submit all schedules supplied for each of the units you are bidding for, as well as any combination of units you are also submitting a proposal for.



# »Evaluation Criteria



F



# »Evaluation Criteria

## Part F: Evaluation Criteria

Each proposal will be subject to a detailed evaluation against the criteria listed below. The criteria are not all of equal value or decision weight, or in any particular order:

- Financial background and standing
- Financial offer including Minimum Annual Guarantee, percentage rent and capital investment, as outlined in the Financial requirements
- Sales forecasts, rationale and supporting evidence
- Appropriateness of concept/s
- Proposed concept design
- Quality and deliverability of the proposed business plan and operational plan as outlined in the Technical requirements
- Compliance with this RFP
- Any presentations which may have been required by the Airport
- Any other criteria relevant to the RFP process.

Each proposal submitted to us will be evaluated by a committee appointed by us. During the evaluation period, all communication must be directed to our Manager. Respondents may be required to conduct a presentation or attend a clarification meeting at the Airport, at our discretion.





# »General Conditions of the RFP



G



# »General Conditions of the RFP

## Part G: General Conditions of the RFP

### 1. Basis of proposal

This RFP forms part of your proposal, and is deemed to include the Response Form and the Pro-forma Response Schedules. By responding to this RFP, you accept the terms and conditions of this RFP and the RFP process.

Any proposal must include an offer to pay rent for the grant of the Services to the public at the Airport. All proposals will be deemed exclusive of GST.

Please note: The FB14 unit will be required to operate in conjunction with FB01, FB04 or FB05. Bidders for any of these units are requested to include this unit in their proposals.

The Response Form, all Pro-forma Response Schedules, and any other documents required to be returned to us pursuant to Part C Section 3 of this RFP, must be fully completed and lodged with us prior to the Closing Date.

### 2. Correctness of proposal

Respondents are deemed to have satisfied themselves before submitting a proposal as to both:

- The extent of the financial and other obligations under the Lease
- The correctness and sufficiency of the respondent's proposal offered pursuant to this RFP.

### 3. Satisfaction with unit/s

Respondents will be treated as having satisfied themselves as to all aspects of the sites and their ability to establish and operate the services from those sites.

### 4. Representations

Our judgment and discretion will not be fettered by any representations or explanations to respondents as to the meaning of:

- This RFP
- The Response Form
- The Pro-forma Response Schedules.
- The Lease
- Any other documents
- Anything to be done or supplied, or not to be done or supplied, under the accepted proposal
- Any other matter or thing.

Neither our Board of Directors, nor any of our employees or agents, has any authority to make representations or explanations, except the Manager - Astra Davidson-Powell of WIAL, who is acting with the authority of our Chief Executive.

By submitting a proposal, the respondent warrants and undertakes to us that it has fully examined, informed, appraised and satisfied itself of the contents of this RFP, and without limiting the generality of the foregoing, the respondent further warrants that it has satisfied itself as to the correctness and sufficiency of its proposal and that it covers the cost of complying with this RFP and all of the obligations of the respondent. The submission of a proposal will be conclusive evidence that the respondent acknowledges that it has both made these examinations, and has investigated and is satisfied

as to:

- All performance requirements asked of respondents pursuant to this RFP.
- The plans for the sites.
- The conditions to be encountered on the sites.
- The character, quantity, quality and scope of the Lease.
- The Services to be provided.

## **5. Currency of proposal**

Every proposal will be a continuing offer and irrevocable until we tell you of our acceptance or rejection of your proposal.

## **6. Our rights**

We have the right to conduct this RFP process as we see fit in our sole discretion. Without limitation we are entitled to:

- Reject all or any proposals in whole or in part.
- Negotiate with any respondent (or group of respondents) to the exclusion of any other respondent, at any time before or after acceptance of a proposal, and upon any terms and conditions that we think fit (including terms and conditions that are different to the arrangements proposed in this RFP).
- Notwithstanding any other clause of this RFP, consider or not consider, or accept or reject, any non-conforming or alternative proposal.
- Re-advertise for proposals.
- Waive any irregularities or informalities in the RFP process.
- Amend any date in the RFP Documents.
- Amend the RFP or any associated documents, including but not limited to the Lease by the issue of a written amendment notice at any time, including after the Closing Date.
- Apply or change any policy or criteria relating to participation in this RFP process, or the evaluation of proposals, or any acceptance process pursuant to Section 8 below.
- Seek clarification of any proposal.
- Suspend or cancel in whole or in part this RFP process.
- Not accept the highest or best proposal.
- Not check any proposal for errors. Our acceptance of a proposal that contains errors will not invalidate any contract formed by that acceptance.
- Do any other acts or things we reasonably see fit in relation to this RFP.

## **7. Notification of results**

We will advise you whether your proposal has been accepted or declined, by notice in writing to the address given by you in the proposal. We will do our best to notify you of the results by the close of the Notification Date. Our decision is final. We do not have to provide reasons. We will not enter into correspondence regarding our decision.

## **8. Acceptance**

For each outlet we may issue a notice in writing to one or more respondents indicating that they are the Preferred Operator by the Notification Date. Where a respondent is notified as a Preferred Operator (and without limitation or prejudice to any other part of the RFP Documents):

- We may enter into negotiations or further negotiations with a Preferred Operator (if such negotiations are unsuccessful from our point of view we may, in our sole discretion, retract the respondent's notification as a Preferred Operator and



- may notify another respondent as a Preferred Operator); and/or
- we may accept (any such acceptance may be conditional, but in all cases must be in writing signed by our Manager to be effective as acceptance) the RFP response of a Preferred Operator in which case a binding contract in the form of the Lease will come into existence between us and the Preferred Operator and execution copies of the formal Lease will be compiled by us for execution by the parties.

Notwithstanding anything to the contrary, no legally binding obligations whatsoever will be accepted by us until we have accepted the RFP proposal in accordance with the preceding paragraphs of this Section 8.

After acceptance of a proposal (in whole or in part and whether conditional or unconditional), we will forward the Lease documents completed to reflect our reasonable understanding of the commercial terms agreed/negotiated (and any conditions) for signing to the successful respondent. We will send the Lease documents as soon as practicably possible after notifying the successful respondent of our acceptance. The successful respondent must return the signed Lease documents to us within 2 weeks.

If the successful respondent does not send back the signed Lease documents within the timeframe referred to in the immediately preceding paragraph (or any such later date agreed to by us), we will be entitled to cancel the appointment of that respondent as the Preferred Operator without incurring any obligations to that or any other party. That respondent will have no further rights against us, and no right to the Lease or to provide the Services.

## **9. No contract until acceptance of proposal**

Respondents acknowledge and agree that, notwithstanding any other provision of this RFP, this RFP is not an offer, but is merely an invitation to the respondent to submit a proposal, which will be governed by the terms and conditions of this RFP. No legal or other obligation will arise between us, and nothing in the conduct of this RFP process obliges us to reach an agreement with any respondent, in relation to the conduct or outcome of the RFP process unless and until a respondent has received written notification from us of the acceptance of its proposal (whether conditionally or unconditionally) or the parties have negotiated and executed the Lease.

## **10. Execution of documents**

All proposals must be signed by the respondent. Where a proposal is submitted as a joint proposal it must be signed by all members of the joint proposal.

## **11. Costs**

The respondent must pay its own costs of preparing and submitting its response to this RFP, including all costs relating to:

- communication and/or negotiation with us;
- meetings, interviews or presentation with us; and/or
- site inspections/visits.

## **12. Canvassing**

Respondents must not approach or canvass any of our employees, contractors, consultants or anyone who has a direct working relationship with us, other than our Manager. Any respondent who does so, either directly or indirectly, may be disqualified from this RFP process.

## **13. Reliance on information**

We have taken reasonable care in the collection, presentation and making of any information, analysis, forecasts and representations provided to respondents pursuant to this RFP. Any such material was based on information available at the time, plus our subjective assumptions regarding future events. We do not guarantee that existing patterns are correctly stated, or will remain or develop as forecast, or that the underlying information or representations are accurate. Respondents rely on all information, analysis, forecasts and representations provided by us at their own risk.

We will rely on information provided by each respondent at all stages of the RFP process. It is anticipated that such information may form part of the final Lease documentation if a successful respondent is selected. In providing information each respondent represents to us that the information is complete and accurate in all material respects, it is not misleading, and that in preparing the information all reasonable skill and care has been exercised.

Each respondent will be deemed to have reasonably informed itself as to the requirements of this RFP and will be responsible for verifying the accuracy and adequacy of information supplied by us or on our behalf.

Any assumptions or interpretations a respondent makes with respect to this RFP and its proposal must be clearly identified and stated in the proposal.

We are under no obligation to check any proposal for errors. We reserve the right to accept or invalidate a proposal that contains errors and any contract that may be negotiated on the basis of that proposal.

The provision of information by us or on our behalf to respondents, unless expressly agreed to the contrary in writing, is made available by us or on our behalf in whatever form (including, without limitation, presentations and discussions) on the basis that we make no representation or warranty, whether express or implied, as to the completeness, correctness or accuracy of such information or its suitability for any purpose. Respondents shall undertake all such further investigations as they consider appropriate. We accept no responsibility for any error or misdescription in this RFP, or any associated documents.

## **14. Confidentiality**

With the exception of publically available information, the information we have supplied with this RFP, and all other information we have provided (directly or through our consultants or advisors), in connection with the awarding of this RFP is confidential. The information is made available on the basis that recipients keep it confidential and do not release or disclose all or any part of it to any other person (other than the employees or advisors of the recipient) without our prior written consent.

## **15. Advertising and publicity**

Any respondent receiving this RFP and any associated documents must not make any public statement in relation to or in connection with this RFP, the RFP process, the respondent's proposal, or the respondent's participation in the RFP process, without our prior written consent.

No advertisement or other information relating to or in connection with this RFP process or any contract that may arise out of it shall be published in any media without our prior written consent.

## **16. Additional Guarantee**

We may at our discretion require guarantees from directors or shareholders (or both) of the successful respondent if it is a company that is not a major trading entity. Any guarantee will be in the form we reasonably require.

We will advise respondents if a guarantee is required, after the Closing Date, but before the Notification Date. Respondents



must advise whether the requested guarantee is available within 2 business days of receiving our request.

## **17. References and Due Diligence**

Reference checks may be carried out before the selection of any respondent. During the assessment, audit and quality assurance checks may be carried out as part of our risk management process. We may seek further information on any issue from sources other than those supplied by a respondent in its proposal. All respondents consent to us undertaking reference checks and audit and quality assurance checks as part of our risk management process and agree to provide us with such assistance as we may reasonably require.

## **18. Limitation of Liability**

Nothing in this RFP imposes any duty of care on us and any such duty of care is expressly excluded. Neither we, nor our employees or agents will be liable in contract, tort or in any other way for any direct or indirect damage, loss or cost (including but not restricted to legal costs and proposal preparation costs) incurred by any respondent in this RFP process.

We, our employees, and our agents are also not liable for any liability, damage, loss (including a direct, indirect or consequential loss), cost or expense (including but not restricted to legal costs and proposal preparation costs), arising from the cancellation, suspension, reissuing or amendment of this RFP or in relation to or in connection with any other course of action we may follow or pursue in relation to or in connection with this RFP.

While we have made every effort to ensure that the information and representations made or contained within this RFP are correct, we are not liable for any errors in fact, or reliance by any party or otherwise.

To the extent that, notwithstanding any other provisions of this RFP, we are found to have any liability to a respondent, on whatever basis, then our liability is, in all circumstances capped at \$1.00.

A respondent submitting a proposal will be considered to have:

- examined this RFP and all documents referenced,
- considered all the risks, contingencies and other circumstances that may have an effect on their proposal, and
- satisfied themselves as to the correctness and sufficiency of their proposal including the pricing structure offered.

## **19. Jurisdiction**

This RFP is governed by the laws of New Zealand and New Zealand courts have non-exclusive jurisdiction as to all matters relating to this RFP.

# »Schedules



H



# »Schedule 1

## Schedule 1 - RFP Acknowledgement Form

By completing and returning this document you are confirming you have received the Request for Proposal to operate the Services at Wellington International Airport, issued 12 September 2018. Completion and submission of this RFP Acknowledgement Form in no way obligates the respondent to submit a response to this RFP.

Details of Respondent	
Respondent's Trading Name:	
Respondent's Legal Name:	
Address Details:	

Respondent's Representative	
Respondent's Representative:	
Contact Details:	
Phone:	
Mobile:	
Fax:	
Postal Address Details:	
Email Address:	

# »Schedule 2

## Schedule 2 - Response Form

1. Respondent Name	
Respondent Name:	
Phone:	
Mobile:	
Fax:	
Postal Address Details:	
Email Address:	
2. Respondent's Warranties	
<p>The respondent warrants:</p> <p>2.1 It has the appropriate authority from its shareholders and directors to complete and lodge this proposal.</p> <p>2.2 All information supplied to WIAL is true to the best of the respondent's knowledge.</p> <p>2.3 That it will sign the Lease issued to it by WIAL.</p> <p>2.4 That it will comply with WIAL's timetable for completing documents.</p> <p>2.5 That it can pay the rent plus GST.</p> <p>2.6 That it holds all necessary authorities to operate the Services, and will continue to do so throughout the period of the Lease.</p>	
3. Agreement	
The respondent agrees to be bound by the terms and conditions set out in the RFP Documents.	
4. Execution	
The response is dated:	2018
Signed by:	
Director	Director/Authorised signatory
In the Presence of:	
	Witness Occupation:
	Witness Address:
Witness Signature	



# »Schedule 3

## Schedule 3 - Pro-forma Response Schedules

Note: Pro-forma Response Schedules also supplied in Microsoft Excel format. All figures are GST exclusive.

