TRANSPORTATION NETWORK COMPANY COMMERCIAL GROUND TRANSPORTATION NON-EXCLUSIVE OPERATING PERMIT * PILOT PROGRAM *

OF	[PERMITTEE]
dba:	

AT SAN FRANCISCO INTERNATIONAL AIRPORT

PERMIT SUMMARY

For the convenience of Permittee and City (as such terms are defined below), this Permit Summary (this "Summary") summarizes certain terms of this Permit (as defined below). This Summary is not intended to be a detailed or complete description of the terms and conditions of this Permit, and reference must be made to the other Sections below for the particulars of this Permit. In the event of any inconsistency between the terms of this Summary and any other provision of this Permit, the provision of the Permit shall prevail. Capitalized terms used in the Permit and not defined elsewhere shall have the meanings provided in this Summary.

Reference Date:	
	[Date Permit signed by Permittee]
Permittee Name:	
dba:	
Notice Address: (§ 12.1)	
	Attn: Tel. No.:
	Fax No.:
	email:

City:	The City and County of San Francisco, a Municipal Corporation, acting by and through its Airport Commission
City's Notice Address: (§ 12.1)	San Francisco International Airport Attn: Ground Transportation Permit Processing Unit PO Box 8097 San Francisco, CA 94128-8097 Tel. No. (650) 821-3600 Fax No. (650) 821-3606
Designated Areas: (§ 1)	Service areas designated from time to time by the Director for the Permitted Use. As of the date hereof, the areas so designated are described in <i>Exhibit A</i> .
Permitted Use: (§ 3)	Drop-off: For the period of this Pilot Permit, Permittee is authorized to provide Charter Party ground transportation passenger service to airline passengers whose flights are departing from San Francisco International Airport ("SFO" or "Airport").
	Pick-up: For a period of ninety (90) calendar days from the date this permit is executed, and thereafter, at the sole and exclusive discretion of the Airport Director, Permittee is authorized to provide Charter Party ground transportation passenger service to airline passengers whose flights are arriving at SFO.
Commencement Date: (§ 2)	The date on which the conditions precedent in Section 2. [Commencement Date] are satisfied. Actual date:
Expiration Date (§2.2)	This Permit shall expire at 11:59 p.m. on August 31, 2015. Permit renewal is at the sole discretion of the Director.
Deposit Amount: (§ 8)	Dollars (\$) (subject to adjustment)
Other Agreements: (§ 9)	None
Attachments:	Appendix A: Current Designated Areas for TNC Services, as of the date of this Permit.
	Such Appendix is hereby incorporated herein and made a part hereof.
	Appendix B: Data Interface Agreement. Such Appendix is hereby incorporated herein and made a part hereof.

Initials of Authorized Representative of City	
Initials of Authorized Representative of Permittee	_

TRANSPORTATION NETWORK COMPANY COMMERCIAL GROUND TRANSPORTATION NON-EXCLUSIVE OPERATING PERMIT * PILOT PROGRAM *

OF	[PERMITTEE]
dba:	

AT SAN FRANCISCO INTERNATIONAL AIRPORT

THIS TRANSPORTATION NETWORK COMPANY ("TNC") COMMERCIAL GROUND TRANSPORTATION NON-EXCLUSIVE OPERATING PERMIT – PILOT PROGRAM ("Permit"), dated as of the Reference Date, is entered into by and between Permittee, and the City and County of San Francisco, a municipal corporation, acting by and through its Airport Commission ("City"), which, in turn, acts by and through its Director. This Permit is made with reference to the following facts:

- A. The City and County of San Francisco owns the San Francisco International Airport ("Airport"). The Airport is located in the County of San Mateo, State of California. The Airport Commission has charge of the management, operation, use and control of Airport property. The Airport Director ("Director") is the chief executive officer of the Airport.
- B. Under California Public Utilities Code §§ 21690.5-21690.10, the state Legislature has determined that the proper operation of the state's publicly owned airports is essential to the welfare of the people of California; the operation of such airports is a governmental function to be discharged in the furtherance of the policy of securing the benefits of tourism and commerce for the state and its people; that such airports may grant, deny and/or limit concessions for services to the public; and that in managing its operations, publicly owned airports shall promote the development of commerce and tourism by: (1) securing a diversity of airport services, (2) avoiding wasteful duplication, (3) securing to the users of airports safe, courteous, and quality service, (4) limiting or prohibiting business competition which is destructive of the ends of promoting commerce and tourism in the state, (5) allocating limited airport resources to promote such ends, and (6) fostering California's image as a commercial and tourist center.
- C. On September 23, 2013, the California Public Utilities Commission ("CPUC") issued its "Decision Adopting Rules and Regulations to Protect Public Safety While Allowing New Entrants to the Transportation Industry," ("Decision") which Decision includes, among other things, the following findings and orders:
 - 1. A Transportation Network Company ("TNC") is defined as an organization, whether a corporation, partnership, sole proprietor, or other form, operating in California that provides transportation services for compensation using an online-enabled application (app) or platform to connect passengers with drivers using their personal vehicles.

- 2. TNCs are Charter Party Carriers and must have a class P permit issued by the CPUC.
- 3. TNCs are not permitted to own vehicles used in their operations or to own their own fleets of vehicles.
- 4. Measures TNCs are required to use to ensure public safety include performing criminal background checks and California Department of Motor Vehicle checks on all drivers, and a 19-point vehicle inspection on all vehicles its drivers will use to perform TNC services.
- 5. TNCs must maintain commercial liability insurance providing at least \$1 million per incident coverage for incidents involving TNC drivers and vehicles engaged in TNC services.
- D. Permittee desires to operate at the Airport, and Director has determined that such operations, on the terms and conditions of this Permit, would be desirable for the Airport for the duration of the Pilot Program. The terms and conditions of any subsequent permit, including, but not limited to the Transportation Requirements; Permit Fees, Reporting, and Record Keeping; and Waiver, and Insurance provisions may be modified at the sole and absolute discretion of the Airport Director.
- E. Definitions. For purposes of this TNC Pilot Program, the following definitions shall apply:
 - 1. Decision or CPUC Decision: The September 23, 2013 Decision by the CPUC regulating TNCs as charter party carriers. The Decision, as may be amended or supplemented while this Permit is in effect, is incorporated here by reference as if set forth in full.
 - 2. Designated Trade Dress Location: The location on each TNC Vehicle where Permittee's Trade Dress, as described in the CPUC Decision, shall be located. The Designated Trade Dress Location shall be readily visible to the Airport's curbside enforcement team and must be approved by the Airport Director or his designee prior to Permittee commencing operations at the Airport.
 - 3. Rules and Regulations: The Airport Rules and Regulations for, among other things, use of Airport roadways. The Airport Rules and Regulations, as may be amended or supplemented while this Permit is in effect, are incorporated here by reference as if set forth in full.
 - 4. TNC Driver: An individual who has been approved by Permittee to use his/her privately-owned vehicle to transport passengers whose rides are arranged through the TNC's online-enabled application. For purposes of this Permit, the term "TNC Driver" applies at all times that a Permittee's driver is on Airport property by reason of the driver's relationship with the TNC Permittee, regardless of whether the TNC Vehicle is carrying a passenger.
 - 5. Permittee: The charter party carrier that has been issued a TNC permit by the CPUC to operate in the State of California and that is a signatory to this Permit.

6. TNC Vehicle: The personal, privately-owned vehicle used by a TNC Driver, which vehicle has passed the 19-point safety inspection referenced in the CPUC Decision and is insured by the vehicle's owner and covered by the TNCs commercial liability insurance policy.

