STATE OF MINNESOTA
St. Cloud State University
MINNESOTA STATE COLLEGES AND UNIVERSITIES
CONVENIENCE STORE CONTRACT

LEASE NO: 200404

THIS LEASE AGREEMENT is made by and between the Board of Trustees of the Minnesota State Colleges and Universities, on behalf of St. Cloud State University, Atwood Memorial Center, 720 4th Avenue South, St. Cloud, Minnesota 56301-4498, hereinafter referred to as LESSOR, and ARAMARK Educational Services, Inc. with an address of 1801 South Meyers Road, Suite 300, Oakbrook Terrace, Illinois 60181, hereinafter referred to as LESSEE.

WITNESSETH: LESSOR and LESSEE, in consideration of the rents, covenants and considerations hereinafter specified, do hereby agree each with the other as follows:

1. INCLUSION OF DOCUMENTS: This Contract consists of the following documents:

   1. This Lease contract for installation and operation of the Atwood Memorial Center Convenience Store which includes Exhibit A - Construction, Renovation and Refurbishing.
   2. LESSEE'S response to Request for Clarification dated October 22, 2003, Exhibit B.
   3. LESSEE'S RFP response, with the exception of Section K, dated October 8, 2003, Exhibit C.
   4. LESSOR'S RFP for Atwood Memorial Center Convenience Store, dated August 28, 2003, which includes addendum 1, Exhibit D.

   In the event of any conflict or inconsistency in the terms and conditions of the documents making up this Contract, the order of precedence of the documents for purpose of resolving such conflicts or inconsistencies shall be the order in which the documents are listed above. If the term or condition is silent, then the RFP prevails.

2. LEASED PREMISES

   LESSOR grants and LESSEE accepts the lease of the following described Leased Premises located in the City of St. Cloud, County of Stearns, State of Minnesota, to-wit:

   Approximately one-thousand seventy (1,070) useable square feet of retail space on the main floor of Atwood Memorial Center, Room 142.
3. **USE**

LESSEE shall use and occupy the Leased Premises only as a convenience store and for such related activities.

4. **TERM**

4.1 ARAMARK may occupy the space for construction on or about April 1, 2004. The store will be operational on or about August 15, 2004. The term of this Lease Agreement will continue through June 30, 2009.

4.2 LESSOR may grant and LESSEE may accept the option of two additional renewal periods of this lease agreement. Each renewal period would be for two years at the same terms, conditions, and rental rate as this Lease Agreement.

4.3 LESSEE must indicate in writing its intent to request said option ninety (90) days prior to the expiration date of this Lease Agreement. LESSOR has final decision and will respond in Writing within thirty (30) days of expiration of contract.

5. **PAYMENT OF RENT**

5.1 As rent for the Leased Premises and in consideration for all covenants, representations and conditions of this Lease Agreement, LESSEE agrees to pay to LESSOR the greater of: (1) the sum of five percent (5%) of annual gross sales received by LESSEE at the Leased Premises netted only of sales tax payable obtained from the contract or (2) an annual income of fourteen thousand and no/100 ($14,000.00), whichever is greater.

5.2 For the term of the Lease Agreement, such amount is to be paid as follows: Within ten (10) working days after the close of each month, the LESSEE shall submit to the LESSOR, the statement reporting the gross sales for the prior month accompanied by respective payments to the LESSOR. Payments not made within thirty (30) days shall have an interest rate of one point five percent (1.5%) per month added to the outstanding balance.

5.3 On June 30 of each year during the life of the Contract, the LESSEE shall pay the LESSOR that portion of commission due, if any, to equal any guarantee minimum commission due, if any. This shall be calculated as an annual reconciliation from July to June. The calculation will be prorated for the first fiscal year of the total number of months for which service was provided.

5.4 LESSOR’s acceptance of payment from LESSEE shall not be deemed to be a waiver by the LESSOR of any breach by the LESSEE of any term or condition in the Contract.
6. **FINANCIAL COMMITMENT**

LESSEE shall make a financial commitment to LESSOR in an amount up to $170,000 ("Financial Commitment"). LESSEE agrees to invest the Financial Commitment in convenience store service facility renovations and in the purchase and installation of convenience store equipment, area treatment, signage and marketing materials and other costs associated with the convenience store service program on LESSOR’s premises. The Financial Commitment shall be amortized on a straight-line basis over a period of five years, commencing upon the complete expenditure of the Financial Commitment.

