

Folly Beach Edwin S. Taylor Fishing Pier Restaurant
Restaurant Lease

Notice to Prospective Lessees: Proposals should be based upon strict compliance with the terms and conditions in this lease. CCPRC reserves the right to modify the lease only for the purpose of clarifications and/or to incorporate provisions which are of benefit to CCPRC.

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Attachment A1 -FBFP Restaurant--1st Floor Leased Space

Attachment A2 - FBFP Restaurant--2nd Floor Leased Space

Attachment A3 - FBFP Restaurant--3rd Floor (Attic) Leased Space

Attachment B1 - Tenant New Improvement and Inspection Procedures

Attachment B2 -Tenant New Improvement and Inspection Procedures Forms

Attachment C - Restaurant Inspection Sheet

Attachment D - CCPRC Owned Kitchen Equipment

Attachment E - Hurricane Plan 2016 FBFP

SECTION A - PERSONAL CONTINUING GUARANTY

FOR VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, and as an inducement to enter into the lease between Charleston County Park and Recreation Commission (“CCPRC”) and _____ (“Lessee”), the undersigned, for themselves, their heirs, executor, personal representatives, successors and assigns, (individually called “Guarantor” and collectively called “Guarantors”) jointly and severally hereby unconditionally guarantee to CCPRC, it’s successors, and assigns that Lessee shall promptly and fully perform, pay and discharge all of its present and future liabilities, obligations and indebtedness to CCPRC whether direct or indirect, joint or several, absolute or conditional, secured or unsecured, matured or unmatured, and whether originally contracted with or otherwise acquired by CCPRC. This Guaranty is an absolute and unconditional guarantee of payment of the lease between CCPRC and Lessee, and not simply a guarantee of collectability. If Lessee fails to pay the indebtedness promptly as the same becomes due, or otherwise fails to perform any obligations under the Lease, each Guarantor agrees to pay on demand the entire indebtedness and all costs, losses, attorney’s fees, and expenses which may be suffered by CCPRC by reason of the Lessee’s default or the default of any Guarantor hereunder. Each Guarantor agrees that this Guaranty shall not be discharged or affected by any circumstances which constitute a legal or equitable discharge or a Guarantor or surety, by the death of any Guarantor, and the records of CCPRC shall be received as conclusive evidence of the amount of the indebtedness at any time owing. CCPRC may at its sole option pursue any claims against all or each of the individual Guarantors with or without joinder of the Lessee or other Guarantors. Each Guarantor hereby waives notice of adverse change in the Lessee’s condition or of any other act which might materially increase such Guarantor’s risk whether or not CCPRC has knowledge of the same.

All rights and remedies of CCPRC are cumulative and not alternative. Each provision of this Guarantee is intended to be severable. Should any terms or provisions hereof be declared to be contrary to, prohibited by, or invalid under applicable laws or regulations, those terms shall be inapplicable and deemed omitted here from, but shall not invalidate the remaining terms and provisions hereof.

WITNESSES:

LESSEE:

BY: _____
Title: _____

Mailing Address/Email

SECTION B - INDEMNIFICATION

In the event Lessee undertakes any improvements to the premises, Lessee and its Guarantors shall defend, indemnify and hold CCPRC harmless for any and all manner of claims (including reasonable attorney fees) brought by any contractors, suppliers, subcontractors, or installers of equipment of materials for the improvement of the property, and shall promptly discharge by bond or full payment any liens or encumbrances arising from such improvements or alterations.

WITNESSES:

LESSEE:

BY: _____
Title: _____

Mailing Address/Email

SECTION C - GENERAL TERMS AND CONDITIONS

I. Terms and Conditions:

a. Term of Lease Agreement

The term of the Lease Agreement shall be for a period of five years, beginning in *November 1, 2016*, for purposes of operating a restaurant facility. The lease shall terminate on *October 31, 2021* and Lessee shall deliver and surrender the premises on or before *October 31, 2021* to CCPRC in a clean and sanitary condition less ordinary wear and tear. Four months prior to the termination of this agreement, Lessee agrees to make the premises available for inspection upon reasonable notice and at specific times by any future prospective tenants who may elect to submit proposals to CCPRC for future operation of the restaurant facility. Lessee shall cooperate with CCPRC and any future tenant of the facility during the last 30 days of the lease (the "transition period") in the event CCPRC selects another tenant to operate the facility at the conclusion of this lease.

Property Location: Folly Beach Fishing Pier Facility Restaurant
101 East Arctic Avenue, Folly Beach, S.C.