**Table 1: Minimum Annual Guaranteed (MAG)**

Proponent							
Unit Number or bundle reference							
	Year 1 \$NZD '000k	Year 2 \$NZD '000k	Year 3 \$NZD '000k	Year 4 \$NZD '000k	Year 5 \$NZD '000k	Year 6 \$NZD '000k (if applicable)	Year 7 \$NZD '000k (if applicable)
MAG Payable							
OR							
MAG Per Pax Payable							

**Table 2: Percentage Fee Payable**

Proponent									
Unit Number or bundle reference									
Percentage Fee Payable	Tier From \$NZD '000k	Tier To \$NZD '000k	Year 1 Rent %	Year 2 Rent %	Year 3 Rent %	Year 4 Rent %	Year 5 Rent %	Year 6 Rent % (if applicable)	Year 7 Rent % (if applicable)
Percentage Fee Payable Tier 1									
Percentage Fee Payable Tier 2 (if applicable)									
Percentage Fee Payable Tier 3 (if applicable)									

**Table 3: Forecast Sales by Year**

Proponent							
Unit Number or bundle reference							
Forecast Sales	Year 1 \$NZD '000k	Year 2 \$NZD '000k	Year 3 \$NZD '000k	Year 4 \$NZD '000k	Year 5 \$NZD '000k	Year 6 \$NZD '000k (if applicable)	Year 7 \$NZD '000k (if applicable)
Forecast Sales							

Note: Pro-forma Response Schedules also supplied in Microsoft Excel format. All figures are GST exclusive.

## Table 4: Forecast Rent Payable

Proponent							
Unit Number or bundle reference							
Forecast Rent Payable	Year 1 \$NZD '000k	Year 2 \$NZD '000k	Year 3 \$NZD '000k	Year 4 \$NZD \$NZD '000k	Year 5 \$NZD '000k	Year 6 \$NZD '000k (if applicable)	Year 7 \$NZD '000k (if applicable)
Forecast Rent Payable							

## Table 5: Forecast P&L Schedule

Proponent							
Unit Number or bundle reference							
P&L	Year 1 \$NZD '000k	Year 2 \$NZD '000k	Year 3 \$NZD '000k	Year 4 \$NZD \$NZD '000k	Year 5 \$NZD '000k	Year 6 \$NZD '000k (if applicable)	Year 7 \$NZD '000k (if applicable)
Total Sales							
Food Costs							
Staff Costs							
Licensing Fees							
Marketing & Promotions							
Other Opex							
Concession Rent							
<b>EBITDA</b> EBITDA %							
Depreciation							
<b>EBIT</b> EBIT %							

## Table 6: Investment

Proponent							
Unit Number or bundle reference							
Forecast Capital Investment	Year 1 \$NZD '000k	Year 2 \$NZD '000k	Year 3 \$NZD '000k	Year 4 \$NZD \$NZD '000k	Year 5 \$NZD '000k	Year 6 \$NZD '000k (if applicable)	Year 7 \$NZD '000k (if applicable)
Capital Investment by Proponent							

# »Schedule 4

## Schedule 4 - Form of Lease



**Dated**

**2018**

## **DEED OF LEASE**

**Retail concession facilities at Wellington  
International Airport**

**WELLINGTON INTERNATIONAL AIRPORT LIMITED**

**[To be inserted]**

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## **Parties**

- (1) **Wellington International Airport Limited** of Miramar, Wellington, New Zealand ("**WIAL**")
- (2) **[To be inserted]** of **[Insert location]** ("the **Tenant**")

## **Background**

- A. WIAL owns and operates Wellington International Airport.
- B. The parties entered into an agreement dated **[To be inserted]** whereby WIAL agreed to lease and the Tenant accepted such lease of the Premises pursuant to the terms of the agreement.
- C. WIAL has granted this Lease under section 6 of the Airport Authorities Act 1966.
- D. The parties have entered into this Lease to record the arrangements between them.



## **Terms of this deed**

### **1. Grant of lease**

#### **The Lease**

- 1.1 Subject to the terms of this Lease, WIAL grants to the Tenant and the Tenant accepts a lease of the Premises described in Item 1 of Schedule 1.

#### **Term of the Lease**

- 1.2 The term of this Lease shall be as set out in Item 2 of Schedule 1.

#### **WIAL's Rights**

- 1.3 Notwithstanding clause 1.1, WIAL reserves the right to do anything WIAL believes necessary or desirable in relation to any of the following:
- (a) Providing or maintaining any service to any part of the Building;
  - (b) Airport safety and security;
  - (c) Complying with any law or any requirement of any Authority; and/or
  - (d) Giving effect to any Master Plan.
- 1.4 WIAL also reserves the right to enter the Premises at any reasonable time in order to exercise any of those rights.
- 1.5 Before WIAL exercises any of the rights, it will give the Tenant reasonable notice. WIAL will exercise the rights at a reasonable time and in a way which minimises any interference with the Tenant's occupation and use of the Premises.
- 1.6 Notwithstanding the above, WIAL may enter the Premises at any time and without notice if in WIAL's reasonable opinion this is necessary to safeguard people and/or property.

#### **The Tenant's duty to pay the Annual Rental for the Premises**

- 1.7 The Tenant shall pay WIAL the Annual Rental for the Premises stated in Item 3 of Schedule 1 in the manner outlined in Schedule 2. The first payment shall be due on the Commencement Date.

## **2. Other payments the tenant will make**

### **Goods and services tax**

- 2.1 The Tenant shall pay to WIAL, or as WIAL shall direct, all goods and services tax payable on the Annual Rental and any other amounts payable under the Lease.

### **WIAL's Operating Costs**

- 2.2 The Tenant shall pay to WIAL a share of the Operating Costs as set out in Schedule 5.

### **Rates and Taxes**

- 2.3 The Tenant shall pay all Rates and Taxes in relation to the Premises:
- (a) if they are assessed directly against the Tenant or the Premises, the Tenant shall pay them on time. At the beginning and end of this Lease, the Tenant shall pay the pro-rata proportion of the Rates and Taxes for any period that is less than the full rate or tax period. The Tenant shall provide WIAL with copies of receipts if requested by WIAL;
  - (b) if they are not assessed directly against the Tenant or the Premises, the Rates and Taxes will be included in the Operating Costs payable by the Tenant.

### **Utilities charges**

- 2.4 The Tenant will pay all charges for utilities that are supplied to the Tenant or the Premises. Utilities means gas, electricity, water and telecommunications.
- 2.5 If any utility used on or supplied to a part of the Premises is not separately metered for the Premises, the Tenant will pay the proportion of that utility that the rentable area of that part of the Premises is of the rentable area of the whole of the space that uses or is supplied with the utility.

### **WIAL's Communications Infrastructure**

- 2.6 The parties acknowledge that WIAL owns all the Communications Infrastructure in the Airport, except that owned by the Tenant and other occupiers of the Airport (as approved by WIAL) and located in their respective Premises. Any wireless communications infrastructure installed from time to time will form part of WIAL's Communications Infrastructure and shall be subject to WIAL's control and directions at all times. There will be no other Communications Infrastructure on the Airport. The Tenant will be entitled to access the Communications Infrastructure upon prior consent from WIAL.

### **Access to the Communications Infrastructure**

- 2.7 The Tenant shall pay WIAL for access to the Communications Infrastructure. The amount WIAL charges the Tenant will be fair and reasonable having regard to:
- (a) the benefits to the Tenant of using the Communications Infrastructure;
  - (b) the type of Communications Infrastructure the Tenant uses; and
  - (c) the amount of use the Tenant makes of the Communications Infrastructure.

**Costs of this Lease**

- 2.8 WIAL and the Tenant will each pay their own costs for the negotiation, preparation and completion of this Lease and any variation or renewal thereof.

**Time for payment**

- 2.9 The Tenant shall pay any amounts due (except rent) within 14 days after being notified that the amount is due. The Tenant shall pay rent on or before the due date for payment.

**No set off or deduction**

- 2.10 The Tenant shall pay the rent and any other amounts due without deduction or set off.

**Interest on overdue rent or other moneys**

- 2.11 The Tenant will pay interest, calculated daily and compounded monthly, on any money that the Tenant owes WIAL and does not pay on time. The interest is payable on the amount outstanding from the day the money becomes due until it is paid. The rate of interest is stated in Item 7 of Schedule 1.



### **3. Premises**

#### **Premises description**

- 3.1 The Premises is described in Item 1 of Schedule 1.

#### **The Tenant's right to have access to Premises**

- 3.2 The Tenant is entitled to access to the Premises at any time. The Tenant shall comply, and shall ensure everyone for whom the Tenant is responsible complies, with WIAL's and any relevant Authority's security and safety arrangements, procedures and rules for accessing the Premises and the Airport. The Tenant shall enter the Airport through the normal public entrances and then follow the routes WIAL tells the Tenant to use.
- 3.3 The Tenant shall only deliver goods by the routes and at the times WIAL specifies. WIAL will give the Tenant reasonable notice of any change of route or time. The Tenant shall at all times strictly comply with, and make sure that the Tenant's employees and contractors strictly comply with, WIAL's specifications.

#### **The Tenant's right to quiet enjoyment**

- 3.4 The Tenant is entitled to quiet enjoyment of the Premises. The Tenant may occupy and use the Premises free from interruption or interference by WIAL, or anyone who claims through WIAL, except as provided for in this Lease.

#### **The Tenant's right to use Common Areas**

- 3.5 The Tenant is entitled to use the Common Areas in the Building for the purpose for which they were designed. However, the Tenant will comply, and will make sure everyone for whom the Tenant is responsible complies, with any rules WIAL makes in relation to the use of the Common Areas. At no time shall the Tenant carry on the Tenant's business in the Common Areas.

#### **The Tenant's right to use Services**

- 3.6 The Tenant is entitled to use the Services that are supplied to the Premises and the Common Areas. However, the Tenant will not interfere with them. WIAL will use its reasonable endeavours to keep the Services operating at all times and will maintain service and maintenance contracts for the lifts, escalators and any air-conditioning services WIAL provides. However, WIAL is not responsible in any way if any of the Services fail or are inadequate.

#### **The Tenant's signs**

- 3.7 The Tenant shall obtain WIAL's prior written approval (not to be unreasonably withheld) before the Tenant places any signs on the exterior of the Premises. WIAL has written a list of guidelines for signs in the terminal (including the location, size, content, style and colour scheme of signs) and any signs that the Tenant wishes to install, shall comply with those guidelines. WIAL will exercise its rights under this clause reasonably. The Tenant has no signage rights outside the Premises.

### **WIAL's signs**

- 3.8 WIAL reserves the right to place signs relating to the operation or safety (or both) of the Airport on the outside of the Premises. WIAL will discuss with the Tenant any proposal WIAL has to place, or allow another person to place, signs on the outside of the Premises and will use reasonable endeavours to comply with the Tenant's wishes. However, WIAL's decision will be final and WIAL shall not be required to give reasons for its decision. WIAL reserves the right to place signs in the Common Areas, at its discretion. Any third party signage opportunities shall vest in WIAL, whose decision in such matters will be final.

### **Use of the Premises**

- 3.9 The Tenant shall use the Premises for the purpose stated in Item 5 of Schedule 1. The Tenant shall not use or permit the Premises to be used for any other purpose.
- 3.10 WIAL does not warrant that the Premises are or will remain suitable or adequate for the Tenant's purposes. The Tenant accepts the Premises as being satisfactory in all respects with full knowledge of and subject to any prohibitions or restrictions on that use. That purpose is also non-exclusive insofar as WIAL may, at its sole discretion, establish other concessions at the Airport that are the same as, or similar to, the permitted purpose. The Tenant shall do everything necessary for the Tenant to use the Premises lawfully. The Tenant shall do everything reasonably possible to maximise sales at the Airport and in particular, will not use the Premises to arrange off-Airport sales.

### **Conduct of the business**

- 3.11 The Tenant shall conduct the Tenant's business on the Premises in accordance with best practice for that type of business. All display areas should be laid out in a way that makes the Premises attractive at all times.

### **Service standards**

- 3.12 The Tenant shall maintain the Tenant's service and quality standards set out in Schedule 4.

### **Quality assurance program**

- 3.13 An essential part of the commercial success of the Tenant's business will be dependent upon the quality of the Tenant's service, product range, pricing and merchandising. Accordingly, the Tenant will take part in any quality assurance programs that WIAL from time to time conducts. The objective of such programs is to assure WIAL that the Tenant is achieving, maintaining or exceeding the Tenant's service and quality standards and WIAL's reasonable standards for quality, service and financial performance.
- 3.14 WIAL will devise the quality assurance programs in the formats WIAL from time to time reasonably considers appropriate, including, for example, use of quality audits, mystery shoppers and quality assurance reports.

