

*Los Angeles
World Airports*

June 14, 2012

The Honorable City Council
of the City of Los Angeles
City Hall, Room 395
Los Angeles, CA 90012

LAX

LA/Ontario

Van Nuys

City of Los Angeles

Antonio R. Villaraigosa
Mayor

**Board of Airport
Commissioners**

Michael A. Lawson
President

Valeria C. Velasco
Vice President

Joseph A. Aredas
Robert D. Beyer
Boyd Hight
Ann M. Hollister
Fernando M. Torres-Gil

Gina Marie Lindsey
Executive Director

Subject: Council File 12-0859

Transmitted herewith for your consideration is Resolution No. 24815, in which the Board of Airport Commissioners, at their meeting of June 4, 2012 approved. Resolution No. 24815 authorizes an interim two (2)-year Concession Agreement, with a one (1)-year renewal option with Advanced Wireless Group LLC for upgrade, operation, and maintenance of the public wireless internet system at Los Angeles International Airport.

There is no fiscal impact to the City's General Fund as a result of this action.

Very truly yours,

Sandra J. Miller, Secretary
BOARD OF AIRPORT COMMISSIONERS

Enclosure - Agreement

cc: Trade, Commerce and Tourism Committee
Councilmember LaBonge, E-file
Councilmember Rosendahl, E-file
Councilmember Buscaino, E-file
CAO (Airport Analyst), E-file
CLA (Airport Analyst), E-file
City Clerk's Office, Enc. (one original and one copy)





RESOLUTION NO. 24815

LAX

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Gina Marie Lindsey
Executive Director

BE IT RESOLVED that the Board of Airport Commissioners approved an interim two (2)-year Concession Agreement, with a one (1)-year renewal option for Los Angeles World Airports, with Advanced Wireless Group LLC, for upgrade, operation, and maintenance of the public wireless internet system at Los Angeles International Airport, with minimum guaranteed revenue of \$663,333 over the two (2)-year term, a summary of which can be found on the board report attached herein and made part hereof; and

BE IT FURTHER RESOLVED that the Board has authorized the Executive Director to execute said Concession Agreement upon approval as to form by the City Attorney; and

BE IT FURTHER RESOLVED that issuance of leases, agreements, renewals and amendments or extensions thereof, granting use of existing facilities at a municipal airport involving negligible or no expansion of use is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Article III Class 1(18)(c) of the Los Angeles City CEQA Guidelines; and

BE IT FURTHER RESOLVED that this action is subject to the provisions of Los Angeles City Charter Section 245.

o0o

I hereby certify that this Resolution No. 24815 is true and correct, as adopted by the Board of Airport Commissioners at its Regular Meeting held on Monday, June 4, 2012.

Grace Miguel – Assistant Secretary
BOARD OF AIRPORT COMMISSIONERS



Los Angeles World Airports

Item Number
7

Report to the BOARD OF AIRPORT COMMISSIONERS

Approved by: Dave Jones - Director
Terminals Business Management

Reviewed by: Debbie Bowers - Deputy Executive Director
Commercial Development Group

City Attorney

Gina Marie Lindsey - Executive Director

Meeting Date:

June 4, 2012

CAO Review:

☐ Completed
☐ Pending
☒ N/A

| Reviewed for | Date | Approval Status | By |
|------------------|----------|--|----|
| Capital Budget | 05/04/12 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA | DS |
| Operating Budget | 05/07/12 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA | RW |
| CEQA | 05/04/12 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N | AE |
| Procurement | 05/23/12 | <input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> Cond | MT |

SUBJECT: Award of Concession Agreement to Advanced Wireless Group LLC

Award and approval of an interim two-year Concession Agreement, with a one-year option for Los Angeles World Airports, to Advanced Wireless Group LLC to upgrade, operate, and maintain the public wireless internet system at Los Angeles International Airport with a minimum annual guaranteed revenue of \$283,333 in the first year, and \$663,333 over the two-year term.

RECOMMENDATIONS:

Management RECOMMENDS that the Board of Airport Commissioners:

1. ADOPT the Staff Report.
2. DETERMINE that this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Article III, Class 1(18)(c) of the Los Angeles City CEQA Guidelines.
3. FIND that, pursuant to Charter Section 371(e)(10), competitive bidding for this work would be undesirable, impractical or impossible.
4. Approve the award of the proposed interim two-year Concession Agreement, with a one-year option for Los Angeles World Airports, to Advanced Wireless Group LLC for operation of the public wireless internet system at Los Angeles International Airport.
5. Authorize the Executive Director or her designee to execute the Concession Agreement upon approval as to form by the City Attorney.

DISCUSSION:

1. Executive Summary

Staff requests the Board of Airport Commissioners (Board) approve an interim two-year Agreement, with a one-year extension option for Los Angeles World Airports (LAWA), with Advanced Wireless Group (AWG) to provide free wireless internet system (Wi-Fi) services at Los Angeles International Airport (LAX) for passengers using the free Wi-Fi basic services sessions lasting less than 45 minutes, plus a passenger-optional payment supported alternative for premium and uninterrupted Wi-Fi service for a 24-hour period.

Currently at LAX, passenger Wi-Fi service is only available on a payment basis, at a cost of \$9.99 per session. The current payment-supported Wi-Fi provider, T-Mobile USA, Inc. (T-Mobile) does not provide free Wi-Fi, is currently operating on holdover, will no longer provide internet services as part of its business model and will discontinue its services at LAX as soon as a replacement provider is in place. Given passenger expectations and trends at major airports and other public facilities, staff does not believe replacing the current payment-supported Wi-Fi model is in the best interest of the airport, and therefore have worked to develop a transitional model that is free to the passengers while better longer-term solutions are deployed.

Due to rapidly changing technology, a permanent solution for providing various digital and Wi-Fi services, such as internet access, coverage for wireless devices, operation of radio frequencies, and adequate digital media bandwidth for passengers, tenants, concessionaires, and LAWA, requires extensive infrastructure improvements in and around the passenger terminals. After discussion with industry experts and interested parties, such as the telecommunication providers, and research of airport best practices, staff determined that a comprehensive distributed antenna system (DAS) is the best solution for the terminals at LAX.

However, implementation of a DAS solution requires a significant investment in infrastructure, time to complete a competitive process to successfully contract with a DAS provider, and time to install the DAS solution. As a result, the interim solution recommended here is the best option for bridging from the current payment-supported Wi-Fi system to a DAS system, while providing free Wi-Fi to the passengers immediately. Even this bridging solution will require additional investments in infrastructure to support the dramatic increased demand anticipated by offering free Wi-Fi to passengers. Because this increased use will overstress the capacity of the existing system the interim solution requires investment to provide an acceptable level of Wi-Fi service.

Staff identified that San Francisco International Airport (SFO) recently conducted a competitive process under circumstances very similar to LAX, i.e. (1) SFO had T-Mobile as its previous Wi-Fi provider, (2) SFO was seeking a transition to a hybrid system (free and pay-for-use), (3) SFO sought a neutral host system (allowing access to all applicable companies), (4) SFO was seeking a short-term solution for its internet services, and (5) SFO did not want to make a large investment in the system. SFO selected AWG to provide Wi-Fi service at the conclusion of its competitive process. LAWA staff sought to join the SFO contract to provide free Wi-Fi services at LAX because AWG's business model satisfies LAWA's interim goals for Wi-Fi at LAX, i.e. (1) AWG will provide free Wi-Fi to passengers at LAX, (2) AWG offers access to all applicable companies on an equal cost basis (neutral host) which was the most important request from cellular companies interviewed, and (3) AWG itself has no subscribers to its service so no individual or entity has a use or financial advantage on the system. However, the SFO transaction was structured as a Lease instead of a concession agreement and therefore LAWA

could not use a contract-joining approach with another governmental entity like LAWA does in a variety of similar situations.

The City Charter allows the Board to approve a sole source contract for the performance of professional, scientific, expert, technical or other special service where the Board finds that the use of competitive bidding would be undesirable, impractical or impossible. Given the time needed to release an RFP, select a contractor and award a contract, and the technical barriers to joining the SFO contract with AWG, staff requests the Board approve entering into this proposed sole source interim agreement with AWG to provide Wi-Fi internet services at LAX while LAWA completes the RFP process to identify a DAS provider.

Approval of this Agreement would provide LAWA with the opportunity to offer free Wi-Fi at LAX in a short timeframe (July 2012 if an interim infrastructure upgrade can be installed immediately upon approval of this Agreement), at no cost to LAWA. Although LAWA will forgo \$1 million annual minimum guaranteed rent currently received for this concession, AWG has agreed to upgrade the infrastructure capacity to meet increased demand caused by availability of free Wi-Fi services and to provide guaranteed revenue to LAWA of \$283,333 in the first year, and \$663,333 over the two-year term.

2. Prior Related Actions

In June 2005, Los Angeles World Airports (LAWA) released a Request for Proposals for (RFP) for pay-for-use public wireless internet access (Wi-Fi) at Los Angeles International Airport (LAX) and LA/Ontario International Airport (ONT). On April 3, 2006, the Board approved selection of T-Mobile and awarded a three year Concessions Agreement based on the proposed infrastructure investment of approximately \$700,000 and guaranteed revenue of \$4.8M over three years (Board Order AO-5010). This Agreement set the fee to access Wi-Fi at LAX and ONT at \$9.99 per 24 hour period.

On August 17, 2009, the Board approved extending the T-Mobile Wi-Fi Concessions Agreement to September 7, 2011, with month-to-month consensual holdover and reduced annual payments due to LAWA of \$1 million per year because of less use of the pay-for-use Wi-Fi than originally projected (Board Order AO-5142).

3. Current Action

As discussed above, the new DAS provider will likely not be in place for at least two years. To continue to provide Wi-Fi at LAX and expand the service to include a free Wi-Fi component, staff requests Board approval to enter into this sole source contract with AWG. AWG is uniquely situated to provide free Wi-Fi service at LAX on an interim basis as required. AWG is successfully operating such a system at this time at SFO, and possesses the ability, expertise and personnel to operate, maintain and upgrade the Wi-Fi system at LAX to provide free internet access throughout the airport, on a host-neutral, no subscription basis.

Competitive Process Exception

It would be impractical, if not impossible, to achieve the desired results from a contractor other than AWG. LAWA staff is unable to assume these responsibilities. The use of competitive bidding is undesirable, impractical or impossible in this instance because a competitive process cannot be conducted in the timeframe necessary to secure a replacement contractor that can continue to

provide Wi-Fi services in addition to expanding the capacity to the point necessary to provide free Wi-Fi.

Terms of the Proposed Interim Agreement

Term: The proposed interim agreement is for two years, with a one year option for LAWA to extend.

Rent: AWG will pay to LAWA a minimum guaranteed concession fee of \$283,333 in the first year, \$380,000 in the second year and \$420,000 in the third option year, if exercised. AWG will pay LAWA additional rent, calculated as a percentage of AWG revenue generated through advertising or sponsorship, and from premium pay-for-use Wi-Fi service from subscription account access only if AWG collects revenue in excess of \$1.5 million in a given year,

Infrastructure: AWG will install, at no cost to LAWA, infrastructure improvements required to operate a free and pay-for-use Wi-Fi system at established service levels.

Offering: AWG will offer free Wi-Fi in 45 minute increments where users will be required to view one advertisement per session, and offer a pay-for-use premium service with unlimited access during defined periods.

Obligation: AWG will operate and maintain the Wi-Fi infrastructure and system at no cost to LAWA.

Awarding a sole sourced interim concession agreement will provide free Wi-Fi service in the short term, while allowing additional time for staff to secure a state-of-the-art DAS system which best addresses the future needs of the public, airport tenants, and emergency and operation services. Thus, staff requests the Board approve the proposed interim Concession Agreement, with a one-year extension option for LAWA, with AWG to provide Wi-Fi services at LAX, and authorize the Executive Director to execute the Concession Agreement upon approval as to form by the City Attorney.

4. Alternatives Considered

The recommendation presented for approval is based on research of the options available to provide free Wi-Fi at LAX. Other options considered were:

▪ ***Wi-Fi as a sponsored service under the Airport Advertising Agreement (JCDecaux).***

Staff explored this option as a sponsorship program with JCDecaux; however, JCDecaux declined the opportunity because of the interim nature and limited duration of the proposed sponsorship agreement.

▪ ***Extend the current T-Mobile agreement and convert the Wi-Fi system to a free model.***

T-Mobile declined to extend its current agreement. T-Mobile reports it is exiting the business of providing Wi-Fi systems in public places.

▪ ***LAWA Information Management & Technology Group (IMTG) implement and manage free Wi-Fi.***

The expense for IMTG to provide the infrastructure, and to maintain and operate a Wi-Fi system at LAX is prohibitive.

▪ **Select a replacement Wi-Fi concessionaire through a competitive process.**

Due to T-Mobile's imminent departure from the business of providing public Wi-Fi systems, LAWA runs the risk of T-Mobile giving notice to terminate the current agreement prior to procuring a DAS, leaving LAX without a Wi-Fi system altogether. Given the complex nature of the Wi-Fi, the time needed to solicit a new provider through a competitive process will take at least one-year, with full implementation likely to take an additional 6 months.

▪ **Implement a DAS.**

Procuring a DAS provider will take 12 – 18 months, and installing the DAS is estimated to take 9 – 12 months after award of a contract. Although this is the preferred long-term solution to LAX's Wi-Fi needs, as discussed above, LAWA runs a risk of having no W-Fi available before a DAS could be implemented.

FISCAL & ECONOMIC IMPACT STATEMENT:

LAWA currently receives \$1 million annual minimum guaranteed rent from the current Wi-Fi provider, awarding this Concession Agreement will generate only \$283,333 in guaranteed revenue during the first year of the contract, and \$663,333 during its two-year term. This economic loss is a policy choice to provide free Wi-Fi to passengers, increasing customer service at LAX. However, staff does not believe the current payment structure that results in \$1 million of guaranteed revenue would be sustained even if a pay-for-use Wi-Fi model is continued.

STANDARD PROVISIONS:

1. The issuance of leases, agreements, renewals and amendments or extensions thereof, granting use of existing facilities at a municipal airport involving negligible or no expansion of use is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Article III, Class 1(18)(c) of the Los Angeles City CEQA Guidelines.
2. This item will be approved as to form by the City Attorney.
3. Actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 245.
4. Advanced Wireless Group LLC will comply with the provisions of the Living Wage and Service Contract Worker Retention Ordinances.
5. Procurement Services reviewed this action (File 5733). No specific Airport Concessions Disadvantaged Business Enterprise (ACDBE) levels of participation were set for this project, as no subcontracting opportunities were identified.
6. Advanced Wireless Group LLC will comply with the provisions of the Affirmative Action Program.
7. Advanced Wireless Group LLC must submit a Business Tax Registration Certificate number prior to execution of the Agreement.

8. Advanced Wireless Group LLC will comply with the provisions of the Child Support Obligations Ordinance.
9. Advanced Wireless Group LLC will be required to have approved insurance documents, in the terms and amounts required, on file with Los Angeles World Airports prior to issuance of a Notice to Proceed.
10. This action is not subject to the provisions of Charter Section 1022 (Use of Independent Contractors).
11. Advanced Wireless Group LLC has submitted the Contractor Responsibility Program Questionnaire and Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Program.
12. Advanced Wireless Group LLC must be determined by Public Works, Office of Contract Compliance, to be in compliance with the provisions of the Equal Benefits Ordinance prior to execution of the Agreement.
13. Advanced Wireless Group LLC will be required to comply with the provisions of the First Source Hiring Program for all non-trade LAX Airport jobs.
14. Advanced Wireless Group LLC has submitted the Bidder Contributions CEC Form 55 and will comply with its provisions.
15. Because Advance Wireless Group LLC will not have Concession workers located at LAX, the provisions of Resolution Number 23437 (Labor Peace Agreement) do not apply.

CONCESSION AGREEMENT
BETWEEN
THE CITY OF LOS ANGELES
AND
ADVANCED WIRELESS GROUP LLC
FOR
INTERIM WIRELESS INTERNET SERVICE FOR
THE DEPARTMENT OF AIRPORTS

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| Exhibit E | Insurance |
| Exhibit F | Bank Site |
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| Exhibit H | Affirmative Action Program |
| Exhibit I | Child Support Order |
| Exhibit J | Living Wage Ordinance |
| Exhibit K | Service Contract Worker Retention Ordinance |
| Exhibit L | Contractor Responsibility Program |

**CONCESSION AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND
ADVANCED WIRELESS GROUP LLC FOR INTERIM WIRELESS INTERNET
SERVICE FOR THE DEPARTMENT OF AIRPORTS**

THIS CONCESSION AGREEMENT, made and entered into this ____ day of _____, 2012 in Los Angeles, California by and between the **CITY OF LOS ANGELES**, a municipal corporation (hereinafter referred to as "City") acting by order of and through its Board of Airport Commissioners (hereinafter referred to as "Board") and Advanced Wireless Group, LLC, a Florida Limited Liability Company (hereinafter referred to as "Concessionaire").

RECITALS

WHEREAS, City, as owner and operator of Los Angeles International Airport (hereinafter referred to as "LAX"), Ontario International Airport (hereinafter referred to as "ONT"), Van Nuys Airport ("VNY") and Palmdale Airport ("PMD") (hereinafter collectively referred to as "Airports"), desires to promote and accommodate air commerce and air navigation; and,

WHEREAS, City deems it necessary for such promotion and accommodation of air commerce and air navigation that convenient public wireless internet access (hereinafter referred to as "Wi-Fi") be provided throughout the Airports;

WHEREAS Concessionaire acknowledges that other Wi-Fi systems exist at LAX, including Wi-Fi systems for passengers in airline premium passenger lounges.

WHEREAS, Concessionaire represents it has the ability, opportunity, expertise and personnel to operate, maintain, and upgrade the Wi-Fi system at LAX to provide free high speed Wi-Fi access throughout LAX and that such infrastructure and service shall meet industry standards, be of the highest quality and host neutral;

WHEREAS, Concessionaire understands that this Concession Agreement is interim in nature in that the City intends to enter into a long term Distributed Antennae System Agreement

with a concessionaire to be selected via a competitive Request for Proposal Process;

WHEREAS, City and Concessionaire desire to enter into a Concession Agreement to provide such interim Wi-Fi services at LAX;

WHEREAS, City and Concessionaire have based this Agreement in part on the Request for Proposals and Lease for Operation and Maintenance of Public Wireless-Fidelity Systems at San Francisco International Airport (SFO);

WHEREAS, this Agreement for Interim Wi-Fi Service is for the performance of professional, scientific, expert, technical or other special service for which the use of competitive bidding would be undesirable, impractical or impossible, and is of a temporary and occasional character such that competitive bidding is not practicable or advantageous;

NOW, THEREFORE, the parties hereto, for and in consideration of the premises and of the covenants and conditions hereinafter stated to be kept and performed by the respective parties hereto, DO MUTUALLY AGREE AS FOLLOWS:

Section 1.0 Definitions.

1.1 "Airports Terminal", "Terminal Facilities", and "Terminal" are used interchangeably herein and shall mean the Passenger Terminal and Passenger commuter facilities Buildings at LAX, as they exist on the date hereof, any additions made thereto during the term of this Agreement, and any new Terminal(s) constructed at the Airports during the term of this Agreement.

1.2 "Assigned Area" and "Designated Areas" (are) the public area or areas of the Airport Terminals designated by this Agreement, and all Exhibits hereto, as the place or places where the business of Concessionaire may be conducted..

1.3 "City" shall include the City of Los Angeles and such public officials and public bodies including the City of Los Angeles Department of Airports, as may, by operation of law, succeed to any or all of the rights, powers or duties which lawfully reside in the City of Los

Angeles.

1.4 City of Los Angeles, Department of Airports is also referred to herein as Los Angeles World Airports or "LAWA."

1.5 "Concessionaire's Subcontractors" shall mean those individuals or entities which are approved in writing by the Executive Director that from time to time would be engaged in subcontracting activities on behalf of Concessionaire.

1.6 "Connection" shall mean one or more successful connections within a twenty-four hour period to Concessionaire's Wi-Fi network by a single User, authenticated and authorized to connect to Concessionaire's Wi-Fi network.

1.7 "Executive Director" shall mean the Executive Director and her/his duly appointed representative, or any Acting Executive Director of the Department of Airports, City of Los Angeles, as from time to time may be appointed by City and shall include such person or persons as may from time to time be authorized in writing by City or by the Executive Director to act for him/her with respect to any or all matters pertaining to this Agreement.

1.8 "Gross Revenues" includes, without limitation, any fees, income or revenue derived from the sale of products, services or advertising on the Wi-Fi System, or the provision of any other services related or attributed to the products or services provided on the Wi-Fi System, less deductions in the amount of sales or excise taxes levied by any governmental entity other than the City.

1.9 "Landing Page," "Welcome Page," "First Page," and "Splash Page" are defined and used interchangeably to refer to the first page upon which a user would land inside the Walled Garden when opening his or her browser to use the Wi-Fi service.

