



A LEASE AGREEMENT

ENTERED INTO BETWEEN

Malta International Airport Plc.

AND

Malta Tourism Authority

FOR THE LEASE OF AN OFFICE

AT

MALTA INTERNATIONAL AIRPORT

An Agreement made on this 4th day of October 2017, between:

Malta International Airport Plc, a company duly constituted, formed and registered under the laws of Malta and having its registered office at Luqa, Malta, duly represented hereon by Alan Borg, Chief Executive Officer and Karl Dandler, Chief Financial Officer ("Lessor");

AND

Malta Tourism Authority, an authority set up by the Malta Travel and Tourism Service Act (Cap. 409) and having its registered office at Building SCM01, Level 3, SmartCity Ricasoli SCM 1001, Kalkara, Malta, duly represented hereon by Mr. Paul Bugeja, holder of I.D. Card No. 416960(M), as duly authorised in his capacity as Chief Executive Officer ("Lessee");

Each of which a "Party" and together the "Parties".

WHEREAS:

- i. Lessor is the owner and is responsible for the operation, management and administration of the Malta International Airport (the "Airport");
- ii. Lessee requires space allocation at the Airport to be used as offices;
- iii. Lessor is prepared to grant to Lessee, which accepts, the premises shaded in red on the attached plans (as identified in Annex 3) which is situated at the Airport (the "Premises").

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

By virtue of this Agreement the Parties are covenanting and agreeing that, as from the Commencement Date, the Lessor shall grant the Premises by title of lease to the Lessee, which accepts and by the same title of lease shall acquire, the Premises, for the Term, under the conditions specified hereunder:

1. DEFINITIONS AND INTERPRETATION

1.1. DEFINITIONS

In addition to the terms elsewhere defined, the following terms shall have the meaning set forth hereunder:

Activity	has the meaning assigned to it in Annex 3;
Agreement	means this agreement, including all schedules, annexes and documents attached hereto, which shall all be deemed to form an integral part of this Agreement;

Airport	means the Malta International Airport at Luqa;
Charges	means the charges payable by Lessee for services provided by Lessor, as set out in Annex 2;
Commencement Date	means the date indicated in Annex 1, as being the Commencement Date;
Dangerous Substances	means those substances referred to as "dangerous" in the Dangerous Substances Regulations (Subsidiary Legislation 427.14) and shall specifically include, for the purposes of this Agreement, without limitation, the items listed under Annex 4;
Expiry Date	means the day specified, in Annex 1, as being the expiry date;
<i>Force Majeure</i>	means any unforeseen circumstances which are beyond the control of the Parties or either of them, as the case may be, and which prevents the relevant Party from performing its obligations undertaken pursuant to this Agreement, or any part of such obligations, but excludes any such circumstances which would constitute force majeure but which have been occasioned through the direct or indirect act or omission of the affected Party and excludes late delivery or interruption in the delivery of machinery, equipment, materials, spare parts or consumables; any delay or failure by a third party (including any contractor of the Lessee); any technical or operational problems arising from design, engineering, construction, operation and/or maintenance; wear and tear or flaws in materials and equipment or breakdown in or degradation of equipment or machinery;
Lessee Maintenance	means all repairs and maintenance required in the Premises, other than the Lessor Maintenance;
Lessor Maintenance	means all repairs required to the structure of the Premises including the ceiling;
Premises	means the area(s) at the Airport defined in Annex 3 and outlined in red on the attached plan(s) in Annex 3;
Rent	means the fixed consideration payable by Lessee to Lessor as set out in Annex 1; and
Term	means the duration of this Agreement as set out in Clause 2.3.

1.2. **INTERPRETATION**

- 1.2.1. References to laws shall be taken to also refer to amendments of those laws or any reinstatement or replacement thereof, from time to time.
- 1.2.2. Unless the context otherwise requires:
- 1.2.2.1. Words that appear in the singular shall also include the plural and vice versa;
 - 1.2.2.2. References to a gender shall include all genders;
 - 1.2.2.3. References to a 'person' shall include any individual, firm company, corporation or other body corporate, unincorporated association or partnership whether having separate legal personality or not;
 - 1.2.2.4. References to any 'Clause', 'Schedule', 'Document' or 'Annex' shall refer to Clauses, Schedules, Documents or Annexes of this Agreement unless otherwise expressly stated;
 - 1.2.2.5. References to a 'Party' shall include that Party's successor in title and permitted assigns; and
 - 1.2.2.6. The word 'include' or 'including' shall not be interpreted restrictively.
- 1.2.3. Headings to Clauses, Schedules, Documents and Annexes are for ease of reference only and shall not affect the interpretation of this Agreement.
- 1.2.4. The designations adopted in the recitals, introductory statements and definitions preceding this Clause shall apply throughout this Agreement, Schedules and the Annexes.
- 1.2.5. All Schedules, Documents and Annexes to this Agreement shall have the same full force and effect as if expressly set out in the body of this Agreement and references to this Agreement shall include its recitals, Schedules, Documents and Annexes.

2. **GRANT AND TERM**

2.1. **GRANT OF THE PREMISES**

- 2.1.1. In consideration of the Rent, covenants and agreements set forth herein, as from the Commencement Date, Lessor leases to Lessee and Lessee acquires by title of lease from Lessor, the Premises.
- 2.1.2. Lessor hereby binds itself to deliver the Premises to the Lessee on or prior to the Commencement Date; provided that the Lessor shall not be deemed to be in breach of this obligation to the extent that the delay in delivering the Premises to

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the Lessee by such date is caused or contributed to by the Lessee or by *Force Majeure*.

2.2. PREMISES RELOCATION

2.2.1. Lessor shall be entitled to give instructions in writing relating to the Premises including instructions to relocate Lessee's Activity from the Premises if:

2.2.1.1. there are commercial, operational or security reasons for doing so, which reasons shall be stated in writing by Lessor; or

2.2.1.2. there is a reconfiguration of the commercial and business activities carried on at the Airport or any part thereof. In the event that the Lessee is relocated to an alternate premises by virtue of this Clause 2.2.1.2 and as a consequence of such relocation, the Lessee suffers a reduction in the total floor area of the Premises, the Lessee shall be entitled to demand that the Rent payable to Lessor (as set out in Annex 1) be reduced pro rata to the amount of the reduction of the floor area for the remaining period of the Term.