Accordingly, Permittee and City agree as follows:

1. PERMIT

- 1.1. Permittee's Right to Use Designated Areas. City, acting by and through Director, grants to Permittee a revocable, personal privilege to use, in common with others so authorized, the Designated Areas to provide the Permitted Use, subject to the terms and conditions hereinafter set forth. As described below, this Permit may be revoked by Director at any time, without cause. This Permit gives Permittee a license only. Nothing in this Permit shall be construed as granting or creating any franchise rights pursuant to any federal, state or local laws. Permittee's rights to use the Designated Areas shall be on a non-exclusive basis. Consistent with the terms of the CPUC Decision, the Permittee shall perform all driver background checks and vehicle safety checks required by the Decision and all TNC Drivers identified by Permittee to the Airport shall be permitted to operate under Permittee's permit, unless otherwise stated herein.
- 1.2. <u>Rights of Ingress and Egress</u>. Permittee shall have the non-exclusive rights of ingress and egress across Airport property to conduct its permitted operations hereunder provided that such ingress and egress activity: (a) shall not impede or interfere with the operation of Airport by City or the use of the Airport by its tenants, passengers, or employees; (b) shall be subject to Airport Rules and Regulations, as amended from time to time ("Airport Rules"), including those pertaining to badge, permitting, and other security requirements, and the requirements of this Permit; (c) shall be on roadways, and other areas designed by Director from time to time; and (d) may be suspended or revoked by Director in the event of an emergency or threat to the Airport.
- 1.3. Changes to Airport. Permittee acknowledges and agrees that: (a) City shall have the right at all times to change, alter, expand, and contract the Airport, including the terminals, roadways, and designated pick-up, drop-off, and staging areas; (b) City has made no representations, warranties, or covenants to Permittee regarding Airport design, construction, or the conditions for passenger or automobile traffic. Without limiting the generality of the preceding clauses of this paragraph, Permittee acknowledges and agrees that the Airport (i) is currently undergoing, and may from time to time hereafter undergo, renovation, construction, and other Airport modifications; and (ii) may from time to time adopt rules and regulations relating to security and other operational concerns that may affect Permittee's business.
- 1.4. <u>"As-Is" Condition</u>. Permittee accepts the Designated Areas in their present condition and "as-is," without representation or warranty of any kind, and subject to all applicable Laws (as defined below). City shall have no obligation to alter, renovate, or otherwise change the Designated Areas. City shall have no obligation to provide utility services to the Designated Areas.

2. COMMENCEMENT DATE; REVOCATION

- 2.1. <u>Commencement Date</u>. This Permit shall be effective, and the "Commencement Date" shall be deemed to occur, on the date on which all of the following conditions precedent are satisfied, in Director's sole discretion:
 - (a) Director shall have received certificates evidencing that Permittee has obtained all insurance required by this Permit.
 - (b) Director shall have received the Deposit (as defined in Section 8 below), in the amount determined by Director.
 - (c) Permittee shall have instructed each TNC Driver regarding the terms of this Permit, including, but not limited to the requirement that TNC Drivers shall comply with Airport Rules and Regulations, which Rules and Regulations shall be made available by Permittee to its TNC Drivers.
 - (d) Permittee shall have filed with the Airport, and obtained the Director's approval of, Permittee's Charter Party Certificate for operation as a TNC currently authorized by the CPUC and complied with the requirements set forth in Section 3.3 of this Permit. To the extent the Director shall have conditioned his or her approval of these items, such conditions shall be incorporated herein and Permittee shall abide by such conditions.
 - (e) Permittee shall have filed with the Director all items listed in the Transportation Requirements described in Section 3.3 of this Permit.
 - (f) Director shall have received two (2) duplicate originals of this Permit, fully-executed by Permittee and City.
- 2.2. <u>Permit Term</u>. This Permit shall remain in effect until 11:59 p.m., on August 31, 2015. Permit renewal is at the sole discretion of the Director. In no event shall a permit be renewed unless and until all fees owing to the Airport by the Permittee and its TNC Drivers have been paid in full.
- 2.3 Revocation; Termination. This Permit may be revoked or mutually terminated as follows:
 - (a) This Permit is revocable at any time, in the sole and absolute discretion of Director. Such revocation shall be accomplished by giving thirty (30) days' prior notice to Permittee. Notwithstanding the foregoing, Director may also terminate the Permit upon the occurrence of an Event of Default (as defined below) without such 30-day notice.
 - (b) Permittee may terminate this Permit by giving thirty (30) days' prior notice to Director.

3. USE

- 3.1. <u>Permitted Use</u>. Permittee may use the Designated Areas only for the Permitted Use, and shall not conduct any activity or operations on the Airport not specifically included within the Permitted Use.
- 3.2. <u>No Exclusivity</u>. Permittee acknowledges and agrees that Permittee has no exclusive right to conduct the business described herein and that Director may arrange with others for similar activities at the Airport.

3.3. <u>Transportation Requirements</u>. In conducting its operations consisting solely of the Permitted Use, without limiting the generality of other provisions of this Permit, Permittee shall strictly comply with the following transportation requirements as amended from time to time by Director:

(a) TNC Driver and Vehicle Certification.

Upon issuance of this Permit, Permittee shall certify in a form determined by the Airport that the following safety criteria have been met: (i) every TNC Driver has a valid California driver's license and valid personal automobile insurance meeting the minimum requirements for the State of California; (ii) Permittee has completed a DMV record check and criminal history check of each TNC Driver, consistent with the requirements in the Decision; and (iii) Permittee has completed the 19-point inspection described in the Decision for each TNC Vehicle.

(b) TNC Driver Identification

For the term of the Pilot Permit, Permittee shall not be required to provide TNC driver identification information to the Airport. However, Permittee shall provide the Airport with a unique identifier for each TNC Driver who conducts business on Airport property. The unique identifier data required is further described in the Data Interface Agreement, set forth in Appendix B to this Agreement. Further, in the event the Airport determines that it requires driver identification information for permit and/or Rules and Regulations enforcement, Permittee shall provide such information to Airport as requested. This information shall be provided to the Airport telephonically and Permittee shall promptly respond to all such telephonic inquiries from the Airport and/or enforcement personnel from the San Francisco Police Department-Airport Bureau. Permittee expressly understands the Airport may require such information in any future TNC permit and that the terms of this Pilot Permit in no way establish a precedent or any limitation whatsoever on the discretion of the Airport Director to add to or subtract from or otherwise alter operating permit requirements. Further, Permittee understands that the Airport is developing a Ground Transportation Management System that may require TNC driver identification in any future permit. Permittee shall cooperate with assigned Airport staff during the course of the Pilot Permit term to determine whether and how a future permit, if one should be granted by the Airport Director, may include tracking TNC driver identification.

- (c) Tracking TNC Vehicles on Airport Roadways.
 - i. Unique Identifiers and License Plate Numbers

Prior to engaging in operations at the Airport and at Permittee's sole expense, Permittee shall work with assigned Airport personnel to develop a vehicle tracking protocol based on a Geo-Fence established by the Airport and consistent with the User Interface Agreement set forth in Appendix A to this Pilot Permit. The Geo-Fence shall be comprised of one or more polygons whose points are geographic coordinates defined by the Airport on City-owned property under the Airport's management. TNC vehicle tracking shall be established as follows: All TNC vehicles shall be identified electronically for each TNC trip by a unique number and the TNC license plate number. The unique number shall be linked by the Permittee to the driver in a manner that allows

the City to audit Permittee's compliance with the permit terms and the operating requirements established by the CPUC. Consistent with the auditing provisions in this Pilot Permit, the City shall periodically audit Permittee's records with respect to its operations at SFO. For the term of this Pilot Permit, all such audits shall take place in Permittee's San Francisco office.

ii. Tracking Triggers

TNC vehicle trips shall be tracked at various stages based on transaction type described below. For each transaction type, Permittee shall provide the transaction type date, time, geographical location, TNC identification, driver-based unique identifier and vehicle license plate number. TNC Driver must maintain an open application at all times while on Airport property.

- Upon Entry: Upon entry into the Geo-Fence, Permittee shall electronically notify ("ping") the Airport, in real time with the unique identifier and license plate number of each TNC Vehicle, including date, time, geographical location, TNC identification, driver-based unique identifier, vehicle license plate number and the number of active TNC rides in the vehicle at the time of entry. The ping shall be transmitted by Permittee to the Airport at the moment each TNC Vehicle crosses the Geo-Fence.
- Upon Ride Completion (on Airport property): When the TNC Driver completes a drop-off trip by indicating on his or her smart phone app that the ride is complete, Permittee shall instantaneously send a second ping to the Airport, including date, time, geographical location, TNC identification, driver-based unique identifier, vehicle license plate number and the number of active TNC rides remaining in the TNC Vehicle following ride completion.
- Upon Passenger Pick-Up (on Airport property): For the ninety (90) day period during which TNC pick-ups are allowed under this Permit, and thereafter, in the event the Airport Director elects to extend pick-up privileges, when the TNC Driver picks-ups a passenger on Airport property by indicating on his or her smart phone app that a passenger has been picked up, Permittee shall instantaneously send a ping to the Airport, including date, time, geographical location, TNC identification, driver-based unique identifier, vehicle license plate number and the number of active TNC rides remaining in the TNC Vehicle following passenger pick up.
- Exiting the Geo-Fence: Upon exiting the Geo-Fence, Permittee shall instantaneously send a final ping to the Airport, including date, time, geographical location, TNC identification, driver-based unique identifier, vehicle license plate number and the number of active TNC rides remaining in the TNC Vehicle following passenger pick up.

