Policy Title: Permanent and Temporary Kiosk Design Criteria

Policy Number: 8100

Functional Area: Tenant Drawings Review

Location(s) Affected: All

Effective Date: 4/30/07

Archived Date:

Tenant Design Criteria

Kiosks are a prominent and important part of the common area in our malls. Their appearance can have a dramatic impact on the customer’s perception of the mall. As such, the Company has determined that maintaining a high standard of design, materials, signage, merchandising and advertising for permanent kiosks is in the Company’s best interest. This policy is intended to provide a guideline for maintaining the Company’s design standards for permanent and temporary kiosk tenants.

Tenant Manual:

A Tenant Design Criteria Manual has been developed for non-food service kiosks (a manual for food service kiosks is in process of development). The manual is in .pdf format and may be downloaded and printed for Tenant Information Packages or attached and emailed to tenants and tenant architects.

Kiosk Lease Form:

The standard lease forms for permanent and short-term tenants contains the following language requiring the tenant to comply with the design requirements of the Tenant Manual:

Section 1. Premises

… (a) On or before ?, Tenant shall submit to Landlord plans and specifications for the completion of the Premises prepared in conformity with the requirements of Landlord’s Kiosk Design Criteria Manual. Landlord shall have the right to reject Tenant's plans if, in the sole judgment of the Landlord, the Premises, when completed, would not be in keeping with the general character that Landlord is trying to establish for the Shopping Center and any such rejection on this basis shall not be deemed unreasonable.

Should Landlord reject such plans and specifications, Tenant agrees to make such changes as may be required by Landlord within ten (10) days following receipt of Landlord's written request therefor.

The standard language also requires Tenant to maintain the kiosk at all times and controls the use of the countertops for display, advertising and graphics as follow:

Section 14. Maintenance by Tenant

Landlord shall not be obligated to make repairs of any kind upon the Premises nor any equipment, facilities or fixtures therein contained, which shall at all times be kept in good order, condition and repair by Tenant and in a clean, sanitary and safe condition.

Tenant will not paint, decorate or change the architectural treatment of any part of the exterior of the Premises nor make any alteration, addition or change which adversely affects a structural element of the Shopping Center, without Landlord's written approval thereto, and will promptly remove any paint, decoration, alteration, addition or changes applied or installed without Landlord's approval or take such other action with respect thereto as Landlord directs.

Tenant will not place or permit on any exterior portion of the Premises or otherwise, any sign, awning, canopy, advertising matter, decoration, lettering or other thing of any kind without the written approval of Landlord.

Tenant will install and maintain at all times, subject to the other provisions of this Section, merchandise displays, advertising matter, countertop fixtures, point of purchase displays, service displays, signs and store fixtures, in keeping with the character and standards of the Shopping Center.

Landlord reserves the right, upon failure of Tenant to do so, to remove or change any decoration, alteration, addition, display, fixture, graphic or sign that does not meet with Landlord’s approval.

Any modification of the Premises shall be subject to the requirements of Landlord’s Kiosk Design Criteria Manual.
Legal Leasing has certain protocols to follow when reviewing lease changes requested by tenants. Among those are those listed on the following “Never Do” list:

<table>
<thead>
<tr>
<th>Document/Item</th>
<th>Never Do Item</th>
<th>Escalate to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kiosk</td>
<td>• Never allow a kiosk restriction that includes existing carts, kiosks or replacements thereof.</td>
<td>Finbloom</td>
</tr>
<tr>
<td>Kiosk</td>
<td>• Never eliminate kiosk locations depicted on TSD, whether a kiosk exists or not.</td>
<td>Finbloom</td>
</tr>
<tr>
<td>Kiosk</td>
<td>• Never allow a kiosk restriction on the counter level height of less than 60 inches.</td>
<td>Leasing SVP</td>
</tr>
<tr>
<td>Kiosk Lease</td>
<td>• Never allow liquidated damages to be offset from rent if LL violates.</td>
<td>Legal – Property Attys/Milam</td>
</tr>
<tr>
<td>Kiosk Lease</td>
<td>• Never Delete or modify section 14 (maintenance by tenant) that would allow tenant to alter the premises from our criteria.</td>
<td>Legal – Property Attys/Milam</td>
</tr>
<tr>
<td>Kiosk Lease</td>
<td>• Never include an obligation to remodel without a scope of work.</td>
<td>Legal – Property Attys/Milam</td>
</tr>
<tr>
<td>Kiosk Lease</td>
<td>Never allow the tenant to delay the remodel deadline for more than 6 months from the lease effective date.</td>
<td>Leasing SVP</td>
</tr>
<tr>
<td>Kiosk Lease</td>
<td>Never allow a term of more than 5 years without the obligation to remodel in year 5 or after.</td>
<td>Leasing SVP</td>
</tr>
<tr>
<td>Kiosk Lease</td>
<td>• Never tie RCD to permits without including specific time frames for applying and securing.</td>
<td>Legal – Property Attys/Dall</td>
</tr>
<tr>
<td>Kiosk Lease</td>
<td>• Never agree to the RCD to Plan Approval without including specific timeframes.</td>
<td>Legal – Property Attys/Dall</td>
</tr>
</tbody>
</table>