1.10 "Walled Garden" means an environment that controls the user's access to Web content and services. In effect, the Walled Garden directs the user's navigation within particular areas, to allow access to a selection of material, or prevent access to other material.

1.11 "Wireless Service" and "Wi-Fi" and "Service" shall mean unlicensed wireless

activities using IEEE 802.11a,b,g,n, or ac (collectively 802.11(x)).

Section 2.0 Term of Agreement.

The term of this Concession Agreement shall be for an initial term of two years, subject however, to earlier termination as provided elsewhere in this Agreement. The Agreement shall commence upon the Executive Director's execution of the Agreement, after approval by the Board of Airport Commissioners ("BOAC"). Concessionaire hereby grants to City, at the sole discretion of Executive Director or his or designee, one (1) option to extend this Agreement for one (1) additional year for the same concession privileges and on the terms set forth herein. Executive Director shall use good faith efforts to provide 30 days advance notice of the exercise of that option.

Section 3.0 Services.

3.1 City hereby grants to Concessionaire the non-exclusive right to install and maintain a service and network that provides free and pay for use Wi-Fi access at LAX. City reserves the right to continue to extend rights and privileges to other entities (existing and new) at LAX. Concessionaire agrees to coordinate with the existing provider (T-Mobile) to transition from the current pay for use Wi-Fi to complimentary Wi-Fi with no interruption in service. Concessionaire acknowledges that City has entered into other Agreements pursuant to which other Concessionaires are and will be providing Wi-Fi Services at LAX. Concessionaire agrees to use good faith to negotiate business agreements to provide Wi-Fi connectivity to other Wi-Fi providers that request such connectivity. Concessionaire's activities and services shall not prohibit any other LAX concessionaires' ability to provide Wi-Fi Service.

3.2 Concessionaire will be responsible for establishing, operating and maintaining a public access Wi-Fi solution in all terminals (including commuter facilities) at LAX. Concessionaire will design, install, test, repair, upgrade and manage all necessary infrastructure to establish, operate, and maintain a hybrid free/pay for use Wi-Fi system for use by passengers in designated public areas at LAX terminals.

Concessionaire will offer a Free Wi-Fi Solution and a Premium pay-for-use Wi-Fi Solution in all terminals.

- 3.2.1. Concessionaire's Free Wi-Fi access will comply with the performance standards contained in Exhibit A and will be made available in forty-five (45) minute increments with a minimum 1.2 megabits per second (Mbps) data rate based on the defined test criteria as set forth in Exhibit A. The duration of free Wi-Fi access may be modified subject to approval of the Executive Director in his or her sole discretion.
- 3.2.2. Concessionaire's Premium Pay-for-use Wi-Fi access will provide faster service (minimum 6 Mbps data rate based on the Defined test criteria set forth in Exhibit A, with defined session connection durations and no advertising after the user has paid. Concessionaire shall either charge users a Premium Pay-for-use fee per session, or allow passengers to access through an existing Wi-Fi subscription account (Roaming) pursuant to which Concessionaire will receive compensation for that access. The Pay-for-use fee will be approved by the Executive Director in his or her sole discretion and may be adjusted to meet market conditions subject to additional such approvals.
- 3.2.3. Concessionaire's Wi-Fi access page shall include clear Terms and Conditions that include Limitations of Liability, User Responsibilities, Privacy Policy, and Indemnity that users must accept to gain Wi-Fi access. Such Terms and Conditions subject to the pre-approval by Executive Director.
- 3.2.4. Concessionaire will provide 24-7 customer service for its Wi-Fi solutions in all terminals at LAX.

3.3 Concessionaire will provide this Service to customers who visit the Assigned Area and who have the ability to access the Service via their own computer, personal digital assistant ("PDA"), or other portable devices compatible with the Service (individually or collectively "Users"). Concessionaire shall be responsible, and bear the expenses, for surveying the Assigned Area for Service compatibility and implementation, designing and engineering the necessary network to provide the Service, determining the extent of Service coverage in the Assigned Area, and installing, maintaining and repairing the equipment ("Equipment") supplied by Concessionaire and used to provide the Service in the Assigned Area. Such Equipment is set forth in Exhibit B, attached hereto and incorporated by reference herein. Concessionaire shall be responsible for maintaining the Equipment, providing customer support to Users, and billing and collecting Services fees from Users.

3.4 Concessionaire shall not expand any area of Concessionaire's Wi-Fi access beyond that permitted herein (or provide any additional services prior to implementing the expansion of service) prior to obtaining the written approval of the Executive Director, such approval to be at the sole discretion of the Executive Director.

3.5 Except as provided in Sections 26, 29, and 30, at any time during the term of this Agreement, Executive Director may, by giving sixty (60) days written notification, require Concessionaire to surrender any portion of the Assigned Area. In the event of any such surrender, Concessionaire shall be entitled to the relief set forth in Exhibit D.

3.6 The number, type and location of equipment and fixtures and Wi-Fi services may change over time based upon changing circumstances at LAX. The Concessionaire is aware that the airports undergo continual construction and redevelopment work and other changes while accommodating heavy passenger loads in a fast moving environment. Flexibility and adaptability to changing daily conditions is essential and include the permanence or lack of permanence of Wi-Fi service locations, passenger levels, Wi-Fi service revenue fluctuations, and construction changes. The temporary or permanent relocation of equipment or fixtures during any remodeling, reconstruction, or expansion and other changes will be at Concessionaire's

expense. City will endeavor to give reasonable advance written notice to Concessionaire in the event Concessionaire may be required to temporarily or permanently relocate equipment or fixtures.

3.7 Advertising and Sponsorship. Concessionaire shall be permitted to sell advertising on or secure sponsorship (subject to the restrictions set forth in this Agreement, including but not limited to section 10.5 below) for the Wi-Fi Concession. Concessionaire agrees that LAWA shall also retain the right to bring in other advertising and/or sponsorships for the Free Wi-Fi through its current and/or future advertising concession in areas of the Concessionaire Landing Page allocated to LAWA as defined in Exhibit A.

3.7.1 Upon written approval of the Executive Director, as set forth in paragraph 10.5, sponsor(s) will be allowed to (a) display their name and/or logo on the walled garden pages of the free Wi-Fi service and will be designated as the official provider of free wireless internet access for passengers at LAX in Designated Areas, and/or (b) sponsor user sessions and display up to thirty (30) seconds of video advertising or other sponsors message prior to user being granted a forty five minute Wi-Fi session.

3.7.2 Upon written approval of the Executive Director, as set forth in paragraph 10.6, such approval to be within his or her sole discretion, Sponsor(s) may be permitted to display their name and/or logo on signage to be placed in locations in terminals at LAX promoting free Wi-Fi service availability.

Section 4.0 Installation, Improvements, Equipment, Fixtures, and Facilities.

4.1 Concessionaire will transition the operation of the existing pay-for-use Wi-Fi system operated by T-Mobile to a new Wi-Fi system (free and Pay-for-use Premium Service) to ensure seamless availability of Wi-Fi at all terminals at LAX.

4.2 Concessionaire will install all requisite equipment to operate the new Wi-Fi system. Concessionaire will pay all costs incurred for the design and installation of the new Wi-Fi system, including all hardware equipment, and upgraded infrastructure necessary to provide

the new public access Wi-Fi system at LAX.

4.3 Any installation or alteration of improvements, equipment, fixtures, or facilities necessary for, or incidental to, the Service of Concessionaire shall be performed by Concessionaire at its own expense. Concessionaire shall install and maintain any wiring, conduit and other connections necessary for the Wi-Fi operation. LAWA reserves the right to approve, disapprove, or modify the final selection of the system deployed due to reasonable considerations of Airports' operations.

4.4 All installations proposed must be approved by LAWA prior to construction pursuant to LAWA's requirements. Concessionaire will perform all alterations and renovations in accordance with the most current published version of the LAWA Design and Construction Handbook, except for reasonable deviations as may be approved at the sole discretion of the Executive Director, and only after receiving approval and a Notice to Proceed from LAWA. Concessionaire will be required to coordinate all construction, installation, and relocation activities with multiple LAWA Divisions, including the Commercial Development, Information Technology, Engineering & Project Management, Facilities Planning, Property, and Procurement Services Divisions, as well as airline tenants and other concessionaires. For purposes of security, there may also be a need to coordinate with Airport Police, Operations and the Transportation Security Administration ("TSA"). In addition to observing a number of LAWA procedures, rules and regulations, the Concessionaire(s) and/or designated representative must attend pre-construction/installation/relocation meetings, and obtain a construction approval letter that requires adherence to various building codes, standards, and ordinances. A request for construction approval containing installation schedule, list of Wi-Fi access points and other system equipment conforming to IEEE 802.11x standards, Wi-Fi access point location, any accompanying signage, and any necessary support drawings must be submitted to the Executive Director for approval prior to installation or alteration. No such installation or alteration may be made without prior written approval of Executive Director.

4.4.1 Due to the time sensitive and interim nature of this agreement,

Concessionaire requests and LAWA will approve reasonable deviations to the LAWA Design and Construction Handbook requirements as set forth in Exhibit C hereto.

4.4.2 LAWA to allow contractors to work in non-public areas at all reasonable times.

4.4.3 LAWA to assist Concessionaire in accelerating LAWA approval processes.

4.5 Executive Director's approval shall not constitute a representation or warranty that such installation or alteration conforms to all legal and all FCC requirements.

4.6 Concessionaire, at its own expense, shall procure all permits necessary for any construction and or installation work. Concessionaire shall be responsible for all associated costs including inspection costs. Said work shall conform in all respects to the applicable statutes, ordinances, building codes, rules, and regulations of the City of Los Angeles and such other governmental authority as may have jurisdiction. City agrees to work in good faith and to cooperate with Concessionaire during the permitting process and to use reasonable commercial efforts to satisfy requests of Concessionaire regarding the design and installation of the network to provide the Service, including but not limited to the use of existing conduits/wiring.

4.7 City shall provide a means for ingress to and egress from the Assigned Area, and allow Concessionaire to have reasonable access to all areas required by Concessionaire to effect its obligations under this Agreement, except as affected and or limited by security requirements incidental to airport operations. Concessionaire is aware that a portion of the Assigned Area is located in secure areas of an Airport, and any access is subject to the requirements of the Transportation Security Administration (TSA) and other entities responsible for enforcing security measures. All rights of ingress, egress, and passage shall be subject to the requirements of the Comprehensive Airport Security Program (CASP) detailing the control of access. It is understood by the parties that the extent of service coverage by Concessionaire depends on Concessionaire's access.

4.8 Concessionaire shall indemnify, defend, and keep and hold City, including its Board and City's officers, agents, servants, and employees harmless from any and all costs, liability, damage, or expense (including costs of suit and fees and reasonable expenses of legal services) and claims of any nature whatsoever arising as a result of Concessionaire's negligence, gross negligence, or acts or omissions of willful misconduct in the installation or alteration of the improvements, equipment, fixtures, and facilities authorized hereunder. Concessionaire shall immediately cause any and all liens that may be filed by mechanics or materialmen under its control or direction against the Airport premises in which said installation or alteration takes place to be satisfied and released of record in the Office of the County Recorder of Los Angeles County.

4.9 Any contracts made by Concessionaire for the performance of said installations or alterations must require of the party contracting with Concessionaire that the other party obtain and record a Labor and Material Payment Bond(s).

4.10 Concessionaire understands and acknowledges that City is proceeding with a Master plan for LAX, and at anytime during the term of this Agreement, the Executive Director may require, at Concessionaire's expense and within a specified time limit in order to meet the needs of the air traveling public and others using Airport, the relocation of a portion or all of Concessionaire's equipment. City will cooperate in good faith with Concessionaire to minimize and mitigate the impact of the relocation. City will endeavor to give reasonable advance written notice to Concessionaire in the event Concessionaire may be required to temporarily or permanently relocate equipment or fixtures.

Section 5.0 Compensation for Concession Rights.

5.1 **Annual Fee.** As consideration for City's granting the interim concession rights herein, Concessionaire shall pay to City each contract year, in twelve (12) equal monthly installments, due on the first day of each month, an Annual Fee of Three Hundred Forty Thousand Dollars (\$340,000) the first year, Three Hundred Eighty Thousand Dollars (\$380,000) the second year, and Four Hundred Twenty Thousand Dollars (\$420,000) the third (option) year,

subject to reduction, if any, pursuant to section 3.5 above.

5.1.1. In consideration for the Concessionaire moving expediently to implement the free service and, in doing so, operate for a period of time without associated revenue, LAWA agrees to waive the first two monthly payments of the Annual Fee in Year One. For clarification purposes only, the first monthly payment, equal to 1/12th of the Year One \$340,000 annual fee (\$28,333.33) will be due before the first day of the third month following the effective date and such payment shall continue for nine consecutive months thereafter thereby amounting to a total of ten such payments totaling \$283,333.30. Beginning the first day of the thirteenth month of the term, the terms pertaining to Year 2 in Section 5.1 shall apply.

5.2 Additional Rent.

5.2.1 **Free Wi-Fi Additional Rent.** In addition to the Annual Fee, Concessionaire shall pay LAWA 50% of Wi-Fi advertising and/or sponsorship revenue and 50% of any other Gross Revenue Concessionaire collects associated with consumer use of the free Wi-Fi Service, in excess of \$1.5 million annually.

5.2.2 **Premium Pay-for-Use Additional Rent.** In addition to the Annual Fee and Free Wi-Fi Additional Rent, Concessionaire shall pay LAWA Premium Pay-for-use Rent of 40% of Gross Revenue Concessionaire collects for the Pay-for-use Wi-Fi service and 40% of revenues Concessionaire receives from subscription account access to premium Wi-Fi services.

5.3 A monthly accounting of all concession activity shall also be presented to the City on an electronic format acceptable to the Executive Director.

5.4 Concessionaire shall also furnish to City detailed certified financial statements, including a balance sheet, an income statement and notes to the financial statement of the operation covering all business transactions by the Concessionaire granted under this Agreement, prepared at the close of Concessionaire's contract year, and such other reasonable financial and statistical reports, including a statement of concession fees and charges paid to City by Concessionaire, as Executive Director may, from time to time, require by written notice to Concessionaire (in a form and with such detail as Executive Director may request). Said

statement shall be certified.

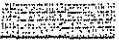
5.5 Fees and charges paid to City shall not include any taxes, fees or license charges that may be levied, assessed or charged by any governmental entity on Concessionaire or City. Concessionaire agrees to pay, or in good faith contest, such taxes, fees or license charges directly to the appropriate taxing agency, without involving City.

5.6 Method and Time of Payment

i. Annual Fee. The ANNUAL FEE required herein shall be paid, each contract year, in twelve (12) equal monthly installments. Each monthly installment shall be paid on the first day of each month during the term of this Agreement, subject, however to LAWA's waiver of the first two monthly payments as set forth in paragraph 5.1.1.

ii. Additional Rent. Concessionaire will pay the Additional Free Wi-Fi Rent and Additional Premium Pay-for-use Rent monthly within sixty (60) days after the close of the month.

iii. The payment of the Annual Fee and Additional Rent (and corresponding monthly activity report) shall be paid to the City of Los Angeles, Department of Airports, either by wire transfer of immediately available funds to City's Bank Account as designated by the Executive Director in writing, or by mail sent to the following remittance address:

City Of Los Angeles
Department Of Airports
File 
Los Angeles, CA 90074-4989

A copy of the report shall also be electronically sent to the following e-mail address (or such other address as designated in writing by the Executive Director):

activityreports@lawa.org

iv. All such payments shall be made in lawful money of the United States and through a domestic branch of a United States financial institution, without demand, set-

off or deduction of any kind.

5.7 The Concessionaire is responsible for the payment of all taxes associated with the Concession Agreement. These taxes will include, but are not limited to, Possessory Interest Taxes, Personal Property Taxes, and City Business Taxes. In addition, the Concessionaire must fully comply with the City's Business Tax Statutes. Concessionaire represents that prior to commencing work at the Airports pursuant to this Agreement, it will have registered with the City Clerk of City and have obtained and will hold from that Office a Business Tax Registration Certificate or a Business Tax Exemption Number required by City's Business Tax Ordinance (Article 1, Chapter 2, Sections 21.00 and following, of City's Municipal Code). Concessionaire shall maintain, or obtain as necessary, all such certificates required of it under said Ordinance and shall not allow any such Certificate to be revoked or suspended during the term hereof.

5.8 Concessionaire shall be responsible for collections and shall assume all financial responsibility for dishonored credit cards and loss of uncollected funds with respect to Service sold to Users.

5.9 Concessionaire shall keep full and accurate books and records showing all Revenues and City shall have the right, through its representatives and with thirty (30) days written prior notice, during normal business hours, to inspect all such records as may be necessary to verify the Revenues as reported, including State of California sales tax return records. Concessionaire agrees that all such records and instruments are and shall be made available at the Airports for at least a two (2) year period following the end of each annual period of this Agreement.

5.10 Operating statistics including Revenues, gross receipts, usage, and other reasonable pertinent information for the Service at LAWA's airport facilities shall be made available to LAWA electronically. Standardized electronic data information queries and data capture shall be agreed upon between Concessionaire and LAWA.

5.11 Without waiving any other right of action available to City in the event of monetary default hereunder, in the event that Concessionaire is delinquent for a period of thirty

(30) days or more in payment of any fees or rent due City pursuant to this Agreement, Concessionaire shall pay to City interest thereon at Twelve Percent (12%) or the maximum allowable rate by law, whichever is lesser, per annum from the date such fee was due and payable until paid. Such interest shall not accrue with respect to disputed charges being contested in good faith by Concessionaire.

Section 6.0 Audit of Concessionaire's Records.

6.1 Executive Director may, from time to time, examine and audit any and all of Concessionaire's books, records, reports, and accounts related to Concessionaire's business authorized herein to be conducted under this Agreement in order to verify the applicable amounts due City from Concessionaire. Said books, records, reports, and accounts shall be retained by Concessionaire until the information therein has been audited or examined by City and the results of said audit or examination have been agreed to, in signed writing, by City and Concessionaire. City shall maintain the confidentiality of Concessionaire's proprietary, confidential business information reviewed in the course of any such audit, subject to the requirements of the California Public Records Act.

6.2 Concessionaire agrees that Executive Director, or his authorized representative, may inspect any data collection systems of Concessionaire's Service installed at Airport at all reasonable times.

6.3 Concessionaire agrees that examination of its books, data storage systems, ledgers, journals, and accounts relating to the Services will be conducted in accordance with generally accepted auditing standards, as applicable in the circumstances, and that, as such, said examination does not require a detailed audit of all transactions. Testing and sampling methods may be used in verifying records submitted by Concessionaire. Deficiencies may be ascertained by applying a percentage of error obtained from such testing and sampling techniques to the entire audit period, and such examination will be binding upon Concessionaire and to that end shall be admissible in court to prove any amounts due to City from Concessionaire.

Section 7.0 Warranty.

Concessionaire warrants that the services provided herein shall conform to the highest and best professional standards, in accordance with all the rules and regulations of the Federal Communications Commission (FCC), and that Concessionaire shall use the most appropriate bandwidth to deliver the Service based on standards as approved by Executive Director.

Section 8.0 Ownership of Equipment.

Title of all improvements, equipment, fixtures, and facilities installed, constructed, and placed in and about City's property, together with all additions and alterations thereto made during the term of this Concession Agreement by the Concessionaire shall remain in the Concessionaire during said term. Upon the expiration of the term (or upon termination of this Concession Agreement) hereof, title to said improvements, equipment, fixtures, and facilities shall vest in City and remain in place. Concessionaire agrees, however, that City may (in its sole discretion) require Concessionaire, at Concessionaire's expense, to remove the improvements, equipment, fixtures, and facilities and restore the Assigned Area wherein the same were installed, or the affected portions thereof, to its original condition, reasonable wear and tear excepted. All such removals by the Concessionaire must be completed, and the Assigned Area restored in their original condition (less reasonable wear and tear), within sixty (60) days of the expiration or termination, whichever occurs first.

Section 9.0 Maintenance and Repair of Improvements, Equipment, Fixtures, and Facilities.

Concessionaire, at its own cost and expense, shall maintain its Service and the Assigned Areas wherein the Equipment to provide Service is installed in good condition and repair and in compliance with all requirements of the law. Concessionaire shall also maintain all of areas where the Equipment to provide Service is located in a neat and clean condition, free from all litter, trash, scrap papers, and similar debris, and perform all such work as is necessary to maintain said equipment and areas in an attractive condition. Failure to comply with this Section 9 will, at the option of the Executive Director, result in termination of this Concession

Agreement after fifteen (15) days written notice to Concessionaire by City and if Concessionaire does not comply with a written Notice to Correct within thirty (30) days of the notice.

Section 10.0 Quality of Concession Service.

10.1 Concessionaire shall provide service consistent with the standards set forth in Exhibit A. Exhibit A defines the minimum character, quantitative and qualitative elements of service that Concessionaire will provide.