2.2.2. The costs incurred in any alterations carried out in terms of an instruction issued by Lessor under Clause 2.2 above shall be approved in advance by the Lessor, which shall thereafter bear such costs. In the event that the effects of the instruction are to result in the total suspension of operations hereunder, the obligations and Term of this Agreement shall be suspended from the date of commencement of alterations / relocation required to abide by the Lessor's instructions until Lessee's business is resumed. Such events shall be confirmed by notice in writing by the Lessor to the Lessee.

2.2.3. In the event that the Lessor has notified the Lessee in writing of any suggested relocation of the Premises, the Lessor shall provide Lessee with a suitable alternative.

2.2.4. Should Lessor not provide an alternative which is suitable and acceptable to both Parties, the Lessee shall, as its sole remedy, have the right to terminate this Agreement immediately with no further liability on its part; provided that Lessee hereby acknowledges that any office area at the airport, of comparable size and which is easily accessible shall be deemed to be a suitable alternative.

2.3. TERM

2.3.1. This Agreement shall remain in force for the period commencing on the Commencement Date and ending on the Expiry Date.

2.3.2. This Agreement may be terminated prematurely in accordance with its terms, according to law, or by mutual written consent of the Parties.

2.3.3. This Agreement shall not be extended beyond the Expiry Date unless the Parties agree otherwise in writing. Any such extension shall be subject to the agreement of the Parties and any amendments or modifications as expressed therein.

3. PURPOSE OF USE

3.1. The Premises shall be used by the Lessee exclusively and only for the purpose of carrying out of the Activity as specified in Annex 3 (the "Activity").

3.2. For the duration of the Agreement, the Lessee shall not change the nature or destination of the Premises as specified in Annex 3 without the Lessor's prior written consent.

4. RENT AND CHARGES

4.1. RENT

4.1.1. In consideration of the use of the Premises being granted by the Lessor under this Agreement, the Lessee shall pay to the Lessor the Rent set out in Annex 1.

4.1.2. The Rent shall be payable by the Lessee to the Lessor upon receipt of an invoice in accordance with Annex 1.

4.2. CHARGES

4.2.1. In addition to the Rent and in consideration for services provided to Lessee by the Lessor, Lessee shall pay to Lessor the Charges as set out in Annex 2.

4.3. Other

4.3.1. Lessee agrees to pay all amounts as they may become due immediately on demand thereof being made by Lessor.

4.3.2. All amounts payable by Lessee to Lessor shall be paid in full, without demand, deduction or set-off and shall be exclusive of any tax or other charge or levy.

5. INDEMNITY AND INSURANCE

5.1. Lessee shall at all times protect, indemnify and save harmless the Lessor, its owner companies and all affiliated, subsidiary, associated or related companies and their shareholders, directors, officers, agents, contractors and employees from and against all claims, demands and causes of action of every kind and character arising in connection

with Lessor's employees, employees of the Lessee or its sub-contractors, or third parties on account of bodily injury, illness or death, or loss of or damage to property real or personal, or on account of any liability arising out of or in connection with this Agreement resulting from the wilful or negligent acts or omissions of the Lessee, its shareholders, directors, officers, agents, employees or contractors, representatives or subcontractors.

5.2. Lessee shall be responsible for any and all loss or damage to Lessor controlled property which is caused by the Lessee's wilful or negligent acts or omissions in connection with this Agreement. In the event of any damage to such property, Lessee shall promptly repair all such damage and restore such property to its original condition, fair wear and tear excluded.

5.3. Lessee shall carry and maintain, at its own expense, with responsible insurance companies reasonably acceptable to Lessor, the following minimum insurance coverage:-

5.3.1. Employers Liability Insurance; and

5.3.2. General Third Party Liability Insurance for amounts of not less than two million, three hundred and thirty thousand Euro (€2,330,000) per occurrence or series of occurrences arising out of one event but unlimited during the period of insurance.

5.4. Lessee shall include Lessor, Lessor's affiliated, subsidiary, associated companies and their respective shareholders, directors, officers and agents as Additional Assureds under the General Third Party Liability Insurance policies maintained pursuant to the operation and terms of this Agreement. These policies will be maintained endorsed to include a cross-liability clause.

5.5. All insurance coverage required by this Agreement will require insurers to notify the Lessor in writing thirty (30) days prior to such insurance being cancelled or materially altered.

5.6. Lessee shall produce for inspection upon demand by Lessor, at any time, a certificate of insurance or similar evidence of such insurance having been effected and maintained in force.

6. CONDITION OF THE PREMISES

6.1. Without prejudice to any other provision of this Agreement, Lessee acknowledges that:

6.1.1. Lessee has thoroughly inspected the Premises and accepts them *tale quale* ('as is'); and

6.1.2. Lessor makes absolutely no warranties or representations (express or implied) regarding the condition of the Premises and / or their fitness for any particular use.

