

**SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY
TAXI MEDALLION COMMITMENT TO SELL AGREEMENT**

This Commitment to Sell Agreement ("Agreement") is made as of the Effective Date by and between _____ ("Seller") and the San Francisco Municipal Transportation Agency ("SFMTA"), an agency of the City and County of San Francisco.

WHEREAS, Seller desires to transfer to a Buyer who has been approved by the SFMTA taxi medallion number(s) _____ (the "Medallion"), presently held in the name of Seller, upon the terms and conditions as shall be contained in a Taxi Medallion Sale and Purchase Agreement; and

WHEREAS, SFMTA requires Seller's commitment to sell the Medallion(s) as set forth herein before SFMTA will match Seller with a qualified Buyer;

NOW, THEREFORE, in consideration of the promises set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

1. Seller agrees to sell the Medallion(s) to the Buyer designated by the SFMTA for the purchase price of \$250,000 (two-hundred fifty thousand dollars) ("Purchase Price") on the terms and conditions as shall be set forth in a Taxi Medallion Sale and Purchase Agreement in the form of Exhibit "A," or in such other form as SFMTA may approve.
2. Seller acknowledges that:
 - a. Seller shall be responsible for payment to the SFMTA of the Medallion Sale Transfer Fee and the Driver Fund Transfer Fee, which, combined, shall be equal to 20% of the Purchase Price, in accordance with the terms of the Taxi Medallion Sale and Purchase Agreement;
 - b. Seller shall continue to be responsible for the costs of operating the Medallion until the date upon which the SFMTA transfers a document evidencing ownership of the Medallion to Buyer (the "Transfer Date");
 - c. Seller shall be entitled to any revenue generated by operation of the Medallion until the Transfer Date;
 - d. If the SFMTA requires Seller to provide down payment assistance to the designated Buyer, Seller shall be responsible for depositing an amount required by the SFMTA, not to exceed fifteen percent (15%) of the Medallion Purchase Price, from the proceeds of the Medallion sale in a deposit account with the lender financing the transaction. Seller shall

instruct the lender to withhold this amount from the proceeds of the sale of the Medallion at the time of sale. Seller shall leave such down payment assistance funds on deposit with the lender to the extent necessary to maintain twenty percent (20%) equity in the Medallion loan until the Buyer accumulates twenty percent (20%) equity in the Medallion loan through Buyer's loan payments or until the Medallion is subsequently sold by Buyer, whichever is first to occur.

3. Seller shall be responsible for all outstanding permit fees or penalties owed to the SFMTA as shall be determined by the SFMTA, and such fees and/or penalties must be paid by Seller to the SFMTA prior to the Transfer Date.
4. Notwithstanding anything herein or in any other agreement to the contrary, Seller understands that (1) transfer of the Medallion is subject to final approval by the SFMTA and (2) the SFMTA shall have no obligation or liability whatsoever for the collection of any payments or payment refunds required under the Taxi Medallion Sale and Purchase Agreement.
5. Upon SFMTA's approval of the transfer, Seller and SFMTA shall transfer to Buyer all of Seller's rights to the Medallion, consistent with the provisions of Article 1100 of Division II of the San Francisco Transportation Code and the terms of the Medallion Sale and Purchase Agreement.
6. This Agreement is made in the City and County of San Francisco, California and shall be governed by the regulations of the San Francisco Municipal Transportation Agency, including, but not limited to, the provisions of Article 1100 of Division II of the San Francisco Transportation Code, and by the laws of City and County of San Francisco and the State of California.
7. This Agreement constitutes the entire agreement and understanding of the parties and supersedes any and all prior or contemporaneous agreements or understandings, oral or written. Any amendments or modification to this Agreement must be in writing and signed by both parties.
8. If any part of this Agreement is determined to be invalid or unenforceable by a court, then such part or parts shall be severed from this Agreement without affecting the validity of the remaining provisions.
9. Seller acknowledges that it has carefully read the terms of this Agreement, understands the contents hereof, and freely and voluntarily agrees to the terms herein.
10. In the event that Seller breaches the terms of this Agreement, the SFMTA shall be entitled to recover its reasonable attorneys' fees and legal costs.
11. Time is of the essence in this Agreement.