10.2 All employees of Concessionaire shall, at all times while on duty at Airport, conduct themselves with exemplary demeanor, be courteous and polite to the public, and not engage in any raucous or offensive conduct. Executive Director shall be the sole judge as to whether the conduct of the employees of Concessionaire meets with requirements hereof. Upon notice from Executive Director of said nonconformity herewith, Concessionaire shall immediately thereafter take all steps necessary to eliminate the condition which caused a complaint to be made.

10.3 Neither Concessionaire, nor any of its employees, shall conduct, transact, or otherwise carry on any business or service on Airport property that is not specifically authorized in accordance with the terms of this Concession Agreement.

10.4 City acknowledges that Concessionaire will present Users with a Concessionaire Landing Page which provides Users the means to accept the Terms and Conditions of the Service and to connect to the Internet. Concessionaire shall provide to the Department of Airports (hereinafter Los Angeles World Airports or "LAWA"), at no additional charge to LAWA, a standard area on this page of a size defined in Exhibit A for the City to display content of the Executive Director's choosing. City agrees to supply Concessionaire with this LAWA content in a computer-readable format per the specifications supplied by Concessionaire.

10.5 **Internet Advertisements.** All Advertising and/or Sponsorships are subject to the written approval of the Executive Director in his or her sole discretion. Concessionaire will be allowed to display advertising on the Wi-Fi Walled Garden prior to consent of the Executive Director provided Concessionaire shall not load any advertisement that:

- a. Contains profanity or obscenity;
- b. Promotes the use or sale of tobacco or alcohol;
- c. Promotes the use or sale of pornography;
- d. Promotes the use or sale of weapons;
- e. Promotes unlawful goods or services;
- f. Promotes or encourages unlawful conduct;
- g. Promotes or encourages "Adult" oriented goods or services (e.g. adult books stores, adult video stores, films rated "X", adult telephone services, adult internet sites, etc.);
- h. Political campaign speeches;
- i. Implies or declares an endorsement by either LAWA or the City of Los Angeles, without prior written authorization of LAWA or the City;
- j. Contains any material in violation of allocable laws, including and without limitation to laws regulating copyrights, trademarks, and other forms of intellectual property;
- k. Is deceptive or misleading;
- l. Depicts (through words) explicit sexual acts or sexual suggestions;
- m. Depicts (through words) acts of violence;
- n. Is demeaning or disparaging;
- o. Contains any reference to TSA;
- p. Contains disparaging remarks against airports or services provided by airports and/or airlines (e.g. luggage handling, ticketing, security, etc.); or
- q. Contains words which common sense dictates, in the discretion of the Director, should not be broadcast inside an airport facility (e.g. killer, bomb, terrorist, etc.).

Concessionaire shall provide to the Director or his or her authorized representative an electronic copy of any advertising or sponsorship within 48 hours of being posted to the Wi-Fi Splash Page for Director's approval. Any Advertising Contract not meeting the approval of the Director will require immediate removal of any related advertising from the Wi-Fi Splash Page.

10.6 Signs and Promotional Materials. Concessionaire shall not erect or display, or permit to be erected or displayed, on the assigned space or the equipment installed thereon, any sign or advertising matter of any kind without first obtaining the written consent of Executive

Director. Copy for signs, promotional materials and advertising shall be submitted to Executive Director for review at least five (5) business days prior to the anticipated date of installation. The Executive Director shall have sole discretion and the final right to approve or disapprove such sign or advertising material. Concessionaire agrees to be bound by the determination of the Executive Director. Advertising or promotional display copy shall be deemed accepted by LAWA, if within five (5) business days of its submittal to Executive Director, LAWA has failed to provide Concessionaire with notice of disapproval.

10.7 Concessionaire shall annually prepare and present to the City, within the thirty (30) days prior to the end of each fiscal year, a business plan concerning its operations under this Agreement for the next twelve (12) months describing its proposed activities including plans to add, replace or upgrade equipment, and to enhance its level of service including minimizing its equipment as technology advances permit. Concessionaire shall also provide a marketing plan.

10.8 If harmful interference occurs to Concessionaire's signal or if Concessionaire causes harmful interference with any signal not Concessionaire's, Concessionaire and City will, in good faith, work together to resolve the matter. City shall be the full and final arbiter of this issue, and Concessionaire will fully comply with the solution proposed by the Executive Director as the full and final solution.

10.9 During the term in which Concessionaire will be using the T-Mobile infrastructure, the Wi-Fi operations at the Airports shall operate concurrently with public payphone capability. Neither the concession granted by this Agreement or the Payphone concession granted by a separate agreement shall interfere with the other's operations under normal conditions. To the extent that Concessionaire is notified of an operating conflict between the public payphone capability and Concessionaire's network, Concessionaire shall:

- i. Investigate the conflict within four (4) hours of notification and attempt to resolve such conflict within twenty four (24) hours of notification.
- ii. Report to LAWA when corrective action process has been identified, before corrective action is executed, and when corrective action has taken place/conflict has been resolved.

10.9.1 In the event that Concessionaire and the Payphone concessionaire are unable to resolve an operating conflict, LAWA shall resolve the conflict and shall have final and sole discretion as to the alternative(s) to be effected or implemented.

10.9.2 Notwithstanding the foregoing, it is understood and acknowledged by both parties that Concessionaire's obligations as set forth herein encompass only those facilities, equipment, resources and services associated with the Public Wireless Internet concession as described in this Concession Agreement.

10.10 Concessionaire shall periodically review the quality of the Service with the City. City reserves the right to require the Concessionaire to make improvements to the Service in cases that the Service fails to meet the SLA.

10.11 Concessionaire agrees to adhere to LAWA's wireless policy and procedures once enacted by LAWA. LAWA will provide Concessionaire a draft of the wireless policy and procedures for comments prior to enactment.

Section 11.0 City's Right of Re-Entry.

City shall, as an additional remedy, upon the giving of written notice of termination for reasons as provided in Section 30 hereof, have the right to re-enter the Assigned Areas and every part thereof, on the effective date of termination without further notice of any kind, and may regain and resume possession, either with or without the institution of legal proceedings or otherwise. Such re-entry, regaining or resumption of possession, however, shall not in any manner impede Concessionaire's ability to remove such equipment as provided in Section 8.1 of this Agreement or affect, alter, or diminish any of the obligations of Concessionaire under this Agreement, and shall in no event constitute an acceptance or surrender.

Section 12.0 Waiver of Redemption and Damages.

Concessionaire hereby waives any and all rights to redemption granted by or under any present or future law or statute arising in the event City obtains or retains possession of the Assigned Areas in any lawful manner. Concessionaire further agrees that in the event the manner or method employed by City in re-entering or regaining possession of the Assigned

Areas gives rise to a cause of action in Concessionaire in forcible entry and detainer under the laws of the State of California, then the total amount of damage to which Concessionaire shall be entitled in any such action shall be the sum of One Dollar (\$1.00). Concessionaire agrees that the provisions of this Section 12 may be filed in any such action as its stipulation fixing the amount of damages to which it would be entitled therein.

Section 13.0 City's Right to Agreement With Others Regarding Concession Rights and Assigned Area.

13.1 Concessionaire agrees that City reserves the right to grant to tenants of the Airport the right to provide Wireless Service connectivity in the Airport.

13.2 City upon termination or cancellation pursuant to Section 30 hereof or upon re-entry, regaining, or resumption of possession pursuant to Section 14 hereof, may occupy the Assigned Area or may lease or reassign the same to others. City shall have the right to permit any person, firm, or corporation to enter upon said Assigned Areas and use the same. Such occupation by City or other Concessionaire or lessees may be only of a part of the Assigned Areas, or of the whole thereof, or of a part of the Assigned Areas, or of the whole thereof, or of a part thereof together with other space, and for a period of time the same as, or different from, the balance of the term hereunder remaining, and on the terms and conditions the same as, or different from, those set forth in this Concession Agreement. City shall also, upon termination or cancellation pursuant to Section 29 hereof, or upon its re-entry, regaining, or resumption of possession pursuant to Section 11 hereof, have the right to repair or to make such other changes in the Assigned Areas as are necessary in its judgment to maintain the suitability thereof for uses and purposes similar to those granted under this Concession Agreement. In the event either of any leasing or assigning to another by City, or of any actual use and occupancy by City, there shall be charged to the account of Concessionaire all expenses, costs and disbursements, incurred or paid by City in connection therewith. No such leasing or assigning to others by City shall be, or be construed to be, an acceptance or surrender.

Section 14.0 Surrender of Possession.

14.1 Subject to Concessionaire's rights under this Agreement, Concessionaire covenants and agrees to yield and deliver peaceably to City prompt possession of the Assigned Areas including any improvements and facilities installed by Concessionaire therein as of the date of termination or cancellation of this Concession Agreement, whether such termination be by cancellation, expiration, or otherwise. Concessionaire covenants and agrees that said areas, improvements, and facilities will then be in good condition, reasonable wear and tear excepted.

14.2 Subject to other provisions of this Agreement, Concessionaire shall have the right during the term of this Agreement to remove its equipment, supplies, furnishings, and other personal property from the Assigned Areas. If Concessionaire fails to remove said property on or before sixty (60) days after the termination or expiration of this Agreement, City may remove such property to a public warehouse for deposit or retain the same in its own possession and sell the same at public auction, the proceeds of which shall be applied first to the expenses of removal, storage and sale, and second, to any sums owing by Concessionaire to City, with any balance remaining to be paid to Concessionaire. If the expenses of such removal, storage and sale exceed the proceeds of sale, then Concessionaire shall pay such excess to City upon demand.

14.3 No agreement of surrender or agreement to accept a surrender shall be valid unless and until the same has been made in writing and signed by the duly authorized representatives of City and Concessionaire. Except as expressly provided in this Section, neither the doing of, nor omission of, any act by any of the officers, agents, or employees of City shall be deemed an acceptance of a surrender of the Assigned Areas held by Concessionaire under this Concession Agreement.

Section 15.0 Notices.

15.1 Notice to City. Written notices to City hereunder, with a copy to the City Attorney of the City of Los Angeles, shall be given by registered or certified mail, postage prepaid, and addressed to:

Department of Airports
1 World Way
Post Office Box 92216
Los Angeles, CA 90009-2216

Office of City Attorney
1 World Way
Post Office Box 92216
Los Angeles, CA 90009-2216

or to such other address as City may designate by written notice to Concessionaire.

15.2 Notice to Concessionaire. Written notices to Concessionaire hereunder shall be given by registered or certified mail, postage prepaid, and addressed to:

Advanced Wireless Group
10460 NW 46th Street
Miami, Florida 33178
Attn: H. Scott Phillips; President

or to such other address as Concessionaire may designate by written notice to City.

15.3 The execution of any such notice by Executive Director shall be as effective as to Concessionaire as if it were executed by the Board of Airport Commissioners of the City of Los Angeles (hereinafter referred to as "Board"), or by Resolution or Order of said Board, and Concessionaire shall not question the authority of Executive Director to execute any such notice.

15.4 All such notices, except as otherwise provided herein, may either be delivered personally to Executive Director with a copy to the Office of the City Attorney, Airport Division, in the one case, or to Concessionaire in the other case, or may be deposited in the United States mail, properly addressed as aforesaid with postage fully prepaid by certified or registered mail, return receipt requested, and shall be effective five (5) days after deposit in the mail.

Section 16.0. Insurance.

16.1 Concessionaire shall procure at its expense, and keep in effect at all times during the term of this Agreement, the types and amounts of insurance specified on Insurance, Exhibit E, attached hereto and incorporated by reference herein. The specified liability insurance (other than Workers' Compensation insurance and fire and extended coverage) shall also, either by provisions in the policies, by City's own endorsement form or by other endorsement attached to such policies, include and insure City, its Department of Airports, its Board and all of City's

officers, employees, and agents, their successors and assigns, as additional insureds, against the areas of risk described on Insurance, Exhibit E, hereof with respect to any type of Concessionaire's negligent acts or omissions in its operations, use, and occupancy of the Airport or other related functions performed by or on behalf of Concessionaire in, on or about Airport.

16.2 Each specified insurance policy (other than Workers' Compensation and Employers' Liability and fire and extended coverages) shall contain a Severability of Interest (Cross Liability) clause which states, "It is agreed that the insurance afforded by this policy shall apply separately to each insured against whom claim is made or suit is brought except with respect to the limits of the company's liability," and an endorsement which shall state, "Such insurance as is afforded by this policy shall also apply to liability assumed by the insured under this Agreement with the City of Los Angeles."

16.3 All such insurance shall be primary and noncontributing with any other insurance held by City's Department of Airports where liability arises out of or results from any negligent act or omission of Concessionaire, its agents, employees, officers, assigns, or any person or entity acting for or on behalf of Concessionaire. Such policies may provide for reasonable deductibles and or retentions acceptable to the Executive Director based upon the nature of Concessionaire's operations and the type of insurance involved.

16.4 City shall have no liability for any premiums charged for such coverage(s). The inclusion of City, its Department of Airports, Board and all of City's officers, employees, and agents, their successors and assigns, as additional insureds is not intended to, and shall not, make them, or any of them, a partner or joint venturer with Concessionaire in Concessionaire's operations at Airport. In the event Concessionaire fails to furnish City evidence of insurance and maintain the insurance as required, City, upon ten (10) days prior written notice to comply, may (but shall not be required to) procure such insurance at the cost and expense of Concessionaire, and Concessionaire agrees to promptly reimburse City for the cost thereof plus fifteen percent (15%) for administrative overhead. Payment shall be made within thirty (30) days of invoice date.

16.5 At least five (5) days prior to the expiration date of the above policies,

documentation showing that the insurance coverage has been renewed or extended shall be filed with City. If such coverage is canceled or reduced, Concessionaire shall, within fifteen (15) days of such cancellation or reduction of coverage, file with City evidence that the required insurance has been reinstated or provided through another insurance company(ies).

16.6 Concessionaire shall provide proof of all specified insurance and related requirements to City either by production of the actual insurance policy(ies), by use of City's own endorsement form(s), by broker's letter acceptable to the Executive Director in both form and content in the case of foreign insurance syndicates, or by other written evidence of insurance acceptable to the Executive Director. The documents evidencing all specified coverages shall be filed with City in duplicate and shall be procured and approved in strict accordance with the provisions in Sections 11.47 through 11.56 of City's Administrative Code prior to Concessionaire occupying the Airport. The documents shall contain the applicable policy number, the inclusive dates of policy coverages, and the insurance carrier's name, and shall bear an original signature of an authorized representative of said carrier, and shall provide that such insurance shall not be subject to cancellation, reduction in coverage, or nonrenewal except after written notice by certified mail, return receipt requested, to the City Attorney of the City of Los Angeles at least thirty (30) days prior to the effective date thereof. City reserves the right to have submitted to it, upon request, all pertinent information about the insurance and about the agent and carrier providing such insurance.

16.7 City and Concessionaire agree that the insurance policy limits specified herein shall be reviewed for adequacy annually throughout the term of this Agreement by the Executive Director who may, thereafter, require Concessionaire, on thirty (30) days prior, written notice, to adjust the amount(s) of insurance coverage to whatever reasonable amount(s) said Executive Director deems to be adequate, as long as such amounts are consistent with those required of Concessionaires similarly situated.

16.8 Submission of insurance from a non-California admitted carrier is subject to the provisions of California Insurance Code Sections 1760 through 1780, and any other regulations and or directives from the State Department of Insurance or other regulatory board or agency.

Concessionaire agrees, except where exempted, to provide City proof of said insurance by and through a surplus line broker licensed by the State of California.

Section 17.0 City Held Harmless.

In addition to the requirements of Section 16.0 Insurance herein, Concessionaire shall indemnify, defend, keep, and hold City, including Board, and City's officers, agents, servants, and employees, harmless from any and all costs, liability, damage, or expense (including costs of suit and fees and reasonable expenses of legal services) claimed by anyone by reason of injury to or death of persons, including Concessionaire, or damage to or destruction of property, including property of Concessionaire, sustained in, on, or about the Airport, or arising out of Concessionaire's use or occupancy of Airport, or arising out of the acts or omissions of Concessionaire, its agents, servants, or employees acting within the scope of their agency or employment.

Section 18.0 Faithful Performance Guarantee.

18.1 Faithful Performance Guarantee.

18.1.1 General. Concessionaire shall furnish to City and maintain throughout the term of this Concession Agreement a Faithful Performance Guarantee to secure the faithful performance by Concessionaire of all the terms, provisions, and covenants contained herein, including, but not limited to, the payment of its Minimum Annual Guarantee, its percentage concession fees, and any other specified compensation. Such Guarantee shall be separate from any other Guarantee(s) required by City. The initial amount of said Guarantee shall be one-quarter (1/4) of the first year's Annual Fee as specified in this Agreement.

18.1.2 The Faithful Performance Guarantees ("FPG") shall be in the form of an Irrevocable Letter of Credit, which shall be self-renewing from year to year, subject to termination upon sixty (60) days written notice to City drawn on a bank located in the County of Los Angeles. The FPG must be approved as to form by the City Attorney. A copy of the required bank site to be used by City shall be

attached hereto as Exhibit F. Concessionaire shall substitute Exhibit F with a new Exhibit F in the event that the bank issuing the FPG changes the form and/or content of the site attached as Exhibit F.

18.1.3 Concessionaire shall furnish such Guarantee in duplicate within thirty (30) days after award of this Agreement or within thirty (30) days following notice of adjustment of the Annual Fee. If, for any reason, said Guarantee is not provided by Concessionaire and/or is not thereafter maintained in sufficient amount throughout the term hereof, City, subject to the notice requirements of this Agreement may terminate this Concession Agreement. Upon the expiration or earlier termination of this Concession Agreement, and if Concessionaire has satisfied all of its obligations to City hereunder, City shall relinquish to Concessionaire said Guarantee following such expiration or earlier termination and satisfaction of all obligations to City.

18.1.4 The Guarantee shall be submitted to:

City of Los Angeles, Department of Airports
ATTN: FPG Administrator
P.O. Box 92214
One World Way
Los Angeles, CA 90009

Section 19.0 Taxes and Licenses.

19.1 Concessionaire shall pay all taxes of whatever character that may be levied or charged upon the rights of Concessionaire to occupy the Assigned Areas, or upon Concessionaire's improvements, fixtures, equipment, or other property thereon, or upon Concessionaire's operations hereunder. Concessionaire shall also pay all license or permit fees necessary or required by law or regulation for the conduct of Concessionaire's operations hereunder. This obligation, however, shall not prevent Concessionaire from contesting the validity and or applicability of any of the above charges and during the period of any such lawful contest, Concessionaire may refrain from making, or direct the withholding of, any such payment without being in breach of the above provisions. Upon a final determination in which

Concessionaire is held responsible for such taxes and or fees, Concessionaire shall promptly pay the required amount plus all legally imposed interest, penalties, and surcharges.

19.2 In addition, by executing this Concession Agreement and accepting the benefits thereof, a property interest may be created known as a "possessory interest". If such possessory interest is created, Concessionaire, as the party in whom the possessory interest is vested, shall be subject to the payment of the property taxes levied upon such interest.

Section 20.0 Restrictions and Regulations.

20.1 Concessionaire shall be solely responsible for fully complying with any and all applicable present and or future rules, regulations, restrictions, ordinances, statutes, laws and or orders of any federal, state, and or local government authority.

20.2 Concessionaire shall be solely responsible for fully complying with any and all applicable present and or future orders, directives, or conditions issued, given or imposed by the Executive Director which are now in force or which may be hereafter adopted by the Board of Airport Commissioners and or the Executive Director with respect to the operation of Airport.

20.3 Concessionaire shall be solely responsible for any and all civil and or criminal penalties assessed as a result of its failure to comply with any of these rules, regulations, restrictions, restrictions, ordinances, statutes, laws, orders, directives and or conditions.

Section 21.0 Disabled Access.

21.1 Concessionaire shall be solely responsible for fully complying with any and all applicable present and or future rules, regulations, restrictions, ordinances, statutes, laws, and or orders of any federal, state, and or local governmental entity and or court regarding disabled access including any services, programs, improvements or activities provided by Concessionaire. Concessionaire shall be solely responsible for any and all damages caused by, and or penalties levied as the result of, Concessionaire's noncompliance. Further, Concessionaire agrees to cooperate fully with City in its efforts to comply with the Americans With Disability Act of 1990 and any amendments thereto, or successor statutes.

21.2 Should Concessionaire fail to comply with Section 21.1, then City shall have the right, but not the obligation, to perform, or have performed, whatever work is necessary to achieve equal access compliance. Concessionaire will then be required to reimburse City for the actual cost of achieving compliance, plus a fifteen percent (15%) administrative charge.

Section 22.0 Independent Concessionaire.

22.1 It is the express intention of the parties that Concessionaire is an independent Concessionaire and not an employee, agent, joint venturer or partner of City. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between Concessionaire and City or between Concessionaire and any official, agent, or employee of City. Both parties acknowledge that Concessionaire is not an employee of City.

22.2 Concessionaire shall retain the right to perform services for others during the term of this Agreement, unless specified to the contrary herein or prohibited by law, provided such engagements do not interfere with or impact construction, installation, maintenance and services under this Concession Agreement.