Leased premises are described in Attachment A1, A2 and A3.

Extensions see I.f.

At a minimum, an annual Maintenance Inspection will be held in order to assure that the facility remains compliant with the terms and conditions of the Lease; however, CCPRC reserves the right to inspect more often. The Restaurant Lease includes a sample of the Restaurant Inspection Sheet, Attachment C.

b. Permits, Taxes, Licenses, etc.

Lessee shall, at his/her own expense, obtain all necessary permits, deposits, utilities, insurance (see I. k.), disposal fees, pay all license fees, taxes including property tax applicable, etc. required to comply with all applicable local ordinances, state and federal laws, and rules and regulations applicable to business to be carried on under the lease agreement. Failure to obtain all necessary permits and licenses shall be considered a material violation of the lease agreement and a misrepresentation in the proposal and will render this agreement void, unless beyond the Lessee's control.

Lessee shall pay disposal fees for the grease dumpster and the disposal fee for the trash dumpster and County user disposal fee. Lessee shall not use CCPRC's dumpster under any circumstances. CCPRC should not use Lessee's dumpster under any circumstances. Prior to commencement of the lease Lessee shall be required to make separate contractual arrangements with CCPRC's disposal

service for disposal of waste and refuse and provide proof to CCPRC. At a minimum, CCPRC shall require two (2) dumps per week off season and three (3) dumps per week during peak times.

c. Selling, Transferring or Assigning Contract

This agreement shall not be sold, transferred, sublet, or assigned without the prior written approval of CCPRC. Any assignment, sale, transfer or sublease shall be within CCPRC's sole discretion.

d. Staffing Restaurant

Lessee will, at all times, maintain an adequate staff to provide competent, experienced management on a full time basis during regular operating hours. Lessee shall assign a manager(s) who shall be on the premises during operating hours. The names of the manager(s) and phone numbers shall be provided to CCPRC so that CCPRC may contact the manager(s) with complaints, questions or concerns relative to the operation of the restaurant. Lessee and/or Lessee's designated staff, will be responsible for checking and securing the pier when the restaurant hours of operation extend beyond CCPRC's hours of operation, including providing law enforcement officer or approved equivalent to the extent deemed necessary by CCPRC and agreed to by Lessee for after hour's operation at Lessee's expense. CCPRC reserves the right to request removal or discharge of any restaurant employee which it finds to be discourteous, boisterous, unsanitary, disagreeable or incompetent.

e. Hours of Operation

CCPRC shall have sole approval of the hours of operations, including any changes and/or deviations from those hours. Any changes and/or deviations in the schedule at Lessee's request must be requested in advance and approved in writing.

The facilities to be operated by Lessee shall be opened seven (7) days per week, at a minimum of eleven (11) hours per day, except closing one hour earlier in winter when daylight savings time is not in effect.

The hours of operations shall be as follows (to be provided in proposal and filled in with award):

Sunday
Monday
Tuesday
Wednesday
Thursday
Friday
Saturday

Lessee may, at its discretion, expand these hours of operation to include breakfast hours, in accordance with provisions above. Notwithstanding the foregoing, in the event of an emergency or it is deemed necessary to close the restaurant to comply with CCPRC's operations for public health, safety, or welfare, the CCPRC Director of Parks, and or their designee, may close and suspend restaurant activities without any liability to CCPRC.

Food and supplies shall, whenever possible, be delivered during non-operational hours and all deliveries requiring a hand truck, cart, etc. shall be required to use the ramp.

f. Rent (Monthly and Additional) and Utilities

Lessee shall pay for all utility services when billed (including without limitation all electricity, gas, sewer, water, and all associated taxes, surcharges, deposits and assessments) used or consumed in connection with the operation of the restaurant from any and all public utilities. The late charge applies to all utilities as well as rent, lessee shall pay, as a daily "late charge", interest on the amounts (monthly) due at one percent (1%) per month (12% per annum) for any payment not made by the fifteenth of the month and all deficiencies in the security deposit.

Rent payments shall be made payable to Charleston County Park and Recreation Commission, 861 Riverland Drive, Charleston, South Carolina 29412 by way of ACH auto draft/ direct deposit. Utility payments shall be made payable to Charleston County Park and Recreation Commission, 861 Riverland Drive, Charleston, South Carolina 29412 by way of ACH direct deposit after receipt of bill.

