THIS PRINT COVERS CALENDAR ITEM NO. : 12

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY

DIVISION: Finance and Information Technology

BRIEF DESCRIPTION:

Authorizing the Director of Transportation to execute an agreement with Titan Outdoor LLC for advertising on San Francisco Municipal Transportation Agency vehicles and other property.

SUMMARY:

- In 2009, the City entered into an Agreement for Advertising on SFMTA Vehicles and Other Property with Titan Outdoor LLC for a term of five years that expires on June 30, 2014.
- On October 15, 2013, the SFMTA Board and the Parking Authority Commission authorized a Request for Proposals ("RFP") for a new Agreement for Advertising on SFMTA Vehicles and Other Property.
- The SFMTA issued the RFP on October 16, 2013 and received two proposals which met the minimum qualifications.
- The SFMTA conducted a thorough evaluation of the two proposers, Titan Outdoor and CBS Outdoor, and a selection panel rated Titan Outdoor as the higher bidder.
- The SFMTA has negotiated a contract with Titan Outdoor for five years, plus two five-year options to extend the contract in the SFMTA's sole discretion, with a minimum guarantee of $28,500,000 over the initial five-year term of the contract and a 65% revenue share over the full term of the Agreement, including any option terms.
- The Agreement includes the authorization of wraps that include windows for no more than 30 vehicles at a time but provides that the Director of Transportation shall have the discretion to fix the number of such window wraps during any fiscal year at no less than 15 and no more than 30 and that the SFMTA will provide Titan Outdoor with notice of any change.
- The minimum guarantees include $325,000 per year if window wraps are authorized on a minimum of 15 vehicles; the minimum annual guarantees would be decreased by this amount if this level of window wraps is not authorized.
- The Agreement includes a clause that enables the SFMTA to include an advertising program in the new Central Subway stations and tunnel after their completion.

ENCLOSURES:

1. Resolution
2. Agreement for Advertising on SFMTA Vehicles and Other Property

APPROVALS:		**DATE**
DIRECTOR	_____	2/19/14
SECRETARY	_____	2/19/14

ASSIGNED SFMTAB CALENDAR DATE: March 4, 2014

PURPOSE

This calendar item authorizes the Director of Transportation to execute an agreement with Titan Outdoor LLC for advertising on San Francisco Municipal Transportation Agency vehicles and other property for a term of five years, plus two five-year options to extend the contract in the SFMTA's sole discretion.

GOAL

This item will meet the following goals and objectives of the SFMTA Strategic Plan:

Goal 3: Improve the environment and quality of life in San Francisco
Objective 3.5: Reduce capital and operating structural deficits

DESCRIPTION

In 2009, the City entered into an Agreement for Advertising on SFMTA Vehicles and Other Property with Titan Outdoor for a term of five years. That agreement expires on June 30, 2014.

On October 15, 2013, the SFMTA Board adopted Resolution No. 13-232 and the Parking Authority Commission adopted Resolution No. 13-233 authorizing a Request for Proposals ("RFP") for a new Agreement for Advertising on SFMTA Vehicles and Other Property. The SFMTA issued the RFP on October 16, 2013. The SFMTA received three proposals, two of which conformed to the minimum qualifications set forth in the RFP. The minimum qualifications included a minimum of three years of experience in the transit advertising business, advertising contracts worth over $10,000,000 per year for each of the last three years, a corporate net worth of at least $25,000,000 for the last three years and a demonstration of financial stability through a commitment to provide the required letter of credit and security fund and submission of bank references and financial statements. The SFMTA conducted a thorough evaluation of Titan Outdoor and CBS Outdoor, the proposers that submitted the responsive proposals. Further criteria included experience and qualifications, quality of the proposals and offers of compensation. A selection panel rated Titan Outdoor as the higher bidder with 383 out of a possible 400 points. CBS Outdoor received 334.1 points.

Negotiations with Titan Outdoor have been completed, and the major provisions of the Agreement for Advertising on SFMTA Vehicles and Other Property (the "Agreement"), which is attached, are as follows:

Term

- The Agreement is for a five-year term, plus two five-year options to extend the contract in the SFMTA's sole discretion.

Revenue; Payments

- Titan Outdoor will pay the SFMTA the greater of (i) 65% of its gross revenues from advertising under the contract or (ii) a Minimum Annual Guarantee ("MAG") of revenue, as set forth in the tables below:

Initial Term

Fiscal Year	MAG	Percentage of Revenues
2014-15	$5,400,000	65%
2015-16	5,550,000	65%
2016-17	5,700,000	65%
2017-18	5,850,000	65%
2018-19	6,000,000	65%
Total	$28,500,000	

First Option Term

Fiscal Year	MAG	Percentage of Revenues
2019-20	$6,150,000	65%
2020-21	6,300,000	65%
2021-22	6,450,000	65%
2022-23	6,600,000	65%
2023-24	6,750,000	65%
Total	$32,250,000	

Second Option Term

Fiscal Year	MAG	Percentage of Revenues
2024-25	$6,900,000	65%
2025-26	7,050,000	65%
2026-27	7,200,000	65%
2027-28	7,350,000	65%
2028-29	7,500,000	65%
Total	$36,000,000	

- Titan Outdoor will also pay the SFMTA an annual administrative fee of $150,000 and annual marketing support of $150,000; these payments will escalate annually according to the Consumer Price Index of the Bay Area.

Window Wraps and Non-Window Coverings

- The SFMTA currently allows full wraps of vehicles with windows covered (but not vehicle numbers or SFMTA insignia) on not more than 15 vehicles at any one time.
- The Agreement provides that full wraps of vehicles with windows covered may be applied to no more than thirty (30) Vehicles, provided, however, that the Director shall have discretion to fix the number of such window wraps during any fiscal year at no less than 15 and no more than 30. If the SFMTA decides to change the number of window wraps allowed, then the SFMTA will notify Titan Outdoor of its intent to change this number of window wraps no later than September 30 of the prior fiscal year. The number of window wraps for the first fiscal year of the Agreement (July 1, 2014 – June 30, 2015) will be 30.
- The revenue described in the tables above assumes the continuation of a minimum of 15 such window wraps. If the Board of Directors, the Parking Authority Commission and the Board of Supervisors do not approve a program of at least 15 window wraps then, as provided in Titan Outdoor's proposal, the MAG will be decreased by $325,000 for each fiscal year of the Agreement, including the option terms.

- Titan Outdoor stated in its proposal that the window wraps program generated $1,091,966 in revenue in fiscal year 2012-13 and that it expects to continue to generate that level of revenue if the window wraps program continues.
- The SFMTA also intends to continue a program of non-window coverings, which are advertisements that cover the body of the vehicle but not windows, vehicle numbers or SFMTA insignia.
- The total number of such window wraps and non-window coverings together will not exceed 20% of the SFMTA's transit vehicles at any one time.
- Cable cars and historic vehicles will not receive any window wraps or non-window coverings.
- The SFMTA has received a minimal number of complaints since the window wraps program was initiated in August 2011.
- Window wraps also help with the cleanliness of the SFMTA's transit vehicles, and to decrease maintenance costs, since Titan Outdoor is responsible for cleaning and/or replacing all advertisements that are vandalized.
- The number of window wraps and the approval of a window wraps program does not affect the number of advertisements on transits vehicles that can partially cover windows, which are not limited.

Central Subway

- The Agreement includes a clause that enables the SFMTA to include an advertising program in the new Central Subway stations and tunnel after their completion.
- If exercised, the SFMTA and Titan will negotiate the actual amounts to be added to the MAG over the remaining term of the Agreement near the time of the Central Subway project's completion and the beginning of revenue service. Any agreement regarding such an addition to the MAG shall be reflected in an amendment to this Agreement, which will be subject to approval by the SFMTA Board and the Board of Supervisors.

Rights Granted

- Titan Outdoor will have the right to advertise on a wide range of properties under the jurisdiction of the SFMTA and will provide related infrastructure, such as ad panels for the vehicles and parking garages.
- The Agreement ensures that Titan Outdoor's rights are incidental to the SFMTA's transportation services, which may undergo changes affecting the advertising rights granted in the Agreement.

SFMTA Property; Other Property; Limitations on Advertising Displays

- The following SFMTA property is available for advertising under the Agreement: transit vehicles, parking garages, transit stations, other SFMTA facilities, and fare and parking media.
- The property covered under the Agreement will include parking garages under the jurisdiction of the Recreation and Park Department. The SFMTA will enter into a Memorandum of Understanding with the Recreation and Park Department related to those garages.

- Only interior ads are allowed on historic streetcars; all ads on cable cars and historic vehicles must be in conformity with the character, style, and design of such vehicles.
- Titan Outdoor may place digital advertising on up to 20 percent of the SFMTA's transit vehicles at any one time, excluding cable cars and historic streetcars. The SFMTA will be able to override digital advertising with emergency signage.

Quality of Advertising

- Titan Outdoor will be required to comply with the provisions of the SFMTA Advertising Policy.

Maintenance Responsibilities

- Titan Outdoor will maintain the advertisements that it installs and any infrastructure that supports such advertisements in a clean, safe and first-class condition. Titan Outdoor will use "green" maintenance products that present the least potential threat to human health and the City's natural systems.
- Titan Outdoor will inspect and, if necessary, clean each advertisement at least once per week. Titan Outdoor will inspect more often if conditions warrant.
- Within 24 hours of notification, Titan Outdoor must repair any damage to any advertisements or infrastructure, including damage of a hazardous nature.

Performance Requirements and Security Deposits

- Titan Outdoor will provide a letter of credit for 75% of the MAG each fiscal year for the duration of the Agreement, including any option terms. The SFMTA may draw on the letter of credit in the event of a failure to make the annual required payments due under the Agreement, a failure to replenish the Security Fund (see below) or termination of the Agreement due to a default by Titan Outdoor.
- Titan Outdoor has provided the SFMTA with a bid security check for $1,000,000 to secure its proposal. If Titan Outdoor fails to execute the contract and furnish the required letter of credit and insurance certificates, then the SFMTA will keep the $1,000,000 as compensation for damages sustained by the SFMTA.
- Liquidated damages ranging from $500/day to $5,000/day may be imposed for maintenance breaches, failure to submit an annual financial statement, failure to cure audit deficiencies or failure to comply with the SFMTA's Advertising Policy. Titan Outdoor will provide a Security Fund of $150,000 that SFMTA may draw on to pay for liquidated damages and other obligations not covered by the letter of credit.

First Source Hiring Program

- Titan Outdoor will comply with the City's First Source Hiring requirements and has committed to hiring a minimum of two trainees during term of the Agreement.

Termination

- The SFMTA may terminate the contract for default or convenience. The SFMTA may also partially terminate advertising rights with respect to any category of advertising space, other

than transit vehicles, that Titan Outdoor does not sell over a period of 60 days unless Titan Outdoor demonstrates that it intends to sell advertising on that space but has been unable to do so.

Differences between current contract with Titan Outdoor and proposed Agreement

- All contract requirements remain the same except as follows:

Requirement	Current contract	Proposed Agreement
Contract Term	Five years	Five years, plus two options to extend at SFMTA's discretion
Minimum Annual Guarantee (MAG)	$4,000,000 for first year, escalates by 5% per year	$5,400,000 for first year, escalates by $150,000 per year
Administrative Fee	None	$150,000 per year
Marketing Support	None	$150,000 per year
Window Wraps	15 at any one time	15-30 at discretion of Director of Transportation
Central Subway advertising program	None	To be negotiated before opening of Central Subway as an amendment to the Agreement
Corporate Sponsorships/ Naming Rights	If exercised, would be a contract amendment	None
Letter of Credit	100% of MAG	75% of MAG
Security Fund	$250,000	$150,000
Hire Trainees	None	Minimum of two trainees

ALTERNATIVES CONSIDERED

The alternative to entering into the Agreement with Titan Outdoor would be for the SFMTA to cease this type of advertising and forgo this revenue source.

FUNDING IMPACT

The Agreement is a revenue contract which will bring significant additional funds to the SFMTA from advertising to meet its operational needs and will not require the expenditure of funds.

OTHER APPROVALS RECEIVED OR STILL REQUIRED

The Agreement will require the approval of the Board of Supervisors.

The City Attorney's Office has reviewed this Calendar Item.

RECOMMENDATION

That the SFMTA Board of Directors and Parking Authority Commission authorize the Director of Transportation to execute an agreement with Titan Outdoor LLC for advertising on SFMTA vehicles and other property for a term of five years, plus two five-year options to extend the contract in the SFMTA's sole discretion.

SAN FRANCISCO
MUNICIPAL TRANSPORTATION AGENCY
BOARD OF DIRECTORS AND
PARKING AUTHORITY COMMISSION

RESOLUTION No. _____

WHEREAS, In 2009, the City entered into an Agreement for Advertising on SFMTA Vehicles and Other Property with Titan Outdoor LLC for a term of five years that expires on June 30, 2014; and

WHEREAS, On October 15, 2013, the SFMTA Board adopted Resolution No. 13-232 and the Parking Authority Commission adopted Resolution No. 13-233 authorizing a Request for Proposals ("RFP") for a new Agreement for Advertising on SFMTA Vehicles and Other Property; and

WHEREAS, The SFMTA issued the RFP on October 16, 2013 and received two proposals which met the minimum qualifications in the RFP; and

WHEREAS, The SFMTA conducted a thorough evaluation of the two proposers, Titan Outdoor and CBS Outdoor, and a selection panel rated Titan Outdoor as the higher bidder; and

WHEREAS, The SFMTA has negotiated a contract with Titan Outdoor for five years, plus two five-year options to extend the contract in the SFMTA's sole discretion, with a minimum guarantee of $28,500,000 over the initial five-year term of the contract and a 65% revenue share over the full term of the Agreement, including any option terms; and

WHEREAS, The Agreement includes the authorization of wraps that include windows for no more than 30 vehicles at a time but provides that the Director of Transportation shall have the discretion to fix the number of such window wraps during any fiscal year at no less than 15 and no more than 30 and that the SFMTA will provide Titan Outdoor with notice of any change; and

WHEREAS, The minimum guarantees include $325,000 per year if window wraps are authorized on a minimum of 15 vehicles; the minimum annual guarantees would be decreased by this amount if this level of window wraps is not authorized; and

WHEREAS, The Agreement includes a clause that enables the SFMTA to include an advertising program in the new Central Subway stations and tunnel after their completion; now, therefore, be it

RESOLVED, That the San Francisco Municipal Transportation Agency Board of Directors and Parking Authority Commission authorize the Director of Transportation to execute an agreement with Titan Outdoor LLC for advertising on SFMTA vehicles and other property for a term of five years, plus two five-year options to extend the contract in the SFMTA's sole discretion, in a form substantially as presented to this Board; and, be it

FURTHER RESOLVED, That the SFMTA Board of Directors recommends this matter to the Board of Supervisors for its approval.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of March 4, 2014.

