FOOD SERVICES AGREEMENT
Between
Gourmet Dining, LLC
and
Rutgers, The State University of New Jersey

THIS AGREEMENT is made as of June 2019 by and between Rutgers, The State University of New Jersey, with principal offices located at 33 Knightsbridge Road, Piscataway, NJ 08854, by and on behalf of its New Brunswick Campus based Intercollegiate Athletics Department ("Client" or "Athletics"), and Gourmet Dining, LLC., a New Jersey limited liability company, with principal offices at 2400 Yorkmont Road, Charlotte, North Carolina 28217 ("Gourmet" or "Contractor") (individually, the "Party" and collectively, the "Parties").

WHEREAS, Client issued Request for Proposal #111548418 (the "RFP") seeking proposals from qualified food service companies to provide concessions and catering services for intercollegiate athletics at the New Brunswick Campus, dated February 20, 2019;

WHEREAS, Client determined Gourmet's proposal met the criteria needed by Athletics and after taking into consideration all of the evaluation factors set forth in the RFP Client desires to avail itself of Gourmet's food services, and unattended convenience store operations; and

WHEREAS, Gourmet desires to perform such services for Client;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the Parties hereto, intending to be legally bound hereby, agree as follows.

1. CLIENT'S GRANT TO GOURMET

Client grants to Gourmet, as an independent contractor, the exclusive right to provide and manage the Client's manual food service program including concessions (manual food hereinafter referred to as "Services," "Food Service" or "Food Service Program" as described in this Agreement and in Exhibits A and B, which are incorporated herein by reference) at the Rutgers Football Stadium located at 1 Scarlett Knight Way, Piscataway, New Jersey 08854 and Rutgers Athletics Center located at 83 Rockefeller Road, Piscataway, New Jersey 08854 and any and all Rutgers intercollegiate athletic facilities as may be added from time to time (collectively, the "Premises") and the exclusive right to sell to patrons, employees, guests and other persons at such Premises food products, alcoholic and non-alcoholic beverages and other such articles ("Products") as shall be approved by the Client. Gourmet shall render the Food Services within the facilities of the Premises, including but not limited to, the food preparation, serving, dining and storage areas ("Facilities") designated for the Food Service Program. Notwithstanding anything else herein to the contrary, if Gourmet shall be unwilling to provide the Services after a specific request from Client, then Client shall, in accordance with the terms hereof, be free to engage another vendor ("Third Party Vendor") to provide the Services that were specifically requested. Client may contract with the Third Party Vendor provided the Third Party Vendor and Client agree to indemnify, defend and hold the other harmless Gourmet from any and all losses, damages or expenses arising out of or resulting from claims or actions for bodily injury, death, sickness, property damage or other injury or damage caused by any negligent act or omission of such Third Party Vendor, any willful misconduct of such Third Party Vendor, or any breach by such Third Party Vendor in connection with use of the Premises, Facilities and food service equipment. Client shall cause the Third Party Vendor to (i) maintain insurance of the types and in the amount as Gourmet is required to maintain hereunder and to list Gourmet and Client as additional insured on such policies and (ii) restore the Premises and equipment to Gourmet in as good of a condition as existed prior to the Third Party Vendor's services.

2. COMMENCEMENT AND TERMINATION

A. This Agreement shall become effective as of July 1, 2019 and shall remain in force until June 30, 2029 unless sooner terminated as herein provided ("Term").

B. Notwithstanding the above, either Party may terminate this Agreement by providing notice of termination in writing one hundred eighty (180) days prior to the proposed termination date.

C. If either Party shall refuse, fail or be unable to perform or observe any of the terms or conditions of this Agreement for any reason other than Excused Performance reasons stated herein, the Party claiming such failure shall give the other Party a written notice of such breach. If the failure has not been corrected within thirty (30) days from such notice (or, with respect to default in payment, within ten (10) days from such notice), the non-breaching Party may terminate this Agreement effective ten (10) days after the end of said period.

D. In the event of a termination for any reason, all amounts outstanding shall become due and payable to Gourmet immediately upon termination, provided Client has received all appropriate invoices, except that repayment of the unamortized portion of the Investment will be due thirty (30) days after the date of termination. Client would also be paid any outstanding monies due to it from Gourmet within thirty (30) days of termination.

E. Upon the termination or expiration of this Agreement, Gourmet after the effective date of termination or expiration of this Agreement, shall vacate all parts of the Premises occupied by Gourmet, along with all unattended convenience store equipment, return the Facilities to Client, together with all the equipment furnished by the Client pursuant to this Agreement, in the same condition as when originally made available to Gourmet, excepting reasonable wear and tear, fire and other casualty loss.

F. The termination or expiration of this Agreement shall not affect the rights, privileges, liabilities and/or responsibilities of the Parties as they exist as of the effective date of termination. The Parties shall cooperate fully with each other during the Term of the Agreement and subsequent thereto in order to ascertain and satisfy the liabilities of either Party to the other.

G. At the termination of this Agreement, if requested by Gourmet and agreed to by the Client, Client may either purchase directly or cause Gourmet's successor to purchase Gourmet's usable inventory of food and supplies, it being further agreed that if Gourmet maintains an inventory of supplies bearing the logo of the Client or a sponsor (as described in Section 11 below), Client shall either purchase directly or cause Gourmet's successor to purchase Gourmet's usable inventory of such logoed supplies. The purchase price for such food and/or supplies shall be at Gourmet's cost.

H. Prior to the expiration or termination of this Agreement, Gourmet shall develop a mutually agreeable plan for the orderly transition of all Services provided by Gourmet under this Agreement (the "Transition Plan") such that after transition Client will be able to resume the food services program in the same manner as the Services were being performed by Gourmet or a third party of Client's choice can take over performance of food services in place of Gourmet.

I. Upon the termination or expiration of this Agreement, it shall be incumbent upon Gourmet to continue Services, if requested by Client, until new Services can be completely operational. Gourmet acknowledges its responsibility to fully cooperate with Client and the replacement vendor to ensure a smooth and timely transition. Gourmet will be paid for services during the transitional period at the rate in effect when the transitional period is invoked by Client.

3. GOURMET'S RESPONSIBILITIES

A. Pursuant to the provisions of this Agreement including Exhibits A and B, Gourmet shall use its commercially best efforts to operate and manage its Services hereunder at the Premises and at such other locations as agreed upon and maintain its Services with appropriate merchandise and equipment of good quality at reasonable prices. In the first Contract Year, the vendor list, items for sale, menus, pricing, serving materials and other material elements of the Services shall be in accordance with the Ancillary

Documents as described in Section 18 below (unless the parties mutually agree otherwise). In subsequent contract years, Gourmet shall consult with Client prior to making material changes to any of these agreed-upon elements of the Services.

B. Gourmet shall comply with all federal, state and local laws, including regulations governing the preparation, handling and serving of foods. Gourmet shall procure and keep in effect all licenses and permits required by law and shall post such permits as required by law. Gourmet shall comply with applicable federal, state and local laws and regulations pertaining to wages and hours of employment. **The parties shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin. Moreover, these regulations require that the Parties take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. Further, the parties agree to comply with 29 CFR Part 471, Appendix A to Subpart A.** This Agreement shall be subject to all applicable University, NCAA and Big Ten rules, policies, mandates, directives and regulations, and shall not cause Client to be in conflict with any third-party agreement currently in place.

