



Thank you for your interest in the Simon Short-term Leasing Program. Enclosed for your review is additional information regarding our program.

At Simon Property Group our goal is to create a unique and exciting shopping environment for our customers. We believe that specialty merchants add both creativity and diversity to our existing retail mix. We seek retailers that offer quality merchandise, visual design and customer service. As an entrepreneur, you can test new retail concepts on a short-term basis and can potentially incubate your retail concepts into future permanent retail opportunities.

To assist our short-term tenants in the successful opening of their store, kiosk or cart we offer a comprehensive Short-term Entrepreneurial Packet (STEP). STEP will help walk you through everything you need to get your business up and running quickly and efficiently.

SIMPLE STEPS TO STARTING YOUR NEW BUSINESS

Welcome to Simon Property Group. This packet has been designed to assist you in completing the necessary steps to becoming a retail owner/operator.

I. Start with a Good Business Concept

- A. Create Business Plan
- B. Set-up a meeting with a Short-term Leasing Representative or Mall Manager
- C. Find/Contact Suppliers
 - ✓ Get catalogues
 - ✓ Set up accounts
 - ✓ Discuss buying/return merchandise policy
- D. Open Bank Account
- E. Apply for Sales Tax Exemption Certificate
- F. Federal I.D. tax number
- G. Register business name

Sales Tax Exemption Certificate:

If you plan to sell products, you will need a ***Sales Tax Exemption Certificate***. It allows you to purchase inventory or materials, which will become part of the product you will sell, from suppliers without paying sales taxes. The ***Sales Tax Exemption Certificate*** requires you to charge sales tax to your customers, which you are responsible for remitting to the state. You will have to pay penalties if it is found that you should have been taxing your products and now owe back taxes to the state.

For information on *Sales Tax* issues contact your State's Department of Revenue

Federal Self-Employment Tax:

Everyone must pay for Social Security and Medicare coverage. If you are self-employed, your contributions are made through the self-employment tax. The IRS may seem like a complicated maze, but there are publications, counselors and workshops available to help you sort through any questions you may have.

**For more information on *Federal Self-Employment Tax* contact:
IRS at 1-800-829-1040**

Register Your Business Name:

After doing a search to make sure that your potential business name it is not already in use, you should **register your name with the County Recorder** in the county in which your business is based. Registering your business name will help protect you from others who might be using the same name.

**For more information contact:
County Recorder in the county in which your business is based.**

II. Business Licenses

There are many types of licenses, both state and local as well as professional. Depending on what you do and where you plan to operate, your business may be required to have various state and/or municipal licenses, certificates or permits.

Licenses are administered by a variety of departments. Listed below are two of these departments:

**Retail Merchants Certificate, Sales Tax, Etc.
Licenses and Permits – City Controller’s Office**

III. Business Insurance

- A. Purchase Business Insurance
- B. Consider Additional Specific Coverage

Business Insurance:

Like home insurance, business insurance protects the contents of your business against fire, theft and other losses. It is prudent for any business to purchase a number of basic types of insurance. Some types of coverage are required by law, others simply make good business sense. The types of insurance listed on this page are among the most commonly used and are merely a starting point for evaluating the needs of your own business. For more information contact your insurance agent or broker. **(If you do not have an insurance agent or broker, see the list of vendors included in the back of this packet.)**

Specific Coverages:

In addition to business coverage, you are also required to have specific coverages that are required by your lease. **(See attached information for Limits of Liability and Certificate of Insurance sample.)**

IV. Employee Information

- A. Hiring Employees
- B. INS
- C. Federal Employee Identification Number
- D. Federal Occupational Safety & Health Administration (OSHA)
- E. Employee Taxes
- F. Employee Insurance
- G. Electronic Federal Tax Payment System

Hiring Employees:

If you open a business and hire at least one (1) employee, you must register with the State’s Department of Revenue.

For forms and information contact your State’s Department of Revenue

INS:

The Federal Immigration Reform and Control Act of 1986 requires all employers to verify the employment eligibility of new employees. The law obligates an employer to process ***Employment Eligibility Verification Form I-9***. The INS Office of Business Liaison offers a selection of information bulletins and live assistance for this process through the Employer Hotline. In addition, INS forms and the Employer Handbook can be obtained by calling the Forms Hotline.

For forms call: (1-800-870-3676)
Employer Hotline call: (1-800-357-2099)
For more information contact the local INS office.

Federal Employer Identification Number:

If you plan to hire employees you are also required to obtain a ***Federal Employer Identification Number*** from the Internal Revenue Service (IRS).

**To obtain the registration form and reference documents, contact:
IRS at (1-800-829-1040)**

For forms confirmation, contact the State's Department of Revenue:

Occupational Safety and Health Administration (OSHA):

All businesses with employees are required to comply with state and federal regulations regarding the protection of employees. ***OSHA*** outlines specific health and safety standards adopted by the U.S. Department of Labor. For information contact the ***Federal Occupational Safety and Health Administration***.

Employee Taxes:

If you have any employees, including officers of a corporation, that are not the sole proprietor or partners, you must make periodic payments and file quarterly reports about payroll taxes and other mandatory deductions. You may contact these government agencies for information, assistance and forms.

Social Security Administration: 1-800-772-1213
Federal Withholding (U.S. Internal Revenue): 1-800-829-1040
State Withholding: contact the State's Department of Revenue

Employee Insurance:

If you hire employees you may be required to provide Unemployment or Worker's Compensation Insurance.

Electronic Federal Tax Payment System (EFTPS):

EFTPS is a free electronic tax payment system offered by the U.S. Treasury that gives businesses the convenience of making all their federal tax payments by phone or personal computer (PC), 24 hours a day, 7 days a week, from home or office.