Prior to the commencement of the lease, Lessee shall deposit with CCPRC one month's rent and one month's average utility costs to be determined by CCPRC as security for this agreement, and in the event of non-payment CCPRC may offset any such costs or expenses against the deposit in addition to all other rights and remedies under this agreement. CCPRC shall return any unused or remaining portion, if any, of Lessee's deposit within sixty (60) days of the termination of the lease. Lessee shall pay, as a daily "late charge", interest on the amounts (monthly and additional rent) due at one percent (1%) per month (12% per annum) for any payment not made by the fifteenth of the month and all deficiencies in the security deposit.

In the event the balance of the security deposit is diminished during the course of this agreement, Lessee shall immediately pay CCPRC the amount of the deficiency so that the balance of the security deposit remains constant during the entire lease.

Disposal fees see I.b.

1. Base Rent

Lessee shall pay CCPRC a base rent in equal monthly installments, due on or before the first day of each month.

Rent beginning November 1 each year with awarded rent increasing by 2% each year on November 1. The First Year rent may be delayed by up to three months to February 1, 2017 in year 1 only if the restaurant is not open for business. The rent shall become due and payable on the 1st of the month once the restaurant is open for business in year one.

See Cost/Price Proposal Form

Year (beginning November each year)

1. First Year 12 Months (see paragraph above)

Rent will be increased by 2% each year (2017 thru 2020)

2. Lessee may apply for an extension of an additional five (5) year term; however, any such extension will be subject to the approval of CCPRC and shall be at CCPRC's sole discretion. Lessee shall apply for extension no later than one (1) year prior to the end of the lease agreement term then in effect.

Year (beginning November each year)

Sixth Year thru Tenth Year Fifth Year, 2020 rent increased by 2% each year on November 1 (2021 thru 2025).

For and in consideration of this lease, Lessee agrees that its awarded monthly rent shall increase 2% each year in accordance with the schedules herein. Lessee shall not attempt to modify or withdraw the terms during the course of this lease.

Lessee shall pay, as a daily "late charge", interest on the amounts (monthly and additional rent) due at one percent (1%) per month (12% per annum) for any payment not made by the fifteenth of the month and all deficiencies in the security deposit.

3. Additional Rent

In addition to the fixed monthly rent in the price Schedule, Lessee shall pay CCPRC **8% of the gross annual receipts over \$1,200,000.**

g. Capital Improvements

Upon execution of a lease should Lessee desire to make any changes in the interior of the restaurant facility, Lessee shall provide an Improvement Plan as part of the RFP and follow the conditions of the Tenant New Improvement and Inspection Procedures and Forms, Attachment B1 and B2 to the Restaurant Lease. In the event CCPRC approves proposed improvements and construction to the

facility, Lessee shall bear all costs associated with such improvements. In the event the improvements do not adhere to the pre-approved plans in accordance with the Tenant New Improvement and Inspection Procedures and Forms, Attachment B1 and B2, to the Restaurant Lease and approval, CCPRC may, in its discretion, after completion of the improvements, reject or require modification or removal of the improvements for aesthetic reasons or in the event the improvements are of poor quality or workmanship. CCPRC staff may remove, replace, or repair any portion of the premises and deduct the cost of the work, plus a 15% administrative fee from the deposit in the event Lessee fails to comply with this provision. CCPRC must specifically review and approve proposed removal or replacement of any equipment, fixtures, or appliances. The list of CCPRC Owned Kitchen Equipment is supplied in Attachment D. All improvements which are anchored to the building structure shall immediately become the property of CCPRC. CCPRC shall have the right to inspect all documents (including, but not limited to: invoices, contracts and subcontracts) related to said improvements. Lessee shall not mortgage, pledge or encumber the leased premises, or any equipment or capital improvements which are affixed or installed on the leased premises. Lessee shall insure that all improvements are properly paid for in full. Items and equipment furnished by CCPRC under the previous lease for operation of the restaurant are furnished “as is” and Lessee is responsible for all maintenance and repair of such equipment and items.

h. Equipment

Trade fixtures shall remain Lessee’s property and may be removed at the conclusion of this lease, provided Lessee has satisfied all obligations hereunder. Lessee shall restore premises to original condition after removal of Lessee’s property (normal wear and tear excepted.) All equipment permanently affixed to the property shall remain the sole property of CCPRC. All equipment, furnishings, signage, etc., shall be in keeping with the appropriate standards of decor within the beach environment/atmosphere as approved by CCPRC. Only non-combustible furnishings and approved equipment will be permitted on the deck (“Approval” means written approval in advance by the City of Folly Beach Public Safety Department). All equipment, and architectural and other improvements related to the physical appearance of the structure must be approved by CCPRC in writing, prior to installation, in accordance with procedures outlined in the lease and RFP. No coin or currency operated vending machines shall be installed inside or outside the premises unless approved by CCPRC. Lessee agrees that all equipment, furnishings, and improvements shall be maintained so as to comply with all applicable building, fire, and other applicable construction, health, and safety codes.