C. Gourmet shall maintain such hours and hire all employees necessary for the satisfactory performance of this Agreement. Upon being hired, such employees shall be subject to such health examination as proper federal, state and local authority may require in connection with their employment. All persons employed by Gourmet will be the employees of Gourmet and will be covered by employee dishonesty insurance. In performing work required by this Agreement, Gourmet shall not discriminate against any employee or applicant for employment because of race, religion, sex, color, national origin, sexual orientation or age, in violation of federal, state or local law. Client reserves the right to require Gourmet to remove any Gourmet employee from Client's property for any reason. Gourmet shall instruct its employees in meeting or exceeding standards of personal cleanliness and appearance, and in the proper handling of customer requests or complaints. Notwithstanding the foregoing, nothing herein shall require Gourmet to violate applicable laws, regulations and collective bargaining agreements.

D. Gourmet shall perform all necessary mopping of floors in the storage and food service preparation areas. Gourmet shall also ensure surfaces for food preparation are cleaned prior to serving food. Gourmet shall maintain conditions of sanitation and cleanliness. The Facilities, Services and food prepared by Gourmet will at all times be subject to inspection by an authorized, capable person or persons designated by the Client.

E. Gourmet shall be responsible for or contract with an outside vendor to properly clean equipment and hoods within arm's reach, as well as grease traps and dispose of oil/grease from the Food Service. Documentation of routine cleaning (e.g. quarterly for hoods) shall be kept on premises for inspection purposes.

F. All records pertaining to work performed in accordance with this Agreement shall be kept on file by Gourmet for a period of five (5) years from the date the record is made. Gourmet shall, upon reasonable notice, give the Client or its authorized representative the opportunity at a reasonable time during normal business hours to inspect, examine, audit and copy such of Gourmet's business records which are directly relevant to the financial arrangements set forth in this Agreement or any document hereto, including Exhibit A, which is attached hereto and incorporated herein by this reference. The cost of such inspection, examination and audit will be at the sole expense of the Client and such inspection, examination and audit shall be conducted at the Gourmet locations where said records are normally maintained. If any such audit identifies material discrepancies (of any nature) affecting commissions or other revenue owed to Client, then Gourmet shall reimburse Client such revenue and for the cost of such audit. Any adjustments or payments that must be made as a result of any such audit or inspection shall be made within a reasonable amount of time (not to exceed 90 days) from presentation of Client's findings to Gourmet.

G. Gourmet agrees that its employees and agents shall comply with and observe all applicable rules and regulations concerning conduct on the Premises that Client imposes upon Client's employees and agents.

H. Gourmet agrees to provide, install, maintain and operate all necessary Point of Sale (POS) terminals.

4. CLIENT'S RESPONSIBILITIES

A. Client shall, without cost to Gourmet, provide Gourmet with the necessary space for the operation of the Services and shall furnish, without cost to Gourmet, all utilities and Facilities reasonable and necessary for the efficient performance of this Agreement by Gourmet including, but not limited to, heat, hot and cold water, steam, gas, lights and electric current, garbage removal services, sewage disposal services, duct and vent cleaning, reasonable office space and equipment and telephone service. Client shall, at its own expense install any utility outlets at the designated areas where additional kitchen equipment may be required. Client shall, at its cost and expense, provide the Facilities, equipment and floor space necessary for the efficient provision of Gourmet's Services hereunder. The Client shall maintain, repair and replace said equipment and Facilities at its own expense, except maintenance, repair or replacement that is caused by the negligence or willful misconduct of Gourmet. The Client shall keep such equipment and Facilities maintained in a safe operating condition. However, if equipment provided by Client becomes inoperative, hazardous or dangerous to operate, Gourmet shall have the right to undertake repairs or replacements at the expense of the Client if the Client fails to do so after having been given a reasonable amount of time to correct the equipment deficiency. Client shall permit Gourmet to have the use of all such equipment and Facilities in the performance of its obligations hereunder, subject to the duty to exercise reasonable care in the use thereof. Gourmet agrees that all equipment and items of equipment now or hereafter furnished by the Client to Gourmet are the sole property of the Client and Gourmet agrees not to change, deface, or remove any symbol or mark of identity upon said equipment or items of equipment furnished by the Client.

B. Gourmet will pay and be responsible for only those employee benefits accrued during the Term of this Agreement.

C. A detailed responsibility summary of the Parties' responsibilities is set forth in Exhibit B, which is attached hereto and incorporated herein by this reference.

5. FINANCIAL ARRANGEMENTS

The financial arrangements of this Agreement are set forth in Exhibit A. The financial terms have been negotiated between the Parties upon the condition that Gourmet will operate its Services at the same points of Service and remain in operation only during the hours agreed to when Gourmet begins operations hereunder. If Client desires Gourmet to operate its Services for additional points of Service and/or additional hours, Client and Gourmet shall mutually agree on the appropriate financial arrangements for the new additional points of Service and/or additional hours.

The financial and operational terms of this Agreement are also based on conditions in existence on the date Gourmet commences service, including without limitation Client's student population; labor costs reflected in Gourmet's pro forma (including but not limited to benefits and insurance costs); food and supply costs reflected in Gourmet's pro forma; federal, state and local sales, use and excise tax. In addition, Gourmet has relied on written representations regarding existing and future conditions made by Client in connection with the negotiation and execution of this Agreement and its own experience as the Service provider prior to the effective date of this Agreement. In the event of a substantial and material change in the conditions or the substantial and material inaccuracy or substantial and material breach of, or substantial and material failure to fulfill, any representation of Client, the Parties shall negotiate in good faith to adjust, if possible, the financial and operational terms on a mutually agreeable basis to reflect the impact of such change, inaccuracy or breach.

In the event Client requests that Gourmet install a branded concept and subsequently requests that Gourmet remove or replace such concept, Client shall be responsible for the costs and expenses of such removal and/or replacement.

6. INDEMNIFICATION AND INSURANCE

A. To the fullest extent permitted by law, each Party shall indemnify, defend and hold the other harmless from any and all losses, damages or expenses arising out of or resulting from claims or actions for bodily injury, death, sickness, property damage or other injury or damage caused by any negligent act or omission of such Party, any willful misconduct of such Party, or any breach by such Party of its obligations under this Agreement.

B. The right of a Party (the "Indemnified Party") to indemnification under this Agreement shall be conditioned upon the following: prompt written notice to the Party obligated to provide indemnification (the "Indemnifying Party") of any claim, action or demand for which indemnity is claimed; control of the investigation, preparation, defense and settlement thereof by the Indemnifying Party; and such reasonable cooperation by the Indemnified Party, at the Indemnifying Party's request and expense, in the defense of the claim. The Indemnified Party shall have the right to participate in the defense of a claim with counsel of Indemnifying Party's choice and at its expense. The Indemnifying Party shall not, without the prior written consent of the Indemnified Party (which shall not be unreasonably withheld), settle, compromise or consent to the entry of any judgment that imposes any liability upon the Indemnified Party.