7. ALTERATIONS, ADDITIONS AND IMPROVEMENTS



7.1. ALTERATIONS BY LESSEE

- 7.1.1.** Lessee shall not carry out any alterations to the Premises without the prior written express consent of Lessor.
- 7.1.2.** As a condition to evaluating any request by Lessee pursuant to this Clause 7, Lessee shall provide to Lessor the detailed plans of the proposed alterations, services and finishes wherein a detailed schedule of materials proposed to be used together with the descriptive and technical specifications; proposed program of works implementation schedule and the relevant occupational health and safety (OHS) documentation (in terms of applicable OHS legislation), shall be included so that Lessor may evaluate Lessee's request.
- 7.1.3.** Lessee shall forward all OHS documentation to the Lessor before commencing works and throughout the project as necessary, including without limitation:
- (a)** Name and contacts of the project supervisor, as defined in Legal Notice 281 of 2004;
 - (b)** Health and Safety plan;
 - (c)** Risk assessments;
 - (d)** Method statements;
 - (e)** Inspections reports carried out by the project supervisor;
 - (f)** Lifting equipment and operators certification (if applicable);
 - (g)** Machinery and other related certification (if applicable);
 - (h)** Lifting plans (if applicable);
 - (i)** Incident reports (if applicable); and
 - (j)** Any other documentation requested by the Lessor.
- 7.1.4.** In the event that Lessor grants permission to Lessee to carry out any such alteration, addition, improvement or other change, such permission shall be issued to Lessee in the form of a permit for works ("Permit for Works"), which shall include all such reasonable regulations as may be required by the Lessor, including but not limited to, safety and security regulations (the "Regulations"). Lessee hereby accepts that the Regulations shall be binding on Lessee and any contractors appointed by Lessee as well as on Lessee's employees throughout the execution of the works so permitted by the Permit for Works. Lessee shall ensure, through adequate supervision, that the Regulations are observed in full.
- 7.1.5.** Without prejudice to the generality of the foregoing, Lessee shall ensure full compliance with all laws relating to occupational health and safety, including the Occupational Health and Safety Act (Cap. 424 of the laws of Malta) and any Legal Notices promulgated thereunder or connected therewith.
- 7.1.6.** Lessee shall be solely responsible for any breach of the Regulations or any legislation relating to occupational health and safety. In the event of any such breach, Lessor reserves the right to withdraw any issued Permit for Works as well as being reimbursed by Lessee for any fines, costs, damages or other loss which Lessor may incur as a result of Lessee's failure to abide by the Regulations or any legislation.

- 7.1.7. Any approved alteration, addition, improvement or other change to the Premises shall be carried out at Lessee's sole cost.
- 7.1.8. Lessee agrees that it shall revert the Premises to its original state at the expiration of the Term and any permitted alteration, addition or improvement made in terms of this Clause, being of a permanent nature, shall become the property of Lessor and shall remain upon the Premises at the expiry or termination of this Agreement without any compensation being due to Lessee.
- 7.1.9. Without prejudice to Clause 7.1.8, Lessee may remove any permitted alteration, addition, improvement or fixture, not being of a permanent nature, which Lessee would have installed in the Premises. Lessee shall promptly and at its sole cost and expense repair any damage caused to the Premises in removing such fixtures.

7.2. ALTERATIONS BY LESSOR

- 7.2.1. Except as may be otherwise specifically provided herein and without prejudice to any obligations arising in terms of law, Lessor shall not be required to make any alterations and / or improvements to the Premises at any time.
- 7.2.2. Lessor reserves the right to make any alterations or additions to the Airport and the Common Area, including the right to build additional storeys or buildings.
- 7.2.3. In the exercise of the right reserved by it pursuant to the provisions of Clause 7.2.2, Lessor shall ensure that it causes the least possible inconvenience to Lessee.

8. OBLIGATIONS OF THE PARTIES

8.1. OBLIGATIONS OF THE LESSOR

- 8.1.1. Lessor's obligations, undertaken pursuant to this Agreement, shall be effective from the Commencement Date and shall continue for the duration of the Term.
- 8.1.2. Lessor shall, insofar as this is within its reasonable control, ensure a continuous supply, to the Premises, of electricity and telephone network connection (if required by Lessee).
- 8.1.3. In no event shall Lessor bear any responsibility or liability for damages or any loss suffered by the Lessee due to any suspension, interruption, reduction, disruption, curtailment or failure in the supply, quality or character of electricity or other utility or service if either the quality or character thereof is changed or is no longer available or suitable for Lessee's requirements.
- 8.1.4. Lessor shall undertake all Lessor Maintenance; provided that the Rent and any other Charges as may be due, are paid by the Lessee to the Lessor punctually.



- 8.1.5. In the event that Lessee requests Lessor, and Lessor accepts, to carry out any repair or maintenance work in the Premises on behalf of Lessee in discharge of the Lessee's obligations under this Agreement, Lessor shall execute such instructions as may be agreed. Upon completion of such works, Lessor shall submit all relative invoices to the Lessee and an invoice from the Lessor comprising the value for such works and labour, together with a ten per cent (10%) administration charge. Lessee shall pay the amount indicated in the invoice within ten (10) days of receipt of the relative invoice.

8.2. OBLIGATIONS OF THE LESSEE

- 8.2.1. Lessee's obligations, undertaken pursuant to this Agreement, shall be effective from the Commencement Date and shall continue for the duration of the Term.
- 8.2.2. Lessee shall use the Premises only for the operation of the Activity. No other purpose or use shall be made of the Premises unless the Lessor grants its prior approval thereto, in writing.
- 8.2.3. Lessee shall, at all times and at its sole expense, undertake the Lessee Maintenance and perform all repairs, routine maintenance and replacements necessary to maintain the interior, non-structural components of the Premises in good repair and proper working condition, normal wear and tear excepted:
- Provided that the replacement of any permanent fittings and/or fixtures or other works may only be carried out by the Lessee after having obtained the Lessor's prior written approval.
- 8.2.4. In the event that Lessee refuses or neglects to discharge its obligations to the reasonable satisfaction of Lessor, Lessor shall serve a notice to Lessee requiring it to take corrective action. If the Lessee does not take such action within three (3) days from the delivery of such notice, Lessor may make such repairs or undertake such maintenance which should have been carried out by Lessee, without liability to Lessee for any loss or damage that may accrue to Lessee's fixtures or other property or to Lessee's Activity by reason thereof. Upon completion of such work, Lessee shall promptly reimburse Lessor for any reasonable costs incurred by it in making such repairs and maintenance, together with a ten per cent (10%) administration charge.
- 8.2.5. Lessee shall carry on the Activities from the Premises with due diligence and efficiency, unless prevented from doing so by causes beyond Lessee's control.
- 8.2.6. The Lessee shall abide by the obligations relating to Dangerous Substances, as set out in Annex 4 and Clause 8.2.7 below.
- 8.2.7. Storage of Dangerous Substances on, within or around the Premises or elsewhere at the Airport shall require specific prior approval (in writing) of the Head of Airport Operations of the Lessor. A request for approval in terms of this Clause 8.2.7 shall only be considered subject to the prior presentation of a fire risk assessment by a state-accredited fire safety professional, executed at the Lessee's own cost and expense. In consideration of the latter and notwithstanding any approval that may be granted for the storage of Dangerous

Substances, it is emphasized that the content of the risk assessment presented and the identification and addressing of any significant findings shall remain the sole responsibility of the Lessee.