### **Tenant to rectify deficiencies in service and quality**

- 3.15 The Tenant shall immediately rectify any deficiencies that WIAL and/or WIAL's quality assurance programs identify in the Tenant meeting its service and quality standards, or WIAL's reasonable standards for quality, service and financial performance. The Tenant and WIAL will meet to discuss how these deficiencies should be rectified.
- 3.16 The Tenant shall implement any reasonable recommendations made in quality assurance reports as to how the quality and service in, the customer satisfaction with and the financial performance of the Tenant's business could be improved.

### **Items that may be sold**

- 3.17 The Tenant is entitled to sell the goods stated in Item 10 of Schedule 1.
- 3.18 WIAL's decision on whether goods sold by the Tenant comply with this clause will be final and WIAL shall not be required to give reasons for that decision.

### **Opening hours**

- 3.19 The Tenant shall ensure the Premises are open for business every day at least during the hours stated in Item 6 of Schedule 1. The Tenant acknowledges the importance to WIAL, the Tenant and all other retailers in the Building of the Tenant being open for trade at all times during the nominated opening hours. The Tenant acknowledges and agrees that WIAL has the right to change the opening hours at any time, and from time to time, after consultation with the Tenant
- 3.20 The Tenant shall keep the Premises well illuminated and in a clean and tidy and attractive condition when the Premises are closed.
- 3.21 WIAL is entitled to liquidated damages from the Tenant in addition to the rent and any other amount payable under this Lease, if the Tenant does not open the Premises as required by clause 3.19. The liquidated damages will be an amount equal to two (2) times the rent payable under this Lease on each day on which the Tenant commits a breach. This amount is a genuine pre-estimate of the damages WIAL will suffer if the Tenant commits a breach of clause 3.19.
- 3.22 The Tenant shall not cease trading from the Premises during the nominated opening hours to carry out any stock take.
- 3.23 WIAL will use the monthly payments on account of the Annual Rental under Schedule 2 to calculate the damages. The Tenant's obligation to pay damages does not affect any other right WIAL has under this Lease.

### **Levels of staffing and merchandise**

- 3.24 The Tenant shall employ a sufficient number of suitably qualified and experienced staff and shall keep on the Premises sufficient merchandise to meet the requirements of the Tenant's business. The Tenant shall ensure its employees are courteous and helpful to the public.



### **The Tenant's manager**

- 3.25 The Tenant shall appoint a person to manage its business at the Airport, and notify WIAL in writing of such appointment. The Tenant must also notify WIAL in writing in the event that a replacement manager has been appointed.

### **Pricing**

- 3.26 Prior to or as soon as practicable after the commencement date, WIAL and the Tenant will agree a list of businesses in the Wellington central business district which carry out a similar activity to that conducted by the Tenant at the Premises ("Similar Businesses"). The parties will agree on any updates to this list when and if necessary.
- 3.27 The Tenant shall not charge prices that are higher than those usually charged by the Similar Businesses in the normal course of business in the Wellington central business district ("Similar Business Prices"). WIAL reserves the right to check that the Tenant's prices comply with this clause. For the avoidance of doubt the definition of Similar Business Prices for the purpose of this clause excludes sale prices or prices that have been reduced from the recommended retail price for the particular items.
- 3.28 WIAL will inform the Tenant in writing if any of the Tenant's prices are higher than the Similar Business Prices, providing the Tenant with reasonable evidence if required. The Tenant shall reduce the Tenant's prices identified in WIAL's notice to be equivalent or less than the Similar Business Prices within 14 days of receiving such notice from WIAL.

### **Things the Tenant shall not do**

- 3.29 The Tenant shall not do anything to (or on) the Premises, or allow anything to be done to (or on) the Premises, which in WIAL's reasonable opinion:
- (a) detracts from the appearance or value;
  - (b) is dangerous to people or property;
  - (c) overloads any part of the Premises or any of the Services;
  - (d) interferes with anyone's use or enjoyment of the Building; and/or
  - (e) is unlawful.

### **Storage of chemical and hazardous things**

- 3.30 The Tenant shall not store any chemical or hazardous thing on the Premises except to the extent that is necessary for the lawful conduct of the type of business stated in Item 5 of Schedule 1.

### **The Tenant's duty in relation to events and risks**

- 3.31 The Tenant shall promptly notify WIAL in writing if any material damage to the Premises, or of a notifiable injury or illness, incident, or event (as notifiable under sections 23, 24 or 25 of the Health and Safety at Work Act 2015) that occurs in any part of the Premises. The Tenant must also notify WIAL in writing if the Tenant becomes aware of anything in the Building that may be dangerous to

people or property and the Tenant shall do everything reasonable to remove the danger if it emanates from the Premises.

- 3.32 A notifiable injury or illness, incident, or event is one that must be notified under sections 23, 24 or 25 of the Health and Safety at Work Act 2015.

**Health and Safety at Work Act 2015**

- 3.33 The Tenant shall at all times comply with its responsibilities and obligations under the Health and Safety at Work Act 2015. In particular, the Tenant shall establish procedures to ensure compliance with that Act. The Tenant shall give WIAL detail of those procedures and of how they are being implemented, if requested by WIAL.

**The Tenant's duty to clean etc.**

- 3.34 The Tenant shall:

- (a) keep the Premises clean and free of vermin and insects; and
- (b) use and pay for a cleaning contractor of whom WIAL approves in writing (such approval not to be unreasonably withheld); and
- (c) remove rubbish regularly and ensure that none of the Tenant's rubbish is left anywhere in the Building, except at collection points WIAL provides.

**The Tenant's duties in relation to disease and pests**

- 3.35 The Tenant shall immediately inform WIAL, and the relevant Authority, in writing if the Tenant becomes aware that a pest or a person with an infectious disease is or has been on the Premises. If the disease or pest results from any act or omission of the Tenant, the Tenant shall both:
- (a) do everything necessary to remove the cause, to WIAL's satisfaction and that of the relevant Authority; and
  - (b) reimburse WIAL for the reasonable cost of doing anything WIAL has to do to remove the cause from the rest of the Building.

### **Maintenance/Additions or Alterations**

- 3.36 The Tenant shall keep the Premises in good repair and condition, including all signs and glass inside and outside of the Premises and/or on the boundaries of the Premises. The obligations of the Tenant set out in this clause do not include responsibility for damage or destruction caused by fire, earthquake, lightning, storm, flood or tempest; impact by animals, vehicles and aircraft, spacecraft and other aerial devices, and things dropped from aircraft, spacecraft or other aerial devices; riot, strike or civil commotion; enemy action or an act incidental to resisting or preparing to resist enemy action; fusion; inevitable accede or act of God; and/or terrorism, unless such damage is attributable to any act or omission on the part of the Tenant and/or persons under its control.

### **The Tenant's duty in relation to fixtures, fittings and chattels**

- 3.37 The Tenant shall repair or replace any of the Tenant's fixtures, fittings and chattels which wear out. The Tenant shall replace anything that needs to be replaced with something of equivalent quality.

### **The Tenant's duty to redecorate/re-fit Premises**

- 3.38 The Tenant shall, at its sole cost, redecorate and/or re-fit the Premises to WIAL's reasonable satisfaction, when WIAL reasonably decides that the Premises' condition requires it. The Tenant shall maintain a high standard of redecoration and fitout at all times. This is necessary not only as part of the Tenant's obligation to keep the Premises in good order and repair, but also to help maintain the appearance and image of the Building and the Airport.
- 3.39 Should the Tenant fail to redecorate and/or re-fit the Premises, then WIAL shall be entitled to undertake that work:
- (a) over such period or periods as may be required in the circumstances to carry out such work; and
  - (b) at the cost of the Tenant, payable immediately on demand; and
  - (c) at WIAL's discretion, whose decisions in this regard shall be final, and WIAL shall not be responsible to the Tenant for any disruption, loss of trade or any failure to match or comply with any existing or preferred colour or design scheme.
- 3.40 The term 'redecorate' includes the cleaning down of the Premises (including all partitions and additions) and the treatment as previously treated of all surfaces by painting, staining, polishing or otherwise, to a specification and colour scheme approved by WIAL, and also the replacing of all floor coverings which (in the opinion of WIAL) need replacing. The Tenant shall, in such case, obtain WIAL's prior written consent as to quality, colour and design. Ownership of any replacement floor coverings will vest (or be deemed to vest) in the party who owned the original floor coverings located in the Premises prior to replacement.
- 3.41 The term 're-fit' includes upgrading or replacement (or both) of the exterior and interior (including all partitions and additions, signage, display shelves, merchandise racks etc.), to ensure that the appearance of the Premises is kept in conformity with trends then current in similar retail precincts, provided those requirements conform with the Tenant's obligations under any contracts and/or agreements the Tenant has entered into with supplier(s) of the goods sold at the premises .



- 3.42 Exercise of WIAL's rights under clauses 3.38-3.39 will not imply any renewal or extension of the term of this Lease.

**The Tenant will comply with laws etc.**

- 3.43 The Tenant shall comply at the Tenant's own cost, with any law or other requirement that applies in relation to anything that is done or to be done by the Tenant under this Lease, or relates to the Premises or the Tenant's occupation or use of the Premises, or which relates in any way to the Tenant as a person on or using the Airport.
- 3.44 The Tenant shall notify WIAL immediately if the Tenant becomes aware of any requirement of the type specified in clause 3.43. The Tenant will get WIAL's prior written consent before the Tenant complies with any such requirement. WIAL will not unreasonably withhold its consent.
- 3.45 The obligation to comply does not apply in relation to either structural work the Tenant is not responsible for, or to the installation of additional services, unless either is required because of the Tenant's particular use of the Premises.

**Retail Precinct rules**

- 3.46 The Tenant shall comply with WIAL's rules for the safety, care, operation, security and cleanliness of the Building (which includes the Retail Precinct) and the Airport, and the preservation of good order, safety and comfort of all people at any time in and around the Building and the Airport ("the Retail Precinct Rules"). The current Retail Precinct Rules are attached as Schedule 6.
- 3.47 This Lease prevails over anything in the Retail Precinct Rules that are inconsistent with the terms of the Lease.
- 3.48 WIAL may, acting reasonably, change the Retail Precinct Rules at any time. When WIAL changes the Retail Precinct Rules, it will supply the Tenant with an updated copy of the Retail Precinct Rules or the change. The Tenant shall comply with the updated rules and any changes to them from the time the Tenant receives a copy of them. The Tenant will use its best endeavours at all times to make everyone for whom the Tenant is responsible comply with the Retail Precinct Rules.

**Promotion group**

- 3.49 The Tenant shall join and take an active part in any marketing or promotion group established by WIAL for the tenants of the Retail Precinct ("the Retail Group"). The Tenant shall participate in any marketing campaigns or promotions the Retail Group decides to undertake, or WIAL reasonably decides the Retail Group should undertake, except where the relevant marketing campaigns or promotions conflict with the Tenant's obligations under any contracts and/or agreements the Tenant has entered into with supplier(s) of the goods sold at the premises. WIAL's expenses in this regard shall be recoverable as part of WIAL's Operating Costs.

**Use of the Airport's name in advertising**

- 3.50 When the Tenant's advertises its business in the Premises, the Tenant shall promote the name of the Airport and all insignias, identifying names and marks which WIAL instructs the Tenant to use in connection with the name. However, the Tenant shall not have any right in the name or in the

insignias, identifying names and marks, and shall immediately cease to use them when requested by WIAL.

**WIAL's right to inspect Premises**

- 3.51 WIAL may inspect the Premises at any reasonable time after giving the Tenant reasonable notice, except in the case of emergency when no such notice is required. WIAL will use reasonable endeavours to cause the minimum possible interference to the Tenant's business operations when exercising its right of entry.

## **4. Work the tenant does to the premises**

### **The Tenant's duty to get permission for Work**

- 4.1 The Tenant shall obtain WIAL's prior written permission before the Tenant does any Work, or applies to an Authority for approval for any Work. The Tenant shall also obtain WIAL's prior approval of the contractors the Tenant proposes to use. WIAL will not withhold approval unreasonably or arbitrarily to the Work if the Work complies with the Tenancy Fitout Manual, or if WIAL considers the Tenant's contractor to be suitably qualified for the Work.

### **Standard of work**

- 4.2 The Work the Tenant carries out the Premises at any time shall be completed to WIAL's reasonable satisfaction by competent and qualified workers. The Work shall meet the standards stated in the Tenancy Fitout Manual.
- 4.3 Upon completion of the Work, the Tenant shall give WIAL, at the Tenant's expense, a copy of all code compliance and building certificates for the completed works under the Building Act 2004, together with copies of the 'as built' plans and specifications relating to the Work.

### **The Tenant shall pay WIAL's costs in relation to Work**

- 4.4 The Tenant shall pay for any external costs WIAL reasonably incurs because of any of the following:
- (a) the Tenant asks for WIAL's permission to do Work; or
  - (b) the Work by the Tenant is not done properly and as a direct result WIAL is required to carry out additional work to the Premises, the Building, or any equipment in the Building and/or any Services.

### **Definition of Work**

- 4.5 In this clause, 'Work' includes the following:
- (a) the installation, alteration or removal of partitions or heavy fixtures, fittings and equipment;
  - (b) anything that involves the alteration or interference with the Communications Infrastructure, any other Services, the structure or external cladding of the Building or any property WIAL has supplied to the Premises; and/or
  - (c) any other work that requires WIAL's consent under the Tenancy Fitout Manual.