C. Gourmet shall obtain and maintain insurance for the following risks in such amounts under such policies as follows, it being understood that minimum required policy limits may be provided through a combination of primary and excess insurance: commercial general liability (including contractual and products-completed operations liability) in the amount of Two Million Dollars ($2,000,000) each occurrence and Five Million Dollars ($5,000,000) general aggregate; business automobile coverage in the amount of Two Million Dollars ($2,000,000) combined single limit each accident; and workers' compensation [including employers' liability coverage in the amount of One Million Dollars ($1,000,000) each accident/each employee/policy limit] in an amount not less than that required by applicable statute). Gourmet shall have adequate Liquor Liability Insurance in the amount of Two Million Dollars ($2,000,000) each common cause and in the aggregate. Limits can be met through a combination of primary and excess liability policies.

D. Certificates of insurance for such coverage and including the Client as an additional insured will be furnished upon thirty (30) days prior notice.

E. Client shall obtain and maintain commercial general liability insurance with policy limits of not less than One Million Dollars ($1,000,000) per occurrence, with excess coverage in an amount not less than Five Million Dollars ($5,000,000) to cover claims in the aggregate, as well as property insurance against risks covered by standard forms of fire, theft, and extended coverage in such amounts under such policies as appropriate.

F. Each Party has the obligation and responsibility to adequately insure its real and/or personal property against loss or damage caused by fire and extended coverage perils. The Parties waive all rights of recovery against each other and their subsidiaries, officers, directors, trustees, volunteers and employees, including subrogation rights, for such loss or damage to the waiving Party.

G. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR SPECIAL, INDIRECT, PUNITIVE, OR CONSEQUENTIAL DAMAGES, OR ANY DAMAGES CONSTITUTING LOST PROFITS, SUFFERED BY EITHER PARTY UNDER THIS AGREEMENT.

7. TAXES AND ASSESSMENTS

A. Gourmet shall pay when due all federal, state, local and other governmental taxes or assessments in connection with the operation and performance of the Services.

B. Based on relevant statutes, the Parties will determine whether the sales of food and beverages ("Service Transactions") are subject to sales, gross receipts or similar tax. Any collected sales, gross receipts or similar tax related to Service Transactions will be collected by Gourmet for remittance to the appropriate state department of revenue. If the Parties are unable to resolve any dispute or controversy regarding the taxability of Service Transactions, such dispute or controversy shall be resolved by a ruling of the applicable state department of revenue.

C. The Client shall pay when due all federal, state, local and other governmental use and property taxes or assessments arising in connection with the Premises, Facilities, equipment, offices and utilities. Gourmet shall pay when due all license and permit fees in connection with Services.

8. ALCOHOL SERVICE AT PREMISES

Client grants Gourmet the exclusive right to sell alcoholic beverages on the Premises consistent with the terms of this Agreement (including the Alcohol Management Plan contained in Exhibit A). Gourmet will prepare and execute all necessary documents and take all necessary steps to secure the proper liquor permits in order to serve alcoholic beverages on the Premises. Failure to acquire such license as contemplated herein and in the Ancillary Documents shall constitute an immediate and incurable breach of this Agreement. Gourmet is responsible to annually renew the liquor permits and pay all fees related to that renewal. Gourmet is also responsible for the attainment of all specific permits required under New Jersey State law to serve and sell alcoholic beverages at all applicable catered events and sites related to the Athletic Facilities.

Should Gourmet lose the liquor licenses required to sell alcoholic beverages (or its ability to provide alcoholic beverages on the Premises is curtailed or materially limited in whole or in part) because of any act or omission of Gourmet and it fails to make appropriate alternative arrangements reasonably acceptable to Client, Gourmet shall pay to Client all damages, as a result of such loss; provided, however, Gourmet shall not be required to pay such damages unless and until all such liquor license revocations or suspensions are finalized beyond appeal (at which point all such damages shall be paid). In any event, Gourmet shall not be required to pay such damages if the loss of the liquor license was caused by the negligent act or omission or willful or intentional act of Client. Client may terminate this Agreement (either in whole or solely with respect to the exclusive right to sell alcoholic beverages on the Premises) in accordance herewith in the event Gourmet loses its liquor license or its ability to provide alcoholic beverages on the Premises is curtailed or materially limited in whole or in part and Gourmet fails to make alternative arrangements reasonably satisfactory to Client.

In the first Contract Year, the items for sale, menus, pricing, serving materials and other material elements of the Services related to the provision of alcohol on the Premises shall be in accordance with the Ancillary Documents (unless the parties mutually agree otherwise). In subsequent contract years, Gourmet shall consult with Client prior to making material changes to any of these agreed-upon elements of the Services (as they relate to the provision of alcohol).

9. CONFIDENTIALITY

In the course of providing Services hereunder, the Parties may be exposed to trade secrets or other confidential or proprietary information and materials of the other Party which includes, but is not limited to, menus, recipes, food service surveys and studies, management guidelines, procedures, operating manuals and software, all of which shall be identified as confidential ("Confidential Information"). The Parties hereby agrees that menus placed in the public domain by Gourmet shall not be treated as confidential. The Parties agree to hold in confidence and not to disclose any Confidential Information during the Term of this Agreement and for two (2) years afterward, except that the Parties may use or disclose Confidential Information: (a) to its employees and affiliates or others to the extent necessary to render any service hereunder, provided that the other Party is first notified of the information that will be provided to any party outside of this Agreement and provided further that such information is disclosed only after such party is required to maintain it in confidence as required hereunder; (b) to the extent expressly authorized by either Party; (c) to the extent that at the time of disclosure, such Confidential Information is in the public domain, or after disclosure, enters the public domain other than by breach of the terms of this Agreement; (d) that is in the possession of either Party at the time of disclosure and is not acquired directly or indirectly from the other Party; (e) that is subsequently received on a non-confidential basis from a third party having a right to provide such

information; or (f) as required by order during the course of a judicial or regulatory proceeding or as required by a government authority, including but not limited to the New Jersey Open Public Records Act. The Parties agree not to photocopy or otherwise duplicate any Confidential Information without the express written consent of the other Party. Each Party's Confidential Information shall remain the exclusive property of the Party and shall be returned to the other Party upon termination or expiration of this Agreement. In the event of any breach of this provision, the Parties shall be entitled to equitable relief, in addition to all other remedies otherwise available to it at law. This provision shall survive the termination or expiration of this Agreement.

In the event Client receives a request or notice to produce this Agreement or any amendments hereto, Gourmet's proposal to Client, or information provided by Gourmet and marked as confidential, proprietary, or trade secret, Client shall (i) immediately notify Gourmet in writing of the requirement, order, or request to disclose, in advance of a disclosure in order to afford Gourmet the opportunity to contest disclosure; and (ii) refrain from releasing Gourmet's information until at least seven (7) business days after the Client shall have provided Gourmet with advance written notice of such requirement, order, or request to disclose, so that Gourmet may take reasonable steps to preclude such disclosure. Gourmet will be responsible for all cost associated with any assertion of confidentiality.

10. INDEPENDENT CONTRACTOR RELATIONSHIP

It is mutually understood and agreed that an independent contractor relationship is hereby established under the terms and conditions of this Agreement.