_____

Secretary to the Board of Directors
San Francisco Municipal Transportation Agency

ENCLOSURE 2

AGREEMENT BETWEEN

THE CITY AND COUNTY OF SAN FRANCISCO

AND

Titan Outdoor LLC

FOR ADVERTISING ON SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY VEHICLES AND OTHER PROPERTY

Contract No. SFMTA 2014-13

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City and County of San Francisco
Municipal Transportation Agency
1 South Van Ness Avenue
San Francisco, California 94103-1267

Agreement between the City and County of San Francisco and Titan Outdoor LLC

SFMTA 2014-13

This Agreement is made this _____ day of ____, 2014, in the City and County of San Francisco, State of California, by and between Titan Outdoor LLC ("Contractor") and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Municipal Transportation Agency ("SFMTA").

Recitals

A. The SFMTA wishes to grant certain advertising rights on SFMTA properties.

B. A Request for Proposals ("RFP") was issued on October 16, 2013, and City selected Contractor as the highest-ranked proposer pursuant to the RFP.

C. Contractor represents and warrants that it is qualified to perform the services required by City as set forth under this Contract.

Now, THEREFORE, the parties agree as follows:

1. DEFINITIONS.

1.1. Advertisement. Any combination of numerals, letters, words, models, banners, emblems, insignia, symbols, devices, lights, trademarks, service marks, sounds, textures, odors or other perceptible representation intended to call attention to any person, firm, group, organization, place, commodity, product, service, business, profession, enterprise or industry.

1.2. Advertising Campaign. A series of Advertisements that share a single idea and theme and are placed on numerous Vehicles or other Advertising Space for a limited period of time.

1.3. Advertising Contract. A contract between Contractor and its advertisers, clients, customers or agents to display or distribute Advertisements on Advertising Space.

1.4. Advertising Space. Any surface or portion thereof of SFMTA Property that is subject to this Agreement and is approved by SFMTA for the placement of Advertisements.

1.5. Agreement. This contract, all referenced Exhibits and Appendices to this contract, the RFP and the Proposal, in that order of precedence, all of which are incorporated by reference in this Agreement as though fully set forth.

1.6. Annual Financial Report. The report required to be submitted under Section 9.1.

1.7. Barter; Trade. A sale of Advertising Space by Contractor in which the consideration received is all or partially in products or services.

1.8. Bay Area CPI. 12 month average of the Consumer Price Index distributed by the Bureau of Labor Statistics for the Consolidated Metropolitan Statistical Area covering San Francisco - Oakland - San Jose, effective April 1 of each year.

1.9. Calendar Year. The period of time beginning January 1 and ending December 31 of a particular year.

1.10. City. The City and County of San Francisco, a municipal corporation.

1.11. Contract Year. The period of time beginning July 1 and ending June 30 of a particular year.

1.12. Contractor. Titan Outdoor LLC and its successors in interest.

1.13. Days. Unless otherwise specified, all references to the term "Days" refer to calendar days.

1.14. Digital Infrastructure Costs. All costs associated with the installation and fabrication of the digital displays and associated equipment, including but not limited to, all hardware and software costs, telecommunications costs (including wiring), digital system development costs, installation costs, initial electricity costs, flagging costs, if any, and the cost of financing.

1.15. Director. The Director of Transportation of the San Francisco Municipal Transportation Agency or his or her designee.

1.16. Effective Date. July 1, 2014.

1.17. Fare and Parking Media. Fare and parking media issued by the SFMTA, including transfers, passports, cable car tickets, parking tickets (excluding garage parking tickets) and residential parking permits, but not including Clipper® cards.

1.18. Fiscal Year. July 1 through June 30.

1.19. Graffiti. Any inscription, word, figure, marking or design that is affixed, marked, etched, scratched, drawn or painted on any building, structure, fixture or other improvement, whether permanent or temporary, including by way of example only and without limitation, signs, banners, billboards and fencing surrounding construction sites, whether public or private, without the consent of the owner of the property or the owner's authorized agent, and which is visible from the public right-of-way. "Graffiti" does not include: (1) any sign or banner that is authorized by, and in compliance with, the applicable requirements of the San Francisco Public Works Code, the San Francisco Planning Code or the San Francisco Building Code; or (2) any mural or other painting or marking on the property that is protected as a work of fine art under the California Art Preservation Act (California Civil Code Sections 987 et seq.) or as a work of visual art under the Federal Visual Artists Rights Act of 1990 (17 U.S.C. §§ 101 et seq.).

1.20. Gross Revenue. All amounts billed for the sale of Advertising Space to advertisers, including the cash value of any Barters or Trades, as reflected in Contractor's Advertising Contracts, without any deductions and without regard to actual amounts received from advertisers.

1.21. Historic Streetcars. Muni's historic trolley fleet as shown on the following website: http://www.sfmta.com/cms/mfleet/histcars.php

1.22. Infrastructure. All infrastructure required to be constructed, installed or maintained pursuant to this Agreement, including but not limited to advertising display frames, displays, racks, space frames, advertising boards, projection equipment or any device that is for the purpose of displaying Advertisements.

1.23. Local Business Enterprise; LBE. A business that is located in San Francisco and certified by the San Francisco Human Rights Commission (HRC) as an LBE by the proposal due date.

1.24. MAG; Minimum Annual Guarantee. The minimum annual guarantee payment required by Section 8.1.3 of the Agreement.

1.25. Monthly Payment. A payment made by Contractor to the SFMTA each month consisting of 65% of the Net Revenue for the preceding month, or the MAG, whichever is higher.

1.26. Municipal Railway; Muni. The public transit system in San Francisco under the jurisdiction of the SFMTA.

1.27. Net Revenue. Gross Revenue less actual costs for advertising agency commission, provided that no such commission shall exceed 16 2/3% of Gross Revenue.

1.28. Outage. Any period of time during which the IMS, required by Section 5, is not fully operational in accordance with the requirements of this Agreement or is not accessible to the SFMTA.

1.29. Party; Parties. The Parties to this Agreement are SFMTA and Contractor.

1.30. Proposal. The proposal submitted by Contractor in response to the City's Request for Proposals, dated November 26, 2013, as amended by its letter to the City dated December 18, 2013**.**

1.31. Records. All documents created, received or maintained by Contractor in connection with performance under this Agreement, including, but not limited to, books, accounts, invoices, maintenance and service logs, database information, contracts, construction documents, payroll information, maintenance and service logs and other documents, whether or not kept in electronic format**.**

1.32. Request for Proposals, RFP. The Request for Proposals issued by the City on October 16, 2013, incorporated by reference as though fully set forth.

1.33. Revenue Share. The amount payable to SFMTA as determined by applying the revenue share percentage listed in Section 8.1.3 to the Net Revenues for the previous month.

1.34. San Francisco Municipal Transportation Agency; SFMTA. The Municipal Transportation Agency, an agency of the City and County of San Francisco established by San Francisco Charter Article VIIIA, or any successor agency.

1.35. SFMTA Property. Real or personal property under the jurisdiction or control of the SFMTA that the SFMTA may approve for advertising under this Agreement, including, but not limited to, Vehicles, parking garages, facilities, Transit Stations, and Fare and Parking Media.

1.36. Transit Stations. Muni subway stations and tunnels owned and operated by the SFMTA during the term of this Agreement including, but not limited to, the future Central Subway transit stations and tunnel, and the Twin Peaks tunnel.

1.37. Vehicles. Municipal Railway diesel buses, electric trolley buses, alternative fuel buses, Historic Streetcars, light rail vehicles, and cable cars used for public transit**.**

1.38. Wrap. An Advertisement covering an entire Vehicle, which may include windows.

2. TERM OF THE AGREEMENT

The term of this Agreement shall be from July 1, 2014 to June 30, 2019. At the sole option of City, the Agreement may be extended for up to two (2) five (5) year terms. City will notify Contractor of its intent to exercise an option no later than 180 Days prior to the expiration of the term of the Agreement (or the term of the Agreement plus the first five-year option, if exercised).

3. GRANT OF ADVERTISING RIGHTS AND PRIVILEGES; LIMITATIONS

3.1. Rights Granted. City grants to Contractor the exclusive right to place such advertising as may be authorized from time to time by City on and in Advertising Space subject to this Agreement. The rights granted by this Section 3 are subject to the condition that Contractor, in the exercise of the rights herein granted, will make best efforts to sell Advertising Space and time to advertising clients. City warrants and represents only that Contractor shall have the exclusive right to place such advertising as may be authorized under this Agreement; City does not warrant or represent that any particular level of advertising, or advertising on all available Advertising Spaces, will be permitted under this Agreement.

3.2. License Granted. In conjunction with the rights granted by this Section 3, and subject to all provisions of this Agreement and applicable law, the SFMTA grants to Contractor a license to install, maintain, repair or replace Infrastructure as necessary for the placement of Advertisements on Advertising Space subject to this Agreement, including Advertising Space in or on Vehicles, Transit Stations, buildings and facilities, and to access such properties for the purpose of installation, maintenance, repair or replacement of Advertisements or Infrastructure, subject to any access restrictions communicated to Contractor in writing by SFMTA.

3.3. Rights Retained. Contractor acknowledges that City intends to, and hereby does, retain and reserve all advertising rights that are not specifically granted by this Agreement, and that City may exercise such retained and reserved rights through a source other than Contractor. The rights retained and reserved by City include, but are not limited, to:

3.3.1. The right to place Advertisements on any SFMTA property that is not expressly made part of this Agreement;

3.3.2. The right to license or otherwise provide for the use of any trade name, trademark, or other identifying device or symbol used, owned, licensed or registered by City;

3.3.3. The right to display poster Advertisements in Muni Metro stations, except for the rights granted herein to Contractor for the sale of transit information display advertising; provided, that nothing herein shall affect any rights Contractor has as a result of any prior contractual relationship with the Bay Area Rapid Transit District;

3.3.4. The right to install electronic information displays with advertising in the Muni Metro stations and at Muni cable car stops;

3.3.5. The right to grant concessionaires the authority to advertise in Muni Metro stations, and on or in items sold by them on such premises;

3.3.6. Exclusive of all Advertising Space approved under this Agreement, the right, at SFMTA's expense, to place on Vehicles and within transit stations and other structures related to its transit system, informative material, including, but not limited to, timetables, "take-one" brochures, service notices, additional signs and other displays designed to encourage the use of its transit system. SFMTA reserves exclusive use of all 11" x 17" frames mounted

on the rear-facing side of the bulkhead panel behind the operator's position, and, in articulated Vehicles, two additional 11" x 17" frames located near the trailer portion of the Vehicle. SFMTA shall not sell such space to advertisers either directly or through any intermediary;

3.3.7. Advertising rights granted under the Transit Shelter Advertising Agreement, dated December 10, 2007, between the City and Clear Channel Outdoor, Inc.;

3.3.8. Naming rights/corporate sponsorships, including the future Central Subway transit stations and tunnel;

3.3.9. Bicycles and equipment related to any SFMTA bike-share program;

3.3.10. Information kiosks;

3.3.11. Transit information displays/signage;

3.3.12. Technology-related property such as the SFMTA website and smartphone applications.

3.3.13. Right of first refusal for purchase of Advertising Space by the National Football League as agreed to by the City in its Super Bowl bid.

3.4. Authorized Advertising. In accordance with the exclusive advertising rights granted in this Section 3, City authorizes advertising as set forth below and in Section 4.

3.4.1. Vehicle Advertising. SFMTA initially authorizes Contractor to use the spaces on the Vehicles listed in Appendix A for Vehicle advertising, subject to change in the sole and exclusive discretion of Director. The City reserves the right to negotiate with the Contractor for the use of other vehicles for advertising at a future date.

(a) Vehicle Count and Description. For Vehicle advertising, City initially authorizes Contractor to use the spaces on the Vehicles listed in Appendix A, provided, however, that said authorization is subject to change in the sole and exclusive discretion of the Director. The City reserves the right to negotiate with the Contractor for the use of other Vehicles for advertising at a future date. SFMTA will provide to Contractor a "Fleet Inventory Report" at the inception of this Agreement and on or about the first day of the month following the increase or decrease of Vehicle fleet by 150 Vehicles or more. If new Vehicles are added, the revenue generated from Advertising Spaces on such Vehicles shall be credited towards fulfilling the MAG and included in the Revenue Share. In the event of a reduction of 150 Vehicles or more below the Vehicle count in Appendix A, the SFMTA and the Contractor will negotiate in good faith to reduce the MAG by a reasonable amount to reflect the reduction.

(b) Wraps. Contractor may apply Wraps to all Vehicles except Historic Streetcars and cable cars; provided, however, that Contractor may only apply Wraps as follows:

(i) Wraps that include windows may be applied to no more than thirty (30) Vehicles; provided, however, that the Director shall have discretion to fix the number of Wraps that include windows during any Fiscal Year at no less than 15 and no more than 30 and will notify Contractor of its intent to change this number of Wraps allowed no later than September 30 of the prior Fiscal Year; the number of Wraps that include windows for the first Fiscal Year of the Agreement shall be thirty (30);

(ii) Overall, Wraps may be applied to no more than twenty percent (20%) of all authorized Vehicles at any one time (Wraps that include windows and Wraps that do not include windows).