(d) Trade Dress and Removable Airport Permit Identifier

Any TNC Vehicle on Airport property shall at all times display: (i) Trade Dress; and (ii) an Airport Permit Placard. Failure of a TNC Vehicle to have both of these TNC indicators shall be deemed a violation of this Permit.

- (i) Trade Dress. Permittee shall provide the Airport with a photograph of Permittee's Trade Dress, along with a description of the Designated Trade Dress Location, which location must be approved by the Airport Director or his designee before Permittee commences operations at the Airport. While operating on Airport roadways, whether or not carrying a passenger, every TNC Vehicle operating under Permittee's permit shall display Permittee's Trade Dress in the Designated Trade Dress Location.
- (ii) Placard. The Airport shall provide the Permittee with an Airport Permit Placard template to be used for each of Permittee's TNC Vehicles. The Permittee shall assign one Placard for each of its TNC Vehicles. The Permittee shall indicate the assigned TNC Vehicle on each Placard by inserting the license plate number for that TNC Vehicle in the Placard template, where indicated. Each TNC Vehicle shall display the Placard on its dashboard. While operating on Airport roadways, whether or not carrying a passenger, every TNC Vehicle operating under Permittee's permit shall display Permittee's Placard on its dashboard.
- (iii) Removal. In the event that a TNC Vehicle is removed from Permittee's list of vehicles authorized to operate at the Airport under this Permit, Permittee shall be responsible for retrieving and destroying the Placard.

(e) Suspension of Pick-Up Privileges

In the event the Airport Director determines, in his sole discretion, to suspend Permittee's passenger pick-up privileges, Permittee shall promptly effect this prohibition through its application technology, such as by blocking out Airport property as a location available for pick-up or taking other steps as necessary to inform its drivers and customers of the prohibition.

(f) Electronic Waybills.

TNC Drivers must be prepared to present an electronic waybill to any law enforcement officer or representative of the City upon request, which waybill shall include the unique identifier number and license plate number described in § 3.3(c) herein. The electronic waybill must comply with the CPUC Decision and shall include a photograph of the TNC Driver, a photograph of the TNC Vehicle, including the vehicle license plate number, and information regarding the pick-up location of the most recent passenger.

(g) TNC Driver Training.

Permittee shall be responsible for ensuring that TNC Drivers use the Designated Areas approved by the Director for passenger drop-off and that TNC Drivers comply with the provisions of this Permit and the Airport's Rules and Regulations. In addition, prior to engaging in operations under this Permit, Permittee shall attend an orientation training at an Airport location determined by the Director or his designee, and shall convey the

substance of the training to each TNC Driver before each such driver operates on Airport roadways. Permittee shall make its training available to the Airport upon request.

(h) TNC Notice to Drivers

Permittee shall promptly notify TNC Drivers of any and all current and changed permit conditions and shall promptly notify the Airport, in writing, that it has done so. Further, each time an individual TNC Driver fails to comply with the conditions of this Pilot Permit, whether such failure to discovered by Permittee or brought to Permittee's attention by the Airport, Permittee shall promptly notice such TNC Driver, direct TNC Driver to immediately come into compliance, and TNC shall promptly notify the Airport, in writing, that it has done so.

- 3.4. Staging Area. All TNC Vehicles not actively loading or unloading passengers shall be parked in the designated staging area as described in Appendix A, and shall keep trade dress exhibited as described elsewhere in this Pilot Permit. In the event a TNC Driver accepts a ride on behalf of another TNC while in the designated staging area, TNC Driver shall promptly apply the appropriate trade dress before exiting the designated staging area. TNC Vehicles may only enter the Airport terminal roadways if carrying an Airport-bound passenger or if a ride request has been accepted from a customer at the Airport. City reserves the right to charge a fee for use of the staging area in an amount determined by the Director at his sole discretion. Use of the staging area shall be limited to 30 minutes or the posted time limits, whichever period is shorter. No TNC Vehicles shall stage, wait or park in any other areas of the Airport other than the designated staging area, nor shall TNC Vehicles loop around terminal roadways or any other Airport roadways while waiting for a pick-up.
- 3.5. Advertising and Promotions Prohibited. Neither Permittee nor any TNC Driver shall conduct any advertising or promotional activities on the Airport. Without limiting the generality of the preceding sentence, this prohibition includes: (a) posting any rates or transportation fares; (b) any advertising of cigarette or tobacco products, including electronic cigarettes; and/or (c) vehicle wrapping or other method of using the exterior of a TNC Vehicle to advertise or promote goods or services. Excluded from this section is Permittee's trade dress.
- 3.6. <u>General Prohibited Activities</u>. Permittee and TNC Drivers shall, at all times, comply with the Airport's Rules and Regulations. In the event the administrative fines set forth in the existing Rules and Regulations do not specifically address Permittee and/or TNC Drivers, the fees related to conduct of limousine drivers and/or limousine permittees shall apply. Without limiting any other provision of this Permit, Permittee and TNC Drivers shall not, without the prior written consent of Director:
 - (a) cause or permit anything to be done, in or about the Designated Areas, or bring or keep anything thereon which might (i) increase in any way the rate of fire insurance on the Airport; (ii) create a nuisance; (iii) in any way obstruct or interfere with the rights of others on the Airport or injure or annoy them;
 - (b) commit or suffer to be committed any waste upon the Designated Areas;
 - (c) use, or allow the Designated Areas to be used, for any improper, immoral, unlawful or objectionable purpose;
 - (d) place any loads upon the floor, walls or ceiling which endanger the structure or obstruct the sidewalk, passageways, stairways or escalators, in front of, within, or adjacent to the Terminal Building Complex or the roadways;

- (e) do or permit to be done anything in any way tending to injure the reputation of City or appearance of the Airport; or
- (f) violate any applicable Airport Rules and Regulations.
- 3.7. Other Prohibited Activities. Without limiting the generality of other provisions of this Permit, the following activities are prohibited by Permittee, TNC Drivers, TNC's employees or independent contractors:
 - (a) Turning off or disabling a TNC app when a TNC Vehicle is on Airport property.
 - (b) Operation of a TNC Vehicle on Airport roadways by an unauthorized driver;
 - (c) Transporting a TNC passenger in an unauthorized vehicle;
 - (d) Picking up or discharging passengers or their baggage at any terminal level or location other than the Designated Areas;
 - (e) Leaving a vehicle unattended;
 - (f) Failing to maintain the interior and exterior of TNC Vehicles in a clean condition;
 - (g) Littering on the Airport premises:
 - (h) Failing to provide information or providing false information to law enforcement or Airport personnel;
 - (i) Operating a TNC Vehicle without the Trade Dress and Placard, as provided in Section 3.3(d), above;
 - (j) Soliciting passengers on Airport property;
 - (k) Recirculating anywhere on Airport roadways;
 - (l) Using or possessing any alcoholic beverage, or dangerous drugs or narcotic while on Airport roadways;
 - (m) Failing to operate a TNC Vehicle in a safe manner as required by the California Vehicle Code;
 - (n) Failing to comply with posted speed limits and traffic control signs;
 - (o) Using profane or vulgar language in the presence of any member of the public;
 - (p) Soliciting for or on behalf of any hotel, motel, club, nightclub or other business;
 - (q) Soliciting of any activity prohibited by the California Penal Code;
 - (r) Operating a vehicle which is not in a safe mechanical condition or which lacks mandatory safety equipment as defined in the California Vehicle Code and the California Bureau of Automotive Repair;
 - (s) Disconnecting any pollution control equipment;
 - (t) Double parking on Airport roadways;
 - (u) Operating a vehicle without CPUC certification or at any time during which Permittee's CPUC authority is suspended or revoked; and
 - (v) Engaging in any criminal activity.

- 3.8. <u>Inspections</u>; <u>Audit of Operations</u>. At any time, City may conduct an inspection or audit of Permittee's operations at the Airport to confirm that such operations comply with the requirements set forth in this Permit. Permittee shall cooperate with such inspection and/or audit. In the event an inspection or audit shows that Permittee is not complying with the requirements of this Permit, without limiting City's ability to determine a default under this Permit, City may require that Permittee reimburse City for the costs of such inspection and/or audit. Permittee shall promptly remedy any noncompliance shown in any such inspection and/or audit.
- 3.9. <u>Representative of Permittee</u>. Permittee shall provide Airport with name, address, telephone and email address for at least one qualified representative authorized to represent and act for it in matters pertaining to its operation, and shall keep Director informed in writing of the identity of each such person.