11. EMPLOYEES

It is mutually understood and agreed that employees of Gourmet are not nor shall they be deemed to be employees of Client and that employees of Client are not nor shall they be deemed to be employees of Gourmet. Gourmet's employees performing any work on the Premises shall be subject to the rules and regulations established by the Client, the NCAA and the Big Ten conference as reasonable and necessary for its Premises, the Food Service Facilities, equipment, offices and utilities. Neither Party shall during the Term of this Agreement or for one (1) year thereafter solicit to hire, hire or contract with either Party's employees who manage any Services or who manage any employee or any other highly compensated employees, or any persons who were so employed by the other Party, whether at the Premises or at any other facility operated by the other Party ("Managerial Employees"), at any time within one (1) year prior to the termination or expiration of this Agreement, nor will the Client permit Managerial Employees of Gourmet to be employed on the Client's Premises, for a period of one (1) year subsequent to the termination or expiration of this Agreement (unless such employees were formerly employees of the Client) whether as an individual or as owner, partner, majority stockholder, director, officer or employee of a food service provider ("One-year Non-solicitation"). In the event of any breach of such One-year Non-solicitation, the breaching Party shall pay and the injured Party shall accept an amount equal to twice the annual salary of the relevant employee as liquidated damages. Notwithstanding the provisions of this section, either Party may hire employees after three (3) months following that employee's voluntary resignation from employment.

12. SPONSORSHIP

Gourmet acknowledges that Client has entered into a pouring rights agreement with The Coca-Cola Company and Liberty Coca-Cola Beverages LLC ("Liberty") through May 31, 2026 and shall comply with such agreement. If Client extends or modifies the Liberty exclusive beverage agreement, or enters into another exclusive beverage arrangement generally applicable to the Client, then such arrangement will apply to Gourmet's food service operation, unless specifically excluded. Client has also entered into a snack vending operations agreement with Compass Group USA, Inc. by and through its Canteen Vending Services Division ("Canteen") through June 30, 2027 and Gourmet shall comply with such agreement.

Gourmet and the Client recognize the value of securing sponsorship relationships for the Client, and Client's right to require Gourmet to utilize certain products consistent with third-party sponsorship agreements. Notwithstanding the foregoing, Client will ensure that such sponsorship agreements do not materially impair the quality of the food and beverage items served by Gourmet (as compared to comparable items served at other similar venues in which Gourmet or its affiliates provides food and beverage service) or materially increase the costs for such items (as compared to the Gourmet's pricing for comparable items of similar size and quality). Client and Gourmet agree that they will not compromise the quality of the food and beverage Items served in the dining facilities in order to secure a sponsorship. In the event Client decides to enter into a sponsorship agreement (or enters into any other relationship) that materially and substantially increases the costs that Gourmet incurs, then the parties shall negotiate in good faith to adjust the financial terms of this Agreement on a mutually-agreeable basis to reflect the material impact of such sponsorship agreement. Client shall fully reimburse Gourmet for such cost increases. This does not include any current agreements in effect prior to the effective date of this agreement.

13. GOURMET'S TITLE TO EQUIPMENT

All equipment, including unattended convenience store machines and related equipment, purchased and installed by Gourmet pursuant to the provisions of this Agreement is and shall at all times remain the property of Gourmet, with title vested in Gourmet. Gourmet shall be responsible for the maintenance, repair and replacement of all such property, and shall ensure that such equipment is at all times in good working order, reasonable wear and tear excepted. Client shall have no property interest in said equipment.

Client agrees to permit only employees and agents of Gourmet, except in emergency situations, to move, remove, open or tamper with the said unattended convenience store and/or other equipment of Gourmet.

14. PROPRIETARY MARKS

The Client and Gourmet both hereby acknowledge that the names, logos, service marks, trademarks, trade dress, trade names and patents, whether or not registered, now or hereafter owned by or licensed to Gourmet or the Client or its affiliated and parent companies (collectively "Marks") are proprietary Marks of Gourmet and the Client, respectively. Neither the Client nor Gourmet will use the Marks for any purpose except as expressly permitted in writing by Gourmet or the Client. Client, or it designated multimedia rights holder, may incorporate a corporate sponsor into any design with any and all sponsorship revenues retained solely by Client. Upon termination of this Agreement, the Client and Gourmet shall discontinue the use and display of any Marks and shall allow Gourmet and/or the Client to remove all goods bearing any Marks. Notwithstanding the aforementioned, Gourmet may add Client's non-stylized name to a simple list of Gourmet's customers if such use is a statement of fact, and not for promotional, endorsement, sponsorship or publicity purposes.

15. INFORMATION TECHNOLOGY SYSTEMS

In connection with the services being provided hereunder, Gourmet may need to operate certain information technology systems not owned by Client ("Gourmet Systems"), which may need to connect to or interface with Client's internet access, networks, software, or information technology systems ("Client Systems"). Gourmet will be solely responsible for all Gourmet Systems including its own network connection, and Client will be solely responsible for all Client Systems, including taking the necessary security and privacy protections that are reasonable under the circumstances. If Gourmet serves as the merchant-of-record for credit or debit card transactions in connection with the Services provided hereunder, then Gourmet will be responsible for complying with applicable laws, regulations and payment card industry data security standards related to the protection of cardholder data ("Data Protection Rules"). If Gourmet Systems connect to or interface with Client Systems, then Client agrees to promptly implement upon request from Gourmet, at Client's expense, the changes to the Client Systems that Gourmet reasonably requests and believes are necessary or prudent to ensure Gourmet's compliance with the Data Protection Rules. Each party will indemnify, defend, and hold the other party harmless from all claims, liabilities, damages, and costs arising from the indemnifying party's failure to comply with its obligations in this Section.

16. EXCUSED PERFORMANCE

In the event that performance of any terms or provisions hereof (other than obligations to make payments that have become due and payable pursuant to this Agreement) shall be delayed or prevented because of compliance with any law, decree, or order of any governmental agency or authority, either local, state, or federal, or because of riots, war, public disturbances, strikes, lockouts, fires, floods, Acts of God, pandemic, epidemic, or any other reason whatsoever which is not within the control of the Party whose performance is interfered with and which, by the exercise of reasonable diligence said Party is unable to prevent, the Party so suffering may at its option suspend, without liability, the performance of its obligations hereunder during the period such cause continues.

17. ASSIGNMENT

Neither Gourmet nor Client may assign or transfer this Agreement, or any part thereof, without the written consent of the other Party, except the Parties may assign this Agreement to an affiliated company or wholly owned subsidiary without prior approval and without being released from any of their responsibilities hereunder.

18. ENTIRE AGREEMENT AND WAIVER

This Agreement, including all exhibits and other documents specifically incorporated herein by reference, constitutes the entire Agreement between the Parties with respect to the provision of Gourmet's Services on the Premises and supersedes all other written or oral understandings or agreements between the Parties with respect to the provision of Gourmet's Services on the Premises. No variation or modification of this Agreement or attached Exhibits and no waiver of their provisions shall be valid unless in writing and signed by the duly authorized officers of Gourmet and Client.