7. **CANCELLATION**

7.1 This Lease Agreement can be cancelled upon thirty (30) days written notice by LESSOR with or without cause. With cause is subject to Breach of Contract (4.2.10 of SCSU’s RFP) language. If cancellation is without cause, then LESSOR agrees to reimburse LESSEE for the unamortized balance of the financial commitment as of the termination date.

7.2 This Lease Agreement can be cancelled upon thirty (30) days written notice by LESSEE Without cause. If termination is Without cause, then there is no financial Commitment borne by LESSOR. LESSOR agrees to reimburse LESSEE for the unamortized balance of the financial commitment only if LESSEE cancels due to termination of existing food service contract. The effective date for the unamortized balance will be the same as the date of termination for the existing food service contract.

8. **NOTICES**

All notices, or communications between LESSOR and LESSEE shall be deemed sufficiently given or rendered if in writing and delivered to either party personally or sent by registered or certified mail addressed as follows:

**LESSOR:**
Ms. Margaret Vos, Director  
Atwood Memorial Center  
St. Cloud State University  
720 4th Avenue South  
St. Cloud, Minnesota 56301-4498

**LESSEE:**
Mr. Scott Henning, Director  
Aramark Campus Services  
St. Cloud State University  
720 4th Avenue South  
St. Cloud, Minnesota 56301-4498
9. **LIABILITY**

Each party will be responsible for their own acts and behavior and the results. LESSOR’s liability is governed by the Minnesota Tort Claims Act, Minnesota Statute 3.736.

10. **AMERICANS WITH DISABILITIES ACT COMPLIANCE (hereinafter "ADA")**

The LESSEE is responsible for complying with the Americans with Disabilities Act, 42 U. S. C. 12101, et. seq. and regulations promulgated pursuant to it. The LESSOR IS NOT responsible for issues or challenges related to compliance with the ADA beyond its own routine use of facilities, services, or other areas covered by the ADA.

11. **AMENDMENTS**

Any amendments to this contract shall be in writing and shall be executed by the same parties who executed the original contract or their successors in office.

12. **GOVERNMENT DATA PRACTICES ACT**

The LESSEE must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by the LESSOR in accordance with this contract, and as it applies to all data, created, collected, received, stored, used, maintained, or disseminated by the LESSEE in accordance with this contract. The civil remedies of Minnesota Statutes §13.08, apply to the release of the data referred to in this Article by either the LESSEE or the LESSOR. In the event the LESSEE receives a request to release the data referred to in this Article, the LESSEE must immediately notify the LESSOR. The LESSOR will give the LESSEE instructions concerning the release of the data to the requesting party before the data is released.

13. **JURISDICTION AND VENUE**

This contract shall be governed by the laws of the State of Minnesota. Venue for all legal proceedings arising out of this contract, or the breach thereof, shall be located only in the state or federal court with competent jurisdiction in Ramsey County, Minnesota.

14. **STATE AUDITS**

The books, records, documents, and accounting procedures and practices of the LESSEE relevant to this contract shall be subject to examination by the contracting department and the Legislative Auditor.

15. **INDEPENDENT CONTRACTOR**

LESSEE is an independent contractor and shall not in any way or for any purpose be deemed or intended to be an employee or agent of LESSOR. LESSEE shall not in any way represent that LESSEE is LESSOR, and shall not use the name of LESSOR in any way which would imply that LESSEE is acting as an employee or agent of LESSOR.
16. **CONFIDENTIAL INFORMATION**

All financial, statistical, operating, marketing and personnel materials and information, including, but not limited to, manuals and computer programs relative to or utilized in LESSEE's business or the business of any affiliate of LESSEE (collectively, "Confidential Information"), shall be the property of LESSEE and shall be confidential. LESSOR shall keep such Confidential Information pursuant to the Minnesota Data Practices Act, Minnesota Statutes Chapter 13, confidential during or subsequent to the term of this Agreement and shall so instruct its agents, employees, and independent contractors, and the use of such Confidential Information by LESSOR in any manner shall not affect LESSEE's ownership or the confidential nature of such Confidential Information. LESSOR shall not photocopy or otherwise duplicate any such Confidential Information without the prior written consent of LESSEE.

17. **PROPRIETARY MATERIALS**

LESSOR agrees that all computer software programs, signage and marketing and promotional literature and material (collectively referred to as "Proprietary Materials") used by LESSEE on LESSOR's premises in connection with the services provided by LESSEE under this Agreement shall remain the property of LESSEE. Upon termination of this Agreement, all use of trademarks, service marks, and logos shall be discontinued, and LESSOR shall immediately return all Proprietary Materials.
IN WITNESS WHEREOF, the parties have caused this contract to be duly executed intending to be bound thereby.