Section 23.0 Nondiscrimination and Affirmative Action Program.

23.1 Federal Non-Discrimination Provisions.

The Concessionaire assures that it will comply with pertinent statutes, Executive Orders, and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This Provision obligates the Concessionaire or its transferee for the period during which Federal assistance is extended to the airport program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases, the Provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the sponsor or any transferee for a purpose for which Federal

assistance is extended, or for another purpose involving the provision of similar services or benefits; or (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property.

23.2 Municipal Non-Discrimination Provisions.

23.2.1 Non-Discrimination In Use Of Airport. There shall be no discrimination against or segregation of any person, or group of persons, on account of race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status, domestic partner status, or medical condition in the Agreement, transfer, use, occupancy, tenure, or enjoyment of the Airport or any operations or activities conducted on the Airport. Nor shall Concessionaire or any person claiming under or through Concessionaire establish or contract any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of Concessionaires, sub-Concessionaires, or vendees of the Airport. Any assignment or transfer, which may be permitted under this Agreement, shall also be subject to all non-discrimination clauses contained in Section 21.2.

23.2.2 Non-Discrimination In Employment. During the term of this Agreement, Concessionaire agrees and obligates itself in the performance of this Agreement not to discriminate against any employee or applicant for employment because of the employee's or applicant's race, religion, national origin, ancestry, sex, sexual orientation, age, physical handicap, marital status, domestic partner status, or medical condition. Concessionaire shall take affirmative action to insure that applicants for employment are treated, during the term of this Agreement, without regard to the aforementioned factors and shall comply with the affirmative action requirements of the Los Angeles Administrative Code, Sections 10.8, et seq., or any successor ordinances or law concerned with discrimination.

23.2.3 Equal Employment Practices. If the total payments made under

this Agreement are One Thousand Dollars (\$1,000), or more, this provision shall apply. During the performance of this Agreement, Concessionaire agrees to comply with Section 10.8.3 of the Los Angeles Administrative Code ("Equal Employment Practices"), which is incorporated herein by this reference. A copy of Section 10.8.3 has been attached to this Agreement for the convenience of the parties as Exhibit G. By way of specification but not limitation, pursuant to Sections 10.8.3.E and 10.8.3.F of the Los Angeles Administrative Code, the failure of Concessionaire to comply with the Equal Employment Practices provisions of this Agreement may be deemed to be a material breach of this Agreement. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard have been given to Concessionaire. Upon a finding duly made that Concessionaire has failed to comply with the Equal Employment Practices provisions of this Agreement, this Agreement may be forthwith terminated, cancelled, or suspended.

23.2.4 **Affirmative Action Program.** If the total payments made under this Agreement are One Hundred Thousand Dollars (\$100,000), or more, this provision shall apply. During the performance of this Agreement, Concessionaire agrees to comply with Section 10.8.4 of the Los Angeles Administrative Code ("Affirmative Action Program"), which is incorporated herein by this reference. A copy of section 10.8.4 has been attached to this Agreement for the convenience of the parties as Exhibit H. By way of specification but not limitation, pursuant to Sections 10.8.4.E and 10.8.4.F of the Los Angeles Administrative Code, the failure of Concessionaire to comply with the Affirmative Action Program provisions of this Agreement may be deemed to be a material breach of this Agreement. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard have been given to Concessionaire. Upon a finding duly made that Concessionaire has failed to comply with the Affirmative Action Program provisions of this Agreement, this

Agreement may be forthwith terminated, cancelled, or suspended.

Section 24.0 Attorney's Fees.

If City shall, without any fault, be made a party to any litigation commenced by or against Concessionaire arising out of Concessionaire's use or occupancy of the Airport (including but not limited to provision of Wi-Fi Services), then Concessionaire shall pay all costs, expenses, and reasonable attorney's fees incurred by or imposed upon City in connection with such litigation. Each party shall give prompt notice to the other of any claim or suit instituted against it that may affect the other party.

Section 25.0 Assignment or Transfer Prohibited.

Concessionaire acknowledges this Agreement is provided to Concessionaire for its unique ability, skills, and expertise. Any attempt by Concessionaire, in any manner, directly or indirectly, by operation of law or otherwise, to hypothecate, assign, transfer, or encumber this Agreement, or any portion thereof or any interest therein, in whole or in part, without the prior, written consent of Executive Director shall, at the option of the Executive Director automatically terminate this Agreement and all rights of the Concessionaire hereunder.

Section 26.0 Abandonment of Project and Cancellation of Agreement; Suspension of Services.

If, at any time, the Executive Director is required for Airport security to terminate or suspend the scope of work, or any part thereof, or Concessionaire's services, or any part thereof, Executive Director may: (1) require Concessionaire to terminate or suspend the performance of all, or a portion, of its services and or (2) terminate this Agreement, or any part thereof, upon giving Concessionaire a ten (10) day written notice prior to the effective date of such termination which date shall be specified in such notice.

Section 27.0 Child Support Orders.

This Agreement is subject to Section 10.10, Article I, Chapter 1, Division 10 of the Los Angeles Administrative Code related to Child Support Assignment Orders, which is incorporated herein by this reference. A copy of section 10.10 and the Declaration of Compliance form have been attached hereto for the convenience of the parties as Exhibit I. Pursuant to this Section, Concessionaire (and any sub-Concessionaire of Concessionaire providing services to City under this Agreement) shall (1) fully comply with all State and Federal employment reporting requirements for Concessionaire's or Concessionaire's sub-Concessionaire's employees applicable to Child Support Assignment Orders; (2) certify that the principal owner(s) of Concessionaire and applicable sub-Concessionaire are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally; (3) fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment in accordance with California Family Code Section 5230, et seq.; and (4) maintain such compliance throughout the term of this Agreement. Pursuant to Section 10.10(b) of the Los Angeles Administrative Code, failure of Concessionaire or an applicable sub-Concessionaire to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignment Orders and Notices of Assignment or the failure of any principal owner(s) of Concessionaire or applicable sub-Concessionaire to comply with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally shall constitute a default of this Agreement subjecting this Agreement to termination where such failure shall continue for more than ninety (90) days after notice of such failure to Concessionaire by City (in lieu of any time for cure provided elsewhere in this Agreement).

Section 28.0 Waiver.

The waiver by either party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of any other term, covenant, or condition, or of any subsequent breach of the same term, covenant, or condition.

Section 29.0 Default and Right of Termination.

In the event Concessionaire fails to abide by the terms, covenants and conditions of this Agreement, City shall give Concessionaire written notice to correct the defect or Default Event (as defined in Section 30.0 below) and, if the same is not corrected within thirty (30) days after Concessionaire's receipt of such notification, City may terminate this Agreement forthwith upon giving Concessionaire a ten (10) day written notice.

Section 30.0 Default

30.1. **Default Events.** The following events shall be deemed to be "Default Events" by Concessionaire under the Agreement:

30.1.1. Concessionaire fails to pay any amount when due under this Agreement, which failure continues for a period of ten (10) days after such payment should have been paid pursuant to the terms and conditions of this Agreement;

30.1.2. Concessionaire fails to comply with any term, provision or covenant of this Agreement, other than paying amounts when due, and does not cure such failure within thirty (30) days after LAWA has sent written notice to Concessionaire specifying such failure or such longer period of time as may be granted by Executive Director to cure such default as long as Concessionaire commences to cure such default within such ten (30) day period and diligently proceeds to cure such default;

30.1.3. Concessionaire makes an assignment of this Agreement, or any rights granted to Concessionaire hereunder, to, and for the benefit of, Concessionaire's creditors;

30.1.4. Concessionaire, within thirty (30) days after the commencement of any proceeding against Concessionaire seeking adjudication of bankruptcy or

reorganization, rearrangement, composition, readjustment, liquidation, dissolution or similar relief, fails to cause such proceedings to be dismissed;

30.1.5. Concessionaire, within sixty (60) days after the appointment without Concessionaire's consent or acquiescence of any trustee, receiver, or liquidator of the Concessionaire's or a material part of its assets, fails to cause such appointment to be vacated.

30.1.6. The interests of Concessionaire under this Agreement shall not, except at City's option and with its written consent, be assignable by operation of law. In case of the bankruptcy of Concessionaire, or the appointment of a receiver for Concessionaire and such receiver is not removed within one hundred twenty (120) days from the date of appointment, or if a receiver is appointed to take possession of Concessionaire's equipment at LAX as a result of any act or omission of Concessionaire and such receiver is not removed within one hundred twenty (120) days from the date of appointment, or if Concessionaire makes an assignment of this Agreement for the benefit of creditors, or if possession of the Concessionaire's equipment at LAX is taken by virtue of any attachment, execution, or the levy of any judicial process, City, at its election, may, after written notice to Concessionaire, terminate this Concession.

30.2 No waiver by City of any default on the part of Concessionaire in the performance of any of the terms, covenants, or conditions hereof to be performed, kept or observed by Concessionaire shall be, or be construed to be, a waiver by City of any other or subsequent default in the performance of said terms, covenants, or conditions.

Section 31.0 Business Tax Registration.

Concessionaire represents that it has registered its business with the Office of Finance of the City of Los Angeles and has obtained and presently holds from that Office a Business Tax

Registration Certificate ("BTRC"), or a Business Tax Exemption Number, required by City's Business Tax Ordinance (Article 1, Chapter 2, Sections 21.00 and following, of City's Municipal Code). Concessionaire shall maintain, or obtain as necessary, all such Certificates required of it under said Ordinance and shall not allow any such Certificate to be revoked or suspended during the term hereof.

Section 32.0 Living Wage and Service Agreement Worker Retention Requirements.

32.1 Living Wage Ordinance.

32.1.1 **General Provisions: Living Wage Policy.** This Agreement is subject to the Living Wage Ordinance ("LWO") (Section 10.37, et seq., of the Los Angeles Administrative Code, which is incorporated herein by this reference. A copy of Section 10.37 has been attached hereto for the convenience of the parties as Exhibit J. The LWO requires that, unless specific exemptions apply, any employees of service Concessionaire's who render services that involve an expenditure in excess of Twenty Five Thousand Dollar (\$25,000) and a contract term of at least three months are covered by the LWO if any of the following applies: (1) at least some of the services are rendered by employees whose work site is on property owned by the City, (2) the services could feasibly be performed by City's employees if the awarding authority had the requisite financial and staffing resources, or (3) the designated administrative agency of the City has determined in writing that coverage would further the proprietary interests of the City. Employees covered by the LWO are required to be paid not less than a minimum initial wage rate, as adjusted each year. The LWO also requires that employees be provided with at least twelve (12) compensated days off per year for sick leave, vacation, or personal necessity at the employee's request, and at least ten (10) additional days per year of uncompensated time pursuant to Section 10.37.2(b). The LWO requires employers to inform employees making less than Twelve Dollars (\$12) per hour of their possible right to the federal Earned Income Tax Credit ("EITC") and to make available the forms required to secure advance EITC payments from the employer pursuant to

Section 10.37.4. Concessionaire shall permit access to work sites for authorized City representatives to review the operation, payroll, and related documents, and to provide certified copies of the relevant records upon request by the City. Whether or not subject to the LWO, Concessionaire shall not retaliate against any employee claiming non-compliance with the provisions of the LWO, and, in addition, pursuant to Section 10.37.6(c), Concessionaire agrees to comply with federal law prohibiting retaliation for union organizing.

32.1.2 **Living Wage Coverage Determination.** An initial determination has been made that this is a service contract under the LWO, and that it is not exempt from coverage by the LWO. Determinations as to whether this Agreement is a service contract covered by the LWO, or whether an employer or employee are exempt from coverage under the LWO are not final, but are subject to review and revision as additional facts are examined and or other interpretations of the law are considered. In some circumstances, applications for exemption must be reviewed periodically. City shall notify Concessionaire in writing about any redetermination by City of coverage or exemption status. To the extent Concessionaire claims non-coverage or exemption from the provisions of the LWO, the burden shall be on Concessionaire to prove such non-coverage or exemption.

32.1.3 **Compliance; Termination Provisions And Other Remedies: Living Wage Policy.** If Concessionaire is not initially exempt from the LWO, Concessionaire shall comply with all of the provisions of the LWO, including payment to employees at the minimum wage rates or higher, effective on the Execution Date of this Agreement, and shall execute the Declaration of Compliance Form attached to this Agreement, as part of Exhibit J, contemporaneously with the execution of this Agreement. If Concessionaire is initially exempt from the LWO, but later no longer qualifies for any exemption, Concessionaire shall, at such time as Concessionaire is no longer exempt, comply with the provisions of the LWO and execute the then currently used Declaration of Compliance Form, or such form as the LWO requires. Under the provisions of Section

10.37.6(c) of the Los Angeles Administrative Code, violation of the LWO shall constitute a material breach of this Agreement and City shall be entitled to terminate this Agreement and otherwise pursue legal remedies that may be available, including those set forth in the LWO, if City determines that Concessionaire violated the provisions of the LWO. The procedures and time periods provided in the LWO are in lieu of the procedures and time periods provided elsewhere in this Agreement. Nothing in this Agreement shall be construed to extend the time periods or limit the remedies provided in the LWO.

32.2 Service Agreement Worker Retention Ordinance. This Agreement may be subject to the Service Agreement Worker Retention Ordinance ("SCWRO")(Section 10.36, et seq., of the Los Angeles Administrative Code), that is incorporated herein by this reference. A copy of Section 10.36 has been attached for the convenience of the parties as Exhibit K. If applicable, Concessionaire must also comply with the SCWRO which requires that, unless specific exemptions apply, all employers under contracts that are primarily for the furnishing of services to or for the City and that involve an expenditure or receipt in excess of Twenty Five Thousand Dollars (\$25,000) and a contract term of at least three (3) months, shall provide retention by a successor Concessionaire for a ninety-day (90-day) transition period of the employees who have been employed for the preceding twelve (12) months or more by the terminated Concessionaire or sub-Concessionaire, if any, as provided for in the SCWRO. Under the provisions of Section 10.36.3(c) of the Los Angeles Administrative Code, City has the authority, under appropriate circumstances, to terminate this Agreement and otherwise pursue legal remedies that may be available if City determines that the subject Concessionaire violated the provisions of the SCWRO.

Section 33.0 Contractor Responsibility Program.

Lessee shall comply with the provisions of the Concessionaire Responsibility Program adopted by the Board. The Executive Directives setting forth the rules, regulations, requirements and penalties of the Contractor Responsibility Program and the Pledge of Compliance Form is

attached hereto as Exhibit L and incorporated herein by reference.

34.0 Intellectual Property and Privacy Protection

34.1 Intellectual Property Ownership. City and Concessionaire (and as applicable subcontractor(s)) agree that each retains all rights, title and interest in and to its respective existing intellectual property, including without limitation, software, plans, designs, specifications, drawings, copyrights, trademarks, and patents. Concessionaire agrees that any and all names, logos, trademarks and/or copyrights developed hereinafter which will in any way associate with, identify or implicate an affiliation with City, Los Angeles World Airports and/or LAX, shall be approved by City, shall belong to City upon creation or first use, and shall continue in City's exclusive ownership upon termination of this Concession Agreement. At the end of the Term, concessionaire shall provide City with a royalty free license in perpetuity to use Concessionaire's intellectual property to the extent necessary for the City to continue operating the Wi-Fi system as operated during this Agreement.

34.2 Privacy. Concessionaire hereby agrees to comply with all applicable privacy laws, U.S. or foreign (e.g., European Union, etc.); including those set forth in California Civil Code, Sections 1798.29, 1798.82 & 1798.84, as amended from time to time, such as the duty to disclose and notify of any breach of security of unencrypted personal information stored in a computer system.

34.2.1 Concessionaire will be responsible for any and all liabilities arising out of its violation of any privacy laws. Concessionaire further agrees to indemnify and hold harmless the City of Los Angeles, its respective agencies, departments, boards, all of their commissioners, officers, employees, and authorized agents, and, at the option of the City of Los Angeles, to provide defense against any and all suits and causes of action, claims, charges, damages, demands, judgments, civil fines and penalties, or losses of any kind or nature whatsoever caused or brought by any person, including any aggrieved party as defined in SB1386, arising out of Concessionaire's breach of any of its duties and

obligations under SB1386. The indemnification herein includes all awards, damages, interests, costs and attorneys' fees, if any. Such defense will be consistent with City Charter, Sections 271, 272 and 273.

Section. 35.0 First Source Hiring Program For Airport Employers

Contractor shall comply with the provisions of the First Source Hiring Program adopted by the Board.

Section 36.0 Agent for Service of Process.

Concessionaire designates the Secretary of State, State of California, its agent for the purpose of service of process in any court action between it and City arising out of or based upon this Agreement, and the service, shall be made as provided by the Laws of the State of California for service upon a non-resident. Notwithstanding the above, Concessionaire represents to City that its agent for service of process in California is InCorp Services (C2294569) ("Registered Agent") and City agrees that service of process shall be made on Concessionaire's Registered Agent or such change of Registered Agent as Concessionaire may notify City from time to time. If, for any reason, service of such process is not possible, as an alternative method of service of process, Concessionaire may be personally served with such process out of this State by mailing, by registered or certified mail, the complaint and process to Concessionaire at the address for notice as set forth in this Agreement, and that such service shall constitute valid service upon Concessionaire as of the date of mailing, and Concessionaire shall have thirty (30) days from the date of mailing to respond thereto. Concessionaire agrees to the process so served, submits to the jurisdiction and waives any and all objection and protest thereto, and Laws to the contrary notwithstanding.

Section 37.0 Prevailing Wage.

Construction work performed on City's property will require payment of prevailing wages, if applicable. Concessionaire is obligated to make the determination of whether the payment of prevailing wages is applicable, and Concessionaire shall be bound by and comply

with applicable provisions of the California Labor Code and Federal, State, and local laws related to labor. Concessionaire shall indemnify, defend and pay or reimburse City for any damages, penalties or fines (including, but not limited to, attorney's fees and costs of litigation) that City incurs, or pays, as a result of noncompliance with applicable prevailing wage laws in connection with the construction work performed in connection with this Agreement.

Section 38.0 Visual Artists' Rights Act.

38.1 Concessionaire shall not install, or cause to be installed, any work of art subject to the Visual Artists' Rights Act of 1990 (as amended), 17 U.S.C. 106A, et seq., or California Code Section 980, et seq., hereinafter collectively "VARA" on or about the Assigned Area without first obtaining a waiver, in writing, of all rights under VARA, satisfactory to Executive Director and approved as to form and legality by the City Attorney's Office, from the artist. Said waiver shall be in full compliance with VARA and shall name City as a party for which the waiver applies.

38.2 Concessionaire is prohibited from installing, or causing to be installed, any piece of artwork covered under VARA on the Assigned Area without the prior, written approval and waiver of the Executive Director. Any work of art installed on the Assigned Area without such prior approval and waiver shall be deemed a trespass, removable by City, by and through its Executive Director, upon three (3) days' written notice, all costs, expenses, and liability therefor to be borne exclusively by Concessionaire.

38.3 Concessionaire, in addition to other obligations to indemnify and hold City harmless, as more specifically set forth in this Lease, shall indemnify and hold harmless City from all liability resulting from Concessionaire's failure to obtain City's waiver of VARA and failure to comply with any portion of this provision.

38.4 The rights afforded City under this provision shall not replace any other rights afforded City in this Agreement or otherwise, but shall be considered in addition to all its other rights.

Section 39.0 Subordinate to Agreements with United States.

This Concession Agreement shall be subordinate to the provisions and requirements of any existing or future agreement between City and the United States relative to the development, operation, or maintenance of Airport.

Section 40.0 Equal Benefits Ordinance.

40.1 Unless otherwise exempted in accordance with the provisions of this Ordinance, this Agreement is subject to the applicable provisions of the Equal Benefits Ordinance (EBO) Section 10.8.2.1 of the Los Angeles Administrative Code, as amended from time to time.

40.2 During the performance of the Contract, the Concessionaire certifies and represents that the Concessionaire will comply with the EBO. The Concessionaire agrees to post the following statement in conspicuous places at its place of business available to employees and applicants for employment:

“During the performance of a Contract with the City of Los Angeles, the Contractor/Consultant will provide equal benefits to employees with spouses and its employees with domestic partners. Additional information about the City of Los Angeles' Equal Benefits Ordinance may be obtained from the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance at (213) 847-6480.”

Section 41.0 Compliance with Los Angeles City Charter Section 470(c)(12).

Concessionaire, subcontractors and their principals are obligated to fully comply with City of Los Angeles Charter Section 470(c)(12) and related ordinances, regarding limitations on campaign contributions and fundraising for certain elected City of Los Angeles officials or candidates for elected City of Los Angeles office if the contract is valued at \$100,000 or more and requires approval of a City of Los Angeles elected official. Additionally, Concessionaire is required to provide and update certain information to the City as specified by law. Any contractor subject to Charter Section 470(c)(12) shall include the following notice in any

contract with a subcontractor expected to receive at least \$100,000 for performance under this Agreement:

“Notice Regarding Los Angeles Campaign Contribution and Fundraising Restrictions.