In the event of any disagreements or disputes, the following documents (the "Ancillary Documents"), in the order of precedence, shall be used to establish intent:

1. This Agreement, including schedules and exhibits.
2. Request for Proposal ("RFP").
3. RU Athletics Clarifications letter dated April 24, 2019 (includes capex breakdown Excel sheet, Menus & Pricing for 2019, and Best and Final Commissions (BAFO) Excel sheet)
4. Gourmet's Proposal Response (It being understood that exceptions to the RFP take precedence over the RFP).

19. SEVERABILITY

Each term and condition, article, paragraph and subparagraph of this Agreement and any portion thereof, will be considered severable. If, for any reason, any portion of this Agreement is determined to be invalid, contrary to or in conflict with any applicable present or future law, rule or regulation in a final ruling issued by any court, agency or tribunal with valid jurisdiction, that ruling will not impair the operation of or have any other effect upon, any other portions of this Agreement; all of which will remain binding on the Parties and continue to be given full force and effect.

20. NOTICES

Any notice or communication required or permitted to be given hereunder shall be in writing and delivered personally, by overnight courier, by facsimile or by United States certified mail, postage prepaid with return receipt requested, addressed to the Parties as follows or to such other persons or places as either of the Parties may hereafter designate in writing. Such notice shall be effective when received or on the date of personal or courier delivery or on the day of deposit in the United States mail as provided above, whichever is earlier. Rejection or other refusal to accept such notice shall not affect the validity or effectiveness of the notice given.

To Client:

University Procurement Services
Rutgers, The State University of New Jersey
Attention: Director of Procurement Services
33 Knightsbridge Road, 1st Floor – East Wing
Piscataway, NJ 08854
procure@finance.rutgers.edu

with a copy to:

Rutgers, The State University of New Jersey
Attention: Department of Intercollegiate Athletics
83 Rockafeller Road
Piscataway, NJ 08854

To Gourmet:

Gourmet Dining, LLC
Attention: President
285 Madison Avenue
Madison, NJ 07940 10573
Facsimile No. (973) 443-8576

with a copy to: Compass Group USA, Inc.
Attention: General Counsel
2400 Yorkmont Road
Charlotte, North Carolina 28217
Facsimile No. (704) 329-4010

21. GOVERNING LAW

This Agreement shall be governed by the laws of the State of New Jersey, without giving effect to its choice of law principles.

IN WITNESS WHEREOF, the Parties have hereunto set their hands and seals as of the day and year first above written.

Rutgers, The State University of New Jersey

By: DocuSigned by: J. Michael Gower 783570C7FA5144E...

Name: J. Michael Gower

Title: Executive Vice President for Finance and Administration

Date: 7/16/2019 | 1:52:00 PM EDT

Gourmet Dining, LLC

By: DocuSigned by: Michael Frungillo F6BA0E90857E432...

Name: Michael Frungillo

Title: President

Date: 7/16/2019 | 2:15:22 PM EDT

THIS AGREEMENT IS SUBJECT TO CONFIDENTIALITY AND NON-DISCLOSURE RESTRICTIONS SET FORTH IN SECTION 8

EXHIBIT A

FINANCIAL ARRANGEMENTS

Rutgers University – New Brunswick Athletic Concessions

A. Profit and Loss Basis

Beginning on July 1, 2019, Gourmet will operate its Services for its own account on a profit and loss basis. Profits shall be the excess, if any, of Gross Sales during any fiscal year over the sum of (a) all direct and indirect costs of performing the Services, (b) the amortization expense described below, and (c) the cumulative operating deficit, if any, from prior operating periods during the term of this Agreement.

Prices shall be determined by mutual consent between Gourmet and Client; provided, however, that in the event of material cost changes, whether taxes, labor, merchandise, equipment, or otherwise, including but not limited to any change in any federal, state or local law including regulatory or legislative mandates, it is agreed that Gourmet shall have the right to adjust said prices to reflect said increases upon the review and approval of the Client (such approval not to be unreasonably withheld). In any event, prices shall be adjusted annually at a rate equal to the greater of the increase in the Employment Cost Index, Private Industry, Compensation, Not Seasonally Adjusted – CIU2011000000000A ("ECI") or the then-current rate published for the national or regional Consumer Price Index Food Away From Home. If Client is unable to approve the increase in rates, Client agrees to come to a mutual agreement with Gourmet to address the variance.

B. Transition Services Charge

Client shall pay Gourmet a transition services charge of One Hundred Twenty-Five Thousand Dollars ($125,000), payable to Gourmet in equal monthly installments of Forty-One Thousand Six Hundred Sixty-Six Dollars and 67/100 ($41,666.67) per month in July 2019, August 2019, and September 2019 as compensation for all additional services provided by Gourmet during the first three months of the Term, including events, such as free meals and tastings, to promote participation in the dining services offered by Client and Gourmet, and other programming offered by Gourmet ("Transition Services Charge"). If this Agreement is terminated for any reason, at any time prior to Client's full repayment of the Transition Services Charge, Client shall pay the full remaining balance of the Transition Services Charge to Gourmet immediately upon such termination.

C. Investment and Pre-Opening Expenses

(1) 2019 Investment

Gourmet will fund an investment in the Client's food service program to fund capital improvements to the Client's Premises to facilitate the food service program, including Pre-Opening Expenses, and to facilitate the Client's repayment of unamortized investment owed to the prior contractor, in a total sum not to exceed One Million Eight Hundred and Seven Thousand, seven hundred forty nine dollars and 82 cents ($1,807,749.82) (collectively, the "2019 Investment"). The 2019 Investment will be disbursed and amortized on a straight line basis, in accordance with the following table:

Disbursement Date	Description	Installment	Amortization Period
July 2019	Signing Bonus	$200,000	July 2019 to June 2029
July 2019	Pre-Opening Expenses	$250,000	July 2019 to June 2029
July 2019	Renovations to Premises	$925,000	The later of July 2019 or when project begins to generate revenue, to June 2029
June 30, 2019	Buyout unamortized capital	$432,749.82	June 2019 to June 2029
TOTAL INVESTMENT		**$1,807,749.82**	

In consultation with Client, Gourmet shall be responsible for all capital improvements and renovations to Premises and will work in a diligent and professional manner with Client's Division of Institutional Planning and Operations for the necessary approvals required. Client shall have final approval (which may not be unreasonably withheld or delayed) on all improvement and renovation plans (including budget and cost outlays) prior to commencement. Upon request, Gourmet shall provide confirmation of the costs expended toward the renovations. The renovations contemplated herein shall materially conform to the plans outlined in the Ancillary Documents, unless the parties mutually agree otherwise. The Client shall hold title to items funded by the 2019 Investment. Pre-opening Expenses include, but are not limited to, travel, meals, lodging, opening promotions and advertising, accounting and operating manuals and systems, interviewing and relocation, salaries and fringe benefits, crew training, and other expenses related to preparing for, and commencing performance of services for the 2019 – 2020 academic year. If the Agreement expires or is terminated for any reason prior to the full amortization of the 2019 Investment, the Client is liable for and promises to pay to Gourmet the unamortized portion of the 2019 Investment within forty-five (45) days after expiration or termination.