APPROVED:

1. MINNESOTA STATE COLLEGES AND UNIVERSITIES

Margaret Vos
Director
Atwood Memorial Center

Steven Ludwig
Vice President of Administrative Affairs
Administrative Services

Dated 6.8.04

2. LESSEE: ARAMARK Educational Services, Inc.
LESSEE certifies that the appropriate person(s) have executed the contract on behalf of LESSEE as required by applicable articles, by-laws, resolutions, or ordinances.

Scott Paill
ARAMARK Educational Services
By:  Exec. Vice President
Title:  1801 South Meyers Road, Suite 300
1801 South Meyers Road, Suite 300
Oakbrook Terrace, IL 60181
Telephone: (630) 568-2500
Fax: (630) 568-2606

Dated 6.7.04

3. AS TO FORM AND EXECUTION:

St. Cloud State University
By:  Jeff Olson
Title:  Director Business Services
720 Fourth Avenue South
St. Cloud, MN 56301-4498

Dated 7/19/04
EXHIBIT A
CONSTRUCTION, RENOVATION AND REFURBISHING

1.1 GENERAL CONDITIONS

a.) LESSEE shall be responsible for providing and installing the convenience store, subject to approval by the University. LESSEE shall be responsible for the initial construction and subsequent renovation and refurbishing of the designated Premises, located on the main floor of Atwood Memorial Center designated as Room 142. LESSEE shall agree that no structural changes will be made which adversely affects building codes or the aesthetics and/or general operation of the building. The décor should be in keeping with the general building environment. Prior to any construction, LESSEE will submit for approval by the University, all plans and specifications including design of the convenience store front counters and areas that are visible to the public. LESSOR acknowledges LESSEE may be subcontracting construction of the premises. However, LESSEE acknowledges full responsibility for all actions of LESSEE’S subcontractors.

b.) LESSEE shall submit drawings to the University delineating the design of the convenience store front and/or counter(s) and lobby area(s) visible to the public. No work shall begin without the written permission of the University following its review of LESSEE’s plans and specifications.

c.) LESSEE has submitted and the STATE agrees to a budget for construction of $160,000. The parties understand that LESSEE may spend up to $170,000 set forth in Section J in LESSEE’s proposal.

1.2 COMPLIANCE:

LESSEE shall comply with all state and local building, fire, health, zoning codes and/or regulations that affect construction and operation of the convenience store. LESSEE shall be responsible for obtaining all licenses and permits necessary for construction and renovation.

1.3 BONDS:

LESSEE shall provide a payment and performance bond in accordance with Minnesota Statute 8574.26 in the amount of the improvements.

a.) LESSEE shall furnish a performance bond and a labor and material payment bond each in the amount equal to one-hundred percent (100%) of the agreed construction investment. The sureties of the bond shall be such surety company authorized to transact business in Minnesota. The University, prior to execution of the contract, must approve the bond.
b.) The bonds shall be for the construction period and shall provide that the University and LESSEE be notified, in writing, by the issuer a minimum of sixty (60) calendar days prior to expiration or non-renewal.

c.) In the event of expiration or non-renewal of the bond, LESSEE shall provide the University written evidence of the new source of surety within twenty-one (21) calendar days after the University’s receipt of the expiration or non-renewal notice. Failure to maintain the required bonds may be cause for Contract termination.

d.) Failure to provide the initial bond within twenty-one (21) days of notification of award may result in cancellation of Contract award.

1.4 INSURANCE:

LESSEE shall not commence work on-site until it has obtained all insurance required herein and such insurance has been approved by the University. All policies and certificates shall provide that the policies shall remain in force and in effect except on ten (10) days written notice to the University before cancellation, expiration or change in any way which would affect the coverage afforded the named insured in respect to this project. Certificates shall be those of the Construction Industry Cooperative Committee, CICC 701 and CICC 702. Public Bodily Injury Liability and Public Property Damage Insurance shall provide that the insurance company waives the right to assert the immunity of the State as a defense to any claims made under said insurance, and such endorsements shall be submitted. LESSEE shall procure and maintain, for the life of the construction contract, or for as long as required herein, insurance policies, including any amendments or additional insurance as required herein:

- LESSEE shall bear the full and complete responsibility for all risk of damage or loss of its equipment, products or money resulting from any cause whatsoever and shall not penalize the University for any losses incurred by LESSEE related to this Contract. Any insurance policy or policies shall cover the entire installation including all areas that may be placed under the control or use of the Contractor.