4. PERMIT FEES, REPORTING, AND RECORD KEEPING

- 4.1. <u>Defined Terms</u>. For the purposes of this Section 4, the following capitalized terms shall have the following meanings:
 - (a) "Trip" means each instance in which one of Permittee's vehicles drops-off or picks up a passenger on Airport property. For example, if a TNC Vehicle drops-off a customer and then picks-up another customer without leaving Airport property, that would equal two trips.
 - (b) "Per Trip Fee" shall be \$3.85 for each drop-off and \$3.85 for each pick-up.
 - (c) "Monthly Permit Fee" means the product of (a) the number of Trips conducted by Permittee's TNC Vehicles in one calendar month and (b) the Per Trip Fee then in effect.
 - (d) "Unpermitted Operations Period" means all TNC Vehicle drop-off and pick-up activities by TNC Drivers operating to, on or from Airport property using Permittee's app from the period of April 15, 2014 through the date the tracking processes described in this Pilot Permit are fully operational.
 - (d) "Permit Activation Fee" means a one-time the fee based on Permittee's activity at SFO during the Unpermitted Operations Period.

4.2 Permit Activation Fee

Permittee shall pay a Permit Activation Fee of either: (a) an amount representing actual unpaid Per Trip Fees during the Unpermitted Operations Period; or (b) the flat rate of \$100,000.

If Permittee elects option (a), then Permittee shall submit documentation supporting a calculation of all trips to, on or from SFO during the Unpermitted Operations Period. The documentation shall be submitted and remittance of the Permit Activation Fee shall be made in two installments: (1) for the period from April 15, 2014 through and including September 15, 2014; (2) for the period from September 16, 2014 to the date that the tracking processes described in the Permit are fully operational. If Permittee elects option (b), it shall submit the Permit Activation Fee with its signed Permit.

Upon final payment of the Trip Activation Fee, no further administrative monetary fees will be charged for the Unpermitted Operations Period.

4.3 Monthly Permit Fee.

- (a) The Permittee shall pay to the Airport a Monthly Permit Fee. A separate Per Trip Fee shall be assessed for each drop-off and each pick-up, such that a TNC Driver who drops off a passenger and then picks up another will result in a payment of two Per Trip Fees. The Monthly Permit Fee is due in full, and received by the Airport, within fifteen calendar days of the close of any calendar month.
- (b) The Monthly Permit Fee may be paid by ACH or wire transfer, check, or credit card.
- (c) The Monthly Permit Fee shall be accompanied by a full reporting of the Permittee's Airport operations for the payment period, as provided in Section 4.3 below.
- (d) All amounts due under this Permit, including Monthly Permit Fee, shall be paid in lawful money of the United States, free from all claims, demands, setoffs, or counterclaims of any kind. Any amounts due under this Permit, including the Monthly Permit Fee, not paid when due shall be subject to a service charge equal to the lesser of the rate of one and one-half percent (1½%) per month, and the maximum rate permitted by law. Acceptance of any service charge shall not constitute a waiver of Permittee's default on the overdue amount or prevent City from exercising any of the other rights and remedies available to City.
- 4.4. <u>Monthly Report</u>. Within fifteen calendar days of the close of any calendar month while this Permit is in effect, Permittee shall submit to the City its operations report for the previous calendar month (the "Monthly Report"). The Monthly Report shall be in an agreed-upon electronic format and shall include for each date of operations and for each Trip: (a) license plate number of the TNC Vehicle and (b) time of entry into and exit from Airport property. The Monthly Report shall also include the total number of Trips for the reporting period.

4.5. Books and Records.

- (a) Audit and Inspection of Records: Permittee agrees to maintain and make available to the City, during regular business hours, accurate books and accounting records relating to its operations under this Permit. Permittee will permit City to audit, examine and make excerpts and transcripts from such books and records, and to make audits of all invoices, materials, records and other data related to all other matters covered by this Permit. Permittee shall maintain such data and records in an accessible location and condition for a period of not less than five years from the expiration of the Permit or the last date of operations at the Airport, whichever is later. The State of California or any federal agency having an interest in the subject matter of this Permit shall have the same rights conferred upon City by this Section. Permittee agrees to maintain all books, records, accounts and reports required under this Permit for a period of not less than five years after the later of: (i) the date of termination or expiration of this Permit, except in the event of litigation or (ii) settlement of claims arising from the performance of this Permit, in which case Company agrees to maintain same until the City has disposed of all such litigation, appeals, claims or exceptions related thereto.
- (b) Reports: The Airport reserves the right to request any and all reports deemed necessary from the Permittee in the performance and auditing of this Permit at no cost to the Airport. These reports must be submitted within two (2) weeks from the date the request was made unless instructed otherwise in writing from the Airport. Failure to

- submit reports on a timely basis may be considered a material breach of the Permit and grounds for termination.
- (c) Other Data. Permittee shall also maintain internal or third party information system reviews, audits, or specialized testing performed for three years (current fiscal year plus two preceding fiscal years). (e.g., Statement on Standards for Attestation Engagements (SSAE) No. 16, Reporting on Controls at a Service Organization, from the Auditing Standards Board of the American Institute of Certified Public Accountants (AICPA)) and make such data available to the City upon request. Failure to provide complete and accurate reports on a timely basis may be considered a material breach of the Permit and subject to any remedies in law or equity including the termination of the Permit at the sole discretion of the Airport Director. The specific reports and format required may be amended from time to time upon express approval of the City.
- (d) Should any examination, inspection, and audit of Permittee's books and records by City disclose an underpayment by Permittee of the consideration due, Permittee shall promptly pay City the amount of such underpayment. If such underpayment exceeds five percent (5%) of the consideration due, Permittee shall reimburse City for all costs incurred in the conduct of such examination, inspection, and audit. Without limiting the generality of Section 12.11, in the event that City deems it necessary to use the service of legal counsel in connection with collecting the reimbursement for such examination, inspection, and audit, then Permittee shall reimburse City for reasonable attorney's fees and litigation expenses as part of the aforementioned costs incurred.
- (e) Disclosure of Records. Permittee recognizes that books and records regarding its operations under this Pilot Permit may be subject to disclosure under the California Public Records Act (Cal. Govt. Code §§ 6250 et seq) and/or the San Francisco Sunshine Ordinance (Admin. Code Chapter 67), collectively "Public Disclosure Authorities." The Airport understands that Permittee may contend that the TNC Driver identification information and the TNC Vehicle license plate information referred to in Appendix B, the Data Interface Agreement, is a trade secret not subject to disclosure. Although the Airport lacks sufficient information to determine whether such information is a trade secret for purposes of Public Disclosure Authorities, in the event the Airport receives a third party request for the Permittee's TNC Driver identification information and/or TNC Vehicle license plate information under the Public Disclosure Authorities, it will make its best efforts to promptly notify Permittee of such request and to not make an immediate disclosure; the intent would be to provide the Permittee with the opportunity to seek court intervention concerning the potential disclosure of confidential information or trade secret. In the absence of an order issued by a court of competent jurisdiction prohibiting disclosure of any such information, the Airport would comply with the applicable disclosure requirements.

5. ASSIGNMENT

5.1. <u>No Assignment</u>. Permittee shall not assign, encumber, or otherwise transfer, whether voluntary or involuntary or by operation of law, this Permit, or any right hereunder, without Director's prior written consent, which consent may be granted or denied in Director's sole and absolute discretion (the term "**Transfer**" shall mean any such assignment, encumbrance, or

transfer). Director's consent to one Transfer shall not be deemed a consent to subsequent Transfers. Any Transfer made without Director's consent shall constitute a default hereunder and shall be voidable at Director's election.

- 5.2. Changes in Permittee. The merger of Permittee with any other entity or the transfer of any controlling ownership interest in Permittee, or the assignment or transfer of a substantial portion of the assets of Permittee shall constitute a Transfer. Without limiting the generality of the foregoing, if Permittee is a partnership, a withdrawal or change, voluntary, involuntary or by operation of law of the partner or partners owning fifty-one percent (51%) or more of the partnership, or the dissolution of the partnership, or the sale or transfer of at least fifty-one percent (51%) of the value of the assets of the partnership, shall be deemed a Transfer. If Permittee is a corporation or limited liability company, any dissolution, merger, consolidation or other reorganization of Permittee, or the sale or other transfer of a controlling percentage of the capital stock or membership interests of Permittee, or the sale or transfer of at least fifty-one percent (51%) of the value of the assets of Permittee, shall be deemed a Transfer. The phrase "controlling percentage" means the ownership of, and the right to vote, stock or interests possessing at least fifty-one percent (51%) of the total combined voting power of all classes of Permittee's capital stock or interests issued, outstanding and entitled to vote for the election of directors. Without limiting the restrictions on asset transfers, this paragraph shall not apply to stock or limited liability company interest transfers of corporations or limited liability companies the stock or interests of which is traded through an exchange or over the counter.
- 5.3. <u>No Release</u>. In no event will Director's consent to a Transfer be deemed to be a release of Permittee as primary obligor hereunder.