In the event Client requests that Gourmet utilize the 2019 Investment funds for purposes other than those described in Gourmet's proposal (as described in the Ancillary Documents), or chooses to implement improvements on a schedule that differs from the schedule described in the proposal (collectively, "Client Elections"), it is acknowledged that adherence to such Client

Elections may impact revenues, expenses, and/or operating efficiencies, and thus may impact the pro forma. In such event, Gourmet and Client shall mutually agree upon the potential effect of such Client Elections on Gourmet's ability to achieve its pro forma and the Parties will mutually agree to modify the financial arrangements between them in consideration thereof.

(2) <u>2023 Investment</u>

If Gross Sales meet or exceed Seven Million Dollars ($7,000,000) per Agreement year, Gourmet will fund an additional investment in the Client's dining service program to fund mutually agreed upon capital improvements to the Client's premises to facilitate the dining service program, in a total sum not to exceed Two Hundred Fifty Thousand Dollars ($250,000) (collectively, the "2023 Investment"). The 2023 Investment will be amortized on a straight line basis from July 1, 2023 through June 30, 2029.

The Client shall hold title to items funded by the 2023 Investment. If the Agreement expires or is terminated for any reason prior to the full amortization of the 2023 Investment, the Client is liable for and promises to pay to Gourmet the unamortized portion of the 2023 Investment within forty-five (45) days after expiration or termination.

In the event Client requests that Gourmet utilize 2023 Investment funds for purposes other than those described in Gourmet's proposal, or chooses to implement improvements on a schedule that differs from the schedule described in the proposal (collectively, "Client Elections"), it is acknowledged that adherence to such Client Elections may impact revenues, expenses, and/or operating efficiencies, and thus may impact the pro forma. In such event, Gourmet and Client shall mutually agree upon the potential effect of such Client Elections on Gourmet's ability to achieve its pro forma and the Parties will mutually agree to modify the financial arrangements between them in consideration thereof."

(3) One Time Client Investment

In exchange for a 10-year contract, Gourmet shall provide a one-time client investment of Five Hundred Seventy-Two Thousand Three Hundred Forty-Two Dollars ($572,342) to Client (the "One Time Client Investment"). In lieu of cash, funding of the One Time Client Investment will be realized through an elimination of Accounts Receivable due from Client to Gourmet as of June 30, 2019. The One Time Client investment will be amortized on a straight-line basis over the 10-year contract (July 2019-June 2029). If the Agreement expires or is terminated for any reason prior to the full amortization of the One Time Client Investment, Client is liable for and promises to pay Gourmet the unamortized portion of the One Time Client Investment within forty-five (45) days after expiration or termination.

D. Commissions

Gourmet shall pay flat commissions to the Client in the following amounts:

Service	**Commission Percentage (Based on Gross Sales as defined below)**
Football Games and Concerts • Food & Non-Alcoholic Beverages • Sub-Concessions – Food & Non-Alcoholic Beverages	20%
Football Stadium Beer and Malt Beverages	40%
RAC Games and Concerts • Food & Non-Alcoholic Beverages • Sub-Concessions – Food & Non-Alcoholic Beverages	20%
RAC Beer & Malt Beverages	40%
All other Events on Premises • Food & Non-Alcoholic Beverages • Sub-Concessions – Food & Non-Alcoholic Beverages	20%
All Other Events on Premises Beer & Malt Beverages	40%

"Gross Sales" shall mean all moneys received for sales or Services rendered at or from the Premises whether received by cash, check or credit, excluding: (1) receipts from sales of meals to employees of Gourmet; (2) any service charge made, collected and turned over to employees; (3) the proceeds of the sale of any fixtures or equipment; (4) proceeds from the sale or liquidation of any inventory which is not sold at retail; (5) any commission or processing fee paid in connection with sales by credit or bank cards; (6) sales, gross receipts and other taxes collected by Gourmet or any other vendor as required by governmental authorities; and (7) catering sales to athletes, training table or camps.

Commissions to Client will also be reduced when promotional events (which will occur on the mutual agreement of the parties), such as Dollar Days, occur.

All commission payments shall be due and owing no later than the 15th of June and December of each contract year. Each commission payment shall be accompanied by a detailed invoice indicating how the commission and Gross Sales relating to the commission payment was determined.

Following the close of Year 2 of this Agreement, Client will be given an opportunity to negotiate and discuss commission percentages based upon attendance levels at Client's Premises.

E. Capital Improvement and Equipment Accrual Fund

Each contract year, Gourmet shall be required to set-aside two percent (2%) of Gross Sales from the provision of Food Services and Products under this Agreement for the maintenance, repair, replacement, construction, or purchase of all capital improvements and concession equipment reasonably required to provide the Food Service Program contemplated herein ("Accrual Fund"). Client and Gourmet shall, in good faith, mutually agree to any expenditure of funds from the Accrual Fund and Gourmet shall give detailed accounting to Client of all deposits or expenditures therefrom on a monthly basis or as otherwise directed by Client. Upon termination or expiration of this Agreement, for any reason, any remaining funds or such generally accepted accounting thereof the Accrual Fund shall be the property of Client and such amount shall be immediately remitted to Client. Client, in its sole and absolute discretion, may use its employees to perform the maintenance, repair, replacement, and/or construction contemplated in this Section and will submit an invoice for reimbursement of the actual costs of labor, administrative fees and supplies associated with the performed maintenance, repair, replacement, and/or construction.

F. Other Contributions and Support

Contingent upon the Agreement being in full force and effect upon such date, neither party having given notice of termination prior to such date, and Client not being in breach of its obligations, Gourmet shall provide the following contributions and support each academic year during the Term:

Description	Amount	Payment Date
In-Kind Catering (Retail Value of Gourmet's Catering Services)	$10,000 per year	Upon request, but request must be in advance of such event
Athletic Scholarship Fund	$25,000 per year	August 1st annually
Annual Funding for Sport Nutritionist	$15,000 per year	August 1st annually

G. Credit Terms

All amounts due to Gourmet shall be paid within thirty (30) days of the invoice date or will be considered past-due. With the exception of invoices for catering, which may be paid by credit card, all payments to Gourmet or the Client will be made by check or electronic funds transfer.

H. Catering

Gourmet shall provide catering services to Client on and off Premises as requested. Financial arrangements shall be negotiated by the Parties on an event-by-event basis. Gourmet shall invoice Client for the catering services and Client shall pay said invoice within thirty (30) days of receipt.

I. Payroll - T & B Rates

A flat charge of Forty-One and Seven Hundredths percent (41.07%) of gross payroll will be charged to cover payroll taxes and employee benefit costs. Such costs include medical plans, life insurance, FICA, FUI, SUI, Workers' Compensation insurance, state disability insurance, 401(k) and payroll and benefit plan preparation and processing, and costs imposed due changes in any federal, state or local law including regulatory or legislative mandates, and legal costs. This rate may change as benefit, tax and other associated costs change. At Client's request, not more than annually, Gourmet will reconcile this rate against actual costs and credit the surplus, if any, to Gourmet's internal profit and loss statement.