- 8.2.8. Lessee shall keep the Premises in a clean, orderly and sanitary condition and free of insects, rodents, vermin and other pests; not permit accumulation of garbage and other refuse, to remove the same promptly, and to keep such refuse in proper containers in the interior of the Premises until removed.
- 8.2.9. The Lessee shall not use or permit the use of any apparatus for sound reproduction or transmission in such manner that the sounds so reproduced, transmitted or produced are audible beyond the confines of the Premises; shall keep all mechanical apparatus free from vibration and noise which may be transmitted beyond the confines of the Premises; and shall not cause or permit objectionable odours to emanate or be dispelled from the Premises.
- 8.2.10. The Lessee shall not place or maintain any articles pertaining to Lessee in the Common Area or elsewhere other than the Premises.
- 8.2.11. Lessor and Lessor's agents shall have the right to enter the Premises at all reasonable times to examine the same and ensure compliance with the provisions of this Agreement, provided that in all cases the Lessor provides the Lessee with at least twenty-four (24) hours' notice and the Lessor's representative shall be accompanied by a representative of the Lessee; provided that no such notice shall be required in an emergency.

8.3. USE AND INSTALLATION ELECTRONIC AND TELEPHONY EQUIPMENT

- 8.3.1. Any electronic devices transmitting radio frequencies including two-way radios and wireless internet equipment shall be subject to approval by Malta Communications Authority and from Lessor before the installation or use of such device(s) at the Premises.
- 8.3.2. Lessee shall ensure that all its Local Area Networks shall be separated from the Lessor's network infrastructure and that no devices shall be connected to Lessor's network infrastructure without prior written approval being granted by the Lessor.
- 8.3.3. Lessee acknowledges that Lessor's wireless internet ("Wi-Fi") access is intended for use by customers of the Lessor and accordingly Lessee shall ensure that such Wi-Fi shall not be used by the Lessee or any of the Lessee's employees for any commercial or personal use.
- 8.3.4. Lessee may install a closed circuit television ("CCTV") system on the Premises. Any such system shall be installed in a manner as not to capture any part of the Common Area.
- 8.3.5. Lessee may install its own access control system within the Premises. Any such installation however, shall not exempt the Lessee from using the OMAS (the Office of the Manager Airport Security) pass provided by the Lessor.

8.4. GOVERNMENT REGULATIONS AND LICENSES

- 8.4.1. During the Term this Agreement, Lessee shall strictly observe and abide by all legal requirements applicable to its Activities performed in the Premises.
- 8.4.2. Lessee shall, at its sole cost and expense, comply with all applicable requirements of all governmental authorities now in force, or which may hereafter be in force, as such requirements are applicable to the Premises and / or Lessee's Activities carried out therefrom.
- 8.4.3. Lessee shall also abide by the obligations relating to Dangerous Substances, as set out in Annex 4.
- 8.4.4. Lessee shall faithfully observe all laws and regulations now in force or which may hereafter be in force, including but not limited to regulations relating to any licences required by Lessee for the carrying on of the Activities from the Premises.
- 8.4.5. Any licences required by the Lessee for the operation of the Premises or the carrying on of the Activities shall be procured, and maintained throughout the Term, by the Lessee, at Lessee's sole cost and expense.
- 8.4.6. Lessor undertakes to assist the Lessee in procuring, at the Lessee's cost, any required security passes for the Lessee and its employees or agents as may be necessary for the Lessee to carry out its business in the Premises, subject to the competent authority's discretion to grant such security passes.

8.5. EMPLOYEES

- 8.5.1. Lessee shall at all times employ and deploy at the Premises, at its own expense, suitably trained and qualified personnel.
- 8.5.2. Lessee shall ensure that its employees and staff/personnel deployed at the Premises maintain a smart and clean appearance. Lessee shall also ensure that its employees and staff/personnel deployed at the Premises or other authorised representatives wear suitable means of identification provided by Lessee, as approved by Lessor, when on Airport premises.
- 8.5.3. Upon termination of employment or when any staff/personnel deployed at the Premises is no longer to be deployed there, or upon termination of this Agreement for whatever reason, Lessee shall return to the Lessor any security passes, keys and other items relating to the Premises or the Airport, which are in their possession.

9. COMMON AREA

- 9.1. Lessee's use and occupation of the Premises shall include the right, during the Term, to use the Common Area (as defined below), loading facilities, sidewalks, and other facilities as Lessor may designate from time to time, subject to the terms and conditions of this

Agreement and subject to reasonable rules and regulations for the use thereof as Lessor may prescribe from time to time.

9.2. COMMON AREA DEFINED

9.2.1. The term "Common Area" shall mean all areas within the Airport designated from time to time by Lessor for the common use of or benefit to the occupants of the Airport and not devoted to or for one occupant's exclusive use.

9.3. CONTROL OF COMMON AREA

9.3.1. The Common Area shall, at all times, be subject to the exclusive control and management of Lessor, and Lessor shall have the right from time to time to establish, modify and enforce reasonable rules and regulations with respect to the Common Area. The Lessor shall maintain the Common Area in good order, and shall ensure that all facilities are maintained in good repair, clean and in accordance with the high standard expect of the Airport.

9.3.2. Lessor shall have the right to construct, install, operate, maintain, police, repair, replace, clean, and service any and all facilities and improvements which constitute a part of the Common Area; from time to time to change the area, level, location and arrangement of any portion of the Common Area; to close temporarily all or any portion of the Common Area; and to do and perform such other acts in and to the Common Area as the Lessor shall determine to be advisable with a view to the improvement of the use thereof by lessees, their officers, agents, employees and customers.