### **Premises design**

- 4.6 The Tenant shall keep the Premises fitted out in accordance with the plans in Schedule 3. WIAL will not unreasonably withhold WIAL's approval to any reasonable changes to the fitout that the Tenant wishes to make and the Tenant shall facilitate any reasonable requests for changes to the fitout that WIAL makes. After any change to the fitout, WIAL and the Tenant will agree to a variation of this Lease to record the change.

## **Building Act 2004**

### **4.7 The Tenant shall:**

- (a) not carry out any Work without first obtaining all building consents required to enable the relevant Work to be lawfully carried out;
- (b) carry out any Work in strict compliance with:
  - (i) the building code (excepting to the extent that the relevant Authority may waive or modify strict compliance with the building code); and
  - (ii) the building consent or building consents issued in respect of the relevant Work (including conditions imposed) and only for so long as such building consent or building consents remain current in respect of the relevant Work,
- (c) forthwith comply with all notices issued by any Authority in respect of any Work carried out by or on behalf of the Tenant (including any notice to rectify);
- (d) forthwith obtain a code compliance certificate for Work carried out by or on behalf of the Tenant on completion of that Work;
- (e) at all times strictly comply with those provisions of the Building Act 2004 which relate to Work carried out by or on behalf of the Tenant in the Tenant's capacity as an owner for the purposes of that Act;
- (f) not do anything nor permit anything to be done by the Tenant or any person claiming under the Tenant or for whom the Tenant is responsible (including the carrying out of any Work) which would be a breach by an owner of any obligation arising under or which would be an offence pursuant to the Building Act 2004. In particular, the Tenant will not permit the Premises to be used by the public before obtaining a Code Compliance Certificate or a Public Use Certificate for the completed Work.

### **4.8 The Tenant shall not install any systems or features, nor alter, add to or remove systems and features covered by a compliance schedule without first obtaining the prior written consent of WIAL. If consent is granted, the Tenant shall at its sole cost :**

- (a) strictly comply with any conditions imposed by WIAL;
- (b) obtain a building consent authorising the carrying out of the relevant Work;
- (c) strictly comply with all conditions attaching to the relevant building consent;
- (d) carry out the Work only for so long as the corresponding building consent remains current;
- (e) upon demand, reimburse WIAL for any additional costs and expenses incurred by WIAL as a consequence of legal requirements and obligations relating to such systems and features being imposed on WIAL pursuant to the Building Act 2004.

### **4.9 The provisions of clauses 4.7 and 4.8 shall be paramount. No provision of this Lease nor any approval or consent given by or on behalf of WIAL to the carrying out of the Work or to any action**



proposed or undertaken by the Tenant shall relieve nor be construed as relieving the Tenant from the obligations specified in clauses 4.7 and 4.8.

4.10 The Tenant shall indemnify and keep indemnified WIAL from and against all:

- (a) notices, orders and requisitions imposing obligations on the Tenant to carry out any rectification, remedial or other works;
- (b) claims, demands and proceedings made or issued against WIAL arising from default by the Tenant under this Lease;
- (c) damages, costs and expenses suffered or incurred by WIAL as a consequence of or arising from:
  - (i) a breach by the Tenant or by any person for whom the Tenant is responsible of requirements and restrictions imposed by the Building Act 2004, including obligations arising under that Act relating to the carrying out of any building Work and the use or occupancy of the Premises;
  - (ii) any act or omission by or any use or occupancy of the Premises or of the Common Areas by the Tenant or by any person for whom the Tenant is responsible which:
    - causes or contributes towards the Premises or the Common Areas being deemed to be dangerous or unsanitary pursuant to the Building Act 2004;
    - imposes or results in an obligation being imposed on WIAL under the Building Act 2004;
  - (iii) interference by the Tenant or any person for whom the Tenant is responsible with any of the systems or features provided in the Building which results in or contributes towards a breach by WIAL of WIAL's obligations under the Building Act 2004 or which results in additional costs being incurred by WIAL;
  - (iv) removal of, disfigurement of or interference, by the Tenant or any person for whom the Tenant is responsible, with any warrants of fitness displayed by WIAL in the Building from time to time.

## **5. Liability, insurance and indemnity**

### **Exclusion of liability**

- 5.1 In the absence of a negligent or intentional act or omission by WIAL or anyone for whom WIAL is responsible, WIAL is not liable for any damage or loss to any property, or injury to any person.

### **The Tenant's duty to arrange insurance**

- 5.2 The Tenant shall arrange insurance, at the Tenant's own expense and with an insurer WIAL approves of, against the following:
- (a) public liability, including liability to indemnify WIAL against liability in accordance with clause 5.9; and
  - (b) damage to, and loss of, internal glass, doors, display cases, fixtures, fittings, and chattels, on or in the Premises.

### **Details of insurance cover**

- 5.3 The insurance will cover the specific risks WIAL requires. It will be on terms of which WIAL approves.
- 5.4 The public liability insurance will be for at least \$10 million, or such other amount from time to time reasonably required by WIAL. The insurance against damage will be for at least the insurable value of the relevant property.
- 5.5 The insurance will commence from the beginning of this Lease. The Tenant shall maintain it for the term of this Lease and any additional term during which the Tenant occupies or uses the Premises.

### **The Tenant's other obligations in relation to insurance**

- 5.6 The Tenant shall not do or fail to do anything, or allow anything to be done or not done on the Premises which might either:
- (a) cause an increase in the cost of any insurance the Tenant arranges or WIAL arranges; or
  - (b) affect the Tenant's or WIAL's right to make a claim under insurance the Tenant or WIAL arranges.
- 5.7 The Tenant shall pay WIAL for any increase in the cost of any insurance WIAL has which results from anything the Tenant does or fails to do, or allows to be done or not done.
- 5.8 The Tenant shall give WIAL a copy of any policy, certificate of currency, or receipt, WIAL asks for.

### **Indemnity**

- 5.9 The Tenant shall indemnify and keep indemnified WIAL to the extent WIAL is not otherwise indemnified against any liability or claim arising from any of the following:
- (a) the Tenant's occupation or use of the Premises;

- (b) something the Tenant does or fails to do, or something that someone for whom the Tenant is responsible does or fails to do; and/or
- (c) anything or anyone entering or leaving the Premises.

5.10 However, the Tenant does not have to indemnify WIAL to the extent that WIAL, or someone for whom WIAL is responsible, contributed to the liability or claim by a negligent or intentional act or omission.

## **6. Damages and repairs**

### **The Tenant's duty to repair**

- 6.1 The Tenant shall promptly fix any damage which the Tenant or someone for whom the Tenant is responsible causes to the Premises or the Building.

### **Duties in relation to structural repairs**

- 6.2 The Tenant shall promptly fix any Structural Damage which the Tenant or someone for whom the Tenant is responsible causes.

### **WIAL's maintenance**

- 6.3 WIAL shall keep and maintain the Building and the Services in good order and repair, and in accordance with applicable laws. WIAL will not be responsible for any of the following:

- (a) repair or maintenance for which the Tenant is responsible;
- (b) any want of repair or defect in respect of the Services so long as WIAL is maintaining a service maintenance contract covering the work to be done, and takes reasonable steps to enforce that contract;
- (c) repair or maintenance which is not necessary for the Tenant's use and enjoyment of the Premises.

### **WIAL's liability for damage or loss caused by water**

- 6.4 WIAL will only be responsible for damage or loss caused by water if:
- (a) WIAL has not complied with its maintenance obligations under this Lease; and
  - (b) The Tenant has informed WIAL of the circumstances likely to lead to the damage or loss, and WIAL has failed within a reasonable time to take reasonable steps to prevent that damage or loss.

### **Effect of damage on rent**

- 6.5 If the Premises or the Building are damaged or destroyed so as to render the Premises untenable, a fair proportion of rent and outgoings shall cease to be payable as from the date of damage. However, this clause does not apply if:
- (a) the damage or destruction was caused by the Tenant or someone for whom the Tenant is responsible; or
  - (b) WIAL loses the benefit of WIAL's insurance because of something the Tenant (or someone for whom the Tenant is responsible) did or failed to do.
- 6.6 From the date of damage until the date the damage is repaired by WIAL under clause 6.9, the Tenant shall pay a fair proportion of the rent and other moneys payable under this lease if, despite damage to the Building or Premises, the Tenant is able to use the Premises and get access to them to substantially carry out the Permitted Use from the Premises. WIAL will set the proportion of



rent and other moneys payable under this lease according to the nature and effect of the damage sustained and/or the impact that the relevant circumstances have on the Tenant's use and enjoyment of the Premises, the period of time the Premises remain in such state, the extent to which the Premises are unusable or inaccessible.

- 6.7 Notwithstanding clause 6.6, the Tenant shall pay the full rent if either of the exceptions in clause 6.5 apply.
- 6.8 If a dispute arises as to the application of this clause, it will be resolved under section 13 of this Lease. Until the dispute is resolved, the Tenant will pay the proportion of the rent WIAL determines in accordance with clause 6.6.

**WIAL's duty to fix damage**

- 6.9 WIAL will repair damage to the Premises that WIAL is responsible for unless:
- (a) WIAL reasonably believes it impracticable or undesirable to do so;
  - (b) WIAL cannot obtain a permission from any Authority necessary for WIAL to do so after it has taken all reasonable steps to obtain the permission;
  - (c) WIAL does not receive enough money from its insurer to do so;
  - (d) either of the exceptions to clause 6.5 apply;
  - (e) the operation of the Airport has been so limited by the event that caused the damage that there would be little benefit in repairing the damage.

**WIAL's duty to notify of intention to repair or not**

- 6.10 WIAL will notify the Tenant in writing within a reasonable time of what WIAL intends to do in relation to damage for which WIAL is responsible. This Lease will end if WIAL notifies the Tenant that WIAL does not intend to repair the damage due to one of the exceptions stated in clause 6.9. The day on which this Lease will end will be that stated in WIAL's notice, but that day cannot be less than 30 days after the date of the notice.

**When the Tenant may end this Lease because of damage**

- 6.11 The Tenant will be entitled to end this Lease if either:
- (a) WIAL does not give the Tenant notice under the previous clause within twenty (20) working days of the date of damage; or
  - (b) WIAL notifies the Tenant that WIAL intends to repair the damage, but fails to do so within a reasonable time.
- 6.12 To end this Lease, the Tenant shall give WIAL at least 30 days written notice. The Tenant is not entitled to exercise its rights under this clause if either of the exceptions to clause 6.5 apply.

**Damage to the Airport**

- 6.13 WIAL is entitled to end this Lease if in WIAL's reasonable opinion damage caused to any part of the Airport requires either a total redevelopment of the Building, or the Airport to be closed for more than three (3) months. WIAL may do this whether or not the Premises have been damaged.

## **7. Ending of the lease**

### **Occupying the Premises after the end of the Lease period**

- 7.1 If the Tenant wishes to continue to occupy and use the Premises beyond the term of this Lease, the Tenant shall have to obtain WIAL's prior written approval. WIAL may make its permission subject to conditions it sees fit. If WIAL gives permission, the Tenant will continue to occupy the Premises on the following basis:
- (a) the Tenant will be a monthly Tenant;
  - (b) the conditions in this Lease will continue to apply with any necessary changes; and
  - (c) WIAL or the Tenant may end the tenancy at any time by giving the other one (1) month's written notice.

### **WIAL's entitlement to end this Lease early**

- 7.2 WIAL may terminate this Lease early in accordance with clause 7.3 if any one of the following occurs:
- (a) the Tenant or Guarantor breaches any of the Tenant's obligations under this Lease; and/or
  - (b) the Tenant or Guarantor suffers an Insolvency Event.
- 7.3 Before WIAL exercises its right under clause 7.2 to terminate this Lease, WIAL will give the Tenant notice in writing that states the breach and requires the Tenant to remedy the breach, if it is capable of being remedied. The notice must also state WIAL's intention to end the Lease if the breach is not remedied (if it is capable of being remedied) after a reasonable period (being not less than 10 working days) from when the notice is given.
- 7.4 WIAL will at the same time give any other notice required by law. Both notices may be given in the same document.
- 7.5 WIAL may terminate this Lease by either giving the Tenant notice cancelling it or by re-entering the Premises.

### **WIAL's entitlement to end this Lease early if required by Master Plan**

- 7.6 WIAL is entitled to terminate this Lease at any time if this is required by any Master Plan. WIAL may terminate the Lease for the whole of the Premises only.
- 7.7 WIAL will give the Tenant at least six (6) months written notice of the date it requires possession of the whole of the Premises. The Tenant shall vacate the Premises on the date stated in WIAL's notice.

### **WIAL's right to move the Premises**

- 7.8 WIAL is entitled at any time to move the whole of the Premises if this is required by any Master Plan. The Tenant shall vacate the Premises on the date stated in the notice WIAL must give under clause 7.9. The Lease will apply to the new Premises from the date the Tenant moves to the new

Premises. WIAL will prepare the appropriate Deed of Surrender of Lease and Deed relating to the new Premises, to properly document the changes (in particular the new rent and the new Premises description). The Tenant and Guarantor must properly sign and return the Deeds within ten (10) working days of receiving them from WIAL.