As provided in Charter Section 470(c)(12) and related ordinances, you are subcontractor on City of Los Angeles contract # _____. Pursuant to City Charter Section 470(c)(12), subcontractor and its principals are prohibited from making campaign contributions and fundraising for certain elected City officials or candidates for elected City office for 12 months after the City contract is signed. Subcontractor is required to provide to contractor names and addresses of the subcontractor’s principals and contact information and shall update that information if it changes during the twelve (12) month time period. Subcontractor’s information included must be provided to contractor within five (5) business days. Failure to comply may result in termination of contract or any other available legal remedies including fines. Information about the restrictions may be found at the City Ethics Commission’s website at <http://ethics.lacity.org/> or by calling 213-978-1960.”

Concessionaire, its subcontractors and their principals shall comply with these requirements and limitations. Violation of this provision shall entitle the City to terminate this Agreement and pursue any and all legal remedies that may be available.

Section 42.0 Hazardous And Other Regulated Substances

42.1 Except as otherwise permitted in the Contract Documents, the Contractor agrees to accept sole responsibility for full compliance with any and all applicable present and future rules, regulations, restrictions, ordinances, statutes, laws and/or other orders of any governmental entity regarding the use, storage, handling, distribution, processing and/or disposal of hazardous wastes, extremely hazardous wastes, hazardous substances, hazardous materials, hazardous chemicals, toxic chemicals, toxic substances, pollutants, contaminants, or other similarly regulated substances (hereinafter referred to as "hazardous substances") regardless of whether the obligation for such compliance or responsibility is placed on the owner of the land, on the owner of any improvements on the premises, on the user of the land, or on the user of the improvements. Said hazardous substances shall include, but shall not be limited to gasoline, aviation, diesel and jet fuels, lubricating oils and solvents.

42.2 Except for claims arising from LAWA's sole or active negligence or willful misconduct, the Contractor agrees that any damages, penalties or fines levied against LAWA or the City and/or the Contractor as a result of noncompliance with any of the above shall be the sole responsibility of the Contractor and, further, that the Contractor shall indemnify and pay and/or reimburse LAWA or the City for any damages, penalties or fines that LAWA or the City incurs, or pays, as a result of noncompliance with this General Condition.

42.3 In the case of any hazardous substance spill, leak, discharge or improper storage on the premises, or contamination of same, by action or inaction of the Contractor, or anyone directly or indirectly employed or under contract to the Contractor, the Contractor agrees to make, or cause to be made, any necessary repairs or corrective actions, as well as to clean up and remove any leakage, contamination or contaminated ground. In the case of any hazardous substance spill, leak, discharge or contamination caused in whole or part by the Contractor, or by any of its subcontractors, employees, agents, or servants, which affects LAWA's property, or property(ies) of LAWA's tenant(s), the Contractor agrees to make, or cause to be made, any necessary repairs, or take corrective actions, to clean-up and remove any such spill, leakage or contamination to the extent required by applicable law or regulation.

42.4 If, after reasonable notice, the Contractor fails to repair, clean-up, properly dispose of, or take any other corrective action(s) as required by the Contract Documents, LAWA may (but shall not be required to) take all steps it deems reasonably necessary to properly repair, clean-up or otherwise correct the condition(s) resulting from the spill, leak or contamination. Any such repair, clean-up or corrective action(s) taken by LAWA shall be at Contractor's sole cost and expense, including any and all costs (including any administrative costs) which LAWA incurs, or pays, as a result of any repair, clean-up or corrective action it takes.

42.5 If the Contractor installs or uses already installed underground storage tanks, pipelines or other improvements on the specified premises for the storage, distribution, use, treatment or disposal of any hazardous substances, the Contractor agrees, upon the expiration

and/or termination of this Contract, to remove and/or clean up, at the sole option of LAWA, the above-referred to improvements. Said removal and/or clean-up shall be at Contractor's sole cost and expense, and shall be undertaken and completed in full compliance with all federal, state and local laws and regulations, as well as in compliance with the reasonable directions of LAWA.

42.6. Contractor shall promptly supply LAWA with copies of all notices, reports, correspondence and submissions made by the Contractor to any governmental entity regarding any hazardous substance spill, leak, discharge or clean-up, including all tests results.

42.7 This General Condition and the obligation(s) contained therein, shall survive the expiration or earlier termination of this Contract.

Section 43.0 Miscellaneous Provisions.

43.1 Fair Meaning. The language of this Agreement shall be construed according to its fair meaning, and not strictly for or against either City or Concessionaire.

43.2 Section Headings. The section headings appearing herein are for the convenience of City and Concessionaire, and shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of this Agreement.

43.3 Void Provisions. If any provision of this Agreement is determined to be void by any court of competent jurisdiction, then such determination shall not affect any other provision of this Agreement, and all such other provisions shall remain in full force and effect.

43.4 Two Constructions. It is the intention of the parties hereto that if any provision of this Agreement is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.

43.5 Laws of California. This Agreement shall be construed and enforced in

accordance with the laws of the State of California and venue shall lie in the appropriate U.S. Federal Court or California Superior Court located in Los Angeles County.

43.6 Gender. The use of any gender herein shall include all genders, and the use of any number shall be construed as the singular or the plural, all as the context may require.

43.7 Ordinance and Los Angeles Administrative Code (hereinafter referred to as "Code") Language Governs. Ordinance and Code Exhibits are provided as a convenience to the parties only. In the event of a discrepancy between the Exhibits and the applicable ordinance and or code language, or amendments thereto, the language of the ordinance and or code shall govern.

43.8 Amendments to Ordinances and Codes. The obligation to comply with any Ordinances and Codes that have been incorporated into this Agreement by reference, shall extend to any amendments which may be made to those Ordinances and Codes during the term of this Agreement.

43.9 Definition of Executive Director Executive Director shall mean the Executive Director or the Executive Director's designated representative.

Section 44.0 Entire Agreement

This Agreement contains the entire agreement between the parties hereto and supersedes any and all prior written or oral agreements between them concerning the subject matter contained herein. There are no representations, agreements or understandings, oral or written, between and among the parties relating to the subject matter contained in this Agreement which are not fully set forth herein. This is an integrated agreement.

IN WITNESS WHEREOF, City has caused this Agreement to be executed on its behalf by Executive Director and Concessionaire has caused the same to be executed by its duly authorized officers, all as of the day and year first hereinabove written.

CITY OF LOS ANGELES

By _____
Executive Director
Department of Airports

APPROVED AS TO FORM:
Carmen A. Trutanich, City Attorney

Date: _____

By: _____
Deputy/Assistant City Attorney

ATTEST:

Advanced Wireless Group, LLC

By 1/17 PM
Signature (Secretary)

By [Signature]
Signature

Sarah J. Phillips
Print Name

H. Scott Phillips
Print Name

[SEAL]

President/CEO
Print Title

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EXHIBIT A

Performance, Use And Operational Requirements

EXHIBIT A

PERFORMANCE, USE AND OPERATIONAL REQUIREMENTS

Without limiting the generality of the Agreement Provisions, Operator shall satisfy the requirements in this Exhibit A.

1. GENERAL REQUIREMENTS

1.1 Operator shall be responsible for the operation and maintenance of the Wi-Fi system in designated public areas of the Airport, and for design, installation, testing, repair, upgrade and management of the system for the purpose of providing Wi-Fi service to the passengers and Los Angeles International Airport (LAX). Operator shall be responsible for all the costs for Operation, Maintenance and Upgrade of Wireless-Fidelity System at LAX.

1.2 All installations, equipment placements, improvements and upgrades must be specifically approved by the Airport prior to installation or deployment, in accordance with this Agreement. Operator shall deploy and operate the Wi-Fi system in accordance with design and project plans approved by the Airport.

1.3 Operator must coordinate the transition from the interim Wi-Fi operator in charge of operating the system (T-Mobile) until execution of this agreement in order to avoid any negative impact on the operation of that Wi-Fi system.

1.4 Operator shall ensure that any network design work will allow for upon termination or expiration of this Agreement, the Airport (either directly or through a third-party Wi-Fi operator) to continue operating and maintaining the public Wi-Fi network in the new configuration.

1.5 Title to all the Wi-Fi equipment and associate infrastructure for public Wi-Fi service existing throughout the Airport prior to the execution of this agreement, shall vest in City. Title to all alterations, upgrades and any new Wi-Fi Equipment installed by Operator shall initially vest in Operator until termination or expiration of the Agreement term including any additional extension periods, when title shall be transferred to City.

1.6 City reserves the right of co-ownership of any data collected by Operator about Wi-Fi usage and information regarding the users, and Operator agrees to share with City all such data.

2. USE AND OPERATIONAL REQUIREMENTS

Operator shall be responsible for operation, maintenance and upgrade of the public Wi-Fi system. To accomplish this, Operator shall provide services in each of the following categories:

1. Wi-Fi network infrastructure upgrade and operation
2. Public Wi-Fi services

The existing Wi-Fi infrastructure at LAX was installed by T-Mobile. Given the significant increase in usage anticipated from the transition from a paid to free Wi-Fi, the T-Mobile Network will provide sub-standard performance. Operator acknowledges that Network requires assessment, engineering and upgrade to provide adequate bandwidth to support public services which are discussed in this Exhibit and to meet its obligations under this Agreement.

Operator shall further be responsible for ongoing operation and maintenance of the network infrastructures.

2.1 Wi-Fi Network Infrastructure Upgrade and Operation. In regards to operation and upgrade of the Wi-Fi infrastructure, the responsibilities of both parties are as follows:

(a) City's Responsibilities:

- (i) City owns all Wi-Fi Infrastructures associated with the T-Mobile Network and will ensure continued ownership of said infrastructure during the term of the agreement.
- (ii) City shall provide Operator a limited, non-transferable license during the term of this Agreement for Operator to have access to operate replace, upgrade and manage the Network in a manner similar to that if the Operator were the owner of the network.
- (iii) City shall assist Operator with obtaining required security clearances, identification badges, keys, escorts or other access credentials as required to access the network equipment on a 24 x 7 x 365 basis.
- (iv) City will provide Operator information that might be useful in the design of upgrades to the Wi-Fi system, such as passenger traffic data by terminal/gate, plans and drawings of the public areas of the terminal buildings.

(b) Operator's Responsibilities:

- (i) Review existing engineering drawings, plans and other documentation to develop a baseline for onsite network surveys and upgrade documentation.
- (ii) Conduct a detailed onsite survey.
- (iii) Develop comprehensive network upgrade plan including bill of materials, drawings/documentation and installation schedule/timeline.
- (iv) Procure all hardware and software at Operator's expense as needed to meet installation schedule.
- (v) Implement upgrades of Wi-Fi system.
- (vi) Test and certify network after integration and after any upgrades. These tasks shall be completed by the deadline(s) as mutually agreed to by Operator and City. Confirmation of connectivity and speed will be confirmed using a Dell Latitude (or equivalent) laptop computer with an 802.11n Wi-Fi adapter installed. Internet access will be tested utilizing www.speedtest.net or similar Internet speed test. The test will be performed in multiple locations, each one tested at several times during a 4 hour period with high user presence, medium user presence, and low user presence, with the average speed calculated to confirm meeting the contracted commitment.
- (vii) Install WAN/broadband circuit of sufficient capacity to handle current and planned Internet access bandwidth demand. The deadline for completion of this task shall be determined jointly by Operator and City based on information such as usage of the Wi-Fi system, anticipated demand on the system's capacity, problems with existing infrastructure necessitating equipment repairs and other related information.
- (viii) Provide 24/7 public access to the Internet for any user of the LAX Wi-Fi upon the business model and access criteria specified elsewhere in this document.
- (ix) Provide a toll free number and receive and respond to calls 24 hours per day 7 days per week 365 (24/7/365) days per year from Wi-Fi system users regarding issues accessing the LAX Wi-Fi.
- (x) "Concessionaire will use commercially reasonable efforts to protect the network from intrusion, malicious software, viruses, worms, and other

attacks that would negatively affect the performance of the network or services. The systems, policies, and protocols used include but are not limited to Intrusion Detection and Prevention systems, Network Access Control, source and destination filtering using Access Control Lists and real-time packet inspection, protocol filtering via firewall rules, separation of public traffic from vendor, and management traffic, and real time monitoring via wireless controller for rogue access points, denial of service attacks and other signature attacks as well as AES level security encryption."

2.2 Public Wi-Fi Services. This section outlines the general responsibilities of the two parties in regards to public Wi-Fi services.

- (a) Access. Operator shall provide Wi-Fi service in designated public areas of the Airport to users and passengers free of charge. Operator shall have the right to offset its costs of operating, maintaining and upgrading the system through advertising and-or sponsorship revenues generated through the Wi-Fi service. The users shall be required to accept the City and Operator's Wi-Fi system's terms of services prior to being granted open Internet access. Operator may require users of free Wi-Fi to navigate through a portal, which may include sponsor messages or advertising in order to receive free Internet access.
- (b) Sponsorship and Advertising. City agrees that Operator will actively sell sponsorship and advertising to fund the costs associated with providing free Internet access. Operator agrees that all sponsorship and advertising content shall be subject to approval by the Airport Director.
- (c) Technical Support. Operator shall provide 24 hours per day/7 days per week /365 days per year end-user support for public users and passengers.
- (d) Authentication/Login. Operator shall provide, operate and maintain all components required to redirect users to the Wi-Fi landing page, host the access portal, display network usage terms and conditions requiring proactive opt-in, authenticate users and provide connectivity to the Internet circuit(s).
- (e) Terms and Conditions. Operator and the City shall publish and make available to end users, Terms and Conditions ("T&C's") requiring the users to acknowledge all associated risks, legal obligations and system limitations for their use of the Wi-Fi Internet network at the Airport. Users shall be required to accept all T&C's prior to being granted open Internet access.
- (f) Walled Garden. Operator shall design and construct a "Walled Garden." The Walled Garden restricts users from navigating to the Internet prior to

authentication and acceptance of T& C's. The Walled Garden will include the splash page, portal pages, authentication pages, and message pages. Operator shall host and maintain the Walled Garden on its servers. Operator agrees to obtain Executive Director's approval of the content, look and feel of all Walled Garden pages prior to implementing them in a live environment and Airport agrees not to unreasonably withhold such approval. City will be responsible for providing all Airport branding and content relevant to the Airport that City wishes to make available to passengers (i.e. terminal maps, concession information, local area information, etc.) Operator shall work with the Airport staff to effect the integration of such content into the Walled Garden maintained by Operator.

- (g) Network Performance Monitoring. Operator shall comply with all industry standards required for installation of the Wi-Fi's, such as payment card Industry standards, etc.
- (h) Privacy Policy. Operator shall publish and make available to end users, a privacy policy describing the collection, use and retention of personal information from end users of the Wi-Fi System Operator.
- (i) End User Data. In the event that City is required by law to disclose end user data collected from the Wi-Fi system to a third party, City shall notify Operator of such disclosure to the extent permitted by law.

3. SERVICES DURING REMODELING AND RECONSTRUCTION PROJECTS

Operator acknowledges that the Airport occasionally embarks on remodeling and/or reconstruction projects that may impact operation of the Wi-Fi system. Operator understands that during the term of this Agreement, the Wi-Fi service in some public areas may have to be suspended during such reconstructions and the Wi-Fi- infrastructure in these area may have to be redeployed.

4. PLANNING MEETINGS

Operator shall meet with Airport staff no less than once every three months either in person or by teleconference for the purpose of planning and sharing Information. This may include discussions about system performance, emerging technologies, prospective upgrades and other relevant matters. Operator shall provide plans for service enhancements and their anticipated schedule for implementation.

5. REPORTING REQUIREMENTS

Operator shall provide the following reports to the Airport, on a monthly basis, In a format to be approved by the Airport, delivered in written and/or electronic form (via email):

5.1 A log in electronic and hard copy of:

- (a) Hardware problems
- (b) System configuration issues
- (c) Maintenance actions performed from the Commencement Date

5.2 Maintenance log documenting:

- (a) Wi-Fi operation
- (b) Hardware failures
- (c) Spare parts usage
- (d) Periodic maintenance performed
- (e) Level of consumable supplies used
- (f) Other maintenance efforts

5.3 Usage and capacity reports for the following:

- (a) Bandwidth utilization
- (b) Number of users and unique connections
- (c) Length of connection times.
- (d) Length of time user has to wait for advertising to pass before connection
- (e) Types of devices connected to Wi-Fi system segmented by laptop and mobile device categories
- (f) Details of number and nature of customers' complaints as received by the Operator's call center and action taken for resolution
- (g) System outage times
- (h) Failover process

5.4 Status reports describing design, deployment, testing and implementation of any upgrades and expansions to the system.

Concessionaire shall provide to City, via email, an electronic copy of or web link to any advertising or sponsorship within 48 hours of being posted within the Walled Garden, for City's approval. Any advertising not meeting City's approval will require immediate removal from the Wi-Fi Walled Garden upon written notification from City.

6. CONTENT GUIDELINES FOR FREE WI-FI SYSTEM

The free public Wi-Fi system shall meet the content presentation guidelines outlined herein. These guidelines are intended to achieve a Wi-Fi solution with a good balance between advertising/sponsorship revenues for the Wi-Fi operator and a satisfactory user experience for the traveling public accessing the free Wi-Fi at the Airport. The content guidelines for the free public Wi-Fi system are:

6.1 The operator shall allocate space for LAX content in the landing page and other pages in the Wi-Fi system portal; the space allocated for LAX content will be controlled by the Airport.

6.2 No user information or user credentials shall be required to gain access to the free Wi-Fi service, although Operator may allow users to optionally register to streamline the authentication process for future visits.

6.3 Landing Page / Welcome Portal Pages

- (a) At least 45% of the landing page area (on a standard 1280 x 1024 screen resolution) shall be allocated to the Airport. In this section of the page, the Airport may include information about the Airport, as well as advertisements placed by the advertising concession tenant in accordance with the provisions detailed in Section 1.6.
- (b) The user shall prominently see how to gain access to the free Wi-Fi system, regardless of any other access options or sponsorship/advertisers on the welcome portal.
- (c) The screen may include a separate area for paid advertising/ sponsorship ads controlled by the Operator. Any such paid ads may not occupy more than 13% of any page view.
- (d) The welcome portal must not require users to sign up or opt-in for any sponsorship or offers as a condition for gaining access the Wi-Fi system.

- (e) Video/Tunnel Sponsorship Page (optional). Following the landing page, the free Wi-Fi operator may direct the user to a video sponsorship or tunnel sponsorship page. The page must clearly disclose that content is brought by the operator and/or its sponsor partners. The page shall also provide a link with a skip through option after the video has played for a maximum fifteen (15) seconds and optionally provide a countdown timer for the length of the sponsorship impression. The length of the sponsorship video may not exceed thirty (30) seconds.

6.4 User Acceptance/ Terms and Conditions Page. At the beginning of the Wi-Fi session (either before or after the Video/Tunnel Sponsorship Page, if applicable), the operator shall ask the user to accept the Terms and Conditions. Said Terms and Conditions shall be available to all users for review. The extent of the language of the terms and conditions must be approved by the Airport before posting.

6.5 While the user is accessing the Internet, the Wi-Fi system may not limit or interfere with the browser original content in any way. This Includes iframes or other web browser content filtering or HTML proxy that alters the original content requested. Operator shall provide an access session that is non-invasive and open for all authorized ports normally provided by top Internet service providers.

6.6 Operator shall not allow pop-ups, jsript, active controls or any Trojan applets that attempt to read local user data.

6.7 Advertising banners should follow Universal Ad Package (UAP) dimensions as outlined by the Interactive Advertising Bureau (IAB) standard.

6.8 At the Airport's discretion, Operator may be required to implement a time limit to each free Wi-Fi session. In no case will a free Wi-Fi session be less than 20 minutes in duration.

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EXHIBIT B

Equipment List

EXHIBIT B

EQUIPMENT LIST

The following is a preliminary list of equipment and conceptual network topology. Final equipment, specifications and quantities will be documented in an "as-built" Exhibit to replace this preliminary version.

| <u>LOCATION</u> | <u>DESCRIPTION</u> | <u>QUANTITY</u> |
|-------------------|---|-----------------|
| Network Core | Cisco 3700 Series Fiber Distribution switch | 1 |
| | Cisco 3700 Series switch | 1 |
| | Cisco ASR1000 Series outer | 1 |
| | TrippLite SMART1500CRMXL | 1 |
| | Internet gateway | 2 |
| MPOE (Typical) | Cisco 3700 Series Fiber Distribution switch | TBD |
| | TrippLite SMART1000CRMXL | TBD |
| IDF (Typical) | Cisco 3500 Series POE switch | TBD |
| | TrippLite SMART1000CRMXL | TBD |
| Access Points | Cisco 3600 Series | TBD |

EXHIBIT C

Approved Deviations to Design and Construction Handbook

Approved Deviations from the LAWA Design and Construction Handbook

LAWA will approve the following deviations from the LAWA Design and Construction Handbook:

Concessionaire to install armored 6 or 12 strand fiber between the MPOE in each terminal and existing LAWA telecommunications closets in each terminal.