6. COMPLIANCE WITH LAWS

At all times, Permittee shall cause its use of the Airport and its operations under this Permit to comply with all applicable federal, state and local laws, ordinances, rules, regulations, and directives, as may be amended from time to time, whether foreseen or unforeseen, ordinary or extraordinary, including but not limited to those relating to (a) health and safety, especially those pertaining to public safety such as safe driving practices, seat belts, child seats, and drug testing; (b) disabled access, including the Americans with Disabilities Act, 42 U.S.C. Sections 12101, *et seq.*, and Title 24 of the California Code of Regulations; (c) hazardous materials (see Section 10 below); (d) transportation. Permittee shall comply with the Airport Rules and Regulations and any applicable directives, meaning Airport Operating Bulletins of the Director, and all oral and/or written instructions given to Permittee by the Airport through Landside Operations or designated City representative. The City, the Airport Commission, its members, officers, agents, and employees of each of them, and their successors and assigns, shall have no liability and Permittee waives any liability for any diminution or deprivation of Permittee's rights by its compliance with this Section 6.

7. WAIVER; INDEMNITY; INSURANCE

7.1. <u>Waiver</u>. Permittee covenants and agrees that City shall not at any time to any extent whatsoever be liable, responsible or in any way accountable for, and Permittee waives and releases any claim (including any claim for contractual or implied indemnity) against City, for Losses which (a) at any time after the Reference Date may be suffered or sustained by Permittee or any TNC Driver arising out of Permittee's operations, or (b) are caused in whole or in part by any act or omission (whether negligent, non-negligent or otherwise) of Permittee or any Permittee Entity or TNC Driver, whether or not such Losses shall be caused in part by any act,

omission or negligence of any City Entity, except if caused solely by the gross negligence or willful misconduct of City.

- 7.2. <u>Indemnity</u>. In addition to, and not in limitation of the foregoing, Permittee shall indemnify, and save harmless City and its officers, agents and employees, and, if requested, shall defend them from and against any and all Losses caused in whole or in part by (a) any act or omission of Permittee or any Permittee Entity or TNC Driver, (b) Permittee's operations at the Airport, or (c) any default by Permittee or any Permittee Entity or TNC Driver in the observance or performance of any of the terms, covenants, or conditions of this Permit, whether or not any such Losses shall be caused in part by any act, omission or negligence of City or any City Entity, except if caused solely by the gross negligence or willful misconduct of City.
- 7.3. <u>Losses</u>. For purposes hereof "Losses" shall mean any and all losses, liabilities, judgments, suits, claims, damages, costs and expenses (including reasonable attorneys' fees, investigation costs, remediation costs, and court costs), of any kind or nature.
- 7.4. <u>Notice</u>. Without limiting the foregoing waiver and indemnity, each party hereto shall give to the other prompt and timely written notice of any Loss coming to its knowledge which in any way, directly or indirectly, contingently or otherwise, affects or might affect either, and each shall have the right to participate in the defense of the same to the extent of its own interest.
- 7.5. <u>Insurance</u>. Permittee acknowledges and agrees that the following insurance coverages are mandatory for purposes of this Pilot Program; data collected during the course of the program may result in changes to insurance coverages and amounts in future permits for TNC operations. Permittee shall procure and maintain during the term of this Permit the following minimum insurance:
 - (a) Workers' Compensation Insurance in statutory limits with Employer's Liability limits not less than \$1,000,000 each accident.
 - (b) Commercial, primary liability insurance policies shall provide per-incident coverage in the following amounts while a TNC vehicle is on the Airport premises:
 - Period 1: Not less than Fifty Thousand Dollars (\$50,000) for death and injury per person, One Hundred Thousand Dollars (\$100,000) for death and injury perincident, and Thirty Thousand Dollars (\$30,000) for property damage for all of the following conditions: (a) a TNC Vehicle is on Airport property; (b) the TNC Driver's app is on or open (or otherwise indicating availability through the TNC platform); (c) the TNC Vehicle has no passenger; and (d) the TNC Driver has not accepted a ride request. Consistent with § 3.3(c)(ii), all TNC Drivers shall have their apps open for the entire time they are on Airport property.
 - Period 2: Not less than One Million Dollars (\$1 million) per-incident when the driver's app is on and the driver has accepted a ride request. For purposes of this Pilot Program a TNC Driver is in Period 2 either (a) after he or she has dropped off a passenger on Airport property and has accepted a ride request for pick-up on or off Airport property or (b) after he or she enters Airport property for the purpose of meeting a requested pick-up.
 - Period 3: Not less than One Million Dollars (\$1 million) per-incident when a TNC driver is carrying a passenger on Airport property.

(c) Excess commercial liability insurance of not less than Two Hundred Thousand Dollars (\$200,000) per-incident for all of the following conditions: (a) a TNC Vehicle is on Airport property; (b) the TNC Driver's app is on or open (or otherwise indicating availability through the TNC platform); (c) the TNC Vehicle has no passenger; and (d) the TNC Driver has not accepted a ride request. Consistent with § 3.3(c)(ii), all TNC Drivers shall have their apps open for the entire time they are on Airport property.

In all cases, the insurance coverage shall be available to cover claims regardless of whether a TNC Driver maintains insurance adequate to cover any portion of the claim.

- 7.6. Form of Policies. All liability insurance policies shall be endorsed or otherwise to provide the following:
 - (a) Name as additional insured the City and County of San Francisco, the Airport Commission and its members, and all of the officers, agents, and employees of each of them (collectively "Additional Insureds").
 - (b) That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Permit, and that insurance applies separately to each insured against whom claim is made or suit is brought. No other insurance effected by City will be called upon to contribute to a loss covered hereby.
 - (c) Severability of Interests (Cross Liability): The term "the insured" is used severally and not collectively, and the insurance afforded under the liability coverages applies separately to each insured against whom claim is made or suit is brought, but the inclusion herein of more than one insured shall not operate to increase the limits of the company's liability.
 - (d) Notice of Cancellation. All policies shall provide that the insurance company shall provide thirty (30) days prior written notice to City of cancellation, or reduction in coverage or limits, delivered to City at City's Notice Address. Prior to issuance of the permit, Permittee shall provide evidence to City of proof of insurance coverage for a minimum period of not less than ninety (90) days.
- 7.7. <u>Delivery of Policies or Certificates</u>. On or before the Commencement Date, Permittee shall provide to City copies of its insurance certificates evidencing the above insurance, and, upon request, promptly provide copies of the required insurance policies.
- 7.8. <u>Subrogation</u>. Notwithstanding anything to the contrary herein, Permittee waives any right of recovery against City for any loss or damage to the extent the same is covered by Permittee's workers' compensation and property insurance. Permittee shall obtain from its insurer, if possible, a waiver of subrogation the insurer may have against City or any City Entity in connection with any Loss covered by Permittee's property insurance policy.
- 7.9. <u>Coverage</u>. At a minimum, Permittee shall carry all policies and coverages required in the CPUC Decision and any subsequent CPUC Rule or state or federal statute, or applicable local ordinance.