7.9 WIAL will give the Tenant at least six (6) months written notice of the date WIAL requires an area of the Premises to be moved. The written notice will also set out:

- (a) why the Premises must will be moved under the Master Plan;
- (b) the location of the new Premises.

**Compensation on relocation or removal**

7.10 WIAL will pay the Tenant an amount equal to the then depreciated value (capital only) of the Tenant's original fitout of any space which the Tenant must vacate under clauses 7.6 and 7.8. The standard IRD depreciation rate of 12% Diminishing value (DV) shall apply to the value of the Tenant's original fitout. The Tenant shall provide WIAL with full details of the original fitout costs incurred by the Tenant when this Lease starts. Failure to do so will relieve WIAL from any obligation to pay compensation. WIAL will not pay for any further new fitout the Tenant does. WIAL will also not pay for any fitout which the Tenant can relocate to the rest of the Premises or to a new area.

7.11 For the purpose of clarity in the event of a Master Plan move being required, the Tenant shall be responsible for the cost of fitting out the new Premises, and other than as provided in clause 7.10, WIAL does not have to pay any other compensation.

**Airports Authorities Act 1966**

7.12 WIAL's rights under clauses 7.6 and 7.8 are in addition to and do not replace the powers WIAL has under subsection 6(3) of the Airport Authorities Act 1966. The powers under that subsection apply to this Lease.

7.13 In the event WIAL ends this Lease (in whole only) under the Airport Authorities Act 1966, WIAL does not have to pay any compensation to the Tenant.

**The Tenant's duties when this Lease ends or is ended**

7.14 Upon expiry or earlier termination of this Lease, the Tenant shall exit the Premises, hand over any keys to WIAL and allow WIAL to take over the Premises.

7.15 The Tenant shall if required by WIAL, prior to or on the expiration or earlier determination of this Lease, remove the Tenant's property, fixtures, fittings and other effects from the Building (including signs), make good any damage and put the Premise (in particular WIAL's carpet) and the Services back in the state they were in as at commencement of the Lease and WIAL shall be entitled to seek reimbursement from the Tenant if the Tenant fails to comply with this clause.

7.16 As an alternative to clause 17.15, WIAL is entitled to require the Tenant to leave the Premises and any items of the Tenant's fitout in the Premises at the end of the Lease excluding any:

- (a) property, fixtures, fittings and other effects which are not owned by the Tenant: and



(b) the items listed in Schedule 7.

7.17 WIAL shall have no obligation to pay any compensation for the fitout left in the Premises and ownership shall pass to WIAL.

7.18 The Tenant will reimburse WIAL for any cost WIAL incurs in removing and disposing of any of the Tenant's fitout or property the Tenant leaves behind at the Premises (except items WIAL has asked the Tenant to leave in the Premises under clause 7.16), that WIAL does not want.

**Tenant's property**

7.19 Upon expiry or earlier termination of this Lease, the Tenant has the right to retain the items listed under Schedule 7 – Tenant's property.

## **8. Expansion or rebuilding of the building**

### **Application of this clause**

- 8.1 This section 8 will apply in the event WIAL elects to expand or rebuild or substantially alter the Building or any part of the Building.

### **Lease to be surrendered**

- 8.2 If in WIAL's reasonable opinion any proposed expansion, rebuilding or alteration requires the demolition or alteration of the Premises or any part of the Premises or if such proposed expansion, rebuilding or alteration means that the Premises will not in WIAL's reasonable opinion be suitable or in a suitable location in the Building for the business permitted to be carried out in the Building, WIAL may give notice in writing at any time ("the Surrender Notice") to the Tenant that it requires this Lease to be surrendered on a date ("the Date of Surrender") to be specified in such notice and in no event being less than six (6) months from the service of the Surrender Notice.
- 8.3 On the Date of Surrender the Tenant shall:
- (a) yield up vacant possession of the Premises to WIAL; and
  - (b) deliver to WIAL its copy of this Lease and do all such acts and things and sign all such documents as are reasonably required of it by WIAL.
- 8.4 Each party shall pay its own costs of and incidental to the preparation and execution of such surrender document.

### **Lease of Alternative Premises**

- 8.5 Where WIAL requires this Lease to be surrendered under clause 8.2 WIAL will offer the Tenant a lease ("New Lease") of alternative premises ("Alternative Premises") in the Building. The Alternative Premises will be as close as practically possible to the dimensions and amenities of the existing Premises and in a location suitable (in the reasonable opinion of WIAL) for the conduct of the Tenant's business (having regard among other things to any obligation of WIAL to provide other Tenants of the Building with alternative premises).
- 8.6 The lease for the Alternative Premises ("the New Lease") will be for a term commencing on the day following the Date of Surrender (except as provided in clause 8.7 and terminating on the expiry date of the New Lease. The New Lease shall be on the same terms and conditions as this Lease except for:
- (a) this section 8, which will be omitted;
  - (b) the rent, which will be calculated as follows: the rent from two (2) weeks after the date of commencement of the New Lease (to allow for a rent free fitout period) to the next following anniversary of the Commencement Date will be that rent which the WIAL believes is the then current market rent for the Alternative Premises; and
  - (c) the rent payable thereafter will be increased in the manner set out in Schedule 2.

- 8.7 WIAL will use its reasonable endeavours to have the Alternative Premises ready for fitting out by the Tenant on or before the Date of Surrender but the Tenant acknowledges that if circumstances so require, WIAL may require that the Tenant move to temporary premises until the Alternative Premises are ready. The Tenant's occupation of any such temporary premises will be on the following terms:
- (a) rent will be the same as under this Lease, regardless of the location and condition of the temporary premises;
  - (b) Operating Expenses and all other payments will be made in accordance with Schedule 5;
  - (c) the term of occupation by the Tenant of the temporary premises will continue until the Alternative Premises are available; and
  - (d) all other terms of this Lease will apply, as applicable, to such tenancy.
- 8.8 The offer of Alternative Premises will be submitted to the Tenant concurrently with the Surrender Notice. The offer will be accompanied by a plan showing the approximate location of the Alternative Premises, the approximate dimensions and layout of the Alternative Premises and the fixtures (if any), finishes and services to be provided by WIAL. If the Tenant wishes to accept the offer it shall notify WIAL in writing of its unconditional acceptance within 14 days of the submission of the offer and otherwise the offer will be deemed to have been rejected. If the offer is rejected or deemed to have been rejected the surrender of this Lease will be effected on the Date of Surrender without compensation by either party to the other but without prejudice to any rights or obligations under this Lease prior to the Date of Surrender, save that the Tenant's removal/make good/reinstatement obligations under section 7 of this Lease shall be disregarded.

#### **Fitout of Alternative Premises**

- 8.9 If the Tenant accepts the offer of Alternative Premises the Tenant shall, at the Tenant's sole cost, cause the same to be fitted out to its own requirements and in particular but without limitation:
- 8.10 The Tenant shall be responsible for:
- (a) the provision and installation of extra ductwork and registers;
  - (b) the reticulation of water and the provision of wastes otherwise than as shown in WIAL's plans including the provision and installation of any hot water service;
  - (c) the reticulation of electricity throughout the Alternative Premises and the provision and installation of power outlets and light fittings;
  - (d) the provision and laying of floor coverings;
  - (e) the provision and erection of internal partitions;
  - (f) finishes to all appropriate internal surfaces;
  - (g) the erection of signs; and
  - (h) the installation of all fittings.

together ("the Tenant's Works)

8.11 The following provisions will apply to the Tenant's Works:

- (a) the Tenant shall submit to WIAL prior to commencement of the Tenant's Works detailed drawings and specifications. WIAL will have the right to require reasonable amendments to such drawings and specifications to ensure that the Alternative Premises when completed will be consistent with the style and standard of the Building;
- (b) except as may be inconsistent with or varied by the specific provisions of this section 8, the Tenant shall comply with the provisions of section 4;
- (c) the Tenant will at the option of WIAL either make good to the satisfaction of WIAL any damage which may be caused to the Building as a result of the carrying out of the Tenant's Works or reimburse WIAL on demand for the costs incurred by WIAL in having such damage made good by WIAL's own contractors;
- (d) the Tenant's Works will be carried out at the risk of the Tenant and the Tenant hereby releases WIAL from all claims for loss of or damage to the plan, equipment, fixtures, fittings, merchandise and stock-in-trade of the Tenant except to the extent that such loss or damage is caused by the wilful act or omission of WIAL; and
- (e) unless WIAL otherwise consents in writing all display counters, show cases, furniture and furnishings will be newly constructed of high quality materials that have not been previously used in any other location provided that WIAL will not unreasonably withhold its consent to the use of any such furniture and furnishings which may be removed from the existing Premises and are of excellent appearance and condition.

#### **Compensation**

8.12 Except as expressly provided, no compensation whatsoever will be payable by WIAL to the Tenant, whether for interruption of its business, loss of profits arising from such interruption, relocation costs or otherwise however arising. However, if the Tenant accepts the New Lease then WIAL will pay to the Tenant on the date of commencement of the New Lease (in return for the transfer of the ownership of the non-relocatable fixtures and fittings in the Premises to WIAL) a 80% of the actual costs invoiced to, and paid by, the Tenant for fitting out the Premises with non-relocatable fixtures and fittings ("Fitout Cost") calculated as follows.

8.13 The Tenant shall provide WIAL with a tax invoice for the percentage of Fitout Cost payable by WIAL (together with itemised details for each component of Fitout Cost supported by copies of actual tax invoices paid by the Tenant to third parties for the same) within 60 days of the completion of the Tenant's fitout of the Alternative Premises as a condition precedent to WIAL reimbursing the Tenant under clause 8.12.

#### **New Lease**

8.14 If the Tenant accepts the offer of Alternative Premises WIAL will arrange for the New Lease to be prepared and submitted to the Tenant. If this Lease is at the date of the Surrender Notice guaranteed by any person(s) the New Lease will be guaranteed in like terms by the same



person(s). The New Lease will be prepared by WIAL's solicitors. The Tenant shall meet WIAL's costs of preparation and execution of the New Lease.

### **Remodelling**

- 8.15 If, on an expansion, rebuilding or substantial alteration of the Building or part of the Building which is carried out more than 36 months after the Commencement Date, the Tenant is not required to surrender this Lease as provided in section 8, the following provisions will apply:
- (a) the Tenant shall within four (4) months of being required in writing by WIAL spend in remodelling, redecorating or upgrading the Premises and the Tenant's signage ("Remodelling") an amount which is not less than the amount originally spent (for those purposes) by the Tenant on the Premises. WIAL's decision in this regard shall be final;
  - (b) the minimum amount to be spent on the Remodelling under clause 8.15(a) will be increased (on a compounding basis) on each anniversary of the Commencement Date by a percentage equal to the CPI increase until such works are practically completed to a standard reasonably acceptable to WIAL;
  - (c) the provisions of clause 8.10 will apply to the Remodelling as if they were alterations made under it;
  - (d) the Tenant will, if requested by WIAL, give reasonable proof of the amount spent and details of such expenditure.

## **9. Transfer, subtenancies and change in control**

### **Dealing with this Lease**

- 9.1 The Tenant shall not assign the benefit of or transfer any of its rights under this Lease. If the Tenant attempts to do any of these things, WIAL may immediately terminate this Lease.

### **Change in the Tenant's ownership or control**

- 9.2 If the Tenant is a company, the Tenant shall obtain WIAL's prior written approval to anything which changes the beneficial ownership of the Tenant's shares or the effective control of the company. This does not apply in relation to the sale of shares (in the Tenant or in the Tenant's holding company) that are listed on a recognised stock exchange. WIAL will give approval if each of the following conditions is met:
- (a) at least 51% of the Tenant's shares are still beneficially owned by the same people who owned them on the commencement date of this Lease;
  - (b) the Tenant is not in breach of this Lease;
  - (c) The change does not affect the Tenant's financial security or the Tenant's ability to run the business properly;
  - (d) the Tenant gives WIAL any information WIAL reasonably requires about the change in interest or control;
  - (e) any security WIAL reasonably requires is provided which may include existing personal guarantees continuing or new ones being given; and
  - (f) the Tenant pays WIAL any costs WIAL reasonably incurs in relation to the change.

## **10. Breach of this lease**

### **WIAL's right to require the Tenant to correct breach**

- 10.1 If the Tenant breaches an obligation under this Lease, WIAL may give the Tenant a notice that the Tenant is in breach, and require the Tenant to correct it within a specified reasonable time. If the Tenant fails to do so, WIAL may do anything that WIAL reasonably believes is necessary or desirable to correct it. A notice need not be given for non-payment of rent.
- 10.2 The Tenant will reimburse WIAL for any reasonable costs WIAL incurs in correcting the breach.
- 10.3 Any other right of WIAL's is not affected.

### **WIAL's costs resulting from a breach**

- 10.4 The Tenant shall reimburse WIAL for any reasonable costs WIAL incurs as a result of any breach of this Lease by the Tenant. The Tenant shall also pay damages to WIAL for any loss WIAL suffers as a result of a breach of this Lease by the Tenant.