LAWA to provide separate dark fiber connections between the MPOE in each terminal and a central core location.

LAWA to provide space and utility power to LAWA telephone closets where Concessionaire equipment will be located.

All existing Access Points to continue to be powered from current sources. LAWA to provide rack space and power for Concessionaire equipment in central core location.

LAWA to allow installation of wireless antennas on the roof or exterior walls of terminal buildings and/or central core location for Concessionaire's initial Internet WAN delivery and connection to the Commuter terminal.

LAWA to allow contractors to work in non-public areas at all reasonable times.

LAWA to assist Concessionaire in accelerating the LAWA construction approval process.

Such other deviations LAWA determinates to be reasonable.

EXHIBIT C

Approved Deviations to Design & Construction Handbook

EXHIBIT D

Early Surrender

Advertising Sales by Terminal July 1, 2010 to June 2011

| <u>LAX</u> | <u>Revenue</u> | <u>Percent</u> |
|------------|----------------|----------------|
| Terminal 1 | \$3,457,189 | 14.83% |
| Terminal 2 | \$1,701,694 | 7.30% |
| Terminal 3 | \$1,773,914 | 7.61% |
| Terminal 4 | \$3,499,810 | 15.02% |
| Terminal 5 | \$2,316,514 | 9.94% |
| Terminal 6 | \$2,263,359 | 9.71% |
| Terminal 7 | \$3,440,593 | 14.76% |
| Terminal 8 | \$ 939,139 | 4.03% |
| TBIT | \$3,915,953 | 16.80% |

Capital Investment Repayment

AWG will depreciate capital investment on a straight line bases over the two year term of this agreement.

Should LAWA terminate AWG's right to provide Wi-Fi in certain terminals at LAX during the initial two-year term, the undepreciated portion of AWG's capital investment will be paid to AWG by LAWA using the following formula:

(Percent of Terminal Revenue) x (Undepreciated amount of Capital Investment) = Payment

For illustrative purposes only, should LAWA acquire Terminal 1 on the 12th month of the agreement, and AWG's total capital investment was \$1,000,000 LAWA would pay AWG:

Depreciation amount remaining after 12 months - \$500,000 ($\$1,000,000 \times 1/24 \times 12$)

Terminal 1 proportion of the undepreciated amount = \$74,150 ($\$500,000 \times 14.83\%$)

Rent Adjustment

AWG's monthly installment of the annual fee will be reduced proportionally to the terminal(s) recaptured by LAWA as shown below:

Should LAWA terminate AWG's right to provide Wi-Fi in certain terminals at LAX during the initial two-year term, the annual fee that AWG pays to LAWA will be reset according to the following formula:

Annual fee x (1 – Terminal Percent): Monthly payment will be 1/12 this amount from month immediately after LAWA recapture of terminal(s). For any subsequent recapture the annual fee will be further reset by applying the recaptured terminal percent against the annual fee paid at the time as may have been reduced by prior recapture(s).

For illustrative purposes, if LAWA acquires Terminal 1 in the 20th month of the agreement, AWG will pay LAWA for the annual fee only:

Monthly payments starting in 21st month: Annual Fee x (1-14.83%)12
 $\$380,000 \times 85.17\% = \$32,636/12 = \$12,970/\text{month}$

EXHIBIT F

Bank Site

LOS ANGELES WORLD AIRPORTS

TO BE INSERTED

EXHIBIT F

Bank Site

EXHIBIT G

Equal Employment Practices

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. 1, Art. 1

EQUAL EMPLOYMENT

Sec. 10.8.3. Equal Employment Practices Provisions.

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$1,000 or more, and every construction contract for which the consideration is \$1,000 or more, shall contain the following provisions, which shall be designated as the **EQUAL EMPLOYMENT PRACTICES** provision of such contract:

A. During the performance of this contract, the contractor agrees and represents that it will provide equal employment practices and the contractor and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

1. This provision applies to work or service performed or materials manufactured or assembled in the United States.

2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.

3. The contractor agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.

B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

C. As part of the City's supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, the contractor shall

certify in the specified format that he or she has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status or medical condition.

D. The contractor shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of City contracts. On their or either of their request the contractor shall provide evidence that he or she has or will comply therewith.

E. The failure of any contractor to comply with the Equal Employment Practices provisions of this contract may be deemed to be a material breach of City contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.

F. Upon a finding duly made that the contractor has failed to comply with the Equal Employment Practices provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, such contractor shall be

disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until the contractor shall establish and carry out a program in conformance with the provisions hereof.

G. Notwithstanding any other provision of this contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.

H. The Board of Public Works shall promulgate rules and regulations through the Office of Contract Compliance, and provide necessary forms and required language to the awarding authorities to be included in City Request for Bids or Request for Proposal packages or in supplier registration requirements for the implementation of the Equal Employment Practices provisions of this contract, and such rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish the contract compliance program.

I. Nothing contained in this contract shall be construed in any manner so as to require or permit any act which is prohibited by law.

J. At the time a supplier registers to do business with the City, or when an individual bid or proposal is submitted, the contractor shall agree to adhere to the Equal Employment Practices specified herein during the performance or conduct of City Contracts.

K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:

1. Hiring practices;
2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
3. Training and promotional opportunities; and
4. Reasonable accommodations for persons with disabilities.

L. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

SECTION HISTORY

Amended by: Ord. No. 147,030, Eff. 4-28-75; Paragraphs A., B., C., Ord. No. 164,516, Eff. 4-13-89; Paragraphs C., Ord. No. 168,244, Eff. 10-18-92; Ord. No. 173,186, Eff. 5-22-00; Subsec. F., Ord. No. 173,285, Eff. 6-26-00, Oper. 7-1-00.

EXHIBIT H

Affirmative Action Program

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. 1, Art. 1

AFFIRMATIVE ACTION

Sec. 10.8.4. Affirmative Action Program Provisions.

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$100,000 or more and every construction contract with or on behalf of the City of Los Angeles for which the consideration is \$5,000 or more shall contain the following provisions which shall be designated as the **AFFIRMATIVE ACTION PROGRAM** provisions of such contract:

A. During the performance of a City contract, the contractor certifies and represents that the contractor and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

1. This provision applies to work or services performed or materials manufactured or assembled in the United States.

2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.

3. The contractor shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.

B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

C. As part of the City's supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, the contractor shall certify on an electronic or hard copy form to be supplied, that the contractor has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status or medical condition.

D. The contractor shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City contracts, and on their or either of their request to provide evidence that it has or will comply therewith.

E. The failure of any contractor to comply with the Affirmative Action Program provisions of City contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.

F. Upon a finding duly made that the contractor has breached the Affirmative Action Program provisions of a City contract, the contract may be forthwith cancelled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such breach may be the basis for a determination by the awarding

EXHIBIT H AFFIRMATIVE ACTION

authority or the Board of Public Works that the said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.

G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that the contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City contract, there may be deducted from the amount payable to the contractor by the City of Los Angeles under the contract, a penalty of TEN DOLLARS (\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a City contract.

H. Notwithstanding any other provisions of a City contract the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.

I. The Public Works Board of Commissioners shall promulgate rules and regulations through the Office of Contract Compliance and provide to the awarding authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish this contract compliance program.

J. Nothing contained in City contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.

K. The contractor shall submit an Affirmative Action Plan which shall meet the requirements of this chapter at the time it submits its bid or

proposal or at the time it registers to do business with the City. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, the contractor may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, the contractor must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.

(1) Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.

(2) A contractor may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.

L. The Office of Contract Compliance shall annually supply the awarding authorities of the City with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and the contractor.

EXHIBIT H AFFIRMATIVE ACTION

M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:

1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
2. Classroom preparation for the job when not apprenticeable;
3. Pre-apprenticeship education and preparation;
4. Upgrading training and opportunities;
5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
6. The entry of qualified women, minority and all other journeymen into the industry; and
7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.

N. Any adjustments which may be made in the contractor's or supplier's work force to achieve the requirements of the City's Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the work force or replacement of those employees who leave the work force by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.

O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and

may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the City and may be used at the discretion of the City in its Contract Compliance Affirmative Action Program.

P. This ordinance shall not confer upon the City of Los Angeles or any Agency, Board or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by contractors or suppliers engaged in the performance of City contracts.

Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

SECTION HISTORY

Amended by Ord. No. 147,030, Eff. 4-28-75; Paragraphs A., B., C., Ord. No. 164,516, Eff. 4-13-89; Paragraphs B. and C., Ord. No. 168,244, Eff. 10-18-92; Title and Section, Ord. No. 173,186, Eff. 5-22-00; Subsec. F, Ord. No. 173,285, Eff. 6-26-00, Oper. 7-1-00.

EXHIBIT H AFFIRMATIVE ACTION

Los Angeles Administrative Code (LAAC), Division 10, Chapter 1, Article 1, Section 10.8 requires entities doing business with the City to comply with a Nondiscrimination/Affirmative Action Program. (Refer questions regarding these requirements to the Bureau of Contract Administration, Office of Contract Compliance, Affirmative Action Section, at (213) 847-6480.) In order to comply, it is necessary that the bidder/proposer/respondent complete, sign and return with the bid/proposal/response, the following:

DATE.

☒ PRIME ☐ SUB BCA Form (7/6/00)

TOTAL COMPOSITION OF WORK FORCE

OCC#

Contractor Advanced Wireless Group LLC

Project Title Interim WiFi at LAX

Length of Contract 2 years

Contractor Address 10460 NW 46th Street, Miami

Work Force as of (Date) 5-15-2012

(If you have no employees, write "no employee at this time.")

(Note: J - Journeyman, A - Apprentice, T - Trainee, F - Female, M - Male)

FOR CONSTRUCTION PROJECTS

(L.A. County Only)

| | AFRICAN AMERICAN (BLACK) | | | HISPANIC | | | ASIAN / PACIFIC ISLANDER | | | AMERICAN INDIAN/ ALASKAN NATIVE | | | CAUCASIAN (NON-HISPANIC) | | | TOTAL EMPLOYEES | | | % MINORITY | | | GENDER | |
|-------------------|-----------------------------|---|---|----------|---|---|-----------------------------|---|---|------------------------------------|---|---|-----------------------------|---|---|--------------------|---|---|---------------|---|---|--------|---|
| CRAFT | J | A | T | J | A | T | J | A | T | J | A | T | J | A | T | J | A | T | J | A | T | M | F |
| Brick Layers | | | | | | | | | | | | | | | | | | | | | | | |
| Carpenters | | | | | | | | | | | | | | | | | | | | | | | |
| Electricians | | | | | | | | | | | | | | | | | | | | | | | |
| Gunit Workers | | | | | | | | | | | | | | | | | | | | | | | |
| Iron Worker | | | | | | | | | | | | | | | | | | | | | | | |
| Laborers | | | | | | | | | | | | | | | | | | | | | | | |
| Operator | | | | | | | | | | | | | | | | | | | | | | | |
| Engineers | | | | | | | | | | | | | | | | | | | | | | | |
| Painters | | | | | | | | | | | | | | | | | | | | | | | |
| Pipe Trades | | | | | | | | | | | | | | | | | | | | | | | |
| Plasters / Cement | | | | | | | | | | | | | | | | | | | | | | | |
| Masons | | | | | | | | | | | | | | | | | | | | | | | |
| Sheet Metal | | | | | | | | | | | | | | | | | | | | | | | |
| Workers | | | | | | | | | | | | | | | | | | | | | | | |
| Teamsters | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | |
| Clerical | | | | | | | | | | | | | | | | | | | | | | | |
| Supervisory | | | | | | | | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | | | | | | | | |
| TOTAL | | | | | | | | | | | | | | | | | | | | | | | |

FOR NON-CONSTRUCTION PROJECTS

| | AFRICAN AMERICAN (BLACK) | | HISPANIC | | ASIAN OR PACIFIC ISLANDER | | AMERICAN INDIAN/ ALASKAN NATIVE | | CAUCASIAN (NON-HISPANIC) | | TOTAL EMPLOYEES | | % MINORITY | | GENDER | |
|----------------------|-----------------------------|---------|----------|---------|------------------------------|---------|------------------------------------|---------|-----------------------------|---------|--------------------|---|---------------|---|--------|---|
| OCCUPATION | Regular | Trainee | Regular | Trainee | Regular | Trainee | Regular | Trainee | Regular | Trainee | R | T | R | T | M | F |
| Official & Managers | | | | | | | | | | | | | | | | |
| Professionals | | | | | | | | | 3 | | | | | | 3 | |
| Technicians | | | | | | | | | | | | | | | | |
| Sales Workers | | | | | | | | | | | | | | | | |
| Office / Clerical | | | | | | | | | | | | | | | | |
| Semi-Skilled | | | | | | | | | | | | | | | | |
| Laborers (Unskilled) | | | | | | | | | | | | | | | | |
| Service Workers | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | |
| TOTAL | | | | | | | | | | | | | | | | |

Employment statistics were obtained from:

☒ Available Records ☐ Visual Check ☐ Other (Specify) _____

EQUAL EMPLOYMENT PRACTICES PROVISIONS **Construction Contracts in excess of \$1,000 or more but less than \$5,000 and** **Nonconstruction Contracts of \$1,000 or more but less than \$100,000**

Sec. 10.8.3. Equal Employment Practices Provisions.

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$1,000 or more, and every construction contract for which the consideration is \$1,000 or more, shall contain the following provisions, which shall be designated as the EQUAL EMPLOYMENT PRACTICES provision of such contract:

- A. During the performance of this contract, the contractor agrees and represents that it will provide equal employment practices and the contractor and each subcontractor hereunder will ensure that in his or her employment practices persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
 1. This provision applies to work or service performed or materials manufactured or assembled in the United States.
 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 3. The contractor agrees to post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- C. As part of the City's supplier registration process, and/or at the request of the awarding authority, or the Board of Public Works, Office of Contract Compliance, the contractor shall certify in the specified format that he or she has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, national origin, ancestry, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- D. The contractor shall permit access to and may be required to provide certified copies of all of his or her records pertaining to employment and to employment practices by the awarding authority or the Office of Contract Compliance for the purpose of investigation to ascertain compliance with the Equal Employment Practices provisions of City contracts. On their or either of their request the contractor shall provide evidence that he or she has or will comply therewith.
- E. The failure of any contractor to comply with the Equal Employment Practices provisions of this contract may be deemed to be a material breach of City contracts. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made or penalties assessed except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.
- F. Upon a finding duly made that the contractor has failed to comply with the Equal Employment Practices provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such failure to comply may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Charter of the City of Los Angeles. In the event of such a determination, such contractor shall be disqualified from being awarded a contract with City of Los Angeles for a period of two years, or until the contractor shall establish and carry out a program in conformance with the provisions hereof.
- G. Notwithstanding any other provision of this contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.
- H. The Board of Public Works shall promulgate rules and regulations through the Office of Contract Compliance, and provide necessary forms and required language to the awarding authorities to be included in City Request for Bids or Request for Proposal packages or in supplier registration requirements for the implementation of the Equal Employment Practices provisions of this contract, and such rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish the contract Compliance program.
- I. Nothing contained in this contract shall be construed in any manner so as to require or permit any act which is prohibited by law.
- J. At the time a supplier registers to do business with the City, or when an individual bid or proposal is submitted, the contractor shall agree to adhere to the Equal Employment Practices specified herein during the performance or conducted of City Contracts.
- K. Equal Employment Practices shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
 1. Hiring practices;
 2. Apprenticeships where such approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 3. Training and promotional opportunities; and
 4. Reasonable accommodations for persons with disabilities.
- L. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

AFFIRMATIVE ACTION PROGRAM PROVISIONS

Construction Contracts of \$5,000 or More and Nonconstruction Contracts of \$100,000 or More

Sec. 10.8.4. Affirmative Action Program Provisions.

Every non-construction contract with or on behalf of the City of Los Angeles for which the consideration is \$100,000 or more and every construction contract with or on behalf of the City of Los Angeles for which the consideration is \$5,000 or more shall contain the following provisions which shall be designated as the AFFIRMATIVE ACTION PROGRAM provisions of such contract:

- A. During the performance of a City contract, the contractor certifies and represents that the contractor and each subcontractor hereunder will adhere to an affirmative action program to ensure that in its employment practices, persons are employed and employees are treated equally and without regard to or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
 1. This provision applies to work or services performed or materials manufactured or assembled in the United States.
 2. Nothing in this section shall require or prohibit the establishment of new classifications of employees in any given craft, work or service category.
 3. The contractor shall post a copy of Paragraph A hereof in conspicuous places at its place of business available to employees and applicants for employment.
- B. The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to their race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- C. As part of the City's supplier registration process, and/or at the request of the awarding authority or the Office of Contract Compliance, the contractor shall certify on an electronic or hard copy form to be supplied, that the contractor has not discriminated in the performance of City contracts against any employee or applicant for employment on the basis or because of race, religion, ancestry, national origin, sex, sexual orientation, age, disability, marital status, domestic partner status, or medical condition.
- D. The contractor shall permit access to and may be required to provide certified copies of all of its records pertaining to employment and to its employment practices by the awarding authority or the Office of Contract Compliance, for the purpose of investigation to ascertain compliance with the Affirmative Action Program provisions of City contracts, and on their or either of their request to provide evidence that it has or will comply therewith.
- E. The failure of any contractor to comply with the Affirmative Action program provisions of City contracts may be deemed to be a material breach of contract. Such failure shall only be established upon a finding to that effect by the awarding authority, on the basis of its own investigation or that of the Board of Public Works, Office of Contract Compliance. No such finding shall be made except upon a full and fair hearing after notice and an opportunity to be heard has been given to the contractor.
- F. Upon a finding duly made that the contractor has breached the Affirmative Action Program provisions of a City contract, the contract may be forthwith canceled, terminated or suspended, in whole or in part, by the awarding authority, and all monies due or to become due hereunder may be forwarded to and retained by the City of Los Angeles. In addition thereto, such breach may be the basis for a determination by the awarding authority or the Board of Public Works that the said contractor is an irresponsible bidder or proposer pursuant to the provisions of Section 371 of the Los Angeles City Charter. In the event of such determination, such contractor shall be disqualified from being awarded a contract with the City of Los Angeles for a period of two years, or until he or she shall establish and carry out a program in conformance with the provisions hereof.
- G. In the event of a finding by the Fair Employment and Housing Commission of the State of California, or the Board of Public Works of the City of Los Angeles, or any court of competent jurisdiction, that the contractor has been guilty of a willful violation of the California Fair Employment and Housing Act, or the Affirmative Action Program provisions of a City contract, there may be deducted from the amount payable to the contractor by the City of Los Angeles under the contract, a penalty of TEN DOLLARS (\$10.00) for each person for each calendar day on which such person was discriminated against in violation of the provisions of a City contract.
- H. Notwithstanding any other provisions of a City contract, the City of Los Angeles shall have any and all other remedies at law or in equity for any breach hereof.
- I. The public Works board of Commissioners shall promulgate rules and regulations through the Office of Contract Compliance and provide to the awarding authorities electronic and hard copy forms for the implementation of the Affirmative Action Program provisions of City contracts, and rules and regulations and forms shall, so far as practicable, be similar to those adopted in applicable Federal Executive Orders. No other rules, regulations or forms may be used by an awarding authority of the City to accomplish this contract compliance program.
- J. Nothing contained in City contracts shall be construed in any manner so as to require or permit any act which is prohibited by law.