Wraps may not cover Vehicle numbers or SFMTA insignia. All Wraps are subject to policies adopted by the SFMTA Board of Directors regarding Wrap advertising. Wrap Advertisements shall not damage the Vehicles, their paint schemes or decal applications. To the extent feasible, Contractor will apply Wraps to older Vehicles before newer Vehicles. Contractor shall reimburse City for any damage to Vehicles by reason of the application of any Wraps. Wrap materials must be in perforation patterns that are not more than 50% vinyl/material and not less than 50% uncovered space in order to provide sufficient light transmission into and out of Vehicles and must use commercially reasonable efforts to use the most technologically advanced materials available.

(c) Guaranteed Space on Vehicles. In each contract month, SFMTA shall have the right to the exclusive use of no more than 15 percent of Advertising Spaces on the exterior of Vehicles. SFMTA retains the right to use all interior Advertising Space on each Vehicle unless Contractor notifies the SFMTA, at least thirty (30) Days in advance, that it has sold the interior Advertising Space. Contractor shall install, maintain and remove interior Advertisements for the SFMTA free of charge.

3.4.2. Transit Stations. Contractor may advertise in Transit Stations subject to the prior approval of the Director. At least ninety (90) Days prior to any advertising in Transit Stations, Contractor shall present an advertising plan to the SFMTA, setting forth the Contractor's proposal for advertising within Transit Stations (e.g., locations and size/shape/style of advertisements, schedules for advertising campaigns, installations).

3.4.3. Central Subway. Notwithstanding Section 3.4.2, the City, in its sole discretion, may add to the Agreement the implementation of an advertising program in the new Central Subway stations and tunnel after their completion. This advertising program will result in additional MAG amounts to be paid to the SFMTA based upon sales to date, expected types of advertising in the new Central Subway stations and tunnels and expected revenues. The SFMTA and Contractor will negotiate the actual amounts to be added to the MAG over the remaining term of the contract near the time of the Central Subway project's completion and the beginning of revenue service, currently scheduled for 2019. Any agreement regarding such an addition to the MAG shall be reflected in an amendment to this Agreement, which will be subject to approval by the SFMTA Board of Directors and the San Francisco Board of Supervisors.

3.4.4. Fare and Parking Media. Contractor may advertise on the backs of Fare and Parking Media, subject to the prior approval of the Director.

3.4.5. Trades and Barter. Contractor may Barter or Trade Advertising Space and/or time on unsold Advertising Space under the following conditions:

(a) Contractor must secure the prior written approval of the Director for each Barter or Trade.

(b) Contractor is prohibited from receiving compensation for such transactions except as otherwise expressly authorized by this Agreement.

(c) Contractor shall report the value attributable to the Advertising Space subject to a Trade or Barter in the same manner as it reports actual Gross and Net

Revenues. All such reported amounts shall be included in the calculation of the Revenue Share. Contractor will ensure that the advertising value of all Barters and Trade be on a dollar-for-dollar basis, i.e., that the value of Barters or Trades Contractor receives will equal the cash value of Advertising Space Bartered or Traded.

(d) Contractor is prohibited from receiving any consideration or commission for any such Trade or Barter other than payments which are reported under Section 9 of this Agreement.

(e) SFMTA may actively solicit Trades, and Contractor shall cooperate with SFMTA in any such endeavor.

3.5. Unsold Space

3.5.1. City's Use of Unsold Space By the first day of each month, Contractor shall provide a projection of all unsold Advertising Space anticipated over the next 60 Days to SFMTA in an electronic format. Notwithstanding the provisions of Section 3 of this Agreement, the City has the first option to use, for a minimum of fourteen (14) Days, any Advertising Space, at no charge to the City and for any public purpose, that has not been sold by Contractor. The City will be responsible for providing all printed posters ready for posting by Contractor. The SFMTA shall notify Contractor of the City's intention to use the unsold Advertising Space at least thirty (30) Days prior to the date on which the City's use would begin. If Contractor is unable to deliver unsold Advertising Space for any reason after being notified of the City's intention to use unsold Advertising Space, and if the printed materials are time sensitive and cannot be reused, Contractor shall reimburse the City for all reasonable printing and design costs expended in anticipation of the City's use of that Advertising Space.

3.5.2. Contractor's Use of Unsold Space. To the extent that the City does not exercise its option to use unsold Advertising Space in accordance with Section 3.5.1, Contractor may use, at its sole cost and expense, available unsold Advertising Space: (a) for its own advertisements and promotion designed to increase the sale of Advertising Space; or (b) to display public service announcements provided by non-profit public, educational, and charitable organizations; or (c) for Trade and Barter as permitted under Section 3.4.5 of this Agreement.

3.5.3. Public Service Announcements. Contractor shall have the right, at its own discretion, to display certain public, educational, charitable and editorial displays free of charge or at reduced rates in any Advertising Spaces not contracted for use by paid advertisers and not being used by the SFMTA or Contractor pursuant to this Section 3. In the event that Contractor collects revenues hereunder solely to cover direct costs for labor and materials for carding, installation, maintenance, and removal of such displays, such amounts shall not be included in the Gross Revenues used to compute the Revenue Share. Such freely donated or discounted advertising shall not, however, reduce the MAG payments hereunder.

3.6. Bonuses; Discounts; Allowances. No Advertising Space or time bonus, discount or allowance (from the amounts published in Contractor's then current Schedule of Rates and Charges as referenced in Section 9.9) shall be permitted without the prior written approval of the Director unless all the following conditions are met:

3.6.1. The transaction must result in a direct financial benefit to SFMTA, and may not relate in any way to the sale of advertising on or with other transit systems or properties;

3.6.2. Each such space or time bonus, discount or allowance, together with the term and/or schedule of display, shall be clearly itemized with appropriate footnotes in Contractor's Advertising Contracts or on an equivalent form reasonably approved by the Director.

3.6.3. Contractor is prohibited from receiving any consideration or commission for any bonus, discount or allowance other than payments which are reported under Section 9 of this Agreement.

3.7. Advertising Space Subject to Change. Contractor acknowledges and agrees that the available Advertising Space may vary from time to time for various reasons.

3.8. Transportation Priority. Contractor acknowledges and agrees that advertising, and the grant of advertising rights provided for in this Agreement, are incidental to the SFMTA's transportation business, which may undergo changes affecting the advertising rights granted. Except as provided in Section 3.4.1, SFMTA will have no liability to Contractor for any change in its routes, in the number of Vehicles operated by it, in ridership, or for any other change affecting the level or scope of advertising authorized by SFMTA.

3.9. Partial Termination. The SFMTA may partially terminate the rights to any category of Advertising Space (other than on Vehicles) granted to Contractor pursuant to this Agreement upon which no Advertisement has been displayed for a period of sixty (60) Days once advertising has commenced on such Advertising Space**.** Such partial termination shall require sixty (60) Days' written notice by SFMTA, during which time Contractor may avoid partial termination by demonstrating to SFMTA with appropriate documents either (a) that it has sold Advertisements on the subject Advertising Space prior to the date of SFMTA's notice of partial termination, or (b) that it intends to continue advertising on such Advertising Space but has been unable to sell advertising on the Advertising Space after reasonable attempts to do so.

3.10. Use of Advertising Space. Contractor may not use Advertising Space for any purpose other than those expressly provided in this Agreement.

3.11. No Damage to City Property. Contractor and its subcontractors may not damage City property. The use of exterior advertising display frames or similar hardware and adhesive decals such as "Control-TAC" or its equivalent shall not damage the paint schemes or decal applications of Vehicles, or any surface of any Advertising Space. If in the course of its activities under the Agreement Contractor or any of its employees or subcontractors damages any property belonging to City, Contractor shall compensate the City for the full extent of its losses resulting from the damage. At City's option, City may require Contractor to repair any such damage.

3.12. Nuisances. Contractor shall conduct its activities under this Agreement in a manner that does not constitute waste, nuisance or unreasonable annoyance (including, without limitation, emission of objectionable odors, noises or lights) to City, or to the public.

4. PARKING GARAGES.

4.1. Approvals Required. The Director must approve all Advertising Space locations in parking garages under the jurisdiction of the SFMTA and/or the Parking Authority. For those parking garages under the jurisdiction of the Recreation and Park Commission, the Recreation and Park Department must also approve the location of Advertising Space. Contractor shall assist the SFMTA in obtaining the consent of garage operators that may be required to place advertising in certain garages.

4.2. Advertising Plan. At least 30 Days prior to any new planned advertising in parking garages, Contractor shall submit a proposed plan for review and approval by the Director. The plan shall contain the Contractor's proposals for Advertising Space locations

within each garage, the results of outreach and meetings with garage operators, proposed schedules for advertising placement in each garage, and contact information. The plan must demonstrate that the Contractor is knowledgeable about and has satisfactorily addressed the operating needs and concerns of garage operators. Space shall be reserved for advertisements or signs by businesses located in the garage or for community information. After the plan is finally approved as required under Section 4.1, Contractor need not obtain any further approvals unless the Contractor or SFMTA wish to make a material change to the plan.

5. INVENTORY MANAGEMENT SYSTEM (IMS).

5.1. General. Contractor shall continue to maintain throughout the term of the Agreement an Inventory Management System (IMS), as set forth in further detail below, for documenting the location(s) of Advertisements and Advertising Campaigns on Advertising Space.

5.2. IMS Review and Approval. In the event of any planned change to the current IMS by Contractor, Contractor shall submit for SFMTA approval documentation of any proposed changes to the IMS, including the database structure and fields, the reports available from the system, disaster planning information required by Section 5.5, and the end-user interface and access as it is available to SFMTA staff. Contractor shall obtain written approval from the Director before making any modifications to the IMS that affect the use of the IMS by the SFMTA.

5.3. Inventory Records. Contractor shall enter into the IMS, on a daily basis, the Advertising Space, by Vehicle number or other location, the subject matter of the Advertisement or Advertising Campaign; and a sample of each Advertisement that is part of a particular Advertising Campaign. In addition, the IMS shall contain detail on which Advertisement is posted on each Advertising Space.

5.4. Technical Requirements.

5.4.1. Application Requirements. The data on the IMS must be available to designated SFMTA staff through the internet 24 hours a day. All reports from the IMS shall be available for downloading by SFMTA staff in an open architecture format, such as .xls, .csv, .txt, or .xml format.

5.4.2. IMS Maintenance and Upgrades. Contractor shall backup the IMS system every weekday but shall not conduct any backup or maintenance activities between the hours of 8 a.m. and 8 p.m. Pacific Time, weekdays. Upon request from the SFMTA, Contractor and the SFMTA shall meet to review and discuss enhancements to the IMS.

5.4.3. Security. Contractor shall ensure that all information in the IMS is secure and that no other entity will have access to information required to be provided under this Agreement without written authorization from the Director**.** Contractor shall provide to SFMTA username(s) and password(s) for secure access to the IMS. Contractor shall replace and/or block any username(s) and password(s) if requested by SFMTA within four hours. Contractor shall provide any new requested username(s) and passwords within two (2) Days. There shall be no limit to the number of username(s) and password(s).

5.4.4. Outages. Contractor shall document any Outages and shall provide a monthly report documenting all Outages no later than the fifth day of each calendar month. In no case shall the IMS be less than fully operational for a total of more than 240 minutes in any calendar month.

5.5. Disaster Planning. Contractor shall use disaster planning best practices to ensure that IMS data can be recovered within a reasonable period of time after a disaster affecting IMS utilization. Contractor shall submit a copy of its disaster planning protocol to the SFMTA in the event of any changes to its original disaster planning protocol.

6. OWNERSHIP, INSTALLATION AND MAINTENANCE

6.1. Installation and Ownership Rights. Contractor, at its own expense, shall:

6.1.1. Furnish all new Infrastructure of the size currently in use, or of a size and type as may be agreed upon by SFMTA and Contractor, as is required either to replace presently existing Infrastructure, to add to the existing Infrastructure or to construct new Infrastructure in new locations. Contractor shall reimburse City for any such Infrastructure installed at City's expense by a factory supplier of new or rebuilt vehicles or other supplier. Contractor acknowledges and agrees that City owns and has full title to any and all Infrastructure including, but not limited to, that which is now or hereafter affixed to any Vehicle or any other SFMTA property subject to this Agreement. Notwithstanding anything to the contrary hereto, all digital signs shall remain the property of the Contractor until the expiration of this Agreement, at which time ownership of the signs shall vest in the SFMTA.

6.1.2. Place all Advertisements in a clean, safe, and first-class condition, and shall maintain or replace Advertisements as needed.

6.1.3. Erect all Infrastructure and insert all Advertisements in accordance with any schedule approved by SFMTA, or if no schedule is approved, whenever possible at hours of minimum passenger, visitor and employee activity within SFMTA facilities. Contractor may only install Advertisements in or on Vehicles when they are not in use.

6.2. Maintenance. Contractor shall continuously maintain Infrastructure in a clean, safe, and first-class condition during the entire term of this Agreement, and shall maintain or replace all Infrastructure as needed.

6.3. Inspection and Clean-up. Contractor must inspect each Advertisement at least once per week. Contractor shall make more frequent inspections if conditions warrant. In the course of each inspection of an Advertisement, Contractor shall remove all Graffiti, stickers, posters, dust and dirt from each Advertisement or, if needed, replace that Advertisement.

6.4. Repair. Within 24 hours of notification by the City, SFMTA staff or discovery by Contractor, Contractor shall repair any damage, including, but not limited to, damage from vandalism or Graffiti, found on any Advertisement or advertising Infrastructure. Contractor shall repair, replace or remove, as appropriate, any damage to an Advertisement or Infrastructure that is of a hazardous nature, including but not limited to broken glass or protruding edges, within 24 hours of notification to or discovery by Contractor.

6.5. Removal of Advertisements. Contractor agrees to remove Advertisements as expeditiously as practical after the expiration of each Advertising Contract, and in no event later than thirty (30) Days after expiration of any such Advertising Contract, so that no continuation or over-posting of such Advertising Contract results in any loss of revenues to be generated under this Agreement. Dated advertisements shall be removed within five days after expiration of the Advertising Contract.