J. Volume Allowances/Discounts

Client accepts that Gourmet or its parent company, Compass Group USA, Inc. ("Compass") may receive volume, trade or cash discounts for items purchased as part of doing business at University/College and that those discounts will accrue to Gourmet and/or Compass and will not be credited back to Client. Client understands that certain charges reflected on the Profit and Loss statement are based on a portion of overall company expenses.

K. Termination

In the event of a termination for any reason, all amounts outstanding and under dispute shall become due and payable to either Party thirty (30) days after termination.

L. Alcohol Management Plan

Gourmet must comply with all applicable laws, ordinances and codes regarding the sale, use or provision of alcoholic beverages on all Premises. Gourmet shall at all times use only qualified and experienced supervisors or management level personnel and qualified and supervised personnel, each with training in the sale of alcoholic beverages. Gourmet agrees to provide training from time to time (but at least annually) devoted to the sales of alcoholic beverages pursuant to the program identified by Gourmet after consultation with Client and, to the extent necessary, is approved by the New Jersey Alcohol Beverage Control Administration. Gourmet shall at all times exercise prudent, responsible and experienced judgment in the serving of alcoholic beverages. The decision to refuse service of any alcoholic beverage to any patron shall be the sole responsibility of Gourmet. Patrons shall be limited to two (2) alcoholic beverages per person per transaction.

Client shall determine whether alcoholic beverages may be sold at any event. If alcoholic beverages shall be sold during any event, Client may direct, subject to applicable laws, Gourmet when it shall discontinue such sales, either by policies of Client or by special circumstances as determined in the reasonable discretion of Client. Client anticipates that alcoholic beverages shall be sold at least during the first three quarters of all home football games, at the end of the half-time for basketball games, and at the bottom of the 7th inning of baseball/softball games. Prior to each athletic season and/or event, Gourmet and Client will mutually agree upon the alcoholic beverage cut off points for those particular events. Client may authorize sale of alcoholic beverages at other special events or other Premises events on a case-by-case basis from time-to-time, at its sole and absolute discretion.

Gourmet and Client shall mutually agree on a comprehensive alcoholic beverage menu including (i) detailed information for all the items Gourmet will sell on the Premises and (ii) any changes thereto.

M. Reporting

(1) Records Satisfactory to Client

Gourmet shall keep accurate and complete records of its operations at the Premises for each Event held at the Premises, in accordance with generally recognized accounting principles applied consistently throughout the period and in a form and substance reasonably satisfactory to Client.

(2) Monthly Accounting Statement

Gourmet shall submit a written monthly statement (the "Statement") as follows: (a) the Statement to be provided to Client shall include information for all events on or off Premises, including but not limited to all home games; and (b) the Statement to be provided to Client shall reflect Gross Sales generated from those Services for the home games and all events in detail. The Statements shall include but not be limited to (i) an accounting of Gross Sales generated by each category of service for each event held at the Premises for the preceding monthly accounting period; (ii) a comparison of the budgeted Gross Sales for that monthly accounting period against actual Gross Sales; (iii) the actual Gross Sales generated for the same period of the prior year; (iv) year-to date Gross Sales generated at the Premises; (v) year-to-date budgeted Gross Sales for the same period of the prior year, and (vi) year-to-date Gross Sales generated for the same period of the prior year. The form of Statement shall be mutually agreed upon by the parties, which may be changed from time to time by Client after consultation with Gourmet. Gourmet shall submit the Statement to Client in the manner specified about and at the time it submits payments.

(3) In addition to the reports otherwise required herein, Gourmet shall submit to Client the following reports (in form reasonably satisfactory to Client) on its operations at the Premises:

- **Daily Event and Monthly Sales Reports by Location or Point of Sale**
  - Event Sales reports by location or point of sale
  - Annual sales report corresponding with Client's fiscal year and reconciling with previous year's monthly reports, along with accurate and complete financial statements
  - An annual sales and revenue and semi-annual revised sales and revenue budget
  - An revenue statement for each of the Premises
  - An annual Equipment inventory

(4) Annual Audit

Gourmet shall provide Client an internal review each contract year of Gross Sales that must be submitted to Client no later than sixty (60) days after the end of the initial fiscal year of operations and each fiscal year of the Term. If any major discrepancies are observed, Gourmet will contract for, at its cost, for the completion of an additional audit prepared by a certified public accountant selected by Gourmet and approved by Client. For use in this Section, the term "fiscal year" shall refer to years being July 1 and ending June 30 of each year.

(5) Inventory of Equipment

Within ninety (90) days following the beginning of each fiscal year, Gourmet shall provide an inventory of all Equipment to Client, noting for Client any unusable or missing items. Client or its designated representative shall be entitled, at any reasonable time and upon reasonable notice, to conduct its own inventory of Equipment and Gourmet shall be entitled to accompany and participate in such inventory with Client or its designated representative. Gourmet and its agents and employees shall cooperate fully with any such review by Client or its designated representative. Gourmet, at the sole and absolute discretion, of Client may be provided with an electronic, computerized point of sale cash and inventory control system that shall be capable of transmitting reports electronically to Client. Such inventory control system shall be subject to the prior mutual agreement of the parties. The system shall include an electronic accounting system and a debit and credit card reader or comparable system or another inventory sales method acceptable to the parties. Gourmet shall supply reports pertaining to Gross Sales to Client electronically or in hard copy form, as requested by Client in its reasonable discretion.

N. Gourmet Employees

(1) <u>Level of Service</u>

The Services to be performed by Gourmet are very important aspect of the Client and athletics operation. Gourmet shall perform the Services, and particularly the catering, at the highest levels of Product quality, service and ambiance of other high standard concession service providers of comparable facilities.

(2) <u>Employee Training</u>

Gourmet shall train, supervise, and regulate all persons employed by it in the conduct of its business so that they are aware of, and continuously practice, high standards of cleanliness, safety, courtesy and service required and customarily followed in the conduct of first calls Services. It is the intent of Client and Gourmet that all of Gourmet's employees shall have a positive, customer-oriented attitude. In that regard, each member of Gourmet's staff at the Premises shall be required to complete a Premise-wide customer service orientation program as mutually agreed upon by the parties (the "Customer Program") prior to commencing work. The cost and expense of training any of Gourmet's employees in the Customer Program shall be the sole responsibility of Gourmet. In addition, Gourmet shall provide training in the Customer Program as is reasonably necessary at its sole cost and expense to any non-profit groups who shall be on the Premises similar to that provided employees. At Client's request, but no less than annually, Gourmet shall provide Client with a certified list of all personnel who have successfully completed the Customer Program. Further, each member of Gourmet's staff responsible for serving alcohol and other key security personnel shall be T.I.P.S (Training for Intervention Procedures) and/or Team (Techniques for Effective Alcohol Management) trained which will prevent patrons from being over served. The cost and expense of providing T.I.P.S and/or Team training shall be borne by Gourmet. Client shall have the right to reasonably require Gourmet personnel be trained on topics germane to an institution of higher education (as reasonably determined by Client), including but not limited to NCAA bylaws and University policies.

(3) Gourmet shall employ and compensate its own employees (in each case in adequate numbers to properly and promptly serve the patrons present at each event in order to avoid loss of sales or potential sales) and all such employees shall meet all the pertinent requirement set forth herein.