### **WIAL's right to re-let the Premises**

- 10.5 WIAL has no obligation to try to re-let the Premises if the Tenant abandons them and WIAL may re-enter the Premises or otherwise end this Lease as a result of the Tenant abandoning the Premises. WIAL will be entitled to sublet the Premises on the Tenant's behalf. WIAL will set off the rent it receives (less any costs it incurs or losses it suffers in relation to the sub-letting) against any amount the Tenant owes WIAL in relation to this Lease. WIAL will pay the Tenant any excess. The Tenant is not released from this Lease if WIAL sublets on the Tenant's behalf.

### **No loss of rights**

- 10.6 If WIAL brings an action against the Tenant for damages, that does not affect any other right of WIAL's under this Lease, including WIAL's right to end the Lease. WIAL's right to damages is not affected by any of the following:
- (a) the Tenant abandoning the Premises;
  - (b) WIAL's re-entering the Premises or otherwise ending this Lease;
  - (c) WIAL's accepting the Tenant's repudiation of this Lease; and/or
  - (d) anything that amounts to a surrender of this Lease.

## **11. Renewal of lease subject to WIAL's discretion**

11.1 This lease represents a [to be inserted], with [to be inserted] agreed rights of renewal of [to be inserted].

11.2 If the Tenant has not been in breach of the terms and conditions of this Lease:

- (a) Discussions surrounding renewal of this Lease must be commences at least three (3) months before the expiry date of the term;
- (b) WIAL may (in its sole discretion) grant a new Lease to the Tenant at such reviewed rental as may be negotiated, or fixed in accordance with Schedule 2, and otherwise on substantially the same terms and conditions as this Lease or as varied by WIAL, acting reasonable.
- (c) For avoidance of doubt, the parties agree that this clause imposes no obligation or expectation on WIAL to grant such a new lease.

## **12. Miscellaneous**

### **Tender of money after the ending of this Lease**

- 12.1 If WIAL accepts money from the Tenant after WIAL ends this Lease, WIAL will be entitled to apply it first on account of WIAL's costs of re-entry and any other costs resulting from the Tenant's breach. Only after that must WIAL apply it on account of rent and other money the Tenant owed WIAL when WIAL ended the Lease.

### **Waiver**

- 12.2 Nothing WIAL does or fails to do under this Lease, even if it becomes a practice between the Tenant and WIAL, amounts to a waiver of any of the Tenant's obligations. This includes anything to do with payment or late payment of rent. If WIAL specifically waives compliance with an obligation on one occasion, that does not affect that obligation, or any other obligation, in relation to any other occasion.

### **Notices**

- 12.3 Any notice or other document required to be given or served to either party under this Lease may (in addition to any other method permitted by law) be given or served by registered mail or by delivery to the addresses set out in Item 8 and Item 9 of Schedule 1.

### **Time of notice**

- 12.4 A notice sent by post is to be treated as given the day after the notice was posted.

### **Power of attorney**

- 12.5 The Tenant irrevocably appoints WIAL (and any director or the chief executive officer of WIAL) as the Tenant's attorney to do anything the attorney thinks fit in relation to exercising WIAL's powers to end this Lease. This includes completing a surrender of this Lease.
- 12.6 WIAL is unable to exercise this power if the Tenant has been granted relief against forfeiture.
- 12.7 A statutory declaration of an officer of WIAL concerning the circumstances in which WIAL exercised this power will be conclusive evidence of those circumstances.

### **Land transfer title and mortgagee's consent**

- 12.8 The Tenant shall not register a caveat against the title to the Premises, nor require WIAL to either register this Lease or obtain the consent of any mortgagee of the Premises to this Lease.

### **Governing law**

- 12.9 This Lease is governed by, and shall be construed in accordance with the laws of New Zealand. Everyone who is for any time bound by this Lease:
- (a) submits to the exclusive jurisdiction of the courts of New Zealand;
  - (b) waives any immunity they may have to the New Zealand courts' jurisdiction; and



- (c) consents to the enforcement or execution in any court of competent jurisdiction in any country, of any order or judgment which may be made by the courts of New Zealand.

**Exhibition of Premises**

12.10 The Tenant shall permit WIAL to:

- (a) exhibit the Premises to prospective purchasers of the Airport at all reasonable times during the term;
- (b) exhibit the Premises to prospective tenants during the last 3 months of the term;
- (c) exhibit 'to let' signs on or about the Premises during the last 3 months of the term.

## **13. Mediation and arbitration**

### **Mediation**

- 13.1 WIAL and the Tenant will first try to resolve by mediation all disputes that arise between them concerning the meaning or application of any part of this Lease, or anything in connection with or which might affect this Lease.
- 13.2 Either of them may commence mediation by giving the other notice in writing requiring the mediation. They will agree the rules for any mediation before they commence the mediation. Participation in mediation will not affect any other right either of them has.
- 13.3 Either of them may have the dispute sent for resolution by arbitration if it has not been resolved by mediation within 1 month of the mediation being requested. A person who has participated in an unsuccessful mediation cannot be the umpire in the arbitration.

### **Arbitration**

- 13.4 A dispute that has not been resolved by mediation under the previous clause will be determined by a single arbitrator agreed between WIAL and the Tenant. However, either of them may require that there be two arbitrators and an umpire, if they cannot agree on a single arbitrator within 14 days of the dispute being sent to arbitration. The one requiring this will send the other written notice that names their arbitrator, requires the other to name their arbitrator within a further 7 days and warns of the consequences stated below of failing to appoint an arbitrator in time.
- 13.5 The first arbitrator to be appointed will be the single arbitrator if the second arbitrator is not appointed within the 7 days.
- 13.6 Either WIAL or the Tenant may request the President of the New Zealand Law Society to appoint a replacement arbitrator or an umpire if either an arbitrator refuses or fails to act within a reasonable time after their appointment, or the arbitrators are unable to agree on an umpire within a reasonable time. A defaulting arbitrator will be given a reasonable warning period in writing by the party who wants to make the request for a replacement arbitrator.
- 13.7 Time will be of the essence. This arbitration clause will survive this Lease ending or being brought to an end. Arbitrations will be under the Arbitration Act 1996 to the extent that act is not inconsistent with anything in this Lease.
- 13.8 Either party may appeal to the High Court on any question of law arising out of an award.

## 14. Definitions and interpretation

14.1 **Definitions:** In this Lease the following definitions apply:

**Airport** has the same meaning as in section 2 of the Wellington Airport Act 1990. It also includes all land subsequently acquired or designated (or both) for Airport purposes.

**Annual Rent** or **rent** means the amount set out in Item 3 of Schedule 1, the Tenant's share of the Operating Costs and any other amount owing by the Tenant to WIAL under this Lease from time to time.

**Authority** includes a government, and a local, statutory or public authority.

**Building** means the passenger terminal complex on the eastern side of the Airport (including the International Arrivals and International Departure Halls).

**Common Areas** includes any part of the Building which WIAL makes available for common use, including passenger facilitation space, foyers, passageways, lifts, lobbies and public toilets. A certificate of the chief executive of WIAL will be prima facie proof of what the Common Areas are at any time.

**Communications Infrastructure** means WIAL's Airport wide and within building backbone and horizontal cabling.

**deal with** means doing or agreeing to do any of the following:

- (a) transferring, assigning, mortgaging or otherwise disposing of this Lease.
- (b) sub-letting the Premises or otherwise parting with possession of the whole or part of the Premises.

**Financial Year** means the 12 month accounting period WIAL chooses for calculating rent and Operating Costs.

**Good Repair** includes (but is not restricted to) replacing light bulbs and tubes, and starters and power points and repairing, maintaining and replacing as necessary any internal cabling and wiring from WIAL's distribution board/s and damaged or broken glass.

**GST** means goods and services tax under the Goods and Services Tax Act 1985.

**Insolvency Event** means where the Tenant or the Guarantor is becoming or presumed to be insolvent; makes or proposes to make any assignment arrangement, compromise or composition with, or for the benefit of any of its creditors; has any of its assets subject to any form of service or execution; has a receiver, liquidator, administrator or statutory manager or any similar insolvency administrator appointed; is removed from the Register of Companies; or suffers any analogous event.

**Master Plan** means the plan or plans at any time for the development and use of the whole or any parts of the Airport. A certificate of the chief executive of WIAL will be conclusive proof of what at any time is the Master Plan.

**Operating Costs** has the meaning stated in Schedule 5.

**Premises** means the Premises described in Item 1 of Schedule 1, and includes such floor coverings, curtains, blinds, ceilings, light fittings, air conditioning and other equipment provided by WIAL from time to time to service the premises, and shall extend vertically from the upper service of the floor slab to the underside of the ceiling.

**Rates and Taxes** means any amount charged by any Authority against the area of the Airport of which, for assessment purposes, the Premises are part.

**Retail Precinct** means the area of the Building of which at any time, for Operating Costs recovery purposes, the Premises are treated as part. This includes the retail areas on level 1, the retail back of house, storage and service areas on level 1, and the retail areas in the International Arrives and International Departures Halls. A certificate of the chief executive of WIAL will be conclusive proof of what, at any time, is the Retail Precinct.

**Services** means every service that is available for use in, or provided in respect of, the Premises and the Building. It includes every service that enables access to the Premises for people or goods.

**Someone for Whom the Tenant is Responsible** means the Tenant's employees, agents and contractors and anyone on the Airport or in the Premises at the Tenant's specific invitation.

**Someone for Whom WIAL is Responsible** means WIAL's employees, agents and contractors, and anyone on the Airport at WIAL's specific invitation.

**Structural Damage** means damage caused to the Premises or Building by an inherent defect which renders the Premises untenable or interferes with the Tenant's quiet enjoyment.

**Tenant** includes the Tenant's successors and permitted assigns.

**Tenancy Fitout Manual** means the manual of detailed guidelines and specifications that all work done by the Tenant in the Building must meet

**Utilities** means gas, electricity, water, telecommunications and any other service consumed by the Tenant at the Premises.

**WIAL** includes its successors and assigns.

**14.2 Interpretation:** In this Lease, unless the context otherwise requires:

- (a) a reference to any law or legislation or legislative provision includes any statutory modification, amendment or re-enactment, and any subordinate legislation or regulations issued under that legislation or legislative provision;
- (b) a reference to any agreement or document is to that agreement or document as amended, novated, supplemented or replaced from time to time;
- (c) a reference to a clause, part, schedule or attachment is a reference to a clause, part, schedule or attachment of or to this Lease unless otherwise stated;

- (d) an expression importing a natural person includes any company, trust, partnership, joint venture, association, corporation, body corporate or governmental agency;
- (e) a reference to a business day means a day on which all banks are open for business generally in Wellington;
- (f) the day on which any act, matter or thing is to be done under this Lease is not a business day, that act, matter or thing may be done on the next business day;
- (g) a covenant or agreement on the part of 2 or more persons binds them jointly and severally; and
- (h) the schedules and attachments form part of this Lease.



## Execution

Executed and delivered as a Lease.

Signed by

**Wellington International Airport Limited:**

---

Authorised signatory

In the presence of:

---

Witness signature

---

Witness name

Date:

Signed by

**[To be inserted]:**

---

Authorised signatory

In the presence of:

---

Witness signature

---

Witness name

Date:

## Schedule 1 - Items

### Item 1 - Description of Premises

[To be inserted]

### Item 2 - Lease Term

Commencement date: [To be inserted]

End date: [To be inserted]

### Item 3 – Annual Rental

Rent for the Premises: [To be inserted]

Payable as under Schedule 2.

### Item 4 - The Tenant's share of the Operating Costs

To be applied in accordance with Schedule 5.

### Item 5 - Purpose of use of Premises

[To be inserted]

### Item 6 - Opening hours

[To be inserted]

### Item 7 - Rate of interest

The rate per annum 3% above the interest rate WIAL's principal banker charges, or would charge, WIAL for overdraft money during the time when interest is being charged.

### Item 8 - The Tenant's address

[To be inserted]

### Item 9 – WIAL's address

Corporate Office  
Level 2, Main Terminal Building  
Wellington International Airport  
PO Box 14175  
Wellington 6241  
New Zealand

Telephone: +64 4 385 5100

### Item 10 – Goods that may be sold

[To be inserted]

## Schedule 2 – Annual Rental

### 1. Calculation of Rent

The rent will be the total of the following amounts:

- (a) [To be inserted] (Minimum Annual Guaranteed Rent); plus
- (b) The Turnover Rent plus GST.

### 2. The Turnover Rent

The Turnover Rent is the total of the following amounts:

[To be inserted]

### 3. Monthly Payments on Account of Rent

- 3.1 The Tenant will make payments on account of the rent monthly in advance on the first day of each month. The payments for the period until the end of the first full Financial Year will be  $1/12^{th}$  of the Minimum Annual Guaranteed Rent (or, if there is no MAG rent,  $1/12^{th}$  of the rent WIAL reasonably calculates that the Tenant will pay during the first 12 months of this Lease based on the Tenant's projected turnover for the first 12 months of this Lease). For each subsequent Financial Year the payments will be  $1/12^{th}$  of the greater of:
  - (a) the Minimum Annual Guaranteed Rent;
  - (b) 90% of the rent payable for the previous Financial Year.
- 3.2 If this Lease does not begin on the first day of a month, the Tenant will pay the pro-rata proportion of the monthly payment on account of rent for the period at the beginning and end of this Lease that is less than a month.