6.6. Maintenance Plan. Contractor shall perform maintenance in accordance with the standards of this Agreement and the terms of the maintenance and installation plan attached as Appendix B.

6.7. Maintenance Products. To the maximum extent feasible, Contractor shall use maintenance products that present the least potential threat to human health and the City's natural systems. The City's approved "green" product list may be obtained at the following website: http://www.sfenvironment.org/our_programs/topics.html?ssi=9&ti=22.

6.8. Remedies for Failure to Maintain or Repair. In the event that Contractor fails to repair or maintain Advertisements within the time specified by SFMTA, SFMTA may, in its sole discretion, upon five (5) Days written notice to Contractor, cause the repair or maintenance of said Advertisements or Infrastructure. Contractor shall pay SFMTA for its actual costs, including overhead costs, within ten (10) Days following receipt by Contractor of an invoice.

6.9. Meetings. Contractor's upper level management personnel shall be available to meet with the SFMTA in San Francisco semi-annually for the purpose of reviewing Contractor's performance under this Agreement, including the success of its advertising sales program. Contractor's operations personnel shall be available to meet in person or by telephone with SFMTA staff monthly (or more often, at the request of the SFMTA) to discuss operational issues.

6.10. Permits. Contractor shall be responsible for obtaining any permits that may be required in connection with installation of any Advertising under this Agreement.

7. CONTENT OF ADVERTISEMENTS

7.1. Advertising Policy. The SFMTA Board of Directors has adopted an Advertising Policy that prohibits certain types of advertisements. See Appendix C. The Contractor agrees to comply with the advertising standards set forth in this policy. The SFMTA Board of Directors may unilaterally amend the Policy, and SFMTA will provide to Contractor notice of any such amendments. Contractor is permitted to display only those Advertisements that are in compliance with SFMTA's Policy. Upon written demand by the Director, Contractor agrees to promptly remove any Advertisements that are in violation of SFMTA's Policy to the extent permitted by state or federal law.

7.2. Disclaimers. Contractor shall install a decal on each Advertisement or associated Infrastructure that reads: "The views expressed in any advertisement do not necessarily reflect the views of the Municipal Transportation Agency." Contractor shall provide the decals and SFMTA will determine the locations on the Advertising Space where Contractor shall place the decals.

7.3. Complaints. Contractor shall provide and install a decal on each Advertisement or associated Infrastructure indicating that a member of the public may dial 3-1-1 to report any complaint about the physical condition of the Advertisement. The design of the decal and the location of the decal on the Advertisement will be subject to the prior approval of the SFMTA. Current decals shall be replaced as needed to ensure accuracy and readability.

7.4. Design Considerations and Use of Materials

7.4.1. General Considerations. It is the intent of both SFMTA and Contractor to provide an advertising program that is effective and aesthetically pleasing and that will be beneficial to both Parties. The parties accordingly agree (A) to maintain throughout the term of this Agreement a continual liaison and exchange of plans and information to assure the successful implementation of the Agreement, and (B) to use materials and technology presently available or subsequently developed for all exterior and interior Advertisements that will enhance the appearance and image of SFMTA Vehicles, transit system and facilities and that will not detract from the transit

system's color scheme and logo or damage the surface of Advertising Spaces, including the Vehicles' paint scheme or decal applications. SFMTA shall have the right to determine the number, type, and method of attachment and location of all advertising Infrastructure. Contractor shall also use, to the maximum extent feasible, the most sustainable technology and materials.

7.4.2. Experimental Displays; New Media. Contractor may experiment with new advertising materials, media formats, displays and designs. SFMTA and Contractor shall coordinate on the type and extent of such experimental projects, and their schedule and term; provided, however, Contractor shall not proceed with such experimental projects until authorized by SFMTA. During the term of these projects, the sales and inventory value of such experimental displays shall not be used to recalculate the MAG, unless and until the SFMTA authorizes any such display on a non-experimental basis. Revenue from these displays may, however, be used as a credit towards meeting the MAG and shall be included in the calculation of Revenue Share.

7.4.3. Digital Displays. Digital advertising displays are permitted on Vehicles and in Transit Stations subject to the following:

(a) Limitations. Contractor shall limit digital advertising to no more than twenty percent (20%) of Vehicles at any one time; and Contractor may not include digital advertising on Historic Streetcars and cable cars. Digital advertising must be capable of being overridden when the SFMTA determines that such Infrastructure must be used for emergency signage.

(b) Rollout Plan. Not later than sixty (60) days prior to any planned placement of digital advertising displays on Vehicles or in Transit Stations, Contractor shall submit a rollout plan to the SFMTA for approval. The rollout plan shall set forth the types, locations, and duration of such displays, the Infrastructure costs, and projected advertising revenue. Contractor shall include a pro forma spreadsheet showing how long it will take to recoup its capital costs from advertising revenues based on the revenue share allocation in subsection (c) below. The SFMTA will have thirty (30) days from submission of the rollout plan to review the rollout plan and either approve it, disapprove it, or submit any comments to Contractor.

(c) Revenue. Notwithstanding any provision of Section 7.4.2 or Section 8.1, Net Revenue from digital displays shall be allocated as follows: seventy-five percent (75%) of Net Revenue to Contractor and twenty-five percent (25%) of Net Revenue to the SFMTA until Contractor has recouped its Digital Infrastructure Costs for the digital displays, in accordance with the schedule in its rollout plan. Thereafter, the revenue allocation shall be allocated on a 50%/50% basis between Contractor and the SFMTA.

7.4.4. Cable Car Displays. All advertising on cable cars shall be in conformity with the character, style, and design of such Vehicles.

7.4.5. Historic Streetcars. No Advertisements may be placed on the outside of Historic Streetcars. All interior advertising on Historic Streetcars shall be in conformity with the character, style, and design of such Vehicles.

8. PAYMENTS

8.1. Payments by Contractor to SFMTA. During the term of this Agreement, Contractor shall pay to the SFMTA the amounts listed below, without any deduction or offset whatsoever. Contractor shall make payments electronically in accordance with wiring or other remittance instructions provided in writing by the SFMTA.

8.1.1. Administrative Payments. Not later than July 1 of each year, Contractor shall pay One Hundred Fifty Thousand Dollars ($150,000) ("base rate"), as escalated each year by any increase in the percentage change in the Bay Area CPI.

8.1.2. Marketing Support. Not later than July 1 of each year, Contractor shall contribute One Hundred Fifty Thousand Dollars ($150,000) ("base rate") to the SFMTA marketing program or a mutually acceptable alternative for all or part of this marketing support, including, but not limited to, media and/or services. The marketing support base rate shall be escalated each year by any increase in the percentage change in the Bay Area CPI.

8.1.3. Minimum Annual Guarantee (MAG) and Revenue Share. The MAG for each Fiscal Year of the Agreement is set forth in Table 8.1.3 below. The Revenue Share percentage during the entire term of the Agreement, including any option terms, shall be sixty-five percent (65%).

Table 8.1.3: MAG Amount and Revenue Share Percentage

Original Term of the Agreement

Fiscal Year	2014-15	2015-16	2016-17	2017-18	2018-19
Jul	$419,861	$431,524	$443,187	$454,849	$466,512
Aug	$398,033	$409,089	$420,146	$431,202	$442,258
Sept	$572,959	$588,875	$604,790	$620,706	$636,622
Oct	$565,978	$581,700	$597,422	$613,143	$628,865
Nov	$521,871	$536,368	$550,864	$565,360	$579,857
Dec	$486,981	$500,508	$514,035	$527,563	$541,090
Jan	$292,584	$300,711	$308,838	$316,966	$325,093
Feb	$341,950	$351,448	$360,947	$370,446	$379,944
Mar	$411,689	$423,125	$434,561	$445,997	$457,432
Apr	$413,166	$424,643	$436,120	$447,596	$459,073
May	$467,747	$480,740	$493,733	$506,726	$519,719
Jun	$507,181	$521,270	$535,358	$549,447	$563,535
Total	$5,400,000	$5,550,000	$5,700,000	$5,850,000	$6,000,000

Option Years (*assumes exercise of the options to extend the term)

Fiscal Year	MAG
2019-20*	$6,150,000
2020-21*	$6,300,000
2021-22*	$6,450,000
2022-23*	$6,600,000
2023-24*	$6,750,000
2024-25*	$6,900,000
2025-26*	$7,050,000
2026-27*	$7,200,000
2027-28*	$7,350,000
2028-29*	$7,500,000

8.1.4. Monthly Payment. On or before the 10th day of each month during each Fiscal Year, Contractor shall pay the Monthly Payment to the SFMTA. The monthly allocation of MAG payments for the option years will be mutually agreed in the event of exercise of each option.

8.2. Late Payments. Payments from Contractor that are not paid when due will bear interest compounded daily from and after the date said payment was due until the date paid at the prime rate plus three percent (3%). Acceptance of a late payment by SFMTA will not constitute a waiver of Contractor's default with respect to the overdue amount, nor prevent SFMTA from exercising any of the other rights and remedies granted under this Agreement or by law. SFMTA shall have no responsibility to notify Contractor of payments not received by the due dates.

8.3. Verification of Revenue. In each Contract Year covered by this Agreement, a verification of sales and revenues reported to the SFMTA by Contractor shall be made by a certified public accounting firm selected by the SFMTA. The SFMTA may assign the verification function to the Audits Division of the San Francisco Controller's Office. The cost of such verification shall be shared equally by SFMTA and Contractor. Alternatively, Contractor, at its sole expense, may have its certified public accounting firm perform the verification function. If it is determined as a result of any such verification that there has been a deficiency in percentage payments as required by this Agreement, then such deficiency shall become immediately due and payable with interest at ten percent (10%), or the maximum lawful rate, whichever is higher, from the date when said payment should have been made. If Contractor's accounting reports for any contract month shall be found to have understated Net or Gross Revenues by more than two percent (2%) and the SFMTA is entitled to any additional percentage payment as a result of said understatement and said understatement is material and intentional, then Contractor shall pay, in addition to the interest charges above, all of the costs and expenses of such audit.

9. REPORTS, INSPECTION AND REVIEWS

9.1. Annual Financial Statement. On or before the first day of the third calendar month following the close of Contractor's fiscal year, Contractor shall submit to the SFMTA three copies of Contractor's annual financial statement prepared by an independent public accountant.

9.2. Summary Report. On or before the first day of the third calendar month following the close of Contractor's fiscal year, Contractor shall submit to the SFMTA a Summary Report detailing total Advertisement sales, revenues, expenditures, documentation of Gross and Net Revenues and Total Required Payments for the previous Fiscal Year, and the number of Advertising Contracts by type of Advertising Space.

9.3. Annual Inspection of Records. Contractor shall make available at its place of business in San Francisco or the surrounding area for inspection by City the following information by September 1 for the City's prior Fiscal Year:

9.3.1. The total revenues, earnings before income tax, depreciation, amortization and profit from advertising operations, both on a cash and accrual basis.

9.3.2. Comparable financial statistics relating to Contractor's advertising contracts for transit vehicles with other public or transit agencies in the Bay Area or other large metropolitan areas.

9.4. Sales Activity Report. A "Sales Activity Report" on the form attached hereto as Appendix D, or an equivalent form approved by Director, shall be prepared by Contractor and submitted to the SFMTA on or before the 30th day of the following month.

9.5. Account Activity Summary by Display Location and Type. An "Account Activity Summary by Display Location and Type," on the form attached hereto as Appendix D, or an equivalent form approved by the Director, shall be prepared monthly by Contractor and submitted to the SFMTA on or before the 20th day of the following month. This summary shall include the following:

9.5.1. Advertising by Category. A percentage allocation of Gross and Net Revenues by Contractor's top five categories of Advertisements (e.g., fashion, automotive, media, and beverage) and three categories of advertising clients. The three client categories shall be (1) commercial/national accounts; (2) commercial/local accounts; and (3) other accounts. SFMTA may request new or additional categories during the term of this Agreement.

9.5.2. Bay Area-Wide Transit Contracts. If Contractor represents other transit properties in the San Francisco Bay Area (defined by the U.S. Bureau of Census as the San Francisco-Oakland and the San Jose Standard Metropolitan Statistical Areas), any Advertising Contract written for Bay Area-wide distribution and posting shall be identified as such on the face of such Advertising Contract. For all such Advertising Contracts, Contractor shall supply the SFMTA with the amount of total Gross Revenues, as well as the percentage of total Gross Revenues allocated to the SFMTA and the other transit properties.

9.6. Copies of Contracts. On or before the 20th day of each month, Contractor shall submit to SFMTA a copy of each Advertising Contract billed by the Contractor during the preceding month. On each such Contract, Contractor shall indicate the account type of each advertiser (*i.e.*, commercial-national; commercial-local; SFMTA/City; or non-profit public service announcement), and if the sale is for Bay Area-wide distribution, the allocation to SFMTA and the other Bay Area transit properties.

9.7. Maintenance and Service Logs. Contractor shall maintain accurate maintenance and service logs describing the dates and locations of all routine inspections conducted of Advertisements, Infrastructure and Advertising Spaces as required by this Agreement, as well as the date, the location and the nature of any maintenance or service activity conducted by Contractor. If Contractor conducts the maintenance or service in response to a complaint by the public, the log shall include the date and the nature of the complaint to which the Contractor has responded. If requested by the SFMTA, Contractor shall provide copies of such maintenance and service logs in an electronic format.

9.8. Media Trade Reports. If implemented, Contractor shall supply SFMTA with quarterly reports of media trade transactions authorized by Section 3.4.5 showing:

9.8.1. the cumulative total of consideration received for Barters or Trades received by the SFMTA since contract inception through the end of the previous quarter;

9.8.2. a list of new Trade offers for the quarter, showing amounts accepted by the SFMTA.