Gourmet shall conduct a reasonable background check in hiring all full-time employees who shall work at the Premises.

Gourmet shall require that its employees maintain personal cleanliness and shall be polite and courteous towards the patrons, the public and their fellow employees.

All employees of Gourmet shall enter and leave the Premises by the entrances(s) so designated by Client and must present a valid identification card to enter the Premises at any time and must wear the identification card in accordance with Client's policies.

All employees of Gourmet shall be neatly attired in clean uniforms that properly identify Gourmet. Gourmet must provide each employee who works at the Premises with a name badge and any other identification credential requested by Client and the employees must wear the name badge in a conspicuous location at all items when on duty. All uniforms and name badges shall be subject to prior approval by Client.

Client reserves the right to deny access to the Premises for any of Gourmet's employees or to request that an employee not work at the Premises if that individual is considered, in the reasonable discretion of Client, unsatisfactory or whose employment is not in the best interest of the Client.

The employees of Gourmet shall be required to comply with all rules and regulations generally applicable to all employees working at the Premises.

Gourmet agrees that the consumption of alcoholic beverages, the use of any tobacco products or the use of narcotics substances by any of its employees on the job shall not be tolerated and infractions shall bring immediate removal from the premises. Gourmet shall have a written policy for the use of alcohol and tobacco, employee drug testing, and proper employee conduct, in accordance with all applicable laws, including random screening or testing of all employees of Gourmet at the Premises for drugs, alcohol or other substances abuse for cause. All employees of Gourmet shall always be required to possess a valid food handlers' card.

Gourmet shall be solely responsible for payment of all federal, state, and local employment taxes and health and welfare benefits plans and other fringe benefits, if any, for its employees.

Gourmet shall hire and employ experienced managers responsible for Gourmet's performance of the Services and such managers shall be present at the Premises during all events requiring their respective skills or expertise and shall be available to and consult with Client regarding the performance of Services under this Agreement. If Client is not satisfied with the performance of any manager employed by Gourmet, it shall notify Gourmet in writing. Upon receipt of the written notice, Gourmet shall arrange to meet with Client to discuss and resolve any such concerns, which resolution may include, without limitation, the replacement of the manager, but in all events the manager shall be replaced within forty-five (45) days after the decision to replace the manager is made.

Notwithstanding the foregoing, nothing herein shall require Gourmet to violate any applicable laws, regulations or collective bargaining agreements.

(4) <u>Gourmet's General Manager</u>

Appointment – Gourmet shall at all times, subject to the prior approval of Client, such approval not to be unreasonably withheld or delayed, designate an individual to act as Gourmet's General Manager who shall have the responsibility of supervising the performance of the Services and Gourmet's other obligation under this Agreement.

Replacement – Gourmet may replace the current General Manager only with a capable person of suitable experience, but only upon prior written consent of Client, which consent shall not be unreasonably withheld or delayed. If Gourmet intends to change the General manager, Gourmet shall first give written notice to Client at least thirty (30) hays prior to the departure of the current General Manager, unless such prior written notice is not possible, in which case Gourmet shall give Client the best opportunity possible under the circumstances to approve in advance the replacement candidate for General Manager. In no event shall Gourmet be prevented by Client from hiring a new General manager where the change of General Manager is necessitated for reasons beyond Gourmet's reasonable control, such as death, disability, serious illness or voluntary resignation of the current General manager, provide, however, that the appointment of the new General Manager shall be subject to the prior approval of Client, such approval not be unreasonably withheld or delayed. Gourmet shall act diligently to replace any General Manager as required, but in all events the General Manager shall be replaced within forty-five (45) days.

Removal – Client may request the removal of the General Manager upon written notice to Gourmet, such notice to contain reasonable detail of the reasons for such request. Within thirty (30) days after receipt of such request, Gourmet shall appoint a replacement General Manager in accordance with the provisions of this Agreement.

Obligations of the General Manager – The General Manager shall at all times maintain his or her principal residence with a seventy-five (75) mile radius of the

Premises, unless otherwise agreed upon by Client. The General Manager shall be available on a daily basis to respond to inquiries from Client concerning the Services at the Premises and Gourmet's performance of its obligation under this agreement.

Notwithstanding the foregoing, nothing herein shall require Gourmet to violate any applicable laws, regulations or collective bargaining agreements.

O. Solicitation of Tips

Neither Gourmet nor any of its employees, subcontractors or agents may solicit tips, service charges or other gratuities in connection with the Services (unless the tip, service charge or gratuity is agreed to in advance and in writing by Client and is added on to the cost of Products). No invoice for Services shall contain a line for tips or gratuities.

Exhibit B

RESPONSIBILITY SUMMARY

	GOURMET	**CLIENT**
SECTION 1. FOOD		
Food Purchasing	X	
Processing of Invoices	X	
Payment of Invoices	X	
SECTION 2. NON-MANAGEMENT LABOR		
Payment of regular full-time salaries	X	
Payment of student (part-time) salaries	X	
Payment of sick leave pay earned after Gourmet starts services	X	
Payment of holiday pay	X	
Payroll taxes	X	
Fringe benefits and insurance	X	
Preparation of payroll	X	
Processing of payroll	X	
Training and development cost	X	
SECTION 3. MANAGEMENT		
Salaries	X	
Taxes, fringe benefits and insurance	X	
District and regional management costs	X	
Management relocation	X	
SECTION 4. ADDITIONAL ITEMS		
Telephone local		X
Telephone long distance	X	
Removal of garbage and recycling from kitchen	X	
Payment for the removal of trash and garbage from Premises		X
Depreciation of equipment and investment	X	
Replacement of china, glass, flatware	X	
Initial inventory of dishes, silverware, and other foodservice equipment	X	
Replacements of expendable equipment (pots, pans, etc.)	X	
Repair to infrastructure (vents to outside, gas line)		X
Cost of repairing equipment	X	
Fire insurance		X
Products and public liability insurance	X	
Gas and electric utilities metered to foodservice		X

RESPONSIBILITY SUMMARY

	GOURMET	CLIENT
SECTION 5. SUPPLIES		
Detergent	X	
Paper supplies	X	
Postage	X	
Taxes/licenses	X	
Pest control in Food Service Areas only	X	
Pest control elsewhere in the Premises		X
Laundry	X	
Uniforms	X	
Menu paper	X	
SECTION 6. SALES AND USE TAX		
Sales & Use Tax on cash sales and purchases from Service vendor	X	
SECTION 7. CLEANING		
Equipment and hoods within arms reach	X	
Vent from hoods to outside		X
Grease Traps and disposal of oil/grease	X	
Floors (food preparation and serving areas, storage areas)	X	
Nightly Mopping of food preparation and serving areas	X	
Walls within concession areas	X	
Ceilings and fans		X
Light Fixtures		X
Utensils, Serving Lines, Tables and Chairs	X	
Locker Rooms (foodservice associates)	X	
Public Restrooms		X
Sweeping of Loading Dock and Waste Disposal Areas	X	
SECTION 8. SERVICES		
Bussing of dishes from tables in cafeteria, i.e., Self-bussing	X	
Banking receipts	X	