i. Maintenance Responsibility

Lessee shall, at its sole cost and expense, keep and maintain the premises in a first class, and sanitary condition at all times, and CCPRC’s Director of Parks, and or their designee, shall have sole discretion to determine compliance with this

provision. Janitorial services and all interior maintenance and repair are the sole and exclusive responsibility of Lessee. CCPRC shall have the right to inspect the premises during all operating hours without notice.

- (1) Damages: Lessee shall promptly repair all damage to the leased portions of the building and all owners' property caused by LESSEE, its employees, agents, independent contractors, patrons, or other persons.
- (2) Utilities and operating systems within Lease Premises: Lessee shall maintain all utilities within the leased premises, including drains, sewer pipes, (HVAC including filters), plumbing and electrical lines (including light bulbs), service entrance, grease traps and ventilation systems, and outlets. In such cases where the repairs are required outside the leased premises, contact should be made with CCPRC to coordinate with the proper utility companies. Lessee is responsible for pest control management.

Throughout the course of this lease, restaurant and kitchen shall maintain at least an average rating of "A" by the appropriate inspection agency. CCPRC shall have access to the facility at all times to inspect and determine compliance with this provision. In the event Lessee fails to properly maintain the facility or correct deficiencies, CCPRC may take one or more of the following actions:

- (1) Repair such deficiencies and deduct the cost and 15% Administrative Cost from the deposit.
- (2) Suspend the restaurant operations until compliance is demonstrated to CCPRC's satisfaction.
- (3) Terminate this agreement.

j. Liability for Damage or Injury

CCPRC shall not be liable for any damage or injury that may be sustained by any party or persons on the leased premises, other than the damage or injury solely caused by the negligence of CCPRC or its employees.

k. Indemnification and Insurance

Lessee will indemnify and hold CCPRC harmless, and defend CCPRC, its officers, agents and employees from and against any and all claims, demands, liability, losses, cause of action or judgments (including costs of attorney's fees) of whatsoever kind or nature arising out of error, omission, negligent act, conduct, or misconduct of Vendor, its agents, servants or employees that may arise out of the Lessee's breach of this agreement or Lessee's use of the leased premises (including use by the public).

CCPRC will provide insurance against property damage for the building and structure. Lessee shall be responsible for structural damages to the building

caused by its own negligence. Insurance for the interior furnishings and contents will be the responsibility of Lessee. Lessee shall name CCPRC as an additional insured on such policies.

In the event of storm or natural disaster, CCPRC may suspend or close the restaurant at its discretion. Lessee will comply with CCPRC Hurricane Plan 2016 FBFP, Attachment E.

Lessee shall provide, and keep in force and effect, comprehensive general public liability and property damage insurance to include independent contractors, RFP Attachment 8, Insurance Requirement. Such comprehensive general liability coverage shall be not less than Two Million (\$2,000,000.00) Dollars combined single limit bodily injury and property damage insurance, holding harmless and indemnifying CCPRC against public liability and property damage claims, naming CCPRC as an additional insured and to furnish CCPRC at all times with an appropriate certificate from the insurance carrier showing such insurance to be in force.

Lessee or his agents shall carry product liability and completed operations coverage with a combined single limit for bodily injury and property damage of at least Two Million (\$2,000,000.00) Dollars. Business Interruption Insurance and Liquor Sales Liability is required.

All policies of such insurance, and renewal thereof, shall insure CCPRC and Lessee as their interests may appear.

The aforesaid insurance shall be written by companies authorized to do business in the State of South Carolina, and approved by CCPRC.