9.9. Schedule of Rates and Charges. On or before the first business day of each Calendar Year, Contractor shall provide to SFMTA a complete "Schedule of Rates and Charges" for all advertising charges under this Agreement, together with a similar schedule of rates for any other San Francisco Bay Area transit system for which Contractor has a transit advertising agreement. Each such schedule shall include a range (minimum and maximum) of all standard rates and charges for each type of Advertising Space and time available for rental; all time and quantity purchase discounts; discounted rates and charges for civic, charitable, non-profit and public service organizations; all fees and direct costs for labor and materials for carding, installation, maintenance, and removal of advertising; and

terms, conditions and manner of payment by advertisers. Contractor shall submit to the SFMTA, in writing, any changes in rates and charges during the Contract Year not later than fifteen (15) days from the effective date of such change. In the event of any dispute relating to rates and charges, such dispute shall be resolved by the Director, whose decision shall be final and conclusive, unless arbitrary and capricious.

9.10. Garage Revenue. No later than thirty (30) Days after the end of each quarter, Contractor shall provide a report ("Garage Report") that identifies the portion of the MAG attributable to all parking garages ("Garage MAG"). In the Garage Report, Contractor shall also itemize the portion of the Garage MAG and the overall garage revenue attributable to each parking garage.

10. SECURITY DEPOSITS

10.1. Requirement to Provide Financial Guarantees. Upon the Effective Date of this Agreement, Contractor shall provide, and shall maintain for the time periods specified herein, financial instruments and funds described in this Section 10 as security to ensure Contractor's performance of all terms and conditions of this Agreement and to compensate for any damage to City property and/or other actual costs to City for Contractor's violation of the terms of this Agreement, as further described below.

10.2. Letter of Credit

10.2.1. Requirements. No later than June 15, 2014, Contractor shall provide to City and shall maintain, throughout the term of this Agreement and for ninety (90) Days after the expiration or termination of this Agreement or the conclusion of all of Contractor's obligations under the Agreement, whichever occurs later, a confirmed, clean, irrevocable letter of credit in favor of the City and County of San Francisco, a municipal corporation, in the amount of seventy-five percent (75%) of the MAG. The letter of credit must have an original term of one year, with automatic renewals no later than July 1 of each Fiscal Year in the amount of seventy-five percent (75%) of the MAG for each Fiscal Year throughout the term of the Agreement, including any extensions. If Contractor fails to deliver the letter of credit as required, City may deem Contractor to be in default in the performance of its obligations hereunder. In such event, City, in addition to all other available remedies, may terminate the Agreement. The letter of credit must provide that payment of its entire face amount, or any portion thereof, will be made to City upon presentation of a written demand to the bank signed by the Director on behalf of the City.

10.2.2. Financial Institution. The letter of credit must be issued on a form and issued by a financial institution acceptable to the City in its sole discretion, which financial institution must (a) be a bank or trust company doing business and having an office in the City and County of San Francisco, (b) have a combined capital and surplus of at least $25,000,000, and (c) be subject to supervision or examination by federal or state authority and with at least a Moody's A rating.

10.2.3. Demand on Letter of Credit. The letter of credit will constitute a security deposit guaranteeing faithful performance by Contractor of the following terms, covenants, and conditions of this Agreement, including all monetary obligations set forth in such terms: (a) failure to pay any of the payments required under Section 8.1; (b) failure to replenish the Security Fund under Section 10.3; and (c) termination of this Agreement due to the default of the Contractor, in which case the City shall be entitled to the full amount of the Letter of Credit. Under any of the above circumstances, SFMTA may make a demand under the letter of credit for all or any portion of the Letter of Credit to

compensate City for any loss or damage that they may have incurred by reason of Contractor's default, negligence, breach or dishonesty; provided, however, that City will present its written demand to said bank for payment under said letter of credit only after City first has made its demand for payment directly to Contractor, and five full Days have elapsed without Contractor having made payment to City. Should the City terminate this Agreement due to a breach by Contractor, the City shall have the right to draw from the letter of credit those amounts necessary to pay any fees or other financial obligations under the Agreement and perform the services described in this Agreement until such time as the City procures another contractor and the agreement between the City and that contractor becomes effective. City need not terminate this Agreement in order to receive compensation for its damages. If any portion of the letter of credit is so used or applied by City, Contractor, within ten (10) business days after written demand by City, shall reinstate the letter of credit to its original amount; Contractor's failure to do so will be a material breach of this Agreement.

10.2.4. Expiration or Termination of Letter of Credit. The letter of credit must provide for sixty (60) Days' notice to City in the event of non-extension of the letter of credit; in that event, Contractor shall replace the letter of credit at least ten (10) business Days prior to its expiration. In the event the City receives notice from the issuer of the letter of credit that the letter of credit will be terminated, not renewed or will otherwise be allowed to expire for any reason during the period from the commencement of the term of this Agreement to ninety (90) Days after the expiration or termination of this Agreement, or the conclusion of all of Contractor's obligations under the Agreement, whichever occurs last, and Contractor fails to provide the City with a replacement letter of credit (in a form and issued by a financial institution acceptable to the City) within ten (10) Days following the City's receipt of such notice, such occurrence shall be an event of default, and, in addition to any other remedies the City may have due to such default (including the right to terminate this Agreement), the City shall be entitled to draw down the entire amount of the letter of credit (or any portion thereof) and hold such funds in an account with the City Treasurer in the form of cash guarantying Contractor's obligations under this Agreement. In such event, the cash shall accrue interest to the Contractor at a rate equal to the average yield of Treasury Notes with one-year maturity, as determined by the Treasurer. In the event the letter of credit is converted into cash pursuant to this paragraph, upon termination of this Agreement, Contractor shall be entitled to a full refund of the cash (less any demands made thereon by the City) within ninety (90) Days of the termination date, including interest accrued through the termination date.

10.2.5. Return of Letter of Credit. The letter of credit will be returned within ninety (90) Days after the end of the term of this Agreement, provided that Contractor has faithfully performed throughout the life of the Agreement, Contractor has completed its obligations under the Agreement, there are no pending claims involving Contractor's performance under the Agreement and no outstanding disagreement about any material aspect of the provisions of this Agreement. In the event this Agreement is assigned, as provided for in Section 30, City will return or release the letter of credit not later than the effective date of the assignment, provided that the assignee has delivered to the City an equivalent letter of credit, as determined by City.

10.2.6. Excessive Demand. If City receives any payments from the aforementioned bank under the letter of credit by reason of having made a wrongful or excessive demand for payment, City will return to Contractor the

amount by which City's total receipts from Contractor and from the bank under the letter of credit exceeds the amount to which City is rightfully entitled, together with interest thereon at the legal rate of interest, but City will not otherwise be liable to Contractor for any damages or penalties.

10.3. Security Fund. Contractor shall deposit into a City-controlled account the amount of One Hundred Fifty Thousand Dollars ($150,000) to guarantee the performance of its obligations under the Agreement not secured by the Letter of Credit under Section 10.2. These obligations shall include, but not be limited to, failure to perform maintenance and repair work under Section 6.4, and failure to pay liquidated damages as provided in Section 15.2. Prior to withdrawal of any amounts from the Security Fund, SFMTA shall notify Contractor of its intent to withdraw and the circumstances requiring such withdrawal. Contractor shall have one (1) business day to cure any default. After any withdrawal by City of amounts from the Security Fund, Contractor shall restore the Security Fund to its full amount within five business days. City shall return any amounts remaining in the Security Fund within sixty (60) Days of the expiration or termination of this Agreement, or correction of any audit deficiencies after completion of a final audit under Section 23.11, whichever is later.

11. INSURANCE

11.1. Without in any way limiting Contractor's liability pursuant to the "Indemnification" Section of this Agreement, Contractor must maintain in force, during the full term of the Agreement, insurance in the following amounts and coverages:

11.1.1. Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than $1,000,000 each accident, injury, or illness; and

11.1.2. Commercial General Liability Insurance (supported by the Commercial Umbrella Policy) with a minimum combined single limit of liability of $25,000,000 each occurrence for bodily injury and property damage; with a minimum limit of liability of $25,000,000 each person for personal and advertising injury liability; and a minimum limit of liability of $25,000,000 each occurrence for products/completed operations liability. Such policy shall have a general aggregate limit of not less than $25,000,000; and

11.1.3. Commercial Automobile Liability Insurance with limits not less than $1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable.

11.2. Comprehensive General Liability and Commercial Automobile Liability Insurance policies must provide the following:

11.2.1. Name as Additional Insured the City and County of San Francisco and the San Francisco Municipal Transportation Agency, and their officers, agents, and employees.

11.2.2. That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

11.3. All policies shall provide 30 days' advance written notice to City of reduction or non-renewal of coverages or cancellation of coverages for any reason. Such notices shall be sent to the following address:

Director of Transportation

San Francisco Municipal Transportation Agency
1 South Van Ness Avenue, 7th Floor
San Francisco, CA 94103

with a copy to:

Chief Financial Officer
San Francisco Municipal Transportation Agency
1 South Van Ness Avenue, 8th Floor
San Francisco, CA 94103

11.4. Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

11.5. Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

11.6. In the event of the breach of any provision of this Section on "Insurance," or in the event any notice is received which indicates any required insurance coverage will be diminished or cancelled, the Director shall have the option, notwithstanding any other provision of this Agreement to the contrary and in addition to other remedies provided for in this Agreement, immediately to declare a material breach of this Agreement and to suspend the further exercise by Contractor of all rights and privileges granted to Contractor under to this Agreement until such time as the Director determines that the required insurance has been restored to full force and effect and that all premiums have been paid for a period satisfactory to the Director.

11.7. Prior to the Effective Date and annually thereafter on the anniversary of the Effective Date Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above.

11.8. Approval of the insurance by City shall not relieve or decrease the liability of Contractor hereunder.

11.9. Upon City's request, Contractor shall provide satisfactory evidence that Contractor has adequately provided for Social Security and Unemployment Compensation benefits for Contractor's Employees.

11.10. Contractor shall comply with the provisions of any insurance policy covering Contractor or the City, and with any notices, recommendations or directions issued by any insurer under such insurance policies so as not to adversely affect the insurance coverage.

11.11. Consultant hereby agrees to waive subrogation which any insurer of Contractor may acquire from Consultant by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

12. INDEMNIFICATION

Contractor shall indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all loss, cost, damage, injury, liability, and claims thereof for injury to or death of a person, including employees of Contractor or loss of or damage to property, arising directly or indirectly from Contractor's performance of this Agreement, including, but not limited to, Contractor's use of facilities or equipment provided by City or others, regardless of the negligence of, and regardless of whether liability without fault is imposed or sought to be imposed on City, except to the extent that such indemnity is void or otherwise unenforceable under applicable law in effect on or validly retroactive to the date of this Agreement, and except where such loss, damage, injury, liability or claim is the result of the active negligence or willful misconduct of City and is not contributed to by any act of, or by any omission to perform some duty imposed by law or agreement on Contractor, its subcontractors or either's agent or employee. The foregoing indemnity shall include, without limitation, reasonable fees of attorneys, consultants and experts and related costs and City's costs of investigating any claims against the City.

In addition to Contractor's obligation to indemnify City, Contractor specifically acknowledges and agrees that it has an immediate and independent obligation to defend City from any claim which actually or potentially falls within this indemnification provision, even if the allegations are or may be groundless, false or fraudulent, which obligation arises at the time such claim is tendered to Contractor by City and continues at all times thereafter.

Contractor shall indemnify and hold City harmless from all loss and liability, including attorneys' fees, court costs and all other litigation expenses for any infringement of the patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any person or persons in consequence of the use by City, or any of its officers or agents, of articles or services to be supplied in the performance of this Agreement.

13. INCIDENTAL AND CONSEQUENTIAL DAMAGES

Contractor shall be responsible for incidental and consequential damages resulting in whole or in part from Contractor's acts or omissions. Nothing in this Agreement shall constitute a waiver or limitation of any rights that City may have under applicable law.

14. LIABILITY OF CITY

NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT.

15. LIQUIDATED DAMAGES

15.1. Performance Standards. By entering into this Agreement, Contractor agrees that in the event Contractor fails to perform in accordance with the performance standards listed below, City will suffer actual damages that will be impractical or extremely difficult to determine. Contractor agrees that the amounts listed in this Section 15.1 are not penalties,

but are reasonable estimates of the loss that City will incur based on the delay or non-performance, established in light of the circumstances existing at the time this contract was awarded.

15.1.1. Maintenance Breaches. City may assess liquidated damages in the following amount for failure to complete maintenance or repair work required to be performed within 24 hours of notification from the SFMTA; provided that Contractor shall have one additional business day to perform such maintenance or repair work after notice from SFMTA: $1,000 per occurrence per Day until the violation is remedied. The date of notification will be the earliest date of notification, as determined from records of notices received by Contractor under Section 6.4 of this Agreement**.**

15.1.2. Annual Financial Statement. Contractor's failure to submit any report with substantially all information as required under Section 9.1, will subject Contractor to liquidated damages in the amount of Five Hundred Dollars ($500.00) for each Day the report is late continuing until the report has been submitted with all required information.

15.1.3. Failure to Cure Audit Deficiencies. In the event that Contractor fails to cure an audit deficiency within the time periods reasonably imposed by the City under Section 23.11, City may impose liquidated damages not to exceed Five Hundred Dollars ($500.00) per Day per deficiency until the deficiency is cured to the satisfaction of the City.

15.1.4. Failure to Comply with Advertising Policy. In the event that Contractor fails to comply with the SFMTA's advertising policy, the City may impose liquidated damages in the amount of Five Thousand Dollars ($5,000.00) per Day if the Contractor fails to cure the violation within two (2) Days after receipt of a written notice from the SFMTA. For purposes of this Section, a "violation" is a failure to comply in the context of a single Advertising Campaign.

15.2. Failure to Pay Liquidated Damages. Contractor agrees that if it fails to remit liquidated damages amounts assessed by City under this Section 15 or under any other section of this Agreement, City may deduct such damages from Contractor's Security Fund provided under Section 10.3 above. Such deductions shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Contractor's default failure to perform this Agreement in compliance with specified performance standards.