**Implementation:**
Leasing Reps., SLRs, Property Managers, Legal Operation Attys (they handle temp leases), Leasing Attys., and Tenant Coordinators will be trained in understanding the Company policy, design criteria and design approval process.

**Design Approval:**
Every short-term or permanent kiosk deal is subject to compliance with design criteria.

**Short-term Leasing Tenant Escalation Process**
If the SLR and/or Mall Manager does not feel the tenant meets the design criteria, the following process should be used:
- The SLR and/or Mall Manager should call the tenant to make sure the Tenant received the criteria and understands the requirements and intent. Discuss both the things that comply and those things which do not comply (do not allow the conversation to become hostile).
- If the SLR and/or Mall Manager determines that the items are unacceptable, the SLR and/or Mall Manager may choose to get the VPSL involved.
- The final decision will rest with the SVP (Jim Allen) who may elect to allow the kiosk (for compelling business reasons), terminate negotiations or direct the SLR to convert the tenant to cart(s).

**Permanent Tenant Escalation Process.**
If the Tenant Coordinator does not feel the tenant meets the design criteria, the following escalation process should be used:
- The TC should call the tenant to make sure the Tenant received the criteria and understands the requirements and intent. Discuss both the things that comply and those things which do not comply (do not allow the conversation to become hostile).
- Determine what the tenant can and cannot do. If, in the TC’s opinion, the tenant’s design is still unacceptable, the TC should ask the Leasing Rep to get involved to negotiate the tenant’s compliance.
- If the tenant refuses to comply, the TC should hand-carry the design comments to the SVP/EVP for direction/resolution. The final decision will rest with the SVP/EVP who may elect to allow the kiosk (for compelling business reasons), terminate negotiations or direct the Leasing Rep to convert the tenant to cart(s).
- The TC should continually update SSLE Status Notes with status and progress.

**Property Management Kiosk Standards Management Plan:**

**Purpose**
The purpose of the Kiosk Standards Management Plan is to provide direction/guidelines for achieving an acceptable Kiosk standard, in an effort to enhance the quality and image of the property.
Objective
The Kiosk Management Plan is expected to achieve the following:

- Enhance the shopping experience by creating an improved image/quality kiosk presentation in the common area.
- Achieve income goals while meeting these image/quality standards.

Scope/Responsibilities/Exceptions

A) The policy applies to all centers.

B) The Area/Mall Manager is responsible for consultation/coordination with Leasing Representatives, SLR and/or other stakeholders involved in the kiosk deal-making and design approval process for administering this policy and it's guidelines in coordination with the appropriate home office departments.

C) Any requests for exceptions to this policy or deviation from the established Kiosk Standards guidelines must be directed to your Portfolio VP, VPSL (if temporary Kiosk) and Division VP for approval.

Procedure for Establishing the Kiosk Action Plan

A) Each property is required to develop a Kiosk Review/Action Plan with the intent of identifying existing kiosk units that are not in compliance with the established company standards. This process must include evaluating whether or not alternative fixtures (such as RMU’s) represent a more productive use for this space.

B) The Action Plan is to be developed jointly by the Mall Manager, SLR and/or Permanent Leasing Representative. Such plan should identify any/all kiosks in need of either elimination from the common area or in need of a standards upgrade.

C) The plan is subject to the approval of the Portfolio VP, Divisional VP of Leasing and VPSL in conjunction with other corporate staff members assigned to the property.

Implementation of the Kiosk Action Plan

A) Following the development of the Kiosk Action Plan, the Mall Manager, SLR and Permanent Leasing Representatives are to review/discuss the appropriate action steps necessary to improve the quality/image for each kiosk situated in the common area.