9.3.3. In the event that works being carried out in the Common Areas restrict or obstruct access to the Premises, Lessor shall ensure that other adequate access points to the Premises are made available at its own expense. Failure of the Lessor to provide adequate access to the Premises shall entitle Lessee to (i) the suspension of the Term of this Agreement, with an equivalent extension; and (ii) the suspension of any payment obligations undertaken pursuant hereto for the period during which there is no adequate access to the Premises.

9.3.4. Lessor will operate and maintain the Common Area in such manner as Lessor shall determine to be appropriate in the interest of good estate management. Without limiting such discretion, Lessor shall have the full right and authority to employ all personnel and to make and amend any rules and regulations pertaining to or necessary for the proper operation and maintenance of the Common Area.

9.3.5. Nothing contained in this Agreement shall be deemed to preclude Lessor from improving the Common Area with structures, additional offices, stores or other retail facilities.

9.4. PERMISSION TO USE COMMON AREA



- 9.4.1. All portions of the Common Area, which Lessor may permit Lessee to use and occupy, shall be used and occupied by Lessee on mere tolerance of the Lessor. Accordingly, Lessor may, if and when it so deems fit, require Lessee to refrain from using such portion(s) of the Common Area upon giving notice in writing to the Lessee.
- 9.4.2. In the event that Lessor diminishes the amount or size of the Common Area, Lessor shall not be subject to any liability nor shall Lessee be entitled to any compensation or diminution or abatement of Rent, nor shall such diminution of Common Area be deemed constructive or actual eviction.

10. ADVERTISING, SIGNS, DISPLAYS AND OTHER INSTALLATIONS

- 10.1. Lessee shall not install, place or otherwise expose any promotional or advertising display or other material within any part of the Airport, other than within the Premises, without the prior written approval of the Lessor and the necessary arrangements with the third party concessionaire being responsible for the management of advertising at the Airport.
- 10.2. Lessor reserves the right to remove any promotional material or advertising display or other material referred to above, if placed by the Lessee in the Airport, other than in accordance with the provisions of this Clause 10. Lessor also reserves the right to grant approval for promotional material or advertising display or other material subject to the terms and conditions which Lessor may reasonably deem fit to impose, or withdraw its approval of the exposure of any such promotional material or advertising display or other material.
- 10.3. No signs or notices shall be displayed in the Premises, or anywhere else at the Airport, by the Lessee without the Lessor's prior written consent. In the event that Lessee requires any such signage it shall submit requests to the Lessor in writing. Approval of such requests shall not be unreasonably withheld by Lessor. The Lessee shall be responsible for the production, installation and maintenance of such signage, which shall only be installed upon Lessor's confirmation that Lessor's conditions, in relation to the said signage, have been respected.
- 10.4. Lessee agrees to maintain any permitted sign, awning, canopy, advertising matter, or decoration in good condition at all times at Lessee's sole cost and expense.
- 10.5. Lessor reserves the right to place within and/or around the Airport, and in the same style and colour of the signage used in the Airport, any sign or signs which it deems necessary in the interest of safety, security, or the operation of the Airport in general. The Lessor shall be responsible for the production, installation and maintenance of any such operational signage.
- 10.6. Lessor reserves the right to install in the Airport, any such installations and/or signs as are, in the opinion of the Lessor, required in the interest of operations, safety and/or security.



The Lessee shall not add to or alter the installations, if any, in the Premises and generally at the Airport except with the prior written consent of the Lessor.

11. ASSIGNMENT, SUBLETTING AND NATURE OF ACTIVITY

- 11.1. Lessee shall not, for the duration of this Agreement, assign or transfer this Agreement or sublet all or any portion of the Premises to a third party nor shall Lessee permit any person, legal or natural, to make use of or be in possession of all or any part of the Premises, whether for consideration or otherwise, without the prior written consent of Lessor.
- 11.2. Save for transfers of shares quoted on a recognised and regulated stock exchange, the Lessee shall not transfer any of its shares or any interests in any of its shares or any interest in the Activity carried on by the Lessee, unless such transfer is approved by the Lessor in writing, prior to the transfer. In the event the Lessor does not approve of the transfer, Lessor shall provide to Lessee the reasonable cause in writing. Should the Lessee affect any such transfer without obtaining the Lessor's prior approval, Lessor shall have the right to terminate this Agreement, by giving notice in writing to Lessee.

12. TERMINATION

- 12.1. Lessor shall be entitled to terminate this Agreement by serving notice on the Lessee upon the occurrence of any of the following:
- 12.1.1. The Premises remain unutilized for a period longer than fifteen (15) days without the Lessee giving the Lessor good reason for same;
 - 12.1.2. The failure by Lessee to observe or perform any of the covenants, conditions or provisions of this Agreement, which Lessee has undertaken to observe or perform, and such failure continues for a period of ten (10) days after notice in writing from the Lessor;
 - 12.1.3. The failure by Lessee to pay any instalment of Rent or any other payment required to be made by Lessee hereunder, promptly when due and continue in such failure fifteen (15) days after notice in writing from the Lessor;
 - 12.1.4. Lessee sublets, assigns or transfers any shares or interest in the Activity in breach of this Agreement;
 - 12.1.5. Lessee enters into a business relationship of whatever kind with any Employee of the Lessor (or with a company in which such Employee has an interest) during the period of this Agreement;
 - 12.1.6. Lessee offers or agrees to give to any person employed, engaged or in the service of the Lessor or representing the Lessor any gift or consideration of any kind, except for a bona fide gift;
 - 12.1.7. The (i) making by Lessee of any general assignment or general arrangement for the benefit of creditors; and/or (ii) filing by or against Lessee of a petition to have Lessee adjudged as bankrupt or insolvent; and/or (iii) appointment of a liquidator for the Lessee, or any equivalent or analogous circumstance or action being taken by the Lessee or a third party;
 - 12.1.8. Lessee is unable to pay its debts in terms of article 214 of the Companies Act, Chapter 386 of the Laws of Malta.