The policies or certificates representing such insurance shall be delivered by Lessee to CCPRC, and each policy or certificate delivered shall bear the endorsement of, or be accompanied by, evidence of payment of the premium thereon, and also an endorsement obligating the insurance company to furnish CCPRC thirty (30) days' notice in advance of the cancellation of the insurance evidenced by said policy or certificate. Renewal policies or certificates shall be delivered to CCPRC at least thirty (30) days before the expiration of the insurance which such policies are to renew. When such policies or certificates have been delivered by Lessee to CCPRC, as aforesaid, and at any time or times thereafter, CCPRC may notify Lessee in writing that the insurance represented thereby does not conform to the provisions of this paragraph, either because of the amount or because of the insurance company, or any reason related thereto, and Lessee shall have thirty (30) days in which to cure the defect. Failure to cure such defect within thirty (30) days shall constitute a breach of the lease agreement by Lessee, entitling CCPRC to all remedies occasioned by default.

l. Parking

CCPRC will provide two designated spaces for restaurant management or at Lessee's discretion. All other parking will be at Lessee's employee's or patron's expense. CCPRC provides no other parking benefits under this agreement.

m. Termination by CCPRC for Default

Addresses for notification:

Lessor: CCPRC, Procurement, 861 Riverland Drive, Charleston, SC 29412

Lessee: _____

The occurrence of any of the following shall cause the lease agreement and Lessee's right of occupancy to be terminated by CCPRC upon the terms and conditions set forth below:

- (1) Immediate (Automatic) Termination:
 - (a) Institution of proceeding in voluntary bankruptcy by Lessee.
 - (b) Institution of proceeding in involuntary bankruptcy against Lessee, if such proceedings continue for a period of ninety (90) days.
 - (c) Assignment by Lessee for the benefit of creditors.
 - (d) Abandonment or discontinuation of operations hereunder.
 - (e) Lessee's termination or confirmed loss of restaurant license as a consequence of any health inspection by state or local authorities.
 - (f) Lessee willingly allowing employees and/or agents to engage in any criminal activity on the premises or permitting such activity to occur.
 - (g) A judicial decision invalidating the lease agreement for the subject premises, or otherwise declaring the lease or award, unenforceable.
- (2) Termination after fourteen (14) days' written notice by certified or registered mail to address of Lessee set forth in the lease agreement:

- (a) Non-payment for any sum or sums due hereunder after the due date for such payments; provided, however, that at the sole discretion of CCPRC such termination shall not be effective if Lessee makes the required payment(s) during the fourteen (14) calendar day period following mailing of the written notice.
 - (b) Notice of any condition posing a threat to health or safety of the public or patrons and not remedied within the thirty (30) day period from receipt of written notice (e.g. less than “A” rating from DHEC).
- (3) Termination after thirty (30) days from receipt by Lessee of written notice by certified or registered mail to the address of Lessee set forth in the lease agreement:

Non-performance of any covenant, term or condition of the lease agreement and failure of Lessee to remedy such breach within the thirty (30) day period from receipt of the written notice to cure.

- (4) Termination by Lessee:

Lessee shall have the right to, upon thirty (30) calendar days from receipt of written notice to CCPRC to terminate the lease agreement at any time after the occurrence of one or more of the following events:

- (a) Issuance, by any court of competent jurisdiction, of any injunction substantially restricting the use of the facilities without Lessee’s fault.
- (b) The assumption by the United States government, or any authorized agency thereof, or any other governmental agency, of the operation, control, or use of the facilities, or any substantial part, or parts, thereof condemnation thereof, in such a manner as substantially to restrict Lessee’s operations for a period of ninety (90) calendar days or more.
- (c) Natural disaster which results in substantial destruction of the facility that cannot be repaired in ninety to one hundred twenty days.

Lessee acknowledges that in the event of termination, CCPRC shall have no liability or responsibility for any damages, losses or other liabilities

resulting from these causes of termination which are beyond CCPRC's control

- (5) Failure to seek a remedy for any default or enforce any provision of the lease agreement shall not constitute a waiver by CCPRC of any rights under the lease agreement including the unilateral right to suspend restaurant operations and require compliance with this lease, and the right to off-set costs against the security deposit.
- (6) In the event of a material change in circumstances beyond CCPRC's control which makes it impracticable to continue operations of the Restaurant or pier facility, the lease agreement may also be cancelled at any time by CCPRC for CCPRC's convenience upon 90 days written notice to Lessee. In this event of termination for convenience, CCPRC shall pay Lessee the direct cost of terminating its business at CCPRC's facility such as moving expenses, cleaning expenses, settlement with suppliers, and spoiling of any perishable food items. In the event of termination of the lease agreement CCPRC shall not pay and Lessee hereby waives any rights to claim damages for, consequential damages, lost profits, additional rents or ownership costs at any new location, employee severances or expenses and equipment leases or business losses in the event of such a termination.

n. Operational and Design Concepts

Lessee shall be responsible for the maintenance and operation of the restaurant. Any changes to the types of food to be served, hours of operation, and implementation of the proposed food and beverage service must be submitted and approved by CCPRC in writing. CCPRC reserves the right to review and approve the menu, restaurant name, and all public advertising and promotional campaigns.

o. Manner of Operation

Lessee shall keep the eating facility reasonably well stocked and staffed to serve the patrons thereof. Lessee shall maintain a first class standard of quality food and beverage service, and a cleanliness of the premises at least equal to similar operations in the Charleston area, at comparable prices, and in accordance with all applicable health and sanitary and safety requirements which may apply to the operation of a public restaurant facility. All personnel shall be courteous to the public and to patrons. No other business shall be conducted on the premises other than the operation of a restaurant.