B) The development of a kiosk standards improvement timeline should be established addressing the specific action steps required, the individual accountable for ensuring each action steps occur and a deadline, for each kiosk deemed in need of improvement. All parties involved in the Kiosk Action Plan process are required to sign off noting approval of the plan (including the Mall Manager, SLR and/or Lease Representative, if applicable).

C) Every attempt should be made, at the local property level, to address/create the Kiosk Action Plan. However, in the event the stakeholders involved, at the local level, encounter difficulty with regard to reaching an agreement with regard to the appropriate Action Plan items, such issue should be immediately elevated to his/her supervisor for assistance in resolution.

Integration of Future Kiosks in the Common Area

The Mall Manager, working in conjunction with the Permanent Leasing, SLR and Tenant Coordination are all ultimately responsible for the overall common area standards, including kiosk presentation, of the property.

All future kiosks being contemplated at the property most undergo a Formal Kiosk Design Review process as outlined above (“Design Approval”), which will include the tenant’s submission of drawings, sketches, sample boards and photos (if available) as required for Mall Management, Tenant Coordination, Permanent Leasing and Short Term Leasing to properly review the kiosk design with respect to the Kiosk Design Criteria.

A) Upon receipt of tenant’s kiosk design submission, the Kiosk Design Review process will take place. Such Design Review/Approval Process may include input from the Mall Manager, Permanent Leasing Rep and/or SLR (depending on the deal maker). All permanent Kiosks must receive final Tenant Coordination approval. Short Term Kiosks must have Mall Manager and Short Term Leasing joint approval.

B) The Design Review/Approval Process shall confirm adherence to the established Kiosk Design Criteria Standards, to include overall kiosk dimensions, finishes, merchandise use, common area placement, signage as well as proposed counter top fixturing and flooring (to include sample board).

C) Upon review, one copy of the tenant’s kiosk design renderings/drawings shall be returned to the tenant. Such rendering/drawing shall either note: 1) in detail, the changes necessary in order to meet the established Kiosk Design Criteria requirements (creating the need for a second submission), 2) or noted as “approved as submitted”. Short Term kiosks shall include an approval signature/date by the Mall Manager. Permanent Kiosks will require Tenant Coordination's approval (with a copy of the plan provided to the Mall Manager).
D) The second copy of Kiosk Design Plan shall contain the same notes as relayed to the tenant and shall be retained in the tenant lease file. Upon delivery of the tenant Kiosk, an inspection of the structure should take place, by the Mall Manager and deal maker, in an effort to ensure compliance in design with the Landlord approved plans. It is recommended that the Landlord copy of the Design Plan, at the time of set-up inspection, be initialed by the Mall manager indicating final Review/Approval.

E) Once the kiosk opens for business, the Mall Manager should send 2 or 3 photos of the kiosk to:

- If a permanent kiosk, photos should go to the TC, Permanent Leasing Rep and their Regional VP/SVP.
- If short term, photos should go to the Portfolio VP and VPSL.

Ongoing Enforcement of Kiosk Standards

It is the ongoing responsibility of the Mall Manager, in cooperation/conjunction with the Tenant Coordinator, Permanent Leasing Representative and/or SLR to ensure that quality and image standards in the common area, including kiosk presentation, are consistently maintained.

In an effort to achieve consistent standards:

- The Mall Manager shall closely monitor the progress of the action steps/timelines established in the Kiosk Action Plan to ensure timely corrective measures.
- The Mall Manager, accompanied by the respective deal makers, whenever possible, should regularly inspect all kiosks situated in the common area, in an effort to ensure the utmost in standards are maintained.
- Any/all Kiosk deficiencies noted should be immediately communicated to the kiosk owner. Any/all substandard conditions should be addressed via the appropriate malls established guidelines. Such guidelines should include written documentation to the tenant detailing such deficiencies, with a copy of such notice retained in the lease file. Such notice must clearly outline Landlord’s expectation, including a specific time frame of completion. Ongoing follow-up should occur to ensure the utmost in kiosk standards.
- It should be noted that Landlord will exercise its full rights to enforce this policy, including activating the default process if corrective action is not taken.

In the event that the Kiosk owner fails to take the required corrective action, as per Landlords written request, the appropriate legal remedy, as prescribed within the individual tenant lease should take place, including exercising the termination of the lease agreement.

In the event the Mall Manager, Permanent Leasing Representative and/or SLR do not agree on a Kiosk standards issue/deficiency and/or on the appropriate steps to be taken, the topic should be immediately escalated to his/her supervisor for resolution.