12.2. If this Agreement is terminated in accordance with this Clause 12, Lessor may, apart from recovering all amounts due from Lessee until the date of termination, recover all damages incurred by Lessor by reason of Lessee's default, including, but not limited to, the cost of recovering possession of the Premises; Lessor's reasonable advocates' fees and brokerage commissions incurred in connection with re-letting the Premises; together with interest on unpaid Rent or other sums payable by Lessee under the provisions of this Agreement from the date the same became due at the rate of eight per cent (8%) per annum.

12.3. Should the Lessor not elect to terminate this Agreement as contemplated above, Lessee shall remain bound by all obligations undertaken pursuant to this Agreement irrespective of the default and the fact that Lessor does not terminate this agreement shall in no way signify a waiver of Lessor's rights. In addition to its other rights, Lessor shall be entitled to recover all Rent, Charges and any other payments as they become due hereunder.

13. **VACATION AND SURRENDER OF PREMISES**

13.1. At any time being not more than twelve (12) months prior to the Expiry Date, Lessor and Lessor's agents shall have the right to enter the Premises at all reasonable times to show them to prospective purchasers and/or tenants provided that Lessor provides Lessee with at least twenty-four (24) hours' notice.

13.2. Upon expiry or termination of this Agreement, or any part thereof, for whatever reason, the Lessee shall surrender the Premises to Lessor in as good a condition as it received the same, fair wear and tear excluded.

13.3. In addition, Lessee shall deliver to Lessor all keys to the Premises as well as all combinations for locks, safes, and vaults in the Premises.

13.4. In the event that Lessee fails to vacate the Premises, or any part thereof, within fourteen (14) days from the date of expiry or termination of this Agreement, then the Lessee shall be liable to pay Lessor, by way of penalty for mere delay, an amount equivalent to five hundred Euro (€500) per day during which the Lessee so remains in occupation or possession of the Premises. Lessee hereby expressly waives its right to any abatement of the said penalty, which is acknowledged to be stipulated for mere delay and to be fair and reasonable in the circumstances.

13.5. Should Lessee fail, within a reasonable period of time, to vacate and to clear the Premises of all items belonging to it, Lessor shall have the right to clear the Premises itself at the sole risk and expenses of Lessee.

14. **GENERAL CONDITIONS**

14.1. **CO-OPERATION AND LIAISON**


14.2. INSPECTION AND REVIEW

- 14.2.1. Lessor reserves the right, at appropriate times during the Term, to carry out any inspection or survey on / in / around the Premises; provided that a prior written notice of at least forty-eight (48) hours is given to the Lessee for such purpose.
- 14.2.2. Lessee shall at all times maintain its operation up to standard. The Lessee shall therefore abide by any reasonable recommendations given by the Lessor which are aimed at improving the services offered and keeping them in line with the exclusive standards at the Airport.

14.3. SECURITY AND COMPLIANCE WITH AIRPORT REGULATIONS

- 14.3.1. Lessee shall ensure that its employees, agents and representatives at the Airport are aware of Airport security and other Airport regulations, bye-laws and instructions, which shall be made available to Lessee, and that they fully comply with such regulations, bye-laws or instructions.
- 14.3.2. Lessee shall ensure maximum security and compliance with Airport regulations and bye-laws at the Airport which may be given from time to time by Lessor and shall ensure that all of Lessee's employees, agents or representatives abide by any directive or instruction given by any of Lessor's officials or representatives and fully cooperate in the implementation of any security measures imposed by Lessor.
- 14.3.3. In the event of non-compliance with such regulations, bye-laws or instructions by any of Lessee's employees, agents or representatives, Lessor reserves the right to demand the immediate withdrawal of such non-compliant person from the Premises and the Airport, by Lessee, who shall comply forthwith.
- 14.3.4. The provisions of this Clause 14.3 shall not prejudice any other right or remedy that Lessor may have against Lessee or any of its employees, agents or representatives under any other Clause of this Agreement or under any law at the time being in force in Malta.

14.4. USE OF AIRPORT

- 14.4.1. Lessee shall not interfere or permit interference by any of its employees, agents or representatives with any apparatus or any other object within the Airport.
- 14.4.2. Lessee or any of its employees, agents or representatives shall not enter in or upon any hangar, building or premises at the Airport from which the general public are excluded except with Lessor's prior authorisation.
- 

- 14.4.3. Lessee, its employees, agents or representatives shall not cause or permit to be done in the vicinity of the Premises, at the Airport, or any part thereof, anything which might interfere with the due working of the Airport or the performance of any operations connected therewith, or which might be or become an obstruction, nuisance or annoyance, or cause damage, inconvenience or discomfort to any person properly using the Airport or resorting thereto.
- 14.4.4. For the Term of this Agreement, Lessee shall comply and ensure compliance, at all times, by its employees, agents or representatives with the reasonable directions of the Lessor. Lessor reserves the right to prohibit any of Lessee's employees or agents who fail to comply therewith, or who is in default of this Clause 14.4, from entering any part of the Airport.
- 14.4.5. Lessor does not in any way guarantee the continued use of the Airport and may at any time and from time to time at its discretion close or restrict the access of the public to the Airport or any part thereof, including the Premises, or forbid the entry of any person or persons to the same for such periods as Lessor may deem necessary in the interest of safety, security or the operation of the Airport in general.
- 14.4.6. In the event that there is a suspension/interruption of activities due to Lessor's instructions, pursuant to Clause 14.4.5, Lessor shall not incur any liability to Lessee in respect of any disturbances or reduction in or loss of business consequent thereto.
- 14.4.7. In the event that any suspension/interruption of activities due to Lessor's instructions, pursuant to Clause 14.4.5, protracts over a period of more than seven (7) days, shall entitle Lessee to (i) the suspension of the Term of this Agreement, with an equivalent extension; and (ii) the suspension of any payment obligations undertaken pursuant hereto for the period during which there is no adequate access to the Premises. Such events shall be confirmed by notice in writing by the Lessor to the Lessee.

15. GENERAL PROVISIONS

15.1. NEGOTIATIONS

- 15.1.1. The Parties declare and acknowledge that the terms and conditions of this Agreement have been negotiated by the Parties and represent the final agreed position of the Parties.