8. DEPOSIT

- 8.1. <u>Amount of Deposit</u>. Upon execution of this Permit, Permittee will deliver to Director a security deposit (the "Deposit") equal to the minimum Deposit amount specified in the Permit Application. As this Permit is part of the Pilot Program, the Airport Director has set an estimated Deposit as a basis for the Permit Application. The Director may, at his sole discretion, adjust the Deposit amount at any time after three months from the date the Permit is issued to establish a Deposit amount approximately equal to two months of the Monthly Permit Fee.
- 8.2. Form of Deposit. Such Deposit shall be in the form of: (a) a surety bond payable to City, naming City as obligee, and otherwise in form satisfactory to the City Attorney, and issued by a surety company satisfactory to Director: or (b) a letter of credit naming City as beneficiary, and otherwise in form satisfactory to the City Attorney, issued by a bank satisfactory to Director. With Director's consent, Permittee shall be permitted to submit as a Deposit a treasury bond, a certificate of deposit, or a certified check, or a credit card, all in form satisfactory to Director, in the Deposit Amount, to the extent the same is permitted by Commission policy. Such Deposit shall be reviewed and adjusted in the event this Permit is extended beyond the specified term, all at Permittee's cost, such that at all times, the Deposit is equal to the higher of (i) the minimum Deposit Amount specified in the Permit Application or (ii) six (6) months of Monthly Permit Fees estimated by Director. Such bond or letter of credit shall be kept in full force and effect at all times to ensure the faithful performance by Permittee of all covenants, terms, and conditions of this Permit, including payment of Monthly Permit Fees. Permittee shall cause the surety company or bank issuing such bond or letter of credit to give Director notice in writing by registered mail at least forty-five (45) days prior to the expiration date of such bond or letter of credit of its intention not to renew said bond or letter of credit.
- 8.3. Use of Deposit. If Permittee fails to pay a Monthly Permit Fee or otherwise defaults with respect to any provision of this Permit, City may use, apply or retain all or any portion of the Deposit for the payment of a Monthly Permit Fee or other charge in default or for the payment of any other sum to which City may become obligated by reason of Permittee's default or to compensate City for any loss or damage which City may suffer thereby. If City so uses or applies all or any portion of the Deposit, Permittee, within ten (10) days after demand therefor, shall deposit other security acceptable to Director with City in an amount sufficient to restore the Deposit to the full amount thereof. In the event the surety company or bank declines to renew or elects to cancel the bond or letter of credit comprising the Deposit, Permittee shall, at least fifteen (15) days prior to the expiration or cancellation date thereof, replace such bond or letter of credit with another bond or letter of credit. If Permittee fails to do so, City may, without notice to Permittee, draw on the entirety of the Deposit and hold the proceeds thereof as security hereunder. City shall not be required to keep the Deposit separate from its general accounts. If Permittee performs all of Permittee's obligations hereunder, the Deposit, or so much thereof as has not theretofore been applied by City, shall be returned, without payment of interest or other increment for its use, to Permittee (or, at City's option, to the last assignee, if any, Permittee's interest hereunder) upon the revocation or termination of this Permit. No trust relationship is created herein between City and Permittee with respect to the Deposit.

9. DEFAULT; REMEDIES

- 9.1. Event of Default. The occurrence of any one or more of the following events shall constitute a material breach of this Permit and an "Event of Default":
 - (a) Permittee shall fail duly and punctually to pay Monthly Permit Fees, or to make any other payment required under this Permit, when due to City, and such failure shall continue beyond the date specified in a written notice of such breach or default from Director, which date shall be no earlier than the third day after the effective date of such notice. Notwithstanding the foregoing, in the event there occur two defaults in the payment of Monthly Permit Fees or other payment under this Permit, Permittee shall not be entitled to, and City shall have no obligation to give, notice of any further defaults in the payment of Monthly Fees or other payment. In such event, there shall be deemed to occur an "Event of Default" immediately upon Permittee's failure to duly and punctually pay Monthly Fees or other payment due under this Permit; or
 - (b) Permittee shall become insolvent, or shall take the benefit of any present or future insolvency statute, or makes a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy, or a petition or answer seeking an arrangement for its reorganization, or the readjustment of its indebtedness under the federal bankruptcy laws, or under any other law or statute of the United States or of any state thereof, or consents to the appointment of a receiver, trustee, or liquidator of any or substantially all of its property; or
 - (c) A petition under any part of the federal bankruptcy laws, or an action under any present or future insolvency law or statute, is filed against Permittee and is not dismissed within thirty (30) days after the filing thereof; or
 - (d) A Transfer occurs without the prior approval of the City (Section 5); or
 - (e) Permittee fails to provide the Deposit within five (5) days after the Reference Date or fails to maintain in full such Deposit at all times while the Permit is in effect, and such failure shall continue for a period of more than three days after delivery by Director of written notice of such failure; or
 - (f) Permittee fails to obtain and maintain the insurance required under this Permit, or provide copies of the policies or certificates to City; or
 - (g) Permittee fails to keep, perform and observe each and every other promise, covenant and agreement set forth in this Permit, and such failure continues for a period of more than three days after delivery by Director of a written notice of such failure (the "First Notice"); or if satisfaction of such obligation requires activity over a period of time, if Permittee fails to commence the cure of such failure within three days after receipt of the First Notice, or thereafter fails to diligently prosecute such cure, or fails to actually cause such cure within one hundred twenty (120) days after the giving of the First Notice; or
 - (h) During the course of transporting passengers to or from the Airport, Permittee, TNC Drivers, Permittee's employees or independent contractors engage in criminal activity; or
 - (i) A default occurs under any other agreement between Permittee and City, including the Other Agreements, if any, and such default is not cured as may be provided in such agreement; provided, however, that nothing herein shall be deemed to imply that

Permittee shall be entitled to additional notice or cure rights with respect to such default other than as may be provided in such other agreement.

- 9.2. <u>Remedies</u>. Upon the occurrence and during the continuance of an Event of Default, City shall have the following rights and remedies in addition to all other rights and remedies available to the City under this Permit, at law, or in equity:
 - (a) City may elect in its sole discretion to increase the Deposit in an amount equal to six months of Monthly Permit Fees as determined by the Airport and/or require prepayment of Monthly Permit Fees. The City will set the amount of the prepayment based on the highest previous Monthly Permit Fee plus any other fines and charges due under this Permit, which amounts shall be due in full prior to further operations under this Permit;
 - (b) City may elect to terminate this Permit; and
 - (c) City may elect to terminate any other agreement between Permittee and City, including the Other Agreements, if any. Nothing in this Section shall be deemed to limit City's right to revoke this Permit as provided in Section 2 [Commencement Date; Revocation] of this Permit.
- 9.3. City's Right to Perform. All agreements and provisions to be performed by Permittee under any of the terms of this Permit shall be at its sole cost and expense and without any abatement of Monthly Permit Fees. If Permittee shall fail to pay any sum of money, other than Monthly Permit Fees, required to be paid by it hereunder, or shall fail to perform any other act on its part to be performed hereunder and such failure shall continue for ten (10) days after notice thereof by City, City may, but shall not be obligated to do so, and without waiving or releasing Permittee from any obligations of Permittee, make any such payment or perform any such other act on Permittee's part to be made or performed as provided in this Permit. All sums so paid by City and all necessary incidental costs shall be payable to City on demand.
- 9.4. <u>Cumulative Rights</u>. The exercise by City of any remedy provided in this Permit shall be cumulative and shall in no way affect any other remedy available to City under law or equity.

9.5. Fines.

- (a) As provided in the Airport Rules and Regulations, the Airport may impose or levy fines against Permittee, and/or TNC Drivers, for engaging in prohibited conduct. Specific fines for specific prohibited conduct are described in the Rules and Regulations.
- (b) If Permittee defaults under any of the Permit terms specified below, City may elect to impose administrative fines described below on the basis of per violation:

Violation	Section	Fine
Failure to adhere to transportation requirements	3	\$200
Failure to Pay Monthly Permit Fees	4	\$100
Failure to provide required reports	4	\$100
Failure to maintain required insurance certificates	7	\$100

Violation	Section	Fine
Failure to accurately report a TNC Trip	4	\$300
Engaging in other prohibited activities	3	\$100

City's right to impose the foregoing fines shall be in addition to and not in lieu of any and all other rights hereunder, in the Airport Rules and Regulations, or at law or in equity. City shall have no obligation to Permittee to impose fines on or otherwise take action against any other permittee or tenant at the Airport.

THE PARTIES ACKNOWLEDGE AND AGREE THAT A VIOLATION OF ANY OF THE ABOVE TERMS SHALL RESULT IN CITY INCURRING DAMAGES WHICH ARE IMPRACTICAL OR IMPOSSIBLE TO DETERMINE. THE PARTIES AGREE THAT THE ABOVE FINES ARE A REASONABLE APPROXIMATION OF SUCH DAMAGES.