GETTING STARTED IN YOUR SIMON MALL

Simon Property Group, Inc. Insurance Requirements

Before commencing any use hereunder, Tenant shall furnish to Landlord a **Certificate of Insurance**, issued by the company or companies satisfactory to the Landlord, providing evidence that the following coverages are in full force and effect, naming Landlord, Landlord's Property Manager and Designee(s) as additional insureds thereunder and providing that no such insurance may be cancelled without a least thirty (30) days written notice to Landlord (or such other person as Landlord shall designate in writing to the insurer) by Certified Mail, return receipt requested, at Landlord's principal office address specified herein; (ii) a comprehensive or commercial general liability policy including comprehensive or commercial general liability policy including contractual liability products/completed operation and broad from property damage coverage, affording protection on an occurrence basis for claims arising out of bodily injury, death, and property damage and having limits of not less than: a combined single limit of \$2,000,000 per occurrence with a \$2,000,000 aggregate limit of liability and (ii) Worker's Compensation insurance as required by the laws of the state where Shopping Center is located, and Employer's Liability insurance with a \$1,000,000 per occurrence limit.

The additional insured for the property must include the property's legal name. (**Sample: Circle Centre Mall LLC, a Delaware limited liability company; Circle Centre Development Co., an Indiana general partnership; Simon Property Group, L.P., a Delaware limited partnership; Simon Property Group, Inc., a Delaware corporation, General Partner; Circle Centre Partners Limited Partnership, a Delaware limited partnership, General Partner; Circentre Incorporated, a Delaware Corporation, General Partner.**)

*****Required Insurance Information*****

Sample Additional Insureds:

0564 Circle Centre – Indianapolis, IN

CIRCLE CENTRE MALL LLC, a Delaware limited liability company

CIRCLE CENTRE DEVELOPMENT COMPANY, an Indiana general partnership

Simon Property Group, Inc., a Delaware corporation, its Managing Agent, and their respective officers, directors, shareholders, members, partners, parents, subsidiaries, related and affiliated entities, agents, servants and employees

CIRCLE CENTRE PARTNERS LIMITED PARTNERSHIP, a Delaware limited partnership, General Partner

CIRCENTRE INCORPORATED, a Delaware corporation, General Partner

Limits:

General Aggregate	\$2,000,000
Products – Comp/Op Agg	\$2,000,000*
Personal & Adv. Injury	\$2,000,000
Each Occurrence	\$2,000,000
Fire Damage (any one fire)	\$1,000,000**
Med Exp (any one person)	\$5,000

*Required only if tenant manufactures the product they sell.

**Be sure to review the contract language regarding Fire Damage Insurance for amount in your market.

Cancellation: Should be **30 days** written notice to the certificate holder.

Certificate Holder:

Mall Name:

Attn: Name/Management Office

Address

City, State Zip

Workman's comp: Each Statutory Limits should be \$1,000,000

GETTING STARTED IN YOUR SIMON MALL

Ordering Local Utilities

PHONE SERVICE

1. Call local phone company.
2. Give them your Space ID/location number.
3. When providing them center information, remember the representative knows nothing about the center or where the locations are in the mall.

WATER SERVICE

1. Call local water company.
2. Give them your Space ID/location number.
3. When providing them center information, remember the representative knows nothing about the center or where the locations are in the mall.

ELECTRIC SERVICE

1. Call local electrical company.
2. Give them your Space ID/location number.
3. When providing them center information, remember the representative knows nothing about the center or where the locations are in the mall.

GETTING STARTED IN YOUR SIMON MALL

Guidelines for Set-Up and Move-In

Each tenant is required to adhere to the rules and regulations listed below when moving into the center. Make sure each step has been completed or you will not be allowed to move into the mall possibly not be able to open for business.

- 1. Make sure your lease, Certificate of Insurance and first payment (including the security deposit) is turned in to the mall office.**
- 2. Contact the mall office at least 24 hours in advance to let them know the following move-in information:**
 - A. Time and date of move in.
 1. If moving in before the mall opens – you must be completely set up, ready to open for business with all trash and remaining stock removed off the common area floor.
 2. If moving in after mall hours – your set up has to be done, the unit secured and all stock and trash removed from the mall common area before leaving for the night. You will also need to give the mall office an approximate time as to how long you will be in the mall.
 - B. Provide names of all people helping you with your set-up.
 - C. Provide vehicle descriptions and license plate numbers.
 - D. Provide name and telephone number of any company assisting you with your move.
 - E. Report to the Marketplace (if moving in after mall hours) before the mall closes to let the mall staff and security know that you are on site and ready to begin moving in.
- 3. Inspect cart (if applicable).**
 - A. Check for scratches, loose wires, burned out light bulbs, etc.
 - B. Make sure a seat is at your cart.
 - C. Check to make sure the security enclosure is operable.
 - D. Report any and all problems to the mall office.
- 4. All fixtures, merchandise, etc. must be brought in through the mall back hallways. No deliveries may be made through the center glass doors or during mall hours.**
- 5. Do not adhere anything to the retail merchandising unit with tape, glue, nails, etc. You will be fined for the cost of any repair needed to the unit you operated. In addition, do not adhere any MasterCard, Visa, etc. self-adhesive stickers to the unit.**
- 6. You will need four (4) locks to close your security enclosure at night. The longer handled bike type locks are easier to fasten.**

This information set forth herein about the Short-term Leasing program is intended for general informational purposes only, and is not a full and complete discussion of all of the terms and conditions applicable to a short-term lease with Simon. You are urged to carefully review the short-term lease in order to determine your legal rights and obligations before entering into a short-term lease. Simon hereby disclaims all responsibility or liability that may be asserted or claimed to arise from your reliance upon the summary information contained herein.