12. All notices, requests, demands, and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given, made, and received only when personally delivered or delivered by Federal Express or other nationally recognized courier service, or two (2) days after having been deposited in the United States mail, certified mail, postage prepaid, return receipt requested, addressed as set forth below:

If to Seller:

Name: _____

Address: _____

Attention: _____

If to the SFMTA:

San Francisco Municipal Transportation Agency
One South Van Ness, 7th Floor
San Francisco CA 94103
Attention: Taxi Services

Any party may change its address to which communications or copies are to be sent by giving notice of such change of address in conformity with the provisions of this section for the giving of notice.

13. The failure of either party to seek a redress for violation, or to insist upon the strict performance, of any covenant, agreement, provision, or condition hereof shall not constitute the waiver of the terms or of the terms of any other covenant, agreement, provision, or condition, and each party shall have all remedies provided herein with respect to any subsequent act which would have originally constituted the violation hereunder.
14. Neither party may assign this Agreement or subcontract any right or interest hereunder.
15. Unless expressly stated otherwise in this Agreement, all rights and remedies provided for in this Agreement will be cumulative and in addition to, and not in lieu of, any other remedies available at law, in equity, or otherwise. If a party has a choice of possible actions, it may take any or all of those actions.

Signature Page Follows

IN WITNESS WHEREOF, the parties have executed this Agreement this ____ day of _____ 20__ (the "Effective Date").

SELLER

Name: _____
(print name)

Address: _____

Signature: _____

SFMTA

Recommended by:

Christiane Hayashi
Deputy Director, Taxi Services

By: _____
Nathaniel P. Ford, Sr.
Executive Director/CEO
San Francisco Municipal Transportation Agency
One South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

Approved as to Form:

Dennis J. Herrera
City Attorney

By: _____
Mariam Morley
Deputy City Attorney

EXHIBIT "A"

SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY TAXI MEDALLION SALE AND PURCHASE AGREEMENT

This Taxi Medallion Sale and Purchase Agreement ("Agreement") is made as of the Effective Date by and between _____ ("Seller") and _____ ("Buyer").

WHEREAS, Seller desires to transfer to Buyer the City and County of San Francisco ("City") taxi medallion number _____ (the "Medallion") issued by the San Francisco Municipal Transportation Agency ("SFMTA") and presently held in the name of Seller upon the terms and conditions set forth herein; and

WHEREAS, Buyer desires to purchase the Medallion upon the terms and conditions set forth herein;

NOW, THEREFORE, in consideration of the promises set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties do hereby agree as follows:

1. Seller warrants to Buyer that the City has granted Seller the exclusive right to operate the Medallion in San Francisco and the authority to transfer the Medallion to Buyer.
2. Seller agrees to sell and Buyer agrees to purchase the Medallion for the purchase price of \$250,000 (two-hundred fifty thousand dollars) ("Purchase Price"), payable as follows:
 - a. Twenty percent (20%) of the Purchase Price shall be paid to the SFMTA by Seller within ten (10) business days of the Effective Date, to satisfy the following obligations of Seller to SFMTA, allocated by SFMTA as follows:
 - (1) \$12,500 (twelve thousand five hundred dollars) as the Driver Fund Transfer Fee as required by San Francisco Transportation Code § 1109(e)(4); and
 - (2) \$37,500 (thirty-seven thousand five hundred dollars) as the Medallion Sale Transfer Fee as required by San Francisco Transportation Code § 1109(e)(4);
 - b. The balance of the Purchase Price shall be paid by the Buyer to the Seller within ten (10) business days of the Effective Date.
3. Buyer acknowledges that if it must obtain financing for any portion of the Purchase Price, Buyer must take all actions required to ensure that the loan proceeds are disbursed in a timely fashion such that the required payments are made to SFMTA and Seller, as applicable, within ten (10) business days of the Effective Date.