- LESSEE shall maintain, during the life of this Contract, the following minimum insurance requirements:

<table>
<thead>
<tr>
<th>Kind of Insurance</th>
<th>Minimums of Liability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workers Compensation (including Employer’s Liability)</td>
<td>Statutory $ 500,000</td>
</tr>
<tr>
<td>Commercial</td>
<td></td>
</tr>
<tr>
<td>Single Limit Liability or Bodily Injury Liability</td>
<td>$ 2,000,000 each occurrence</td>
</tr>
</tbody>
</table>
or

Property Damage Liability $ 1,000,000 each occurrence

Comprehensive Automobile (including owned and non-owned)

Single Limit Liability $ 1,000,000
or
Bodily Injury Liability $ 1,000,000 each occurrence
or
Property Damage Liability $ 1,000,000 each occurrence

• Commercial Liability includes, but is not limited to: consumption or use of products, existence of equipment or machines on location, and contractual obligations to customers.

• In the event that LESSEE fails to maintain and keep in force the insurance and Workers Compensation coverage as herein provided, the University shall have the right to terminate the Contract without notice. LESSEE shall advise each insuring agency to automatically renew all policies and coverage in force at the start of and resulting from this Contract until specified coverage requirements are revised.

• LESSEE shall save, keep harmless, and defend the University against any and all liability claims, cost of whatsoever kind and nature for injury to or death of any person or persons and for loss or damage to any property (State or otherwise) occurring in connection with or in any way incident to, or arising out of the occupancy, use, service, operation, or performance of work in connection with this Contract, resulting in whole or part from the negligent acts or omissions of employee, agent or representative of LESSEE, except for claims caused by or arising from or out of LESSOR’S negligence.

• Insurance certificates furnished by companies licensed to do business in the State of Minnesota indicating the required minimum coverage shall be furnished to the University prior to Contract award. The University shall be listed as additional insured with the exception of workers compensation for the convenience store and the general contractor.

The Comprehensive Liability insurance certificates shall contain one of the following:

a.) fire legal liability coverage of $ 250,000; or
b.) broad form endorsement; or
c.) umbrella/excess liability coverage.

• On notification of award and prior to issuance of the Contract, LESSEE shall provide the University, Certification of Insurance with the required kinds of insurance and minimum liabilities specified, issued by an insurance company licensed to do business in the State of Minnesota and signed by an authorized agent. In the event of cancellation, material change or intent not to renew any of the insurance requirements specified, thirty (30) days written notice shall be given
the University by the party initiating any revision. “Material Change” is defined as a reduction in mandatory coverage requirements.

- **Multiple Peril Builders’ Risk Insurance:**

  LESSEE shall provide evidence of Multiple Peril Builders Risk Insurance in the amount of the renovation improvements.

- **Premium Payment and Deductibles:**

  LESSEE shall be responsible for payment of all premiums and deductibles pertaining to the insurance required by this specification.

1.5 **WAGES:**

All workers shall be paid at least the Prevailing Wage Rates for Steams County as certified by the Minnesota Department of Labor and Industry. LESSEE shall post the Prevailing Wage Rates at the job site in a place commonly used by and readily accessible to all workers.

1.6 **UTILITIES:**

a.) The University shall not guarantee an uninterrupted supply of water, steam, electricity, gas, heat or air conditioning. However, it shall be diligent in restoring service following an interruption. The University shall not be liable for any product loss which may result from the interruption or failure of any such utility service.

b.) Utilities are available on the Premises. LESSEE is responsible for connecting to the equipment and for paying all related costs.

c.) Water, sewage service, electricity, heating and air conditioning shall be provided by the University. Electrical power shall be provided from the University’s distribution system. Computer connection circuits shall be provided by LESSEE.

d.) Telephone line runs and terminations shall be provided by the University and billed back to LESSEE.

1.7 **EQUIPMENT:**

LESSEE shall coordinate and pay for the installation of equipment and preparation of the Premises, subject to LESSEE’s financial commitment limitation of $170,000 as provided in Section J of LESSEE’s proposal. LESSEE is responsible for installation for all convenience store equipment including installation to electrical, data and communication. LESSEE shall provide drawings showing all equipment locations with dimensions and all associated electrical, data and communication. LESSEE shall be responsible to maintain all necessary furnishings, fixtures, and equipment.

1.8 **GENERAL RENOVATION AND REFURBISHING:**
LESSEE shall provide timely and appropriate renovation and refurbishing at its own cost. LESSEES' premises may be closed at times that are appropriate to the University for renovation and refurbishing.