### 4. Calculation of Rent

- 4.1 WIAL will calculate the rent at 3 monthly intervals from the beginning of the first full Financial Year and on the end date in Item 2 in Schedule 1. WIAL will also calculate the rent at 3 monthly intervals from the commencement date until the beginning of the first full Financial Year and on the day before the beginning of the first full Financial Year.
- 4.2 If the Tenant has overpaid for any period, WIAL will pay the Tenant the amount overpaid, or credit it against the Tenant's next rent payment or any other amount that the Tenant then owes WIAL. If the Tenant has underpaid for any period, the Tenant will pay WIAL the shortfall. Any amount which either owes the other will be paid within 7 days of the amount being calculated and advised by WIAL.

### 5. Information the Tenant will Supply

- 5.1 The Tenant will supply WIAL with transaction figures and a statement of the Gross Revenue for each month. The Tenant will do this within 5 business days after the end of the month. The information will be broken down by product category. The Tenant will also supply this information

at the end of each 3 month or lesser period at the end of which the rent is to be calculated, and at the end of each Financial Year and any periods at the beginning and end of this Lease that are less than a Financial Year. WIAL will use this information to calculate the Turnover Rent and the rent.

- 5.2 The Tenant will supply the information in the form at the end of this schedule. The information must be certified by the Tenant or a director of the Tenant.
- 5.3 WIAL will be entitled to publish the information the Tenant supplies it. However, the information must be stated in a way that protects the Tenant's identity and recognises the commercial sensitivity of the information provided.

## **6. WIAL's Right to Estimate Turnover Rent**

WIAL will be entitled to estimate the Turnover Rent and rent for any period if the Tenant does not give WIAL the statement of Gross Revenue for that period within the time stated in the previous clause. The Tenant will pay the rent WIAL estimates based on the Turnover Rent WIAL estimates. The Tenant will pay WIAL interest on the shortfall at the rate in Item 8 in Schedule 1 from the date the money was due until it is paid, if WIAL estimates too little Turnover Rent and rent for any period.

## **7. Electronic Recording of Transactions**

The Tenant will ensure that each transaction through its business is electronically recorded in a manner of which WIAL approves. The Tenant will ensure all its cash registers are linked to a point of sale system that advises WIAL of the amount and the nature of each transaction as it occurs. WIAL will specify the type of cash registers that the Tenant must supply and use.

## **8. The Tenant's Obligation to Keep Records**

The Tenant will maintain and keep for at least 5 years after the date this Lease ends or is ended full and accurate books of account and records from which the Gross Revenue can be calculated.

## **9. Annual accounts**

- 9.1 The Tenant will supply WIAL with a full set of accounts for the Tenant's business at the Airport for each Financial Year and for any periods at the beginning and end of this Lease that are less than a Financial Year. The Tenant will supply these accounts within 1 month of the end of the period to which they apply. With the accounts, the Tenant will also supply a full report on the business for the period. The report will contain all the information WIAL reasonably requires to assess the performance of all aspects of the Tenant's business at the Airport.
- 9.2 The Tenant will also supply WIAL with a set of audited accounts for the Tenant's business at the Airport within 2 months after the end of the Tenant's own Financial Year. The auditor will be a registered chartered accountant in public practice of whom WIAL approves.

## **10. WIAL's right to inspect and audit the Tenant's books**

- 10.1 WIAL is entitled to inspect or audit the Tenant's records relating to Gross Revenue at any time. The Tenant will supply WIAL with all the information and copies of all the documents WIAL

reasonably asks for. The Tenant will ensure WIAL has access to all places where the information is held.

- 10.2 The Tenant will pay WIAL its costs of the inspection or audit if WIAL finds that the Tenant has underpaid rent by more than 2% for any period. The Tenant will pay WIAL interest on the amount underpaid at the rate in Item 8 in Schedule 1 from the date it should have been paid until it is paid.

## **11. CPI increase**

- 11.1 The Minimum Annual Guaranteed Rent will be increased by a CPI review on the anniversary of the Commencement Date and every 12 months from that date. Under a CPI review, WIAL assesses what the new figure will be on the basis of increases in the CPI. WIAL calculates it by multiplying the current figure by the CPI for the just ended June quarter, then dividing the result by the CPI for the previous June quarter.

- 11.2 Example for Minimum Annual Guaranteed Rent of \$50,000 at 1 July 2010:

CPI 30 June 2009 - 2200  
CPI 30 June 2010 - 2275  
 $\$50,000 \times 2275 = \$113,750,000$   
 $\$113,750,000 \div 2200 = \$51,700$   
**CPI-assessed rent: \$51,700 plus GST**

- 11.3 The new figure will apply from the review date. However, until WIAL notifies the Tenant of the new figure, the previous figure will continue to apply. The Tenant will pay any shortfall for that period on the first day of the next month after WIAL notifies the Tenant. WIAL and the Tenant will share equally any costs of the review.
- 11.4 The parties acknowledge that to the extent that any increase in the CPI is attributable to any one-off GST tax increase during a CPI review period, such proportion of the increase in the CPI attributable to that one-off GST tax increase must be discounted from the calculation of the CPI review. If Statistics New Zealand (or any successor organisation) does not publish its determination of the percentage increase in the CPI that is attributable to the one-off GST tax increase, the parties must agree that percentage prior to finalising the CPI review. If the parties are unable to agree the percentage increase in the CPI attributable to a one-off GST tax increase, the parties will refer the dispute to a suitably qualified and independent expert for determination, such determination to be final and binding. The identity of the independent expert will be agreed between the parties or failing agreement within 20 working days of the dispute arising, either party may request the President of the New Zealand Law Society to nominate a suitable expert.

## **12. What CPI means**

CPI means the Consumers Price Index - All Groups published by Statistics New Zealand, or any index which officially replaces it. If no index officially replaces it, WIAL will arrange for an expert to assess what the CPI for the dates in question would have been. WIAL and the Tenant must each pay half of the expert's fees.



### 13. Definition

**Gross Revenue** means the retail price of both:

- (a) Everything sold, supplied, made, ordered from or otherwise disposed of by or on behalf of the Tenant from the Premises, or from any other location in the Airport.
- (b) All Services rendered by or on behalf of the Tenant from the Premises, or any other location in the Airport.
- (c) This is whether merchandise sold, supplied etc. and Services rendered are consumed or used on or off the Airport. However, Gross Revenue does not include any of:
- (d) Sales of any of the fixtures, fittings and chattels used in the operation of the Tenant's business.
- (e) Any refunds paid for returned merchandise up to the amount of the retail price of the merchandise.
- (f) GST payable on any transaction.

**Form of monthly statement of Gross Revenue and percentage rent**

**To: Wellington International Airport Limited**

**Statement of monthly Gross Revenue and percentage rent**

From: [            ]  
(Tenant)

Date: [            ]

Lease of [            ]

Concession: [            ]

The following is a true and accurate statement of Gross Revenue (as defined in the Lease) for the month of [            ]

Gross Revenue: [            ] (Current month)	1.
Total Gross Revenue - current year	2.
Fee at [    ]% of Gross Revenue - current year	3.
Less - minimum rent and % rent paid to date	4.
<b>Amount owing</b> ((3) less (4))	5.
Goods and services tax	6.
<b>Total</b>	7.

Transaction figures for the month are attached.

Certified by:

Title:

***Only complete to Item 1 for monthly statements. Complete full form for 3 month and end of Financial Year statements.***

### **Schedule 3 - Premises design**

[To be attached]

## **Schedule 4 – Service standards**

[To be attached]

## **Schedule 5 – Operating Costs**

### **1. Tenant's Share of Operating Costs**

- 1.1 The Tenant will pay a fair proportion of the Operating Costs based on the proportion that the rentable area of the Premises in the Retail Precinct is of the total rented area of the Retail Precinct. Where a percentage share is specified, WIAL can alter the same, by giving the Tenant notice in writing, to reflect changes in the total rented area of the Retail Precinct from time to time.

### **2. Monthly Payments on Account of Operating Costs**

- 2.1 WIAL will give the Tenant a written estimate of the Tenant's share of the Operating Costs for each Financial Year as soon as possible after the start of the year. The Tenant will make payments on account of the Tenant's share of the Operating Costs in advance on the first day of each month. The payments will be 1/12<sup>th</sup> of the estimate.
- 2.2 Until the estimate for each Financial Year is received, the Tenant will continue to make the previous year's payments. The Tenant will pay WIAL any shortfall as soon as the estimate is received.

### **3. Calculation of Actual Operating Costs**

- 3.1 As soon as practicable after the end of each Financial Year, WIAL will give the Tenant details of WIAL's actual Operating Costs. The Tenant will pay WIAL any shortfall between what the Tenant has paid and what is due on the basis of WIAL's actual costs. If the Tenant has overpaid, WIAL may either pay the Tenant the amount overpaid, or credit that amount against the Tenant's next rent payment or any other amount that the Tenant then owes WIAL.

### **4. Separate Charging of Any of the Operating Costs Incurred Because of the Tenant**

- 4.1 WIAL may also charge the Tenant for the whole, or part of, any of the Operating Costs that WIAL reasonably considers is incurred because of the Tenant. That amount charged will be excluded from the Operating Costs charged to other occupiers of the Building.

### **5. Charging of the Whole of Any of the Operating Costs in 1 Financial Year**

- 5.1 Where any of the Operating Costs is assessed or payable at intervals that fall in more than 1 Financial Year, WIAL is entitled to include the whole of that Operating Cost in the Financial Year in which it is first assessed or payable.

### **6. Identifying Operating Costs**

- 6.1 WIAL will decide what is the Retail Precinct's share of the Operating Costs. If an Operating cost relates to several parts of the Building, and the Retail Precinct's share cannot be quantified, the Retail Precinct's share will be that which WIAL reasonably believes is fair.



## **7. Definition**

**7.1 Operating Costs** means every reasonable cost WIAL incurs in respect of the ownership, control, management, operation, maintenance, use and occupation of the Building. 'Operating Costs' also includes all of the following costs (which relate to the Building unless otherwise stated):

- 7.1.1 Land tax and any other tax levied on the Airport or the Building or on WIAL on account of them. This does not include income tax on WIAL's income.
- 7.1.2 Rates and Taxes.
- 7.1.3 Charges for Services, including water, gas, electricity and telephone, that are used on or supplied to the Retail Precinct.
- 7.1.4 Premiums and valuation fees for all insurance that WIAL arranges on the Building and anything in it that WIAL owns. This is whether that insurance is on a replacement or indemnity basis. The risks covered may be all those which WIAL reasonably believes should be insured against.
- 7.1.5 Supplying to the Authority a building warrant of fitness under the Building Act 2004, obtaining reports required by sections 108 and 110 of that Act and all other administrative costs of complying with that Act.
- 7.1.6 Premiums for all loss of rents and consequential loss insurance WIAL arranges.
- 7.1.7 All WIAL's expenses relating to any marketing or promotion group, plus all costs of marketing campaigns or promotions the retail group decides to undertake, or WIAL reasonably decides the group should undertake.
- 7.1.8 Cleaning the Common Areas and external surfaces.
- 7.1.9 Cleaning and maintaining WIAL's directional signs.
- 7.1.10 Rubbish removal.
- 7.1.11 Operation, maintenance and servicing of Services, including lifts and any air-conditioning services WIAL supplies. This includes any maintenance and service contracts.
- 7.1.12 Provisioning toilets. This includes hire and maintenance of electric hand dryers.
- 7.1.13 Operating and maintaining music amplification and public address systems.
- 7.1.14 Hiring and maintaining any gardens and plants.
- 7.1.15 Painting and decorating the Common Areas and exterior.
- 7.1.16 Management, maintenance and security staff.
- 7.1.17 Pest control.
- 7.1.18 Operating and maintaining lighting of the Common Areas and exterior. This includes security lighting.

- 7.1.19 Operating and maintaining the loading docks, storage areas, public toilets and other facilities WIAL provides.

A management fee for the Retail Precinct. This fee will be comparable to fees charged for a similar standard of management of similar areas in buildings in the Wellington central business district but will not exceed 3% of the Annual Rent payable for the Premises in each lease year plus GST.

## **Schedule 6 – Rules of the retail precinct**

### **Preamble**

These Rules are made for the safety, care, operation and cleanliness of the Retail Precinct and for the preservation of good order, safety and comfort of Tenants and visitors in the Retail Precinct.

### **Obstruction**

1. The Tenant will not obstruct or permit the obstruction of any part of the Retail Precinct or the Common Areas or any appurtenances or conveniences in the Retail Precinct. Without limiting the generality or enforceability of the foregoing obligation, the Tenant acknowledges that WIAL will be entitled to remove and store at the Tenant's risk and expense any item(s) left or placed by or on behalf of the Tenant in the Common Areas.

### **Protection of Light**

2. The Tenant will not cover or obstruct any lights, skylights, windows or other means of illumination of the Common Areas.

### **Goods Delivery**

3. The Tenant will only use or permit to be used for the receipt, delivery or other movement of any goods or articles of bulk or quantity such parts of the Premises and the Common Areas and at such times as WIAL may from time to time permit and the Tenant will comply with all reasonable requirements of WIAL in such matters.
4. The Tenant will only use loading docks for loading and unloading and not parking.