4. Seller shall remain responsible for the costs of operating the Medallion from the Effective Date of this Agreement until the date upon which the SFMTA transfers the document evidencing ownership of the Medallion to Buyer (the "Transfer Date"), and Seller will likewise be entitled to any revenue generated by operation of the Medallion until the Transfer Date.
5. If Seller has paid a Medallion Permit Fee to the SFMTA for the current fiscal year before the Transfer Date, Buyer agrees to reimburse Seller for a pro-rata portion of the annual Medallion Permit Fee ("Medallion Permit Fee Reimbursement"). The Medallion Permit Fee Reimbursement owed by Buyer to Seller shall be calculated over a 365-day year, at \$3.41 per day, based on the number of days the Buyer will own the Medallion during the current fiscal year after the Transfer Date. The parties agree that the Medallion Permit Fee Reimbursement shall be due and payable by Buyer to Seller within ten (10) business days of the Effective Date.
6. Seller shall be responsible for all outstanding permit fees or penalties owed to the SFMTA, as determined by the SFMTA, and such fees and/or penalties must be paid by Seller to the SFMTA within ten (10) business days of the Effective Date.
7. Notwithstanding anything herein or in any other agreement to the contrary, the parties understand and agree that transfer of the Medallion is subject to final approval by the SFMTA. The parties acknowledge and agree that the SFMTA shall not transfer the Medallion from Seller to Buyer until all amounts due and payable hereunder have been received by the appropriate party. In the event that the SFMTA denies approval of the transfer for any reason or the Buyer fails to qualify for financing of the purchase price of the Medallion, the parties understand and agree that (1) all funds must be immediately returned by the payee to the payor and (2) the transfer of the Medallion from Seller to Buyer shall be terminated. In the event that any party is in breach of this Agreement, the non-breaching party shall have the right to require that (1) all funds be immediately returned by the payee to the payor and (2) the transfer of the Medallion from Seller to Buyer be terminated. Notwithstanding anything herein to the contrary, the parties understand and agree that the SFMTA shall have no obligation or liability to collect any payments or payment refunds that may be required under this Agreement.
8. Buyer and Seller agree to jointly execute instructions to the lender in the form of Schedule "A" hereto. Buyer and Seller warrant and represent that the instructions shall accurately reflect the applicable terms of this Agreement. The lender who receives these instructions and the SFMTA shall be third party beneficiaries of this Agreement and shall have the right to enforce the terms hereof against both parties as if the lender and the SFMTA were signatories hereto.
9. Buyer and Seller shall use their best efforts to effectuate the terms of this Agreement.
10. Each party agrees to promptly notify the SFMTA upon its receipt of any amount due hereunder (in no event shall either party delay in notifying the SFMTA for more than three (3) business days after its receipt of the applicable payment). The parties understand and agree that, even if all payments have been made and received as required under this Agreement and even if the SFMTA has received notice thereof, the

Medallion cannot be transferred unless the SFMTA approves of the transfer. Upon the SFMTA's approval of the transfer, the SFMTA may transfer to Buyer all of Seller's rights to the Medallion, consistent with the provisions of Article 1100 of Division II of the San Francisco Transportation Code.

11. Buyer acknowledges that Seller has made no representations or warranties with regard to the Medallion, including, but not limited to, the potential success, value, or profitability of the Medallion, except as set forth herein. Each party hereby agrees to hold the other party (the "Indemnitee") harmless from any and all claims, losses, or expenses (including attorneys' fees) suffered or incurred by the Indemnitee in connection with this Agreement and/or which may arise in connection with Buyer's or Seller's ownership Of the Medallion.
12. This Agreement is made in the City and County of San Francisco, California, and shall be governed by the regulations of the San Francisco Municipal Transportation Agency, including, but not limited to, the provisions of Article 1100 of Division II of the San Francisco Transportation Code, and by the laws of City and County of San Francisco and the State of California.
13. This Agreement constitutes the entire agreement and understanding of the parties and supersedes any and all prior or contemporaneous agreements or understandings, oral or written. Any amendments or modification to this Agreement must be in writing and signed by both parties.
14. If any part of this Agreement is determined to be invalid or unenforceable by a court, then such part or parts shall be severed from this Agreement without affecting the validity of the remaining provisions.
15. The parties acknowledge that they have carefully read the foregoing Agreement, understand the contents thereof, and freely and voluntarily agree to the terms herein.
16. In the event that Buyer or Seller breaches the terms of this Agreement, the non-breaching party shall be entitled to recover from the breaching party reasonable attorneys' fees and legal costs, whether suit has been filed or not.
17. Time is of the essence in this Agreement.
18. All notices, requests, demands, and other communications required or permitted hereunder shall be in writing and shall be deemed to have been duly given, made, and received only when personally delivered or delivered by Federal Express or other nationally recognized courier service, or two (2) days after having been deposited in the United States mail, certified mail, postage prepaid, return receipt requested, addressed as set forth below:

If to Buyer:

Name: _____

Address: _____

Attention: _____

If to Seller:

Name: _____

Address: _____

Attention: _____

If to the SFMTA:

San Francisco Municipal Transportation Agency

One South Van Ness, 7th Floor

San Francisco CA 94103

Attention: Taxi Services

Any party may change its address to which communications or copies are to be sent by giving notice of such change of address in conformity with the provisions of this section for the giving of notice.

19. The failure of either party to seek a redress for violation, or to insist upon the strict performance, of any covenant, agreement, provision, or condition hereof shall not constitute the waiver of the terms or of the terms of any other covenant, agreement, provision, or condition, and each party shall have all remedies provided herein with respect to any subsequent act which would have originally constituted the violation hereunder.
20. Neither party may assign this Agreement or subcontract any right or interest hereunder without the prior written consent of the other party, which shall not be unreasonably withheld or delayed.
21. Unless expressly stated otherwise in this Agreement, all rights and remedies provided for in this Agreement will be cumulative and in addition to, and not in lieu of, any other remedies available at law, in equity, or otherwise. If a party has a choice of possible actions, it may take any or all of those actions.

Signature Page Follows

IN WITNESS WHEREOF, the parties have executed this Agreement this ____ day of _____ 20__ (the "Effective Date").

BUYER

Name: _____
(print name)

Address: _____

Signature: _____

SELLER

Name: _____
(print name)

Address: _____

Signature: _____

SCHEDULE "A"
INSTRUCTIONS TO LENDER

DATE: _____

TO: [Name of Lender]
[Address]

ATTN: [Name of Loan Officer]

FROM: [Name of Buyer]
[Address]
[Social Security Number]

[Name of Seller]
[Address]
[Social Security Number]

RE: Settlement Statement for the Purchase and Sale of City and County of San Francisco Taxi Medallion Number _____ [Insert Medallion Number here].

To Whom It May Concern:

The undersigned hereby provide written Instructions in the form of this Settlement Statement, which sets forth how the Medallion Purchase Price must be distributed pursuant to the terms of the San Francisco Municipal Transportation Agency Taxi Medallion Sale and Purchase Agreement executed between the Buyer and Seller identified below on _____ [date]:

1. From the proceeds totaling \$250,000.00 comprised of the following:

\$_____ (Cash down payment from Buyer)

\$_____ (Proceeds from Loan secured by Medallion Number _____)

\$_____ (Proceeds from Down Payment Assistance Loan secured by funds on deposit in Account Number _____)

2. Pay as follows:

a. To the SFMTA, a total of \$_____, allocated as follows:

\$_____ Driver Fund Transfer Fee as required by San Francisco Transportation Code § 1109(e)(4)

\$_____ Medallion Sale Transfer Fee as required by San Francisco Transportation Code § 1109(e)(4);

\$_____ Outstanding permit fees or penalties, if any

b. To the Seller, a total of \$_____, disbursed as follows:

\$_____ Place on deposit in Account Number _____ to be held as security for the Down Payment Assistance Loan as required by paragraph 2.d of the Commitment to Sell Agreement

\$_____ Proceeds payable to SELLER as follows:
(check only one)

Cashier's check payable to SELLER

Wire proceeds for benefit of SELLER

Bank Routing Number (ABA#): _____

Name of Bank: _____

Address: _____

Phone No.: _____

Account No.: _____

BUYER

SELLER

Print Name

Print Name

Signature

Date

Signature

Date