16. DEFAULT; REMEDIES

16.1. Events of Default. Each of the following shall constitute an event of default ("Event of Default") under this Agreement:

16.1.1. Contractor fails or refuses to perform or observe any term, covenant or condition contained in any of the following Sections of this Agreement: 10, 11, 15, 23.1, 23.2, 23.8, 23.13, 23.16, 23.27, or 23.30.

16.1.2. Contractor fails or refuses to perform or observe any other term, covenant or condition contained in this Agreement, and such default continues for a period of ten days after written notice thereof from City to Contractor.

16.1.3. Contractor (a) is generally not paying its debts as they become due, (b) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, (c) makes an assignment for the

benefit of its creditors, (d) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Contractor or of any substantial part of Contractor's property or (e) takes action for the purpose of any of the foregoing.

16.1.4. A court or government authority enters an order (a) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Contractor or with respect to any substantial part of Contractor's property, (b) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (c) ordering the dissolution, winding-up or liquidation of Contractor.

16.2. City's Rights on Default. On and after any Event of Default, City shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement with 30 Days' written notice, or to seek specific performance of all or any part of this Agreement. In addition, City shall have the right (but no obligation) to cure (or cause to be cured) on behalf of Contractor any Event of Default; Contractor shall pay to City on demand all costs and expenses incurred by City in effecting such cure, with interest thereon from the date of incurrence at the maximum rate then permitted by law. City shall have the right to offset from any amounts due to Contractor under this Agreement or any other agreement between City and Contractor all damages, losses, costs or expenses incurred by City as a result of such Event of Default and any liquidated damages due from Contractor pursuant to the terms of this Agreement or any other agreement.

16.3. No Waiver of Remedies. All remedies provided for in this Agreement may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations. The exercise of any remedy shall not preclude or in any way be deemed to waive any other remedy.

17. TERMINATION FOR CONVENIENCE

The City may terminate this Agreement in whole, or from time to time part, whenever the Director shall determine that such termination is in the best interest of the City. Any such termination shall be effected by delivery to Contractor of a notice of termination specifying the extent to which the Agreement is terminated and the date on which termination becomes effective. After receipt of a notice of termination, Contractor shall (i) stop performance under this Agreement on the date and to the extent specified in such notice, (ii) enter into no additional Advertising Contract relating to Contractor's rights and interests under the portion of the Agreement terminated, (iii) assign to the City in the manner, at the times, and to the extent directed by the Director, all of the right, title, and interest of the Contractor under Advertising Contracts and subcontracts identified by the Director and related to the rights and interests terminated, and terminate all other contracts and subcontracts related to such rights or interests; and (iv) within thirty (30) Days of the notice of termination, submit to the Director a statement of all outstanding liabilities and claims arising out of such termination of subcontracts, together with such information as may be required by the Director to evaluate such liabilities and claims. The determination of the Director on such liabilities and claims shall be administratively final.

18. RIGHTS AND DUTIES UPON TERMINATION OR EXPIRATION

18.1. If Contractor does not cure an Event of Default within thirty (30) Days from the date of a notice of termination, City may terminate this Agreement and assume all Advertising Contracts. Termination of this Agreement by City shall not affect the obligations of the Contractor or the rights of City that accrued prior to such termination,

except that as of the date of termination Contractor thereafter shall no longer be entitled to any revenues whatsoever from Advertising Contracts then in force.

18.2. This Section and the following Sections of this Agreement shall survive termination or expiration of this Agreement: 1.5**,** 1.9, 1.17, 1.18, 1.20, 1.24 through 1.27, 1.29, 5.5, 6.1.1, 8.1, 8.2**,** 11 through 13, 15, 23.1, 23.2, 23.4 through 23.9, 23.11.1, 23.11.2, 23.23 through 23.26, 23.30.

18.3. Any and all Advertisements that have been placed in Advertising Spaces as of the date of termination of this Agreement shall become the property of City and, at City's discretion, may remain on or in the Advertising Spaces, and Contractor shall not be entitled to possession of such materials. Contractor agrees to execute all documents necessary to give effect to this Section.

18.4. To the extent that this Agreement is terminated prior to expiration of the term specified in Section 2, this Agreement or the terminated portion of the Agreement shall terminate and be of no further force or effect. Contractor shall transfer title to City, and deliver in the manner, at the times, and to the extent, if any, directed by City, any work in progress, completed work, supplies, equipment, and other materials produced as a part of, or acquired in connection with the performance of this Agreement, and any completed or partially completed work which, if this Agreement had been completed, would have been required to be furnished to City. This subsection shall survive termination of this Agreement.

19. EMPLOYMENT REQUIREMENTS

19.1. LBE Participation. In accordance with the mutual commitment of the parties to encourage the use of LBEs, Contractor agrees to utilize certified LBE firms in support of the SFMTA's LBE program goals to the extent that Contractor procures supplies of services in connection with this Agreement, or subcontracts or joint ventures work under this Agreement. Contractor shall further encourage advertisers and advertising agencies to utilize LBEs. Information pertaining to LBEs is available from the Contract Compliance Office of the SFMTA, at One South Van Ness Ave., 6th floor, San Francisco, CA 94103, Phone: 415- 701-4443.

19.2. Trainee Requirements: Contractors are required to comply with the City's First Source Program, Administrative Code Section 83, which fosters employment opportunities for economically disadvantaged individuals. Contractors are required to notify the First Source Program of all open, entry-level positions and consider all program referrals fairly and equally. In addition, the SFMTA requires contractors to hire a minimum number of professional service trainees in the area of the consultant's expertise. The Contractor shall hire a minimum of two trainees. These hires count toward the First Source Hiring requirements. Trainees may be obtained through the City's One Stop Employment Center, which works with various employment and job training agencies/organizations or other employment referral source.

19.2.1. The trainee must be hired by the Contractor or by any subcontractor on the project team.

19.2.2. No trainee may be counted towards meeting more than one contract goal.

19.2.3. A trainee must meet qualifications for enrollment established under the City's First Source Hiring Program as follows:

(a) "Qualified" with reference to an economically disadvantaged individual shall mean an individual who meets the minimum bona fide occupational qualifications provided by the prospective employer to the San Francisco Workforce Development System in the job availability notices required by the Program, and

(b) "Economically disadvantaged individual" shall mean an individual who is either: (1) eligible for services under the Workforce Investment Act of 1988 (WIA) (29 U.S.C.A 2801 et seq.), as determined by the San Francisco Private Industry Council; or (2) designated "economically disadvantaged" for the First Source Hiring Administration, as an individual who is at risk of relying upon, or returning to, public assistance.

19.2.4. On-the-job Training (to be provided by the Contractor): The Contractor shall hire each trainee on a full-time basis for at least 12 months or on a part-time basis for 24 months, with prior approval offering him/her on-the-job training which allows the trainee to progress on a career path.

19.2.5. A summary of a job description and training for the trainee with the rate of pay should be submitted for approval.

19.2.6. The trainee's commitment does not require that he/she is used only on this project, but also on other projects under contract to the hiring firm, which is appropriate for the trainee's skill development.

20. FIRST SOURCE HIRING PROGRAM

20.1. Incorporation of Administrative Code Provisions by Reference. The provisions of Chapter 83 of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Contractor shall comply fully with, and be bound by, all of the provisions that apply to this Agreement under such Chapter, including but not limited to the remedies provided therein. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 83.

20.2. First Source Hiring Agreement. As an essential term of, and consideration for, any contract or property contract with the City, not exempted by the FSHA, the Contractor shall enter into a first source hiring agreement ("agreement") with the City, on or before the effective date of the contract or property contract. Contractors shall also enter into an agreement with the City for any other work that it performs in the City. Such agreement shall:

20.2.1. Set appropriate hiring and retention goals for entry level positions. The employer shall agree to achieve these hiring and retention goals, or, if unable to achieve these goals, to establish good faith efforts as to its attempts to do so, as set forth in the agreement. The agreement shall take into consideration the employer's participation in existing job training, referral and/or brokerage programs. Within the discretion of the FSHA, subject to appropriate modifications, participation in such programs may be certified as meeting the requirements of this Chapter. Failure either to achieve the specified goal or to establish good faith efforts will constitute noncompliance and will subject the employer to the provisions of Section 83.10 of this Chapter.

20.2.2. Set first source interviewing, recruitment and hiring requirements, which will provide the San Francisco Workforce Development System with the first opportunity to provide qualified economically disadvantaged individuals for consideration for employment for entry level positions. Employers shall consider all applications of qualified economically disadvantaged individuals referred by the System for employment; provided however, if the employer utilizes nondiscriminatory screening criteria, the employer shall have the sole discretion to interview and/or hire individuals

referred or certified by the San Francisco Workforce Development System as being qualified economically disadvantaged individuals. The duration of the first source interviewing requirement shall be determined by the FSHA and shall be set forth in each agreement, but shall not exceed 10 days. During that period, the employer may publicize the entry level positions in accordance with the agreement. A need for urgent or temporary hires must be evaluated, and appropriate provisions for such a situation must be made in the agreement.

20.2.3. Set appropriate requirements for providing notification of available entry level positions to the San Francisco Workforce Development System so that the System may train and refer an adequate pool of qualified economically disadvantaged individuals to participating employers. Notification should include such information as employment needs by occupational title, skills, and/or experience required, the hours required, wage scale and duration of employment, identification of entry level and training positions, identification of English language proficiency requirements, or absence thereof, and the projected schedule and procedures for hiring for each occupation. Employers should provide both long-term job need projections and notice before initiating the interviewing and hiring process. These notification requirements will take into consideration any need to protect the employer's proprietary information.

20.2.4. Set appropriate record keeping and monitoring requirements. The First Source Hiring Administration shall develop easy-to-use forms and record keeping requirements for documenting compliance with the agreement. To the greatest extent possible, these requirements shall utilize the employer's existing record keeping systems, be nonduplicative, and facilitate a coordinated flow of information and referrals.

20.2.5. Establish guidelines for employer good faith efforts to comply with the first source hiring requirements of this Chapter. The FSHA will work with City departments to develop employer good faith effort requirements appropriate to the types of contracts and property contracts handled by each department. Employers shall appoint a liaison for dealing with the development and implementation of the employer's agreement. In the event that the FSHA finds that the employer under a City contract or property contract has taken actions primarily for the purpose of circumventing the requirements of this Chapter, that employer shall be subject to the sanctions set forth in Section 83.10 of this Chapter.

20.2.6. Set the term of the requirements.

20.2.7. Set appropriate enforcement and sanctioning standards consistent with this Chapter.

20.2.8. Set forth the City's obligations to develop training programs, job applicant referrals, technical assistance, and information systems that assist the employer in complying with this Chapter.

20.2.9. Require the developer to include notice of the requirements of this Chapter in leases, subleases, and other occupancy contracts.

20.3. Hiring Decisions. Contractor shall make the final determination of whether an Economically Disadvantaged Individual referred by the System is "qualified" for the position.

20.4. Exceptions. Upon application by Employer, the First Source Hiring Administration may grant an exception to any or all of the requirements of Chapter 83 in any situation where it concludes that compliance with this Chapter would cause economic hardship.

20.5. Liquidated Damages. Contractor agrees:

20.5.1. To be liable to the City for liquidated damages as provided in this section;

20.5.2. To be subject to the procedures governing enforcement of breaches of contracts based on violations of contract provisions required by this Chapter as set forth in this section;

20.5.3. That the contractor's commitment to comply with this Chapter is a material element of the City's consideration for this contract; that the failure of the contractor to comply with the contract provisions required by this Chapter will cause harm to the City and the public which is significant and substantial but extremely difficult to quantify; that the harm to the City includes not only the financial cost of funding public assistance programs but also the insidious but impossible to quantify harm that this community and its families suffer as a result of unemployment; and that the assessment of liquidated damages of up to $5,000 for every notice of a new hire for an entry level position improperly withheld by the contractor from the first source hiring process, as determined by the FSHA during its first investigation of a contractor, does not exceed a fair estimate of the financial and other damages that the City suffers as a result of the contractor's failure to comply with its first source referral contractual obligations.

20.5.4. That the continued failure by a contractor to comply with its first source referral contractual obligations will cause further significant and substantial harm to the City and the public, and that a second assessment of liquidated damages of up to $10,000 for each entry level position improperly withheld from the FSHA, from the time of the conclusion of the first investigation forward, does not exceed the financial and other damages that the City suffers as a result of the contractor's continued failure to comply with its first source referral contractual obligations;

20.5.5. That in addition to the cost of investigating alleged violations under this Section, the computation of liquidated damages for purposes of this section is based on the following data:

(a) The average length of stay on public assistance in San Francisco's County Adult Assistance Program is approximately 41 months at an average monthly grant of $348 per month, totaling approximately $14,379; and

(b) In 2004, the retention rate of adults placed in employment programs funded under the Workforce Investment Act for at least the first six months of employment was 84.4%. Since qualified individuals under the First Source program face far fewer barriers to employment than their counterparts in programs funded by the Workforce Investment Act, it is reasonable to conclude that the average length of employment for an individual whom the First Source Program refers to an employer and who is hired in an entry level

position is at least one year; therefore, liquidated damages that total $5,000 for first violations and $10,000 for subsequent violations as determined by FSHA constitute a fair, reasonable, and conservative attempt to quantify the harm caused to the City by the failure of a contractor to comply with its first source referral contractual obligations.

20.5.6. That the failure of contractors to comply with this Chapter, except property contractors, may be subject to the debarment and monetary penalties set forth in Sections 6.80 et seq. of the San Francisco Administrative Code, as well as any other remedies available under the contract or at law; and

20.5.7. That in the event the City is the prevailing party in a civil action to recover liquidated damages for breach of a contract provision required by this Chapter, the contractor will be liable for the City's costs and reasonable attorneys fees.

20.5.8. Violation of the requirements of Chapter 83 is subject to an assessment of liquidated damages in the amount of $5,000 for every new hire for an Entry Level Position improperly withheld from the first source hiring process. The assessment of liquidated damages and the evaluation of any defenses or mitigating factors shall be made by the FSHA.