### **Rubbish or Other Articles**

5. The Tenant will not throw or permit to be thrown or to be dropped or to fall any rubbish or other article or substance from or out of the Premises or the Common Areas. All rubbish will only be placed in the appropriate rubbish collection bins and areas.

### **Common Area Cleanliness**

6. The Tenant will keep clean and rubbish free such parts of the Common Areas as immediately adjoin the Premises.

### **Security**

7. The Tenant will use its best endeavours to protect the Premises from theft and robbery and will keep all doors windows and other openings closed and securely fastened when the Premises are not in use. If the Premises are not secured in the foregoing manner then the Tenant authorises WIAL to secure the Premises in such manner as WIAL determines is necessary in the circumstances but at the cost of the Tenant. If the Tenant desires to install a security alarm in the Premises then:
  - (a) any security call out activated by the Tenant's alarm is to be undertaken by the security personnel engaged by WIAL; and

- (b) the Tenant will pay all costs of security call outs activated by the Tenant's alarm.

### **Keys**

8. If WIAL has provided any keys for the Tenant then the Tenant will not permit them to come into the possession or control of any person other than the Tenant, its employees or agents and will return the keys to WIAL on the expiration or determination of this Lease. Lost keys will be replaced by WIAL at the cost of the Tenant. The Tenant will provide to WIAL an afterhours contact telephone number.

### **Rubbish**

9. No rubbish will be burned on the Premises or the Common Areas.

### **Soliciting**

10. The Tenant will not solicit business in the Common Areas nor distribute hand bills pamphlets or other advertising matter on motor or other vehicles parked in the Common Areas and will not use audio visual equipment, amplifiers or loud hailers in the Common Areas without the prior written consent of WIAL's Retail Manager.

### **Closing of Building**

11. The Tenant will observe any reasonable closing of the Building and the Common Area by WIAL and any direction prohibiting the Tenant from entering or remaining there at such hours as WIAL may reasonably determine and at all other times at which the Premises or Common Areas are required to be closed by operation of law.

### **Air Conditioning**

11. The Tenant acknowledges the right of WIAL to close down the air conditioning services (if any) of the Building during times other than normal retail precinct shopping hours.

### **Restrictions on Use of Common Areas**

12. The Tenant's right to use the Common Areas will be subject always to the control of WIAL and to the provisions for the making of rules as provided in clause 3.43. In particular but without limitation the Tenant will observe any restrictions imposed by WIAL from time to time to, including by way of example only, close any part of the Common Areas to the extent that the same may be required by law or in the case of an emergency or if WIAL otherwise deems such action reasonably necessary for the safety of any person or property within or upon the Building. Fire Drills
14. The Tenant will perform fire drills and observe all necessary emergency evacuation procedures and will co-operate with WIAL and all Authorities having jurisdiction in such matters.

### **Foodstuffs**

15. Foodstuffs will not be prepared or consumed within the Premises unless carried out in a place properly designed, equipped and set aside for the particular purpose.

## **Liquor**

16. The Tenant will not at any time permit the sale of intoxicating liquor within the Premises unless in accordance with the Licensing Laws and the Permitted Use. If intoxicating liquor is consumed within the Premises the Tenant will ensure that all laws governing the consumption of intoxicating liquor are fully complied with by the Tenant and people under the control of the Tenant.

## **Eviction**

17. WIAL reserves the right to exclude or evict from the Building any person who in the opinion of WIAL is under the influence of intoxicating liquor or drugs or who in any manner wilfully does any act in violation of these Rules or who is in the opinion of WIAL a nuisance to other people within the Building.

## **Pests and Illness**

18. The Tenant will keep the Premises free of rodents, insects, reptiles and pests generally. If the Tenant does not strictly and promptly comply with this Rule WIAL will be entitled to engage pest exterminators and charge all costs to the Tenant and collect the costs in the same manner as Rent in arrears.
19. The Tenant will promptly bring to the attention of WIAL the presence of any notifiable diseases.

## **Heavy Objects**

20. The Tenant will not place anything in the Premises which causes the Building's loading rates to be exceeded and the Tenant will not without the prior written consent of WIAL bring into the Premises anything of such weight, nature or description that will impose on the Building any stress, shock, vibration or weight likely to damage, weaken or cause any movement or structural defect in the Building. All damage done to the Building or any fixture or fitting contained in the Building in taking into, moving or removing heavy things will be made good by the Tenant who or whose agent caused it. Before any safe or other heavy article is moved into, out of or within the Building at least 48 hours' notice in writing will be given to WIAL and the moving of it will be done only under the supervision of a person approved by WIAL at a time stipulated by WIAL and at the cost in all things of the Tenant and collect such cost in the same manner as Rent in arrears.

## **Cleaning**

21. If the Tenant does not carry out the Tenant's own cleaning of the Premises the Tenant will exclusively use the cleaning services stipulated by WIAL. WIAL will have the Common Areas cleaned in a proper manner and such cleaning will include the regular removal of rubbish from the Building. WIAL will not be responsible to the Tenant for any loss or damage to the property of the Tenant caused by such cleaning services. The Tenant will keep the Premises in a good state of preservation and cleanliness and will not allow accumulations of dirt, rubbish or useless property in or about the Premises or the Common Areas.

## **Payment for Cleaning**

22. Should the Tenant use the cleaning services stipulated by WIAL, WIAL will cause the person providing the cleaning service to render accounts direct to the Tenant for the cost of cleaning the

Premises. The Tenant will pay such accounts within 21 days of receipt of them. All other cleaning costs will form part of the Operating Expenses.

### **Signs**

- 23 The Tenant will not at any time allow any sign to be displayed which refers to any closing down of the business or expiration or determination of this Lease.
- 24 The Tenant will not display showcards, price tickets or the like which are not professionally presented.

### **Aerials**

- 25. The Tenant will not erect or affix to the Building any radio or television mast or antenna or other communication equipment unless WIAL has first consented in writing. In the event that WIAL gives such consent and subsequently considers that the rights or interests of other tenants are being adversely affected then such consent may be modified or withdrawn on the giving of 14 days notice.

### **Sound Reproduction Apparatus**

- 26. Nothing in Rule 22 will prevent the Tenant from operating any musical instrument, compact discs, cassette tapes or record player, radio, television set, amplifier or other sound reproduction apparatus within the Premises in a manner which does not interfere with the use or enjoyment of the Building by any other tenant or customers.

### **Occupation of Premises**

- 27 In no event will the Tenant allow any person to sleep or reside on the Premises or in any part of the Common Areas.

### **Animals etc.**

- 28. Except in accordance with the Permitted Use, no animals, birds or pets will be kept in or about the Building.

### **Statements**

- 29. The Tenant will not issue statements, verbal or written to the media in respect of the Building.

### **Interference with Machinery**

- 30 The Tenant will not interfere with or attempt to control any part of the services or machinery installed in the Building or the Premises.

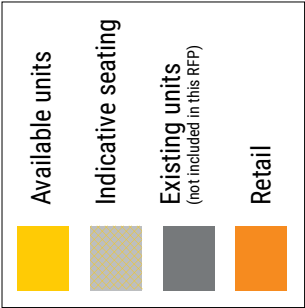


## **Schedule 7 – Tenant’s property**

[To be attached]

# »Schedule 5

## Schedule 5 - Terminal Map



# »Schedule 6

## Schedule 6 - Important RFP information concerning the Lease and Airport

### 1. Size and location of sites comprising the units

The Premises subject to this RFP comprises ten units (identified in the plan included in Schedule 5). All unit sizes are approximate.

FB01	100sqm	Bakery / Cafe	Main Terminal
FB02	40sqm	Contemporary Asian	Main Terminal
FB03	55sqm	Drinks-Led Bar	Main Terminal
FB04	208sqm	Fast Casual Dining	Main Terminal
FB05	40sqm	Local Premium Coffee Boutique	Main Terminal
FB06	90sqm	QSR - Gourmet Burger	Main Terminal
FB07	90sqm	QSR	Main Terminal
FB08	40sqm	QSR - Juice / Healthy	Main Terminal
FB09	TBC	QSR - Short Term	Main Terminal
FB14	28sqm	Cafe	International Departures

### 2. Back of House size and location

Key support areas and BOH infrastructure are to be confirmed pending the size and operational requirements of each proposed outlet/s.

### 3. Phasing of redevelopment

The majority of new units are expected to open on April 1, 2019. We expect all selected parties to submit a programme of works including a full build out and mobilisation plan.

### 4. Building consents

The successful respondent will apply for any consents necessary to enable it to fit-out the sites as soon as reasonably practicable after receiving advice that their proposal has been accepted. Respondents must satisfy themselves before they submit their proposals, that they can obtain these consents.

### 5. Access to sites

Access to each site for construction purposes will be given as soon as the successful respondent has:

- Obtained any necessary permits and resource consents
- Obtained our permission for the work it proposes to do on the site in accordance with our Tenancy Fitout Manual
- Signed the Lease and paid the first instalment of the rent under it.

### 6. Pricing

WIAL expects all of our retail partners to offer good value to our customers, as this is an extremely important element identified by our customer profiling. Pricing is a key component of the value equation. We understand that in a highly competitive market there will always be aggressive pricing and promotional activity, but we will require

the successful respondent to offer pricing that is comparable to alternative channels. For simplicity and clarity, we achieve this by identifying a basket of goods and retailers that we monitor and we will review these on a regular basis with our partners.

## **7. Working together**

We work closely with all of our retail partners, and that's particularly the case with our food and beverage partners. We aim to collaborate on annual business plans, to make sure our strategies and objectives are well aligned. We work together on marketing and on-Airport promotional activity, we proactively share information that can drive sales and customer satisfaction, and we have a regular, defined meeting and reporting program.

## **8. Operational information**

### **Security screening and stock delivery**

- There will be set times during which operators can make deliveries to the stores. These windows will be scheduled so as not to coincide with peak traffic times and may change subject to the Airport's flight schedule.
- Screening requirements will be agreed upon with Avsec, related to any airside operations.

### **Service lifts**

- Access to service lift from the dockway area is provided. Details will be advised at on-site tour.

### **Loading dock**

- Access to a loading dock is provided. Details will be advised at on-site tour.

### **Trading hours**

- Trading hours are subject to change based on flight schedules and it is our intention to ensure that all the F&B units are open and trading while there are passengers in the terminal.
- Therefore, our expectation is that every unit is open from 90 minutes prior to the first scheduled flight of the day until 30 minutes before the last flight of the day.
- While some exceptions may be made at a later date, this will be subject to negotiation. For the purposes of this RFP response, please assume the unit will be operational for this period, 365 days a year.

Due to unforeseen circumstances, the Airport environment can change at any given time. The successful respondent will be expected to adapt operations to ensure that service levels are maintained.

### **Cleaning of common spaces**

- WIAL will take responsibility for clearing and cleaning all common seating areas including those housing F&B-friendly seating, as identified here/in Schedule 5.
- Each operator will be charged a fee by the airport, based on its proportion of terminal footprint.

## **9. Staff training and screening**

Airport Identity Cards (AIC) may be required for all employees working at the Airport. These must be obtained directly from Avsec. Application forms for the Airport can be downloaded from the Avsec website at: [www.avsec.govt.nz](http://www.avsec.govt.nz)

Fees are:

- \$62.45 for a Permanent Airport Identity Card
- \$7.95 for a Temporary Airport Identity Card

All staff of the successful respondent will have to complete the Airport's Security Awareness Training Module online (mandated by the Civil Aviation Authority). Access rights will not be added to AICs by Airport Operations unless the holder has completed and passed the online assessment module. It will be the successful respondent's responsibility to ensure all staff have completed this. All contractors engaged by the successful respondent are required to be appropriately inducted prior to commencing work at the Airport by completing online Security Awareness Training and Contractor Induction modules.

## **10. Lease**

This RFP summarises many aspects of the Lease that will be signed by any successful respondent. These summaries have been included to help respondents understand the process and the Lease documentation.

The Lease issued to successful respondents will be our standard Food and Beverage Concession Lease. Please note that the Lease may be amended to reflect the terms as agreed and accepted by WIAL and any successful respondent. Where there is a conflict between the information contained in this RFP and the Lease, the Lease will prevail over the RFP. WIAL reserves the right to amend any term of the Lease prior to execution by the successful respondent.

### **Terms of Lease**

The annual rent payable by any successful respondent is a net amount. The successful respondent must also pay operating costs for each site, and additional cleaning costs as noted above, in addition to rent.

We have the right under the Airport Authorities Act 1966 to end the Lease early (in whole or in part) if we need any of the sites for Airport purposes. This right is covered in the Lease.

We are entitled to end the Lease early (in whole or in part), or relocate the sites to another area (or areas) we specify, if this is required under any Airport master plan. These rights are also covered in the Lease.

### **Other expenses**

Other costs related to operating at WLG are estimated as follows:

- Staff parking: Approximately \$25 per week per space (each space can be used for multiple shifts)
- Electricity and utilities
- Storage / BOH space

### **Common User Terminal Operating Expenses**

As noted above the successful respondent will be required to pay a portion of terminal operating expenses, and additional cleaning costs. The current operating expense per metre per annum (for 31 March 2018 year end) is \$275.74. Cleaning costs for common seating areas TBC.