- K. The contractor shall submit an Affirmative Action Plan which shall meet the requirements of this Chapter at the time it submits its bid or proposal or at the time it registers to do business with the City. The plan shall be subject to approval by the Office of Contract Compliance prior to award of the contract. The awarding authority may also require contractors and suppliers to take part in a pre-registration, pre-bid, pre-proposal, or pre-award conference in order to develop, improve or implement a qualifying Affirmative Action Plan. Affirmative Action Programs developed pursuant to this section shall be effective for a period of twelve months from the date of approval by the Office of Contract Compliance. In case of prior submission of a plan, the contractor may submit documentation that it has an Affirmative Action Plan approved by the Office of Contract Compliance within the previous twelve months. If the approval is 30 days or less from expiration, the contractor must submit a new Plan to the Office of Contract Compliance and that Plan must be approved before the contract is awarded.
- (1) Every contract of \$5,000 or more which may provide construction, demolition, renovation, conservation or major maintenance of any kind shall in addition comply with the requirements of Section 10.13 of the Los Angeles Administrative Code.
 - (2) A contractor may establish and adopt as its own Affirmative Action Plan, by affixing his or her signature thereto, an Affirmative Action Plan prepared and furnished by the Office of Contract Compliance, or it may prepare and submit its own Plan for approval.
- L. The Office of Contract Compliance shall annually supply the awarding authorities of the City with a list of contractors and suppliers who have developed Affirmative Action Programs. For each contractor and supplier the Office of Contract Compliance shall state the date the approval expires. The Office of Contract Compliance shall not withdraw its approval for any Affirmative Action Plan or change the Affirmative Action Plan after the date of contract award for the entire contract term without the mutual agreement of the awarding authority and the contractor.
- M. The Affirmative Action Plan required to be submitted hereunder and the pre-registration, pre-bid, pre-proposal or pre-award conference which may be required by the Board of Public Works, Office of Contract Compliance or the awarding authority shall, without limitation as to the subject or nature of employment activity, be concerned with such employment practices as:
1. Apprenticeship where approved programs are functioning, and other on-the-job training for non-apprenticeable occupations;
 2. Classroom preparation for the job when not apprenticeable;
 3. Pre-apprenticeship education and preparation.
 4. Upgrading training and opportunities;
 5. Encouraging the use of contractors, subcontractors and suppliers of all racial and ethnic groups, provided, however, that any contract subject to this ordinance shall require the contractor, subcontractor or supplier to provide not less than the prevailing wage, working conditions and practices generally observed in private industries in the contractor's, subcontractor's or supplier's geographical area for such work;
 6. The entry of qualified women, minority and all other journeymen into the industry; and
 7. The provision of needed supplies or job conditions to permit persons with disabilities to be employed, and minimize the impact of any disability.
- N. Any adjustments which may be made in the contractor's or supplier's work force to achieve the requirements of the city's Affirmative Action Contract Compliance Program in purchasing and construction shall be accomplished by either an increase in the size of the work force or replacement of those employees who leave the work force by reason of resignation, retirement or death and not by termination, layoff, demotion or change in grade.
- O. Affirmative Action Agreements resulting from the proposed Affirmative Action Plan or the pre-registration, pre-bid, pre-proposal or pre-award conferences shall not be confidential and may be publicized by the contractor at his or her discretion. Approved Affirmative Action Agreements become the property of the City and may be used at the discretion of the City in its Contract Compliance Affirmative Action Program.
- P. This ordinance shall not confer upon the City of Los Angeles or any Agency, Board or Commission thereof any power not otherwise provided by law to determine the legality of any existing collective bargaining agreement and shall have application only to discriminatory employment practices by contractors or suppliers engaged in the performance of City contracts.
- Q. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

LOS ANGELES CITY AFFIRMATIVE ACTION MANDATORY PROVISIONS

Notwithstanding any other provision of this Division to the contrary, every construction contract involving an expenditure of \$5,000 or more of City funds, except in cases of urgent necessity, as provided in Section 371 of the Charter of the city of Los Angeles and except as provided in Section 10.9 of this Code, shall contain as part of the contract an Affirmative Action Plan substantially as set forth in this section and which by the contractor's signature affixed thereto, shall constitute and be established as the contractor's Affirmative Action Plan. The Plan, which may be a plan proposed by the contractor or the City's proposed Plan prepared by the Office of Contract Compliance, shall be subject to the approval of the Office of Contract Compliance prior to award of the contract. The Plan may consist of a Plan approved by the Office of Contract Compliance within the previous twelve months. If the previously approved Plan is 30 days or less from expiration, the contractor must submit a new Plan to the Office of Contract Compliance which shall be subject to approval before the contract may be awarded.

Sec. 10.13. Mandatory Provisions Pertaining to Nondiscrimination in Employment and Affirmative Action in Hiring Employees in the Performance of Work on Certain City Construction Contracts.

1. Construction Contracts Included.

The contractor shall not be eligible for an award of a City Construction Contract in excess of \$5,000, unless the contractor has submitted as part of the bid a written Affirmative Action Plan embodying both (1) anticipated levels of minority*, women and all other staffing utilization, and (2) specific affirmative action steps directed at applying good faith efforts in a nondiscriminatory manner to recruit and employ minority, women and all other potential staff or is deemed to have submitted such a program pursuant to Subsection 3 of this section. Both the anticipated levels and the affirmative action steps must be taken and applied in good faith and in a nondiscriminatory manner to attempt to meet the requirements of this section for all trades which are to be utilized on the project, whether subcontracted or not.

*"Minority" is defined as the term "minority person" is defined in subsection (f) of section 2000 of the California Public Contract Code.

2. Anticipated Utilization.

The plan must set forth anticipated minority, women, and all other staffing utilization by the contractor and all subcontractors on each project constructed by the City using those trades within the area of jurisdiction of the Los Angeles Building and Construction Trades Council within the City of Los Angeles in each work class and at all levels in terms of staff hours. The anticipated levels of minority, women and other staffing utilization shall be the levels at which each of those groups are represented in the relevant workforce in the Greater Los Angeles Area as determined by the U. S. Bureau of the Census and made available by the Office of Contract Compliance. Attainment of the anticipated levels of utilization may only be used as an indicia of whether the contractor has complied with the requirements of this section and has applied its Affirmative Action Plan in good faith and in a nondiscriminatory manner. Failure to attain the anticipated levels of utilization shall not, by itself, disqualify the contractor for award of a contract or subject the contractor to any sanctions or penalties.

In no event may a contractor utilize the requirements of this section in such a manner as to cause or result in discrimination against any person on account of race, color, religion, ancestry, age, disability, medical condition, marital status, domestic partner status, sex, sexual orientation, or national origin.

3. An Affirmative Action Plan.

The contractor certifies and agrees to immediately implement good faith efforts measures to recruit and employ minority, women, and other potential staff in a nondiscriminatory manner including, but not limited to, the following actions. The contractor shall:

a. Recruit and make efforts to obtain such employees through:

- (1) Advertising employment opportunities in minority and other community news media. Notifying minority, women and other community organizations of employment opportunities.
- (2) Maintaining contact with schools with diverse populations of students to notify them of employment opportunities.
- (3) Encouraging present minority, women and other employees to refer their friends and relatives.
- (4) Promoting after school and vacation employment opportunities for minority, women and other youth.
- (5) Validating all job specifications, selection requirements, tests, etc.
- (6) Maintaining a file of names and addresses of each worker referred to the contractor and what action was taken concerning such worker.
- (7) Notifying the appropriate awarding authority of the City and the Office of Contract Compliance in writing when a union with whom the contractor has a collective bargaining agreement has failed to refer a minority, woman or other worker.

b. Continually evaluate personnel practices to assure that hiring, upgrading, promotions, transfers, demotions and layoffs are made in nondiscriminatory manner so as to achieve and maintain a diverse work force.

c. Utilize training programs and assist minority, women and other employees in locating, qualifying for and engaging in such training programs to enhance their skills and advancement.

d. Secure cooperation or compliance from the labor referral agency to the contractor's contractual affirmative action obligations.

e. Establish a person at the management level of the contracting entity to be the Equal Employment Opportunity Office; such individual to have the authority to disseminate and enforce the company's Equal Employment and Affirmative Action Policies.

- f. Maintain such records as are necessary to determine compliance with equal employment and affirmative action obligations, and making such records available to City, State and Federal authorities upon request.
4. The contractor shall make a good faith effort with respect to apprenticeship and training program to:
 - a. Recruit and refer minority, women and other employees to such programs;
 - b. Establish training programs within the company and/or its association that will prepare minority, women and other employees for advancement opportunities.
 - c. Abide by the requirements of the Labor Code of the State of California with respect to the provision of apprenticeship job opportunities.
5. The contractor shall establish written company policies, rules, and procedures which shall be encompassed in a company-wide Affirmative Action Plan for all its operations and contracts. Said policies shall be provided to all employees, subcontractors, vendors, unions and all others with whom the contractor may become involved in fulfilling any of its contracts. The company's Affirmative Action Plan shall encompass the requirements contained herein as a minimum and shall be submitted with its bid to the appropriate awarding authority of the City and to the Office of Contract Compliance of the City.
6. Where problems are experienced by the contractor in complying with its obligations pursuant to this section, the contractor shall document its good faith effort to comply with the requirements by the following procedure. The contractor shall state:
 - a. What steps were taken, how and on what date.
 - b. To whom those efforts were directed.
 - c. The responses received, from whom and when.
 - d. What other steps were taken or will be taken to comply and when.
 - e. Why the contractor has been or will be unable to comply.
7. The contractor shall complete and file, and require each of its known subcontractors to complete and file with the contractor's bid for the subject project an acceptable Affirmative Action Plan.
8. The contractor shall submit and require each of its subcontractors to submit an Ethnic Composition of the Company's Total Work Force (by employees) prior to the date of award of the contract.
9. No contract shall be executed until the appropriate awarding authority of the City of Los Angeles, and the Federal funding agency (if Federal funds are involved), has determined in writing that such contractor has executed and filed with the awarding authority and the City Office of Contract Compliance the required Affirmative Action Plan.
10. It shall be no excuse that the union with which the contractor has a collective bargaining agreement providing for referral, exclusive or otherwise, failed to refer minority, women or other employees.
11. Subject to this subsection the contractor shall execute such further forms and documentation at such times and as may be required by the appropriate awarding authority of the City of Los Angeles.
12. Where the contractor has failed to comply with the requirements contained in this section, any and all sanctions allowed by law may be imposed upon the contractor.
13. The Office of Contract Compliance within the Department of Public Works shall be responsible for administering the City's Contract Compliance Program in the manner described in Sections 22.359 through 22.359.5 of this Code.
14. All contractors subject to the provisions of this section shall include a like provision in all subcontracts awarded for work to be performed under the contract with the City and shall impose the same obligations, including but not limited to filing and reporting obligations, on the subcontractors as are applicable to the contractor. Failure of the contractor to comply with this requirement or to obtain the compliance of its subcontractors with all such obligations shall subject the contractor to the imposition of any and all sanctions allowed by law, including but not limited to termination of the contractor's contract with the City.

By its execution hereof, the contractor accepts and submits the foregoing as its Affirmative Action Plan.

5-15-2012

DATE


OFFICER'S SIGNATURES

EXHIBIT I

UNIT 5-11

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. 1, Art. 1

CHILD SUPPORT

Sec. 10.10. Child Support Assignment Orders.

a. Definitions.

1. **Awarding Authority** means a subordinate or component entity or person of the City (such as a City department or Board of Commissioners) that has the authority to enter into a contract or agreement for the provision of goods or services on behalf of the City of Los Angeles.

2. **Contract** means any agreement, franchise, lease or concession including an agreement for any occasional professional or technical personal services, the performance of any work or service, the provision of any materials or supplies, or the rendering of any service to the City of Los Angeles or to the public which is let, awarded or entered into with, or on behalf of, the City of Los Angeles or any awarding authority thereof.

3. **Contractor** means any person, firm, corporation, partnership or any combination thereof which submits a bid or proposal or enters into a contract with any awarding authority of the City of Los Angeles.

4. **Subcontractor** means any person, firm, corporation, partnership or any combination thereof who enters into a contract with a contractor to perform or provide a portion of any contract with the City.

5. **Principal Owner** means any person who owns an interest of 10 percent or more in a contractor or subcontractor as defined herein.

b. Mandatory Contract Provisions.

Every contract that is let, awarded or entered into with or on behalf of the City of Los Angeles shall contain a provision obligating the contractor or subcontractor to fully comply with all applicable State and Federal employment reporting requirements for the contractor or subcontractor's employees. The contractor or subcontractor will also be required to certify that the principal owner(s) thereof are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them

personally, that the contractor or subcontractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with California Family Code §§ 5230 *et seq.* and that the contractor or subcontractor will maintain such compliance throughout the term of the contract.

Failure of a contractor or subcontractor to comply with all applicable reporting requirements or to implement lawfully served Wage and Earnings Assignments or Notices of Assignment or failure of the principal owner(s) to comply with any Wage and Earnings Assignments or Notices of Assignment applicable to them personally shall constitute a default under the contract. Failure of the contractor or subcontractor or principal owner thereof to cure the default within 90 days of notice of such default by the City shall subject the contract to termination.

c. Notice to Bidders.

Each awarding authority shall be responsible for giving notice of the provisions of this ordinance to those who bid on, or submit proposals for, prospective contracts with the City.

d. Current Contractor Compliance.

Within 30 days of the operative date of this ordinance, the City, through its operating departments, shall serve upon existing contractors a written request that they and their subcontractors (if any) comply with all applicable State and Federal employment reporting requirements for the contractor and subcontractor's employees, that they certify that the principal owner(s) of the contractor and any subcontractor are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally, that the contractor and subcontractor will fully comply with all lawfully served Wage and Earnings Assignment Orders and Notices of Assignments in accordance with California Family Code § 5230 *et seq.* and that the contractor and subcontractor will maintain such compliance throughout the term of the contract.

e. City's Compliance with California Family Code.

The City shall maintain its compliance with the provisions of California Family Code §§ 5230 *et seq.* and all other applicable law regarding its obligations as an employer to implement lawfully served Wage and Earnings Assignments and Notices of Assignment.

f. Report of Employees' Names to District Attorney.

1. The City shall maintain its current practice of assisting the District Attorney's support enforcement activities by annually reporting to the Los Angeles County District Attorney the names of all of its employees and retirees so that the District Attorney may identify those employees and retirees subject to Wage and Earnings Assignment Orders and Notices of Assignment and may establish court orders for support, where appropriate. Should the District Attorney so request it, the City will provide such information on a more frequent basis.

2. All applicants for employment with the City of Los Angeles will be asked to acknowledge their responsibility to comply with any court ordered support obligations and will be advised of the City's practice of assisting the District Attorney as described in the provisions of Subsection f.1., above.

SECTION HISTORY

Added by Ord. No. 172,401, Eff. 2-13-99.

City of Los Angeles

CERTIFICATION OF COMPLIANCE WITH CHILD SUPPORT OBLIGATIONS

This Document must be returned with the Contract/Lease/Agreement

The undersigned hereby agrees that Advanced Wireless Group LLC will:
(Name of Business)

1. Fully comply with all applicable State and Federal reporting requirements for its employees.
2. Fully comply with and implement all lawfully served Wage and Earnings Assignment Orders and Notices of Assignment.
3. Certify that the principal owner(s) of the business are in compliance with any Wage and Earnings Assignment Orders and Notices of Assignment applicable to them personally.
4. Certify that the business will maintain such compliance throughout the term of the contract.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 15th
day of May, 2012 at Miami-Dade FL
City/County State

Advanced Wireless Group LLC 10460 NW 46th St, Miami, FL 33178
Name of Business Address



Signature of Authorized Representative H. Scott Phillips
Print Name
President/CEO 877-286-3521
Title Telephone Number

EXHIBIT J

Living Wage Ordinance
Performance of Surveillance

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. 1, Art. 11

LIVING WAGE ORDINANCE

Sec. 10.37 Legislative Findings.

The City awards many contracts to private firms to provide services to the public and to City government. Many lessees or licensees of City property perform services that affect the proprietary interests of City government in that their performance impacts the success of City operations. The City also provides financial assistance and funding to others for the purpose of economic development or job growth. The City expends grant funds under programs created by the federal and state governments. Such expenditures serve to promote the goals established for those programs by such governments and similar goals of the City. The City intends that the policies underlying this article serve to guide the expenditure of such funds to the extent allowed by the laws under which such grant programs are established.

Experience indicates that procurement by contract of services has all too often resulted in the payment by service contractors to their employees of wages at or slightly above the minimum required by federal and state minimum wage laws. Such minimal compensation tends to inhibit the quantity and quality of services rendered by such employees to the City and to the public. Underpaying employees in this way fosters high turnover, absenteeism, and lackluster performance. Conversely, adequate compensation promotes amelioration of these undesirable conditions. Through this article the City intends to require service contractors to provide a minimum level of compensation that will improve the level of services rendered to and for the City.

The inadequate compensation typically paid today also fails to provide service employees with resources sufficient to afford life in Los Angeles. It is unacceptable that contracting decisions involving the expenditure of City funds should foster conditions placing a burden on limited social services. The City, as a principal provider of social support services, has an interest in promoting an employment environment that protects such limited resources. In requiring the payment of a higher minimum level of compensation, this article benefits that interest.

Nothing less than the living wage should be paid by the recipients of City financial assistance themselves. Whether they be engaged in manufacturing or some other line of business, the City does not wish to foster an economic climate where a lesser wage is all that is offered to the working poor. The same adverse social consequences from such inadequate compensation emanate just as readily from manufacturing, for example, as service industries. This article is meant to protect these employees as well.

The City holds a proprietary interest in the work performed by many employees employed by lessees and licensees of City property and by their service contractors and subcontractors. In a very real sense, the success or failure of City operations may turn on the success or failure of these enterprises, for the City has a genuine stake in how the public perceives the services rendered for them by such businesses. Inadequate compensation of these employees adversely impacts the performance by the City's lessee or licensee and thereby does the same for the success of City operations. By the 1998 amendment to this article, recognition is given to the prominence of this interest at those facilities visited by the public on a frequent basis, including but not limited to, terminals at Los Angeles International Airport, Ports O'Call Village in San Pedro, and golf courses and recreation centers operated by the Department of Recreation and Parks. This article is meant to cover all such employees not expressly exempted.

Requiring payment of the living wage serves both proprietary and humanitarian concerns of the City. Primarily because of the latter concern and experience to date regarding the failure of some employers to honor their obligation to pay the living wage, the 1998 amendments introduce additional enforcement mechanisms to ensure compliance with this important obligation. Non-complying employers must now face the prospect of paying civil penalties, but only if they fail to cure non-compliance after having been given formal notice thereof. Where non-payment is the issue, employers who dispute determinations of non-compliance may avoid civil penalties as well by paying into a City holding

EXHIBIT J LIVING WAGE ORDINANCE

account the monies in dispute. Employees should not fear retaliation, such as by losing their jobs, simply because they claim their right to the living wage, irrespective of the accuracy of the claim. The 1998 amendments strengthen the prohibition against retaliation to serve as a critical shield against such employer misconduct.

SECTION HISTORY

*Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.*

Sec. 10.37.1 Definitions.

The following definitions shall apply throughout this article:

- (a) "Airport" means the Department of Airports and each of the airports which it operates.
- (b) "Airport Employer" means an Employer, as the term is defined in this section, at the Airport.
- (c) "Airport Employee" means an Employee, as the term is defined in this section, of an Airport Employer.
- (d) "Awarding authority" means that subordinate or component entity or person of the City (such as a department) or of the financial assistance recipient that awards or is otherwise responsible for the administration of a service contract or public lease or license, or, where there is no such subordinate or component entity or person, then the City or the City financial assistance recipient.
- (e) "City" means the City of Los Angeles and all awarding authorities thereof, including those City departments which exercise independent control over their expenditure of funds, but excludes the Community Redevelopment Agency of the City of Los Angeles ("CRA"). The CRA is urged, however, to adopt a policy similar to that set forth in this article.
- (f) "City financial assistance recipient" means any person who receives from the City discrete financial assistance for economic development or job growth expressly articulated and identified by the City, as contrasted with generalized financial

assistance such as through tax legislation, in accordance with the following monetary limitations. Assistance given in the amount of one million dollars (\$1,000,000) or more in any twelve-month period shall require compliance with this article for five years from the date such assistance reaches the one million dollar (\$1,000,000) threshold. For assistance in any twelve-month period totaling less than one million dollars (\$1,000,000) but at least one hundred thousand dollars (\$100,000), there shall be compliance for one year if at least one hundred thousand dollars (\$100,000) of such assistance is given in what is reasonably contemplated at the time to be on a continuing basis, with the period of compliance beginning when the accrual during such twelve-month period of such continuing assistance reaches the one-hundred thousand dollar (\$100,000) threshold.

Categories of such assistance include, but are not limited to, bond financing, planning assistance, tax increment financing exclusively by the City, and tax credits, and shall not include assistance provided by the Community Development Bank. City staff assistance shall not be regarded as financial assistance for purposes of this article. A loan shall not be regarded as financial assistance. The forgiveness of a loan shall be regarded as financial assistance. A loan shall be regarded as financial assistance to the extent of any differential between the amount of the loan and the present value of the payments thereunder, discounted over the life of the loan by the applicable federal rate as used in 26 U.S.C. Sections 1274(d), 7872(f). A recipient shall not be deemed to include lessees and sublessees.

A recipient shall be exempted from application of this article if: (1) it is in its first year of existence, in which case the exemption shall last for one (1) year, (2) it employs fewer than five (5) employees for each working day in each of twenty (20) or more calendar weeks in the current or preceding calendar year, or (3) it obtains a waiver as provided herein. A recipient - who employs the long-term unemployed or provides trainee positions intended to prepare employees for permanent positions, and who claims that compliance with this article would cause an economic hardship - may apply in writing to the City department or office administering such assistance, which department or office shall forward such application and its recommended action on it to the

EXHIBIT J LIVING WAGE ORDINANCE

City Council. Waivers shall be affected by Council resolution.

(g) "Contractor" means any person that enters into: (1) a service contract with the City, (2) a service contract with a proprietary lessee or licensee or sublessee or sublicensee, or (3) a contract with a City financial assistance recipient to assist the recipient in performing the work for which the assistance is being given. Vendors, such as service contractors, of City financial assistance recipients shall not be regarded as contractors except to the extent provided in Subsection (i).*

*Technical correction due to re-lettering of subsections: "Subsection (f)" corrected to "Subsection (i)".