10. HAZARDOUS MATERIALS

- 10.1. <u>Definitions</u>. As used herein, the following terms shall have the meanings hereinafter set forth:
 - (a) "Environmental Laws" shall mean any federal, state, local or administrative law, rule, regulation, order or requirement relating to industrial hygiene, environmental conditions or Hazardous Materials, whether now in effect or hereafter adopted.
 - (b) "Hazardous Materials" shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. "Hazardous Material" includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, also commonly known as the "Superfund" law, as amended (42 U.S.C. Sections 9601 et seq.) ("CERCLA"), or pursuant to Section 25316 of the California Health & Safety Code; any "hazardous waste" listed pursuant to Section 25140 of the California Health & Safety Code; any asbestos and asbestos containing materials; petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids; and any materials listed in the Airport's Terminal Improvement Guide.
 - (c) "Release" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or any property.
- 10.2. <u>Permittee's Covenants</u>. Neither Permittee nor any TNC Driver nor Permittee Entity shall cause any Hazardous Material to be brought upon, kept, used, stored, generated or disposed of in, on or about the Airport, or transported to or from the Airport.
- 10.3. <u>Environmental Indemnity</u>. Permittee shall indemnify, defend, and hold harmless City from and against any and all Losses arising during or after the term of this Permit as a result of or

arising from: (a) a breach by Permittee of its obligations contained in the preceding Section 10.2, or (b) any Release of Hazardous Material from, in, on or about the Airport caused by the act or omission of Permittee, TNC Drivers or any Permittee Entity.

10.4. Environmental Audit. Upon reasonable notice, Director shall have the right but not the obligation to conduct or cause to be conducted by a firm acceptable to City, an environmental audit or any other appropriate investigation of Permittee's operations for possible environmental contamination issues. Permittee shall pay all costs associated with said investigation in the event such investigation shall disclose any Hazardous Materials contamination as to which Permittee is liable hereunder.

11. CITY AND OTHER GOVERNMENTAL PROVISIONS

- 11.1. <u>Charter</u>. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.
- 11.2. <u>Tropical Hardwood and Virgin Redwood Ban</u>. The City and County of San Francisco urges contractors not to import, purchase, obtain or use for any purpose, any tropical hardwood or tropical hardwood or virgin redwood product.
- 11.3. <u>No Representations</u>. Permittee acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Permittee at the Airport, including any statements relating to the potential success or profitability of such venture. Permittee represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Permit.
- 11.4. <u>Limitation on Damages</u>. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Permittee or any Permittee Entity for any consequential, incidental, or special damages, or lost revenues or lost profits.
- 11.5. <u>Sponsor's Assurance Agreement</u>. This Permit shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.
- 11.6. Federal Nondiscrimination Regulations. Permittee understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A - Office of the Secretary of Transportation, Part 21, as amended, as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Permittee agrees as follows: "Permittee in its operation at and use of San Francisco International Airport, covenants that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, and (3) that the grantee, licensee, permittee, etc., shall comply with all other requirements imposed by or pursuant to Title 49, Code of Federal

Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended."

- 11.7. Federal Affirmative Action Regulations. Permittee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Permittee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Permittee assures that it will require that its covered sub-organizations provide assurances to Permittee that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.
- 11.8. Nondiscrimination Requirements. In the performance of this Permit, Permittee covenants and agrees not to discriminate on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, sex, sexual orientation, gender identity, Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), height or weight against any employee of, any City Employee working with, or applicant for employment with, Permittee, in any of Permittee's operations within the United States, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Permittee. Permittee shall include in any subcontracts permitted hereunder a non-discrimination clause applicable to the subcontractor in substantially the form of this Section 11.8.
- 11.9. <u>Conflict of Interest</u>. Permittee states that it is familiar with the provisions of Paragraph 15.103 of the City's Charter; Article III, Chapter 2 of the City's Campaign and Governmental Conduct Code and Paragraph 87100 et seq. and Paragraph 1090, *et seq.* of the Government Code of the State of California and certifies that it does not know of any facts which constitute 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 Permit.
- 11.10. Declaration Regarding Airport Private Roads. Permittee hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the exception of that portion of the North Airport Road which runs from the off and on ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated.
- 11.11. <u>Drug-Free Workplace</u>. Permittee acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Permittee, TNC Driver or any Permittee Entity shall constitute a default hereunder.

- 11.12. Compliance with Americans With Disabilities Act. Permittee acknowledges that, pursuant to the ADA, programs, services and other activities provided by a public entity, whether directly or through a contractor, must be accessible to the disabled public. Permittee shall provide the services specified in this Permit in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. Permittee agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Permit and further agrees that any violation of this prohibition on the part of Permittee, its employees, agents or assigns shall constitute a material breach of this Permit.
- 11.13. Pesticide Prohibition. Permittee shall comply with the provisions of Section 308 of Chapter 3 of the San Francisco Environment Code (the "Pesticide Ordinance") which (i) prohibit the use of certain pesticides on City property, (ii) require the posting of certain notices and the maintenance of certain records regarding pesticide usage, and (iii) require Permittee to submit to the Director an integrated pest management ("IPM") plan that (a) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Permittee may need to apply to the Premises during the term of this Permit, (b) describes the steps Permittee will take to meet the City's IPM Policy described in Section 300 of the Pesticide Ordinance, and (c) identifies, by name, title, address, and telephone number, an individual to act as the Permittee's primary IPM contact person with the City. In addition, Permittee shall comply with the requirements of Sections 303(a) and 303(b) of the Pesticide Ordinance.
- 11.14. <u>Airport Intellectual Property</u>. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. No proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Director's prior written consent.

12. GENERAL PROVISIONS

- 12.1. Notices. Except as otherwise specifically provided in this Permit, any notice, demand, or other correspondence given under this Permit shall be in writing and given by delivering the notice in person or by commercial courier, or by sending it by first-class mail, certified mail, return receipt requested, or Express Mail, return receipt requested, with postage prepaid, to: (a) Permittee at Permittee's Notice Address; or (b) City at City's Notice Address; or (c) such other address as either Permittee or City may designate as its new address for such purpose by notice given to the other in accordance with this Section. Any notice hereunder shall be deemed to have been given and received and effective two (2) days after the date when it is mailed, if sent by first-class, certified mail; one day after the date when it is mailed if sent by Express Mail; or upon the date personal delivery is made. For convenience of the parties, copies of notices may also be given by facsimile to the number set forth in the Summary or such other number as may be provided from time to time; however, neither party may give official or binding notice by facsimile.
- 12.2. <u>No Implied Waiver</u>. No failure by either party to insist upon the strict performance of any obligation of the other party under this Permit or to exercise any right, power or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or of such term, covenant or condition. No express written waiver of any default or the performance of any

provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver.

- 12.3. Entire Agreement. The parties intend that this Permit (including all of the attached exhibits and/or appendices, which are made a part of this Permit) shall be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous written or oral agreements or understandings. The parties further intend that this Permit shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including prior drafts hereof and changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Permit.
- 12.4. <u>Amendments</u>. Except as specifically provided herein, neither this Permit nor any term or provisions hereof may be changed, waived, discharged or terminated, except by a written instrument signed by the party against which the enforcement of the change, waiver, discharge or termination is sought.
- 12.5. <u>Interpretation of Permit</u>. The captions preceding the articles and sections of this Permit have been inserted for convenience of reference only and such captions shall in no way define or limit the scope or intent of any provision of this Permit. This Permit has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein and shall be interpreted to achieve the intents and purposes of the parties, without any presumption against the party responsible for drafting any part of this Permit. Provisions in this Permit relating to number of days shall be calendar days. Use of the word "including" shall mean "including, without limitation." References to statutes, sections, ordinances or regulations are to be construed as including all statutory, ordinance, or regulatory provisions consolidating, amending, replacing, succeeding or supplementing the statute, section, ordinance or regulation.
- 12.6. <u>Successors and Assigns</u>. Subject to the provisions of Section 5 [Assignment], the terms, covenants and conditions contained in this Permit shall bind and inure to the benefit of Permittee and City and, except as otherwise provided herein, their personal representatives and successors and assigns.
- 12.7. No Third-Party Beneficiaries. There are no third-party beneficiaries to this Permit.
- 12.8. <u>No Joint Venture</u>. It is expressly agreed that City is not, in any way or for any purpose, a partner of Permittee in the conduct of Permittee's business or a member of a joint enterprise with Permittee, and does not assume any responsibility for Permittee's conduct or performance of this Permit.
- 12.9. <u>Severability</u>. If any provision of this Permit or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Permit, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Permit shall be valid and be enforceable to the full extent permitted by law.
- 12.10. <u>Governing Law</u>. This Permit shall be construed and enforced in accordance with the laws of the State of California.
- 12.11. <u>Survival of Indemnities</u>. Expiration or termination of this Permit shall not affect the right of either party to enforce any and all indemnities and representations and warranties given or made to the other party under this Permit, nor shall it affect any provision of this Permit that expressly states it shall survive termination hereof. Each party hereto specifically acknowledges

and agrees that, with respect to each of the indemnities contained in this Permit, the indemnitor has an immediate and independent obligation to defend the indemnitees from any claim which actually or potentially falls within the indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to the indemnitor by the indemnitee.