20.6. Subcontracts. Any subcontract entered into by Contractor shall require the subcontractor to comply with the requirements of Chapter 83 and shall contain contractual obligations substantially the same as those set forth in this Section.

21. REQUIRING MINIMUM COMPENSATION FOR COVERED EMPLOYEES

21.1. Contractor agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at www.sfgov.org/olse/mco. A partial listing of some of Contractor's obligations under the MCO is set forth in this Section. Contractor is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

21.2. The MCO requires Contractor to pay Contractor's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Contractor is obligated to keep informed of the then-current requirements. Any subcontract entered into by Contractor shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Contractor’s obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Contractor.

21.3. Contractor shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

21.4. Contractor shall maintain employee and payroll records as required by the MCO. If Contractor fails to do so, it shall be presumed that the Contractor paid no more than the minimum wage required under State law.

21.5. The City is authorized to inspect Contractor's job sites and conduct interviews with employees and conduct audits of Contractor

21.6. Contractor's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Contractor fails to comply with these requirements. Contractor agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Contractor's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

21.7. Contractor understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Contractor fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

21.8. Contractor represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

21.9. If Contractor is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than $25,000, but Contractor later enters into an agreement or agreements that cause contractor to exceed that amount in a fiscal year, Contractor shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Contractor and this department to exceed $25,000 in the fiscal year.

22. REQUIRING HEALTH BENEFITS FOR COVERED EMPLOYEES

Contractor agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at www.sfgov.org/olse. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

22.1. For each Covered Employee, Contractor shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Contractor chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.

22.2. Notwithstanding the above, if the Contractor is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.

22.3. Contractor's failure to comply with the HCAO shall constitute a material breach of this agreement. City shall notify Contractor if such a breach has occurred. If,

within 30 Days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Contractor fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

22.4. Any Subcontract entered into by Contractor shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Contractor shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Contractor shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Contractor based on the Subcontractor's failure to comply, provided that City has first provided Contractor with notice and an opportunity to obtain a cure of the violation.

22.5. Contractor shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Contractor's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

22.6. Contractor represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

22.7. Contractor shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

22.8. Contractor shall keep itself informed of the current requirements of the HCAO.

22.9. Contractor shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

22.10. Contractor shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

22.11. Contractor shall allow City to inspect Contractor's job sites and have access to Contractor's employees in order to monitor and determine compliance with HCAO.

22.12. City may conduct random audits of Contractor to ascertain its compliance with HCAO. Contractor agrees to cooperate with City when it conducts such audits.

22.13. If Contractor is exempt from the HCAO when this Agreement is executed because its amount is less than $25,000 ($50,000 for nonprofits), but Contractor later enters into an agreement or agreements that cause Contractor's aggregate amount of all agreements with City to reach $75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Contractor and the City to be equal to or greater than $75,000 in the fiscal year.

23. MISCELLANEOUS PROVISIONS

23.1. Submitting False Claims; Monetary Penalties. Pursuant to San Francisco Administrative Code § 21.35, any contractor, subcontractor or consultant who submits a false claim shall be liable to the City for three times the amount of damages which the City sustains because of the false claim. A contractor, subcontractor or consultant who submits a false claim shall also be liable to the City for the costs, including attorneys' fees, of a civil action brought to recover any of those penalties or damages, and may be liable to the City for a civil penalty of up to $10,000 for each false claim. A contractor, subcontractor or consultant will be deemed to have submitted a false claim to the City if the contractor, subcontractor or consultant: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

23.2. Taxes

23.2.1. Payment of any taxes, including possessory interest taxes and California sales and use taxes, levied upon or as a result of this Agreement, or the services delivered pursuant hereto, shall be the obligation of Contractor.

23.2.2. Contractor recognizes and understands that this Agreement may create a "possessory interest" for property tax purposes. Generally, such a possessory interest is not created unless the Agreement entitles the Contractor to possession, occupancy, or use of City property for private gain. If such a possessory interest is created, then the following shall apply:

(a) Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that Contractor, and any permitted successors and assigns, may be subject to real property tax assessments on the possessory interest;

(b) Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that the creation, extension, renewal, or assignment of this Agreement may result in a "change in ownership" for purposes of real property taxes, and therefore may result in a revaluation of any possessory interest created by this Agreement. Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report on behalf of the City to the County Assessor the information required by Revenue and Taxation Code Section 480.5, as amended from time to time, and any successor provision.

(c) Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that other events also may cause a change of ownership of the possessory interest and result in the revaluation of the possessory interest. (see, e.g., Rev. & Tax. Code Section 64, as amended from time to time). Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report any change in ownership to the County Assessor, the State Board of Equalization or other public agency as required by law.

(d) Contractor further agrees to provide such other information as may be requested by the City to enable the City to comply with any reporting requirements for possessory interests that are imposed by applicable law.

23.3. Qualified Personnel. Work under this Agreement shall be performed only by competent personnel under the supervision of and in the employment of Contractor. Contractor will comply with City's reasonable requests regarding assignment of personnel, but all personnel, including those assigned at City's request, must be supervised by Contractor. Contractor shall commit adequate resources to complete the project within the project schedule specified in this Agreement. Contractor shall provide an experienced local sales force with the capability to acquire national advertising accounts, and adequate production personnel to assure the utmost in design, construction, placement and maintenance of Advertisements and Infrastructure, as well as a fully staffed business office in San Francisco.

23.4. Responsibility for Equipment. City shall not be responsible for any damage to persons or property as a result of the use, misuse or failure of any equipment used by Contractor, or by any of its employees, even though such equipment be furnished, rented or loaned to Contractor by City.

23.5. Independent Contractor. Contractor or any agent or employee of Contractor shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the services and work requested by City under this Agreement. Contractor or any agent or employee of Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor or any agent or employee of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, FICA, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Contractor's performing services and work, or any agent or employee of Contractor providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between City and Contractor or any agent or employee of Contractor.

Any terms in this Agreement referring to direction from City shall be construed as providing for direction as to policy and the result of Contractor's work only, and not as to the means by which such a result is obtained. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement.

23.6. Payment of Taxes and Other Expenses Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Contractor is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Contractor which can be applied against this liability). City shall then forward those amounts to the relevant taxing authority.

Should a relevant taxing authority determine a liability for past services performed by Contractor for City, upon notification of such fact by City, Contractor shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Contractor under this Agreement (again, offsetting any amounts already paid by Contractor which can be applied as a credit against such liability).

A determination of employment status pursuant to the preceding two paragraphs shall be solely for the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City. Notwithstanding the foregoing, should any court, arbitrator, or administrative authority determine that Contractor is an employee for any other purpose, then Contractor agrees to

a reduction in City's financial liability so that City's total expenses under this Agreement are not greater than they would have been had the court, arbitrator, or administrative authority determined that Contractor was not an employee.

23.7. Conflict of Interest. Through its execution of this Agreement, Contractor acknowledges that it is familiar with the provision of Section 15.103 of the City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code, and Section 87100 et seq. and Section 1090 et seq. of the Government Code of the State of California, and certifies that it does not know of any facts which constitutes a violation of said provisions and agrees that it will immediately notify the City if it becomes aware of any such fact during the term of this Agreement.

23.8. Proprietary or Confidential Information of City. Contractor understands and agrees that, in the performance of the work or services under this Agreement or in contemplation thereof, Contractor may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Contractor agrees that all information disclosed by City to Contractor shall be held in confidence and used only in performance of the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary data.

23.9. Notices to the Parties. Unless otherwise indicated elsewhere in this Agreement, all written communications sent by the parties may be by U.S. mail, e-mail or by fax, and shall be addressed as follows:

To City: San Francisco Municipal Transportation Agency
Attn: Chief Financial Officer
One South Van Ness Ave. 8th floor
San Francisco, California 94103

with a copy to: San Francisco Municipal Transportation Agency
Attn: Contracts and Procurements
One South Van Ness Ave. 6th floor
San Francisco, California 94103

To Contractor: Titan Outdoor LLC
100 Park Avenue
New York, New York 10017
Attn: Donald R. Allman or Scott E. Goldsmith

Any notice of default must be hand-delivered or sent by registered mail.

23.10. Works for Hire. If, in connection with services performed under this Agreement, Contractor or its subcontractors create artwork, copy, posters, billboards, photographs, videotapes, audiotapes, systems designs, software, reports, diagrams, surveys, blueprints, source codes or any other original works of authorship, such works of authorship shall be works for hire as defined under Title 17 of the United States Code, and all copyrights in such works are the property of the City. If it is ever determined that any works created by Contractor or its subcontractors under this Agreement are not works for hire under U.S. law, Contractor hereby assigns all copyrights to such works to the City, and agrees to provide any material and execute any documents necessary to effectuate such assignment. With the approval of the City, Contractor may retain and use copies of such works for reference and as documentation of its experience and capabilities.

23.11. Audit and Inspection of Records

23.11.1. Records. Contractor shall maintain all Records in accordance with generally accepted accounting principles. All Records shall be maintained throughout the term of this Agreement at Contractor's San Francisco office and shall be maintained for five years following termination or expiration of this Agreement in a safe and secure location within the San Francisco Bay Area.

23.11.2. City's Right to Inspect and Copy. Any duly authorized agent of City shall have the right to examine and/or copy all Records at any time during normal business hours, provided that Contractor shall be allowed at least 48 hours after City identifies Records it wishes to copy to mark any such Records as confidential or proprietary. Records created or maintained in an electronic format shall be available to the City and its agents for examination and/or copying in an electronic format.

23.11.3. Audits. Contractor will cooperate fully with the performance by City or its agents of Contract Performance and Operations Audits. A Contract Performance Audit may examine any and all aspects of the Contractor's obligations under this Agreement. An Operations Audit may examine the quality and effectiveness of Contractor's organizational Structure, internal controls, financial reporting and business practices. City may require each type of audit no more than once per calendar year. City shall provide Contractor with 15 Days' notice of any audit to be performed under this Section. The State of California or any federal agency having an interest in the subject matter of this Agreement will have the same rights conferred upon City by this Section.

23.11.4. Findings of Nonperformance. In the event that any audit conducted pursuant to Section 23.11.3 results in a determination that Contractor has failed to perform any material term of this Agreement, City will issue a written Finding of Nonperformance to Contractor. Such Finding of Nonperformance will include a calculation of liquidated damages for Contractor's failure to perform, using the measure of liquidated damages specified in Section 15.1.3. Contractor's failure to cure may result in an Event of Default pursuant to Section 16. Any failure of City to list any violation of the terms of this Agreement in the Finding of Nonperformance shall not constitute a waiver of the City's right to impose any other right or remedy that it has under this Agreement or applicable law with respect to that violation.

23.12. Subcontracting. Contractor is prohibited from subcontracting this Agreement or any part of it unless such subcontracting is first approved by City in writing. Neither party shall, on the basis of this Agreement, contract on behalf of or in the name of the other party. An agreement made in violation of this provision shall confer no rights on any party and shall be null and void.

23.13. Assignment. The services to be performed by Contractor are personal in character and neither this Agreement nor any duties or obligations hereunder may be assigned or delegated by the Contractor unless first approved by City by written instrument executed and approved as required by law.

23.14. Non-Waiver of Rights. The omission by either party at any time to enforce any default or right reserved to it, or to require performance of any of the terms, covenants, or provisions hereof by the other party at the time designated, shall not be a waiver of any such default or right to which the party is entitled, nor shall it in any way affect the right of the party to enforce such provisions thereafter.

23.15. Nondiscrimination; Penalties

23.15.1. Contractor Shall Not Discriminate. In the performance of this Agreement, Contractor agrees not to discriminate against any employee, City and County employee working with such contractor or subcontractor, applicant for employment with such contractor or subcontractor, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

23.15.2. Incorporation of Administrative Code Provisions by Reference. The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Contractor shall comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Contractor understands that pursuant to §§12B.2(h) and 12C.3(g) of the San Francisco Administrative Code, a penalty of $50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against Contractor and/or deducted from any payments due Contractor.

23.16. Drug-Free Workplace Policy. Contractor acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited on City premises. Contractor agrees that any violation of this prohibition by Contractor, its employees, agents or assigns will be deemed a material breach of this Agreement.

23.17. Compliance with Americans With Disabilities Act. Contractor acknowledges that, pursuant to the Americans with Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to the disabled public. Contractor shall provide the services specified in this Agreement in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. Contractor agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Agreement and further agrees that any violation of this prohibition on the part of Contractor, its employees, agents or assigns will constitute a material breach of this Agreement.

23.18. Sunshine Ordinance. In accordance with San Francisco Administrative Code §67.24(e), contracts, contractors' bids, responses to solicitations and all other records of communications between City and persons or firms seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in this provision requires the disclosure of a private person or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. Information provided which is covered by this paragraph will be made available to the public upon request.

23.19. Limitations on Contributions. Through execution of this Agreement, Contractor acknowledges that it is familiar with Section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for

the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or a board on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Contractor acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of $50,000 or more. Contractor further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Additionally, Contractor acknowledges that Contractor must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126.

23.20. Prohibition on Political Activity with City Funds. In accordance with San Francisco Administrative Code Chapter 12.G, Contractor may not participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure (collectively, "Political Activity") in the performance of the services provided under this Agreement. Contractor agrees to comply with San Francisco Administrative Code Chapter 12.G and any implementing rules and regulations promulgated by the City's Controller. The terms and provisions of Chapter 12.G are incorporated herein by this reference. In the event Contractor violates the provisions of this Section, the City may, in addition to any other rights or remedies available hereunder, (i) terminate this Agreement, and (ii) prohibit Contractor from bidding on or receiving any new City contract for a period of two (2) years. The Controller will not consider Contractor's use of profit as a violation of this Section.