Advertising campaigns shall not solely focus on "happy hour" alcohol sales. The premises shall not be used as a dance club, poolroom, game room, etc. Signs advertising alcoholic beverages must be approved by CCPRC in advance. Lessee will be responsible for obtaining necessary ABC licenses. Alcoholic beverages may be served, but shall not be the primary activity of the facility. The

Edwin S. Taylor Folly Beach Fishing Pier was developed by CCPRC for the public, and as such must be sensitive to how business and operational activities associated with the facility are perceived by the public. Cursing, loud music, overt drunkenness, fighting, and other obnoxious types of behavior are not conducive to a casual restaurant setting which CCPRC is attempting to foster and therefore will not be tolerated. Lessee must abide by CCPRC's standard procedures for weather emergencies.

p. Non-discrimination

- (1) Lessee shall, for itself, its personal representatives, successors in interest, and assigns, as part of the consideration hereof, covenant and agree that:
 - (a) no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the use of said facility, on the grounds of race, color, religion, national origin, sex, age, or handicap except for bona fide causes allowed by law;
 - (b) in the construction of any improvements on, over, or under such land, and the furnishings of services thereon, no person shall be excluded from participation in, be denied benefits of, or otherwise be subjected to discrimination, on the grounds of race, color, religion, national origin, sex, age, or handicap except for bona fide causes allowed by law;
 - (c) it shall comply with all applicable laws relating to minority or disadvantaged contractors.
- (2) Lessee shall not discriminate against any employee or applicant for employment or vendor, subcontractor, or other person or entity needed for the provision of supplies, material or labor because of age, sex or physical handicap (except where based on a bona fide occupational qualification); or because of marital status, color, religion, national origin, or ancestry.

q. Gross Sales Accounting

At the end of Lessee's fiscal year, Lessee shall provide CCPRC with an independent compiled and notarized or audited financial statement documenting and verifying under oath the annual gross sales.

The term “gross sales” shall mean the dollar aggregate of the entire amount of the actual price charged for all goods, wares, food, beverage, bar food and beverage, catered food and beverage, and other merchandise sold, or delivered; and all charges for all services sold or performed by Lessee from all business conducted at, upon, or from the premises whether made for cash, check, on credit, charge accounts, or otherwise without deduction for inability or failure to collect the same. The term “gross sales” is also intended to include all monies, or other things of value, received in connection with all business conducted in, at, or upon the premises. Without limiting the foregoing, gross sales shall also include transactions where orders originate from the premises, but delivery or performance is made at any other place; and where transaction are made by mail, telephone, telefax, online, telex or in any other way, regardless of whether orders are filled elsewhere.

The following may be deducted from gross sales: the exchange of merchandise between businesses of Lessee where such exchanges are made for the convenient operation of Lessee’s business, and not for the purpose of consummating a sale which has been made at the premises; returns to shippers or manufacturers, sales of trade fixtures after use thereof by Lessee; cash or credit refunds or returns in fact made upon transactions included within gross sales; the amount of any local, county, state, town or federal sales or excise tax, on such sales, provided such tax is both added to the selling price and paid to the taxing authorities by Lessee.

Lessee shall keep for a period of not less than three (3) years, following the end of each lease year, true and accurate books of account and records conforming to generally accepted accounting principles consistently applied including, but not limited to, sales tax and other reports filed with governmental agencies, all purchases and receipts of merchandise, services, food, beverage, inventories, and all sales and transactions made by Lessee or any subtenant, concessionaire or licensee of Lessee from which gross sales can be determined for such lease year. Lessee agrees to supply these records and information promptly upon request of CCPRC. CCPRC shall have the right to independently review and audit such records upon 10 days’ notice.

WITNESSES:

LESSOR:

Charleston County Park & Recreation Commission

BY: _____

Title: _____

861 Riverland Drive
Charleston, SC 29412

WITNESSES:

LESSEE:

BY: _____

Title: _____

Mailing Address/Email