- 12.12. <u>Joint and Several Liability</u>. The liabilities hereunder of the entities and/or person(s) comprising Permittee shall be joint and several.
- 12.13. <u>Authority</u>. If Permittee signs as a corporation, a limited liability company, or a partnership, each of the persons executing this Permit on behalf of Permittee does hereby covenant and warrant that Permittee is a duly authorized and existing entity, that Permittee has and is duly qualified to do business in California, that Permittee has full right and authority to enter into this Permit, and that each and all of the persons signing on behalf of Permittee are authorized to do so. Upon City's request, Permittee shall provide City evidence reasonably satisfactory to City confirming the foregoing representations and warranties.
- 12.14. <u>Counterparts</u>. This Permit may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Permit as of the Reference Date.

PERMITTEE:

dba:	
By:	
Name (Print):	
Title:	
CITY AND COUNTY OF SAN FRANCISC AIRPORT COMMISSION	SO.
BY:	

JOHN L. MARTIN, Airport Director

Recommended:	
By:	
Abubaker Azam Assistant Deputy Airport Director Operations – Airport Services	
APPROVED AS TO FORM:	
DENNIS J. HERRERA, City Attorney	
By:	
Deputy City Attorney	

APPENDIX A

Designated Areas of Operation

	Passenger Drop	p-Offs	Passenger Pick-U	Jps
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Domestic Terminals: Domestic Terminals:

Terminal curb White zones on Level 2 (Departures).

Active unloading only.

TNC vehicles are not

Terminal curb White zones on Level 2 (Departures).

Active loading only.

TNC vehicles are not

allowed to stage at the curb. allowed to stage at the curb.

International Terminal: International Terminal:

Terminal curb White zones on Level 3 (Departures).

Active unloading only.

Terminal curb White zones on Level 3 (Departures).

Active loading only.

TNC vehicles are not TNC vehicles are not

allowed to stage at the curb allowed to stage at the curb.

NOTICE: TNC VEHICLE PRESENCE ON ANY AIRPORT CURBSIDE IS STRICTLY LIMITED TO ACTIVE PASSENGER LOADING AND UNLOADING. STAGING OR WAITING AT ANY AIRPORT CURBSIDE IS ABSOLUTELY PROHIBITED.

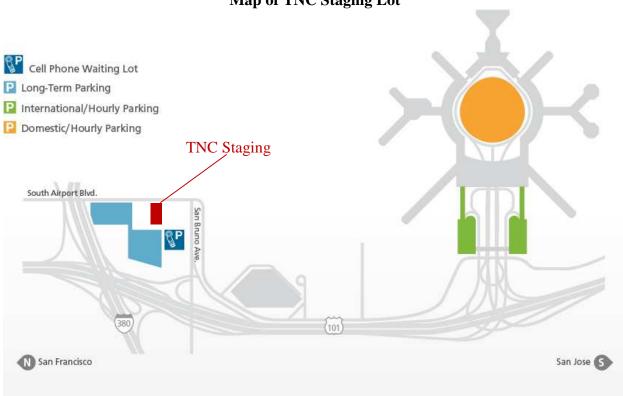
Staging Area

Lot Location: The TNC staging lot is located on South Airport Boulevard, north of San Bruno Avenue. A map of the location is attached hereto as Appendix A-1.

Parking: TNC Vehicles shall be parked in designated spaces only. If no spaces are available, TNC Vehicle must immediately exit Airport property

Dwell Time: Unless otherwise posted, no TNC Vehicle may remain in the Staging Area for more than 30 minutes. If a TNC Driver does not accept a ride within the 30-minute time limit, the TNC Driver and TNC Vehicle must immediately exit Airport property. Trade dress shall remain on all TNC vehicles in the staging area.

APPENDIX A-1 Map of TNC Staging Lot



APPENDIX B

DATA INTERFACE AGREEMENT

THIS DATA	INTERF	ACE A	GREEMEN	Γ is entered	into as	of	this da	y of		, 2014	(the
"Effective	Date"),	by		,	with	a	principal	place	of	business	at
				("Recip	pient") a	and	the City and	d County	y of Sa	an Francis	sco,
a municipal c	corporatio	n, actin	g by and thr	ough its Ai	rport Co	omn	nission, the	owner a	and op	erator of	the
San Francisc	o Interna	ational A	Airport (the	"Airport")	concern	ning	Confident	ial Info	rmatio	n. The I) ata
Interface Agre	eement is	made w	ith reference	to Recipier	nt's Peri	mit t	o Operate a	s a Tran	sporta	tion Netw	ork
Company on	SFO pre	emises.	This Data	Interface A	greeme	nt s	hall be atta	ached ar	nd inc	orporated	by
reference into	the Oper	ating Pe	rmit.								

The parties hereby agree as follows:

1. DATA REQUIREMENTS

The data exchange between Recipient and SFO shall conform to the following formats:

Name	Format	Description	Samples
uid	<driver +="" id="" trip=""></driver>	Driver id concatenated with the trip id.	<recipient to<br="">provide samples and format> Alphanumeric characters only.</recipient>
tnc_id	Five digit number	The assigned TCP number for Recipient.	"32111"
license_plate	Seven character string	For California, seven characters or less, numerical and alphabetic, that represents the vehicle license plate.	"ABC1234"
timestamp	[YYYY]-[MM]- [DD]T[hh]:[mm]:[ss]Z	The current time of the event or "ping" expressed in ISO 8601 combined date and time in UTC using 24-hour clock. http://en.wikipedia.org/wiki/ISO_8601#UTC	"2014-09- 10T14:12:05Z"
txn_type	Literal String	The type of event or "ping" as defined by the permit.	"ENTRY" "DROP-OFF" "PICK-UP" "EXIT"
ride_count	Integer	Number of active TNC rides in the vehicle following the transaction event/ping. Value will be either "0" (no active ride) or "1" (active ride).	"0" "1"
lon	World Geodetic System 1984 (WGS84) formatted longitude	The longitude coordinate of the event or "ping" expressed as a positive or negative number. For SFO, this will always be a negative number.	"-123.12345678"
lat	World Geodetic System 1984 (WGS84) formatted latitude	The latitude coordinate of the event or "ping" expressed as a positive or negative number. For SFO this will always be a positive number.	"123.12345678"

2. WEB SERVICE

SFO shall provide a web service in order to accept data from Recipient in the following manner:

- a. The web service shall use HTTPS protocol to submit all requests and posts.
- b. The web service shall allow HTTPS POST for all "pings" from Recipient.
- c. The web service shall accept the HTTPS POST parameters as defined in the following list: "uid", "tnc_id", "license_plate", "timestamp", "txn_type " ride_count", "lon", "lat". Parameters must be URL encoded.
- d. A username and secret phrase shall be shared between Recipient and SFO in order to create a basic authorization mechanism for all requests from Recipient. Base64 encoding of the <username:secret phrase> shall be provided in the HTTP Authorization Header for all HTTPS requests.
- e. Data from Recipient shall be posted to the following URL with the following parameters with URL encoding (based on RFC 1738: http://www.ietf.org/rfc/rfc1738.txt) employed: https://216.9.96.29:8443/tnc/services/audit?uid="<value>"&tro_id="<value>"&license_plate="<value>"×tamp="<value>"&txn_type="<value>"& ride_count="<value>"×tamp="<value>"&lon="<value>"&lon="<value>"&lon="<value>"&lon="<value>"

Example:

https://216.9.96.29:8443/tnc/services/audit?uid="1234599999"&tnc_id="32111"&license_plate=" ABC1234"×tamp="2014-09-10T14:02:55Z"&txn_type="ENTRY"& ride_count ="1"&lon="-123.12345678"&lat="123.12345678"

- f. Airport acknowledges that Permittee asserts that some of the Interface Data contains personally identifiable information and is a compilation of information that constitutes Permittee's trade secret. Although the Airport lacks sufficient information to determine whether such information is a trade secret for purposes of Public Disclosure Authorities, in the event the Airport receives a third party request for TNC Driver identification information and/or TNC Vehicle license plate information under the Public Disclosure Authorities described in § 4.5(e) of the Pilot Permit, it will follow the procedure set forth in § 4.5(e) in the Pilot Permit.
- g. Airport agrees to maintain adequate administrative, physical, technical and procedural safeguards to protect the Interface Data in the possession of Airport against unauthorized access or disclosure.

RECIPIENT.

THIS AGREEMENT IS EXECUTED by the parties as of the Effective Date.

AIM OKT.	RECHIENT.	
BY:	BY:	
Print Name	Print Name	
Title	Title	

AIRPORT.