23.21. Preservative-Treated Wood Containing Arsenic. Contractor may not purchase preservative-treated wood products containing arsenic in the performance of this Agreement unless an exemption from the requirements of Chapter 13 of the San Francisco Environment Code is obtained from the Department of the Environment under Section 1304 of the Code. The term "preservative-treated wood containing arsenic" shall mean wood treated with a preservative that contains arsenic, elemental arsenic, or an arsenic copper combination, including, but not limited to, chromated copper arsenate preservative, ammoniacal copper zinc arsenate preservative, or ammoniacal copper arsenate preservative. Contractor may purchase preservative-treated wood products on the list of environmentally preferable alternatives prepared and adopted by the Department of the Environment. This provision does not preclude Contractor from purchasing preservative-treated wood containing arsenic for saltwater immersion. The term "saltwater immersion" shall mean a pressure-treated wood that is used for construction purposes or facilities that are partially or totally immersed in saltwater.

23.22. Modification of Agreement. This Agreement may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved as required by law.

23.23. Administrative Remedy for Agreement Interpretation. Should any question arise as to the meaning and intent of this Agreement, the question shall, prior to any other action or resort to any other legal remedy, be referred to Purchasing who shall decide the true meaning and intent of the Agreement.

23.24. Agreement Made in California; Venue. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California.

Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

23.25. Construction. All paragraph captions are for reference only and shall not be considered in construing this Agreement.

23.26. Entire Agreement. This contract sets forth the entire Agreement between the parties, and supersedes all other oral or written provisions. This contract may be modified only as provided in Section 23.22.

23.27. Compliance with Laws. Contractor shall keep itself fully informed of the City's Charter, codes, ordinances and regulations of the City and of all state, and federal laws in any manner affecting the performance of this Agreement, and must at all times comply with such local codes, ordinances, and regulations and all applicable laws as they may be amended from time to time.

23.28. Services Provided by Attorneys. Any services to be provided by a law firm or attorney must be reviewed and approved in writing in advance by the City Attorney. No invoices for services provided by law firms or attorneys, including, without limitation, as subcontractors of Contractor, will be paid unless the provider received advance written approval from the City Attorney.

23.29. Severability. Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the parties and shall be reformed without further action by the parties to the extent necessary to make such provision valid and enforceable.

23.30. Protection of Private Information. Contractor has read and agrees to the terms set forth in San Francisco Administrative Code Sections 12M.2, "Nondisclosure of Private Information," and 12M.3, "Enforcement" of Administrative Code Chapter 12M, "Protection of Private Information," which are incorporated herein as if fully set forth. Contractor agrees that any failure of Contactor to comply with the requirements of Section 12M.2 of this Chapter shall be a material breach of the Contract. In such an event, in addition to any other remedies available to it under equity or law, the City may terminate the Contract, bring a false claim action against the Contractor pursuant to Chapter 21 of the Administrative Code, or debar the Contractor.

23.31. Graffiti Removal. Graffiti is detrimental to the health, safety and welfare of the community in that it promotes a perception in the community that the laws protecting public and private property can be disregarded with impunity. This perception fosters a sense of disrespect of the law that results in an increase in crime; degrades the community and leads to urban blight; is detrimental to property values, business opportunities and the enjoyment of life; is inconsistent with the City's property maintenance goals and aesthetic standards; and results in additional graffiti and in other properties becoming the target of graffiti unless it is quickly removed from public and private property. Graffiti results in visual pollution and is a public nuisance. Graffiti must be abated as quickly as possible to avoid detrimental impacts on the City and County and its residents, and to prevent the further spread of Graffiti. Contractor shall remove all Graffiti from any Advertising Space or real property owned or leased by Contractor in the City and County of San Francisco within 48 hours of the earlier of Contractor's (a) discovery or notification of the Graffiti or (b) receipt of notification of the Graffiti from the Department of Public Works. This Section is not intended to require a Contractor to breach any lease or other agreement that it may have concerning its use of the real property. Any failure of Contractor to comply with this Section of this Agreement shall constitute an Event of Default of this Agreement.

23.32. Food Service Waste Reduction Requirements. Effective June 1, 2007, Contractor agrees to comply fully with and be bound by all of the provisions of the Food Service Waste Reduction Ordinance, as set forth in San Francisco Environment Code Chapter 16, including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 16 are incorporated herein by reference and made a part of this Agreement as though fully set forth. This provision is a material term of this Agreement. By entering into this Agreement, Contractor agrees that if it breaches this provision, City will suffer actual damages that will be impractical or extremely difficult to determine; further, Contractor agrees that the sum of $100 liquidated damages for the first breach, $200 liquidated damages for the second breach in the same year, and $500 liquidated damages for subsequent breaches in the same year is reasonable estimate of the damage that City will incur based on the violation, established in light of the circumstances existing at the time this Agreement was made. Such amount shall not be considered a penalty, but rather agreed monetary damages sustained by City because of Contractor's failure to comply with this provision.

23.33. No Third Party Beneficiaries. Except as expressly provided herein, this Agreement is for the benefit of the signatories to the Agreement only and no other person or entity shall be entitled to rely on, receive any benefit from, or enforce against either party any provision of this Agreement.

23.34. Disputes. Disputes arising in the performance of this Agreement that are not resolved by agreement of the parties will be decided in writing by the Chief Financial Officer of the SFMTA. The decision will be administratively final and conclusive unless, within 10 Days from the date of such decision, the Contractor mails or otherwise delivers a written appeal to the Director. Any appeal must contain the following: (a) a statement of the Contractor's position, (b) a summary of the arguments supporting that position, and (c) any evidence supporting the Contractor's position. The decision of the Director will be administratively final and conclusive. Pending final resolution of a dispute hereunder, the Contractor must proceed diligently with the performance of its obligations under the Agreement. Under no circumstances may the Contractor or its subcontractors stop work due to an unresolved dispute. An alternative dispute resolution process may be used in lieu of the procedures set forth in this Section 53 if the City and contractor agree to such alternative procedures.

23.35. MacBride Principles--Northern Ireland. The City and County of San Francisco urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, Contractor acknowledges that it has read and understood this Section.

24. INCLUDED APPENDICES.

The following documents appended to this Agreement are incorporated by reference:

A. Vehicles

B. Installation and Maintenance Plan

C. MTA Advertising Policy

D. Sales Activity Report

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day first mentioned above.

CITY	**CONTRACTOR**
By_____ EDWARD D. REISKIN Director of Transportation San Francisco Municipal Transportation Agency SFMTA Board of Directors Resolution No. _____ Dated: _____ ATTEST: _____ Secretary, Municipal Transportation Agency Board of Directors Board of Supervisors Resolution No. _____ Dated: _____ Attest: _____ Clerk of the Board Approved as to Form: Dennis J. Herrera City Attorney By: _____ Stephanie Stuart Deputy City Attorney	Titan Outdoor LLC By signing this Agreement, I certify that I comply with the requirements of the Minimum Compensation Ordinance, which entitle Covered Employees to certain minimum hourly wages and compensated and uncompensated time off. By_____

APPENDIX A

VEHICLES

Approximate total fleet count: 1,055 vehicles:

Distributed among 5 distinct vehicle types:

1. 525 Motor Buses
2. 301 Trolley Buses
3. 149 Light Rail Vehicles
4. 40 Cable Cars
5. 40 Historic Streetcars

APPENDIX B

INSTALLATION AND MAINTENANCE PLAN

POSTING TIMELINE

Contractor shall ensure timely posting and removal of all Advertisements as specified in Section 6.5. Should SFMTA require removal of an Advertisement or Advertising Campaign (e.g., for failure to comply with its Advertising Policy), Contractor shall remove such Advertisements within 72 hours of written notification (for an Advertising Campaign) and 24 hours of written notification for a single Advertisement.

CLEANING SCHEDULE AND PRODUCTS

Contractor agrees to keep all advertising displays in pristine condition by ensuring that each advertising device is visited/inspected by an operations employee of Contractor as required under Section 6.3.

In furtherance of the requirements of Section 6.7, Contractor shall use its best efforts to use "green" products and technologies, including using green posting and cleaning materials as available.

MINIMIZING INTERFERENCE TO SFMTA OPERATIONS DURING MAINTENANCE AND INSTALLATION ACTIVITIES.

Contractor shall work with the SFMTA to ensure that its placement, maintenance and removal of advertisements shall not disrupt service or inconvenience passengers. Contractor's operations group shall install advertisements mostly at night, but may perform work during the day with prior authorization from the Director.

RESPONSE TO HAZARDOUS CONDITIONS AND COMPLAINTS

As required under Section 6.4, Contractor shall repair any deficiency, including damage to an advertising display or Infrastructure within 24 hours of notification by the City. Contractor shall respond to and commence correction to any emergency condition within four hours.

Contractor shall respond to any question, request, concern or complaint within 24 hours after receipt.

STAFFING

Contractor intends to utilize its own employees for installation and maintenance of all Advertisements and Infrastructure. Contractor currently has 14 union employees and five operations managers (non-union) in its San Francisco operation. Titan will add additional employees if necessary to adequately service the SFMTA inventory. Contractor will also have at least one specialist in San Francisco who will be dedicated to scheduling, charting and managing advertising inventory, arranging for the timely installation and removal of advertisements, and ensuring that paid occupancy space is maximized while vacant space is minimized.

SAFETY

Contractor shall comply with all applicable and relevant federal, state and local safety and health rules and regulations, including, but not limited to, rules established in the United States by OSHA, the Federal and State EPA and the Federal and State Department of Transportation. Posting, cleaning and any related activity shall only be performed by Contractor personnel that have successfully completed safety training and all employees shall comply with all SFMTA safety requirements.

APPENDIX C

SFMTA Advertising Policy
Effective October 16, 2013

1. Purpose

The San Francisco Municipal Transportation Agency (SFMTA) operates the seventh largest public transit system in the country and exercises authority under the San Francisco Charter to manage the use by all modes of the City's transportation network. The SFMTA authorizes advertising on and in SFMTA facilities and property (including, but not limited to, buses, light rail vehicles, trolley cars, stations, parking garages, street furniture, cable cars, historic railcars and fare media) and under SFMTA contracts (hereafter "on SFMTA property") for the purpose of generating significant revenue to support SFMTA operations. Advertising shall not interfere with the SFMTA's delivery of transit or other services to the public or with the SFMTA's performance of its many other duties in maintaining the City's transportation network. Advertising on SFMTA property shall be consistent with the Agency's Strategic goals to:

a. Create a safer transportation experience for everyone.

b. Make transit, walking, bicycling, taxi, ride-sharing and car-sharing the preferred means of travel.

c. Improve the environment and quality of life in San Francisco.

d. Create a workplace that delivers outstanding service.

In keeping with its proprietary function as a provider of public transportation, the SFMTA does not intend by accepting advertising to convert its property into an open public forum for public discourse, debate or expressive activity. Rather, the SFMTA's fundamental purpose is to provide transportation services, and the SFMTA accepts advertising as a means of generating revenue to support its operations. In furtherance of this discreet and limited objective, the SFMTA retains control over the nature of advertisements accepted for posting on SFMTA property and maintains its advertising space as a limited public forum. As set forth in Section 2, this Policy prohibits advertisements that could detract from the SFMTA's goal of generating revenue or interfere with the safe and convenient delivery of SFMTA services to the public. Through this Policy, the SFMTA intends to establish uniform, viewpoint-neutral standards for the display of advertising on SFMTA property.

2. Advertising Standards

a. SFMTA advertising contractors shall not post any advertisement that concerns a declared political candidate or ballot measure scheduled for consideration by the voters in an upcoming election or an initiative petition submitted to the San Francisco Department of Elections.

b. SFMTA advertising contractors shall not post any advertisement that infringes on any copyright, trade or service mark, title or slogan.

c. SFMTA advertising contractors shall not post any commercial advertisements that are false, misleading or deceptive.

d. SFMTA advertising contractors shall not post any advertisement that is obscene or pornographic.

e. SFMTA advertising contractors shall not post any advertisement that is clearly defamatory or advocates imminent lawlessness or violent action.

f. SFMTA advertising contractors shall not post any commercial advertising of alcohol, tobacco or firearms.

g. SFMTA advertising contractors shall post the following language with every advertisement, in a size and location approved by the SFMTA: "The views expressed in this advertisement do not necessarily reflect the views of the San Francisco Municipal Transportation Agency."

The SFMTA reserves the right, from time to time, to amend, suspend, modify or revoke the application of any or all of these standards as it deems necessary to comply with legal mandates, or to facilitate its primary transportation function, or to fulfill the goals and objectives referred to herein. All provisions of this advertising policy shall be deemed severable.

3. Advertising Administration

SFMTA advertising contractors shall be responsible for the daily administration of the SFMTA's advertising in a manner consistent with this Policy and with the terms and conditions of their agreements with the SFMTA.

This Policy shall be effective upon adoption but shall not be enforced to impair the obligations of any contract in effect at the time of its approval. It shall be incorporated into any new contract for advertising on SFMTA property. SFMTA contracts granting advertising rights shall include this Policy as an attachment and require the following:

a. Any advertising contractor must comply with the advertising standards set forth in this Policy, as they may be amended from time to time.

b. Any advertising contractor must display only those advertisements that are in compliance with the Policy.

c. Any pilot programs or experimental advertisements must be approved by the SFMTA in advance.

APPENDIX D

(1) Sales Activity Report:

Contract #	Advertiser's Name	Client Category	Advertisement Category	Quantity Sold per Week/Month	Advertisement Rate	Gross Revenues	Commission	Net Revenues
		(1)	(2)					

(1) Commercial National, Commercial Local, Municipal Public Service, etc.
(2) Fashion, Media, Automotive, etc.

(2) Account Activity Summary by Display Location:

The same information as above by Display Type, External and Internal

(3) Account Activity Summary by Display Type:

Categories of Advertising Clients

Categories of Advertisers	% of Net Monthly Revenues (less Agency Commission)
Commercial – National	**%**
Commercial – Regional/Local	**%**
Municipal	**%**
Public Service	**%**

(4) Bay Area Distribution of Contracts:

Contract #	Gross Revenues	% Muni	% *	% *

* Insert names of other Bay Area transit properties