15.2. SEVERABILITY

15.2.1. The invalidity or unenforceability of any provision of this Agreement, as determined by a body of competent jurisdiction shall in no way affect the validity or enforceability of any other provisions hereof

15.3. PAYMENT OBLIGATIONS

15.3.1. All payments to be made by Lessee to Lessor under this Agreement are indicated as exclusive of VAT or any similar / replacement / additional tax or impost and must therefore be grossed up by Lessee to cover any such taxes.

15.3.2. All payments due shall be paid in full, without demand, deduction, or set off within thirty (30) days from the date of the relevant invoice issued by the Lessor to the Lessee, or, immediately upon termination if this Agreement is terminated.

15.3.3. Any amount due to Lessor which is not paid when due shall bear interest at eight per cent (8%) per annum (or any higher amount permitted by law in relation to late payment in commercial transactions) from the date due. Payment of such interest shall not excuse or cure any default by Lessee under this Agreement.

15.4. CAPTIONS

15.4.1. Clause and paragraph captions are inserted for convenience only and are not a part of this Agreement.

15.5. INCORPORATION OF PRIOR AGREEMENTS; AMENDMENTS

15.5.1. This Agreement contains all agreements of the Parties with respect to any matter mentioned herein. No prior agreements or understandings pertaining to any such matter shall be effective.

15.5.2. This Agreement may be modified only by an instrument in writing, signed by the Parties in interest at the time of modification

15.6. NOTICES

15.6.1. Any notice required or permitted to be given herein, shall be in writing and may be (i) served personally; (ii) by registered mail, return receipt requested and addressed to Lessor and Lessee respectively at the addresses set out in Annex 1; or (iii) by electronic mail.

Handwritten signature and initials in the bottom right corner of the page.

15.6.2. All notices shall be effective upon (i) receipt by the Party to which notice is given, or (ii) on the fifth (5th) day following mailing, whichever occurs first.

15.6.3. Either Party may, by like notice to the other Party, at any time and from time to time, designate a different postal or email address to which notices shall be sent, except that upon Lessee's taking possession of the Premises, the Premises shall constitute Lessee's postal address for notice purposes.

15.7. WAIVERS

15.7.1. No waiver by either Party of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by such Party of the same or any other provision. The consent to or approval of any act by one Party in favour of the other shall not be deemed to render unnecessary the obtaining of the other Party's consent to or approval of any subsequent act by the other Party. The acceptance of any payment of Rent by Lessor shall not be a waiver of any preceding breach by Lessee of any provision hereof, other than the failure of Lessee to pay the particular payment of Rent so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such payment of Rent.

15.8. CUMULATIVE REMEDIES

15.8.1. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law, in equity or otherwise provided herein.

15.9. JOINT AND SEVERAL LIABILITY

15.9.1. If more than one Party shall execute this Agreement as Lessee, such Parties shall be jointly and severally liable for all obligations of Lessee set forth herein or at law.

15.10. FORCE MAJEURE

15.10.1. If either Party is prevented from doing, accomplishing or performing any act or thing required of such Party under the terms of this Agreement (other than a payment obligation) due to Force Majeure, then the time provided in this Agreement for doing, accomplishing or performing such act or thing shall be extended in order to provide such Party with the same number of days to accomplish or perform such act or thing after termination of the Force Majeure as that Party would have had in the absence of the Force Majeure.



15.11. ARBITRATION

15.11.1. If any controversy, disagreement or dispute should arise between the Parties in the performance, interpretation, or application of this Agreement or in any other manner connected herewith, which is not resolved amicably between the Parties, either Party may serve upon the other a written notice stating that such Party desires to have the dispute reviewed and finally settled.

Within fifteen (15) days of such notice each of the Parties shall appoint one arbitrator. If any Party fails to appoint an arbitrator within the said fifteen (15) days, the arbitrator appointed by the complying Party shall be the sole arbitrator. If both Parties appoint an arbitrator, then these two appointed arbitrators shall nominate a third Arbitrator. If the two appointed arbitrators fail to do so within fifteen (15) days after their nomination, the third Arbitrator shall be appointed by the President *pro tempore* of the Malta Arbitration Centre on an application of either Party to this effect.

15.11.2. The three Arbitrators shall review the case and their decision shall be final and binding on both Parties.

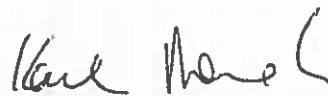
15.11.3. Arbitration proceedings pursuant to this Agreement shall be conducted in Malta in accordance with the rules of the Malta Arbitration Centre.

15.12. APPLICABLE LAW

15.12.1. This Agreement shall be read and construed in accordance with the laws in force in Malta from time to time.



Alan Borg
Chief Executive Officer
Malta International Airport Plc.



Karl Dandler
Chief Finance Officer
Malta International Airport Plc.

Mr. Paul Bugeja
Chief Executive Officer
Malta Tourism Authority



List of Annexes & Schedules

Annex 1 – Term, Rent and Other Conditions

Annex 2 – Charges for Services Provided

Annex 3 – Premises & Plans

Annex 4 – Dangerous Substances

(S.A.)

ANNEX 1 – TERM, RENT AND OTHER CONDITIONS

1. TERM

The term of this Agreement shall be for automatically renewable periods of one (1) calendar year each the first of which shall commence on 1 June 2017 (the "Commencement Date") and end on 31 May 2018 (the "First Lease Year"). Either of the Parties may terminate this Agreement by giving at least two (2) months' notice prior to the lapse of the First Lease Year or any subsequent lease year, the last day of notice being the "Expiry Date".

2. RENT

The Rent payable by Lessee to Lessor for the Premises shall be three thousand three hundred and twenty-nine Euro and ninety cents (€3,329.90) per annum, subject to a cumulative annual increase of three per cent (3%) on the Rent payable on the immediately preceding year.

As from the Commencement Date, Lessee shall pay the Rent to the Lessor, quarterly in advance.

3. NOTICES

Any notices to be sent to the Lessor or the Lessee shall be sent to the following addresses:

In the case of the Lessor:

The Chief Executive Officer
Malta International Airport plc
Luqa LQA 4000
Malta

In case of the Lessee:

Chief Executive Officer
The Malta Tourism Authority
Building SCMO1
Level 3
SmartCity Ricasoli SCM 1001
Kalkara
Malta

Email address: paul.bugeja@visitmalta.com

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ANNEX 3 – PREMISES AND PLANS

The Premises shall consist of:

- i. An area measuring fourteen square meters (14m²) to be used as an office for administrative purposes (the "Administration Office") located on the Landside area at the Airport.
- ii. An area measuring thirty two square meters (32m²) to be used as a tourist information office from which no commercial activity may be carried out located in the Welcomer's Hall on the Landside area at the Airport (the "Tourist Information Office").

Specific details and other information regarding the Premises can be found on the plan attached and marked as Document "P".



ANNEX 4 – DANGEROUS SUBSTANCES

Dangerous Substances Stored in Premises

Guidance

The Lessee shall ensure that risks from the storage of Dangerous Substances on the Premises are controlled by eliminating or reducing the quantities of such substances in the areas concerned and providing mitigation to protect against foreseeable incidents.

It is recognized that for practical purposes where flammable liquids are used, there is likely to be a need for a limited quantity to be stored in the area. It is the responsibility of the Lessee when carrying out its risk assessment to justify the need to store any particular quantity of flammable liquid within the Premises. However, the guiding principle is that only the minimum quantity needed for frequently occurring activities or that required for use on a daily basis should be present. Clearly actual quantities will depend on the necessary requirements and also the organizational arrangements for controlling the fire risks in the area.

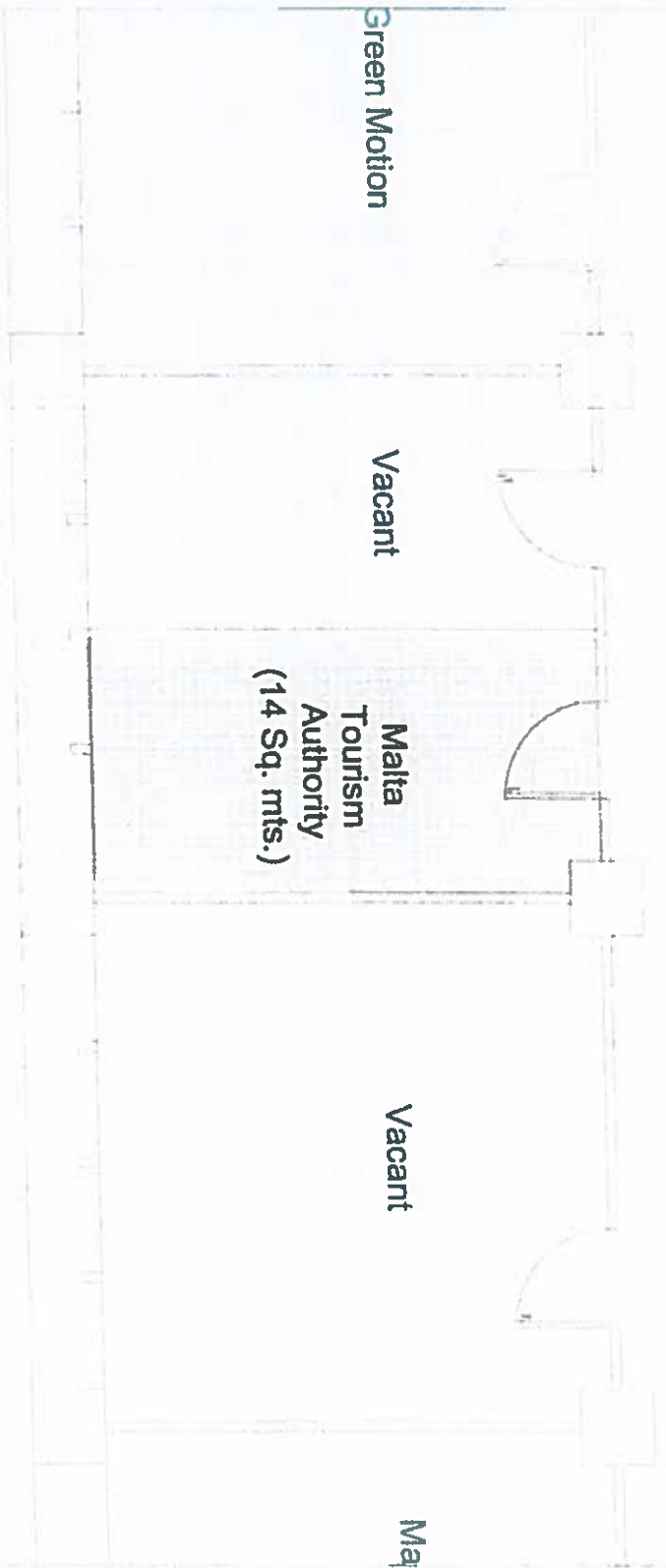
Without limitation to the generality of the foregoing, the following list of items should have a controlled approach and stored in the appropriate locations and containers:

- Liquefied Petroleum Gas (LPG) in commercial containers should never be stored in a basement area and should be properly stored on the outside in the open air.
- Hydrocarbon fuels should never be stored anywhere on the Premises.
- Flammable materials should never be stored together and should be placed separately in appropriate containers and only in small quantities.
- Chemicals should also be stored in appropriate containers.
- Any pressurized containers should have a designated area and clearly distinguishable.
- Fuels for cigarette lighters, matches and similar objects must be stored separately, in small quantities and in appropriate containers.
- Aerosols should be stored in small quantities and in appropriate containers.
- Alcohols to be stored in designated areas and only limited quantity placed on shopping stands.

All other items that are subject to produce fire hazards are to be stored according to specific instructions on their labels.



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Green Motion

Vacant

Malta
Tourism
Authority
(14 Sq. mts.)

Vacant

Ma



Location: Air Terminal-1st Floor Space frame

Project: Malta Transport Authority Research Office

Title: Contract Drawing

Drawn By: R. Coppin
Scale: 1:50
Project No: MMAPD-086-2017
Date: 11-10-2017
Checked By: R. Coppin
Approved By: Rachel Coppin

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REV

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