(h) "Designated Administrative Agency (DAA)" means the Department of Public Works, Bureau of Contract Administration, who shall bear administrative responsibilities under this article.

(i) "Employee" means any person - who is not a managerial, supervisory, or confidential employee and who is not required to possess an occupational license - who is employed (1) as a service employee of a contractor or subcontractor on or under the authority of one or more service contracts and who expends any of his or her time thereon, including but not limited to: hotel employees, restaurant, food service or banquet employees; janitorial employees; security guards; parking attendants; nonprofessional health care employees; gardeners; waste management employees; and clerical employees; (2) as a service employee - of a public lessee or licensee, of a sublessee or sublicensee, or of a service contractor or subcontractor of a public lessee or licensee, or sublessee or sublicensee - who works on the leased or licensed premises; (3) by a City financial assistance recipient who expends at least half of his or her time on the funded project; or (4) by a service contractor or subcontractor of a City financial assistance recipient and who expends at least half of his or her time on the premises of the City financial assistance recipient directly involved with the activities funded by the City.

(j) "Employer" means any person who is a City financial assistance recipient, contractor, subcontractor, public lessee, public sublessee, public

licensee, or public sublicensee and who is required to have a business tax registration certificate by Los Angeles Municipal Code §§ 21.00 - 21.198 or successor ordinance or, if expressly exempted by the Code from such tax, would otherwise be subject to the tax but for such exemption; provided, however, that corporations organized under §501(c)(3) of the United States Internal Revenue Code of 1954, 26 U.S.C. §501(c)(3), whose chief executive officer earns a salary which, when calculated on an hourly basis, is less than eight (8) times the lowest wage paid by the corporation, shall be exempted as to all employees other than child care workers.

(k) "Person" means any individual, proprietorship, partnership, joint venture, corporation, limited liability company, trust, association, or other entity that may employ individuals or enter into contracts.

(l) "Public lease or license".

(a) Except as provided in (l)(b)*, "Public lease or license" means a lease or license of City property on which services are rendered by employees of the public lessee or licensee or sublessee or sublicensee, or of a contractor or subcontractor, but only where any of the following applies:

*Technical correction due to re-lettering of subsections: "(i) (b)" corrected to "(l) (b)".

(1) The services are rendered on premises at least a portion of which is visited by substantial numbers of the public on a frequent basis (including, but not limited to, airport passenger terminals, parking lots, golf courses, recreational facilities); or

(2) Any of the services could feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources; or

(3) The DAA has determined in writing that coverage would further the proprietary interests of the City.

(b) A public lessee or licensee will be exempt from the requirements of this article subject to the following limitations:

EXHIBIT J LIVING WAGE ORDINANCE

(1) The lessee or licensee has annual gross revenues of less than the annual gross revenue threshold, three hundred fifty thousand dollars (\$350,000), from business conducted on City property;

(2) The lessee or licensee employs no more than seven (7) people total in the company on and off City property;

(3) To qualify for this exemption, the lessee or licensee must provide proof of its gross revenues and number of people it employs in the company's entire workforce to the awarding authority as required by regulation;

(4) Whether annual gross revenues are less than three hundred fifty thousand dollars (\$350,000) shall be determined based on the gross revenues for the last tax year prior to application or such other period as may be established by regulation;

(5) The annual gross revenue threshold shall be adjusted annually at the same rate and at the same time as the living wage is adjusted under section 10.37.2 (a);

(6) A lessee or licensee shall be deemed to employ no more than seven (7) people if the company's entire workforce worked an average of no more than one thousand two-hundred fourteen (1,214) hours per month for at least three-fourths (3/4) of the time period that the revenue limitation is measured;

(7) Public leases and licenses shall be deemed to include public subleases and sublicenses;

(8) If a public lease or license has a term of more than two (2) years, the exemption granted pursuant to this section shall expire after two (2) years but shall be renewable in two-year increments upon meeting the requirements therefor at the time of the renewal application or such period established by regulation.

(m) "Service contract" means a contract let to a contractor by the City primarily for the furnishing of services to or for the City (as opposed to the purchase of goods or other property or the leasing or renting of property) and that involves an expenditure in excess

of twenty-five thousand dollars (\$25,000) and a contract term of at least three (3) months; but only where any of the following applies: (1) at least some of the services rendered are rendered by employees whose work site is on property owned by the City, (2) the services could feasibly be performed by City employees if the awarding authority had the requisite financial and staffing resources, or (3) the DAA has determined in writing that coverage would further the proprietary interests of the City.

(n) "Subcontractor" means any person not an employee that enters into a contract (and that employs employees for such purpose) with (1) a contractor or subcontractor to assist the contractor in performing a service contract or (2) a contractor or subcontractor of a proprietary lessee or licensee or sublessee or sublicensee to perform or assist in performing services on the leased or licensed premises. Vendors, such as service contractors or subcontractors, of City financial assistance recipients shall not be regarded as subcontractors except to the extent provided in Subsection (i).*

*Technical correction due to re-lettering of subsections: "Subsection (f)" corrected to "Subsection (i)".

(o) "Willful violation" means that the employer knew of his, her, or its obligations under this article and deliberately failed or refused to comply with its provisions.

SECTION HISTORY

Added by Ord. No. 171,547, Eff. 5-5-97.

Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Subsec. (e), Ord. No. 176,155, Eff. 9-22-04; Subsec. (e), Ord. No. 176,283, Eff. 12-25-04, Oper. 9-22-04; Subsecs. (a) through (l) re-lettered (d) through (o), respectively and new Subsecs. (a), (b), and (c) added, Ord. No. 180,877, Eff. 10-19-09.

Sec. 10.37.2 Payment of Minimum Compensation to Employees.

(a) Wages. Employers shall pay Employees a wage of no less than the hourly rates set under the authority of this article. The initial rates were seven dollars and twenty-five cents (\$7.25) per hour with health benefits, as described in this article, or otherwise eight dollars and fifty cents (\$8.50) per

EXHIBIT J LIVING WAGE ORDINANCE

hour without health benefits. With the annual adjustment effective July 1, 2009, together with all previous annual adjustments as provided by this subsection, such rates are ten dollars and thirty cents (\$10.30) per hour with health benefits or, if health benefits are not provided, then fourteen dollars and eighty cents (\$14.80) per hour for Airport Employees and eleven dollars and fifty-five cents (\$11.55) per hour for all other Employees. The hourly rate with health benefits to be paid to all Employees and the hourly rate without health benefits to be paid to Airport Employees shall be adjusted annually to correspond with adjustments, if any, to retirement benefits paid to members of the Los Angeles City Employees Retirement System (LACERS), made by the CERS Board of Administration under § 4.1040. The Office of Administrative and Research Services shall so advise the DAA of any such change by June 1 of each year and of the required new hourly rates, if any. On the basis of such report, the DAA shall publish a bulletin announcing the adjusted rates, which shall take effect upon such publication.

(b) Compensated Days Off. Employers shall provide at least twelve (12) compensated days off per year for sick leave, vacation, or personal necessity at the employee's request. Employers shall also permit employees to take at least an additional ten (10) days a year of uncompensated time to be used for sick leave for the illness of the employee or a member of his or her immediate family where the employee has exhausted his or her compensated days off for that year.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Subsec. (a), Ord. No. 173,285, Eff. 6-26-00, Oper. 7-1-00; Subsec. (a), Ord. No. 180,877, Eff. 10-19-09.*

Sec. 10.37.3 Health Benefits.

(a) Health Benefits. The health benefits required by this article shall consist of the payment of at least four dollars and fifty cents (\$4.50) per hour by Airport Employers and at least one dollar and twenty-five cents (\$1.25) per hour by all other Employers towards the provision of health care benefits for Employees and their dependents. Proof of the provision of such benefits must be submitted to the awarding authority to qualify for the wage rate in Section 10.37(a) for Employees with health benefits.

Airport Employees cannot waive the health benefits offered by an Airport Employer when the Airport Employer does not require an out-of-pocket contribution by the Airport Employee. Consistent with and as shall be reflected in the hourly rates payable to Airport Employees as provided in 10.37.2(a) above, the amount of payment for health benefits by Airport Employers shall be adjusted annually to correspond with adjustments, if any, to retirement benefits paid to members of the Los Angeles City Employees Retirement System (LACERS), made by the CERS Board of Administration under § 4.1040. The Office of Administrative and Research Services shall so advise the DAA of any such change by June 1 of each year and of the required new hourly payments, if any. On the basis of such report, the DAA shall publish a bulletin announcing the adjusted payment, which shall take effect upon such publication.

(b) Periodic Review. At least once every three years, the Office of Administrative and Research Services shall review the health benefit payment by Airport Employers set forth in 10.37.3(a) to determine whether the payment accurately reflects the cost of health care and to assess the impacts of the health benefit payment on Airport Employers and Airport Employees and shall transmit a report with its findings to the Council.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; In Entirety, Ord. No. 180,877, Eff. 10-19-09.*

Sec. 10.37.4 Notifying Employees of their Potential Right to the Federal Earned Income Credit.

Employers shall inform employees making less than twelve dollars (\$12) per hour of their possible right to the federal Earned Income Credit ("EIC") under § 32 of the Internal Revenue Code of 1954, 26 U.S.C. § 32, and shall make available to employees forms informing them about the EIC and forms required to secure advance EIC payments from the employer.

SECTION HISTORY

*Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.*

Sec. 10.37.5 Retaliation Prohibited.

EXHIBIT J LIVING WAGE ORDINANCE

Neither an employer, as defined in this article, nor any other person employing individuals shall discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the City with regard to the employer's compliance or anticipated compliance with this article, for opposing any practice proscribed by this article, for participating in proceedings related to this article, for seeking to enforce his or her rights under this article by any lawful means, or for otherwise asserting rights under this article.

SECTION HISTORY

*Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.*

Sec. 10.37.6 Enforcement.

(a) An employee claiming violation of this article may bring an action in the Municipal Court or Superior Court of the State of California, as appropriate, against an employer and may be awarded:

(1) For failure to pay wages required by this article - back pay for each day during which the violation continued.

(2) For failure to pay medical benefits - the differential between the wage required by this article without benefits and such wage with benefits, less amounts paid, if any, toward medical benefits.

(3) For retaliation - reinstatement, back pay, or other equitable relief the court may deem appropriate.

(4) For willful violations, the amount of monies to be paid under (1) - (3) shall be trebled.

(b) The court shall award reasonable attorney's fees and costs to an employee who prevails in any such enforcement action and to an employer who so prevails if the employee's suit was frivolous.

(c) Compliance with this article shall be required in all City contracts to which it applies, and such contracts shall provide that violation of this article shall constitute a material breach thereof and entitle

the City to terminate the contract and otherwise pursue legal remedies that may be available. Such contracts shall also include a pledge that there shall be compliance with federal law proscribing retaliation for union organizing.

(d) An employee claiming violation of this article may report such claimed violation to the DAA which shall investigate such complaint. Whether based upon such a complaint or otherwise, where the DAA has determined that an employer has violated this article, the DAA shall issue a written notice to the employer that the violation is to be corrected within ten (10) days. In the event that the employer has not demonstrated to the DAA within such period that it has cured such violation, the DAA may then:

(1) Request the awarding authority to declare a material breach of the service contract, public lease or license, or financial assistance agreement and exercise its contractual remedies thereunder, which are to include, but not be limited to, termination of the service contract, public lease or license, or financial assistance agreement and the return of monies paid by the City for services not yet rendered.

(2) Request the City Council to debar the employer from future City contracts, leases, and licenses for three (3) years or until all penalties and restitution have been fully paid, whichever occurs last. Such debarment shall be to the extent permitted by, and under whatever procedures may be required by, law.

(3) Request the City Attorney to bring a civil action against the employer seeking:

(i) Where applicable, payment of all unpaid wages or health premiums prescribed by this article; and/or

(ii) A fine payable to the City in the amount of up to one hundred dollars (\$100) for each violation for each day the violation remains uncured.

Where the alleged violation concerns non-payment of wages or health premiums, the employer will not be subject to debarment or civil penalties if it pays the monies in dispute into a holding account maintained

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by the City for such purpose. Such disputed monies shall be presented to a neutral arbitrator for binding arbitration. The arbitrator shall determine whether such monies shall be disbursed, in whole or in part, to the employer or to the employees in question. Regulations promulgated by the DAA shall establish the framework and procedures of such arbitration process. The cost of arbitration shall be borne by the City, unless the arbitrator determines that the employer's position in the matter is frivolous, in which event the arbitrator shall assess the employer for the full cost of the arbitration. Interest earned by the City on monies held in the holding account shall be added to the principal sum deposited, and the monies shall be disbursed in accordance with the arbitration award. A service charge for the cost of account maintenance and service may be deducted therefrom.

(e) Notwithstanding any provision of this Code or any other ordinance to the contrary, no criminal penalties shall attach for violation of this article.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Subsec. (d), Para. (1), Ord. No. 173,747, Eff. 2-24-01.*

Sec. 10.37.7 Administration.

The City Council shall by resolution designate a department or office, which shall promulgate rules for implementation of this article and otherwise coordinate administration of the requirements of this article ("designated administrative agency" - DAA). The DAA shall monitor compliance, including the investigation of claimed violations, and shall promulgate implementing regulations consistent with this article. The DAA shall also issue determinations that persons are City financial assistance recipients, that particular contracts shall be regarded as "service contracts" for purposes of Section 10.37.1(j), and that particular leases and licenses shall be regarded as "public leases" or "public licenses" for purposes of Section 10.37.1(i), when it receives an application for a determination of non-coverage or exemption as provided for in Section 10.37.13. The DAA shall also establish employer reporting requirements on employee compensation and on notification about and usage of the federal Earned Income Credit referred to in Section 10.37.4. The DAA shall report

on compliance to the City Council no less frequently than annually.

During the first, third, and seventh years of this article's operation since May 5, 1997, and every third year thereafter, the Office of Administrative and Research Services and the Chief Legislative Analyst shall conduct or commission an evaluation of this article's operation and effects. The evaluation shall specifically address at least the following matters: (a) how extensively affected employers are complying with the article; (b) how the article is affecting the workforce composition of affected employers; (c) how the article is affecting productivity and service quality of affected employers; (d) how the additional costs of the article have been distributed among workers, their employers, and the City. Within ninety days of the adoption of this article, these offices shall develop detailed plans for evaluation, including a determination of what current and future data will be needed for effective evaluation.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Ord. No. 173,285, Eff. 6-26-00, Oper. 7-1-00; Ord. No. 173,747, Eff. 2-24-01.*

Sec. 10.37.8 Exclusion of Service Contracts from Competitive Bidding Requirement.

Service contracts otherwise subject to competitive bid shall be let by competitive bid if they involve the expenditure of at least two-million dollars (\$2,000,000). Charter Section 372 shall not be applicable to service contracts.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Ord. No. 173,285, Eff. 6-26-00, Oper. 7-1-00.*

Sec. 10.37.9 Coexistence with Other Available Relief for Specific Deprivations of Protected Rights.

This article shall not be construed to limit an employee's right to bring legal action for violation of other minimum compensation laws.

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SECTION HISTORY

*Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.*

Sec. 10.37.10 Expenditures Covered.

This article shall apply to the expenditure -- whether through aid to City financial recipients, service contracts let by the City, or service contracts let by its financial assistance recipients -- of funds entirely within the City's control and to other funds, such as federal or state grant funds, where the application of this article is consonant with the laws authorizing the City to expend such other funds.

SECTION HISTORY

*Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.*

Sec. 10.37.11 Timing of Application.

(a) Original 1997 Ordinance. The provisions of this article as enacted by City Ordinance No. 171,547, effective May 5, 1997, shall apply to (1) contracts consummated and financial assistance provided after such date, (2) contract amendments consummated after such date and before the effective date of the 1998 ordinance which themselves met the requirements of former Section 10.37.1(h) (definition of "service contract") or which extended contract duration, and (3) supplemental financial assistance provided after May 5, 1997 and before the effective date of the 1998 ordinance which itself met the requirements of Section 10.37.1(c).

(b) 1998 Amendment. The provisions of this article as amended by the 1998 ordinance shall apply to (1) service contracts, public leases or licenses, and financial assistance agreements consummated after the effective date of such ordinance and (2) amendments, consummated after the effective date of such ordinance, to service contracts, public leases or licenses, and financial assistance agreements that provide additional monies or which extend term.

(c) 2000 amendment. The provisions of this article as amended by the 2000 ordinance shall apply to (1) service contracts, public leases or public licenses and City financial assistance recipient agreements

consummated after the effective date of such ordinance and (2) amendments to service contracts, public leases or licenses and City financial assistance recipient agreements which are consummated after the effective date of such ordinance and which provide additional monies or which extend the term.

(d) 2009 Amendment. The provisions of this article as amended by the 2009 ordinance shall become operative ninety (90) days following the effective date of the 2009 ordinance.

SECTION HISTORY

*Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99; Subsec. (b), Subsec. (c) Added, Ord. No. 173,747, Eff. 2-24-01; Subsec. (d) Added, Ord. No. 180,877, Eff. 10-19-09.*

Sec. 10.37.12 Supersession by Collective Bargaining Agreement.

Parties subject to this article may by collective bargaining agreement provide that such agreement shall supersede the requirements of this article.

SECTION HISTORY

*Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99.*

Sec. 10.37.13 Liberal Interpretation of Coverage; Rebuttable Presumption of Coverage.

The definitions of "City financial assistance recipient" in Section 10.37.1(c), of "public lease or license" in Section 10.37.1(i), and of "service contract" in Section 10.37.1(j) shall be liberally interpreted so as to further the policy objectives of this article. All recipients of City financial assistance meeting the monetary thresholds of Section 10.37.1(c), all City leases and licenses (including subleases and sublicenses) where the City is the lessor or licensor, and all City contracts providing for services that are more than incidental, shall be presumed to meet the corresponding definition just mentioned, subject, however, to a determination by the DAA of non-coverage or exemption on any basis allowed by this article, including, but not limited to, non-coverage for failure to satisfy such definition. The DAA shall by regulation establish procedures for informing persons engaging in such transactions with

EXHIBIT J LIVING WAGE ORDINANCE

the City of their opportunity to apply for a determination of non-coverage or exemption and procedures for making determinations on such applications.

SECTION HISTORY

*Added by Ord. No. 172,336, Eff. 1-14-99.
Amended by: Ord. No. 173,747, Eff. 2-24-01.*

Sec. 10.37.14 Severability

If any provision of this article is declared legally invalid by any court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

SECTION HISTORY

*Article and Section Added by Ord. No. 171,547, Eff. 5-5-97.
Amended by: In Entirety, Ord. No. 172,336, Eff. 1-14-99*

EXHIBIT J LIVING WAGE ORDINANCE

CITY OF LOS ANGELES
Office of the City Administrative Officer
Contractor Enforcement Section
200 North Main Street, Room 606
Los Angeles, CA 90012
Phone: (213) 485-3514 – Fax: (213) 485-0672

DECLARATION OF COMPLIANCE
Service Contract Worker Retention Ordinance and the Living Wage Ordinance

Los Angeles Administrative Code (LAAC) Sections 10.36 et seq. and 10.37 et seq. provide that all employees (except where specifically exempted) under contracts primarily for the furnishing of services to or for the City and that involve an expenditure in excess of \$25,000 and a contract term of at least three months; leases; licenses or, certain recipients of City financial assistance, shall comply with all applicable provisions of the Ordinances.


During the performance of this agreement, the contractor, lessee, licensee, or City financial assistance recipient certifies that it shall comply and require each subcontractor hereunder to comply with the provisions of the above referenced Ordinances. The contractor shall provide to the City a list of all subcontractors and a list of all employees under the agreement (including employees of subcontractors) within 10 days after execution. The list of employees shall include the name, position classifications and rate of pay for each employee. An updated list shall be submitted upon demand and upon termination of the contract. A completed Declaration of Compliance from each subcontractor subject to the Living Wage Ordinance must be provided to the Office of the City Administrative Officer within 90 days of execution of the subcontract. In case of a successor service contract, a successor contractor shall retain for a 90-day transition employment period, employees who have been employed by the terminated contractor or its subcontractor, if any, for the preceding 12 months or longer, pursuant to Section 10.36.2.

The contractor, lessee, licensee, or City financial assistance recipient further agrees:

- (a) To pay covered employees a wage no less than the minimum initial compensation of \$7.99 per hour (adjusted July 1, 2001) with the health benefits, as referred to in (c) below, or otherwise \$9.24 per hour (adjusted July 1, 2001), pursuant to Section 10.37.2(a). Such rates shall be adjusted annually and shall become effective July 1.
- (b) To provide at least 12 compensated days off per year for sick leave, vacation or personal necessity at the employee's request, and at least 10 additional days per year of uncompensated time off pursuant to Section 10.37.2(b) and Regulation 4(e)(3).
- (c) Where so elected under (a) above, to pay at least \$1.24 per hour per employee toward the provision of health benefits for the employees and their dependents pursuant to Section 10.37.3;
- (d) To inform employees making less than \$12 per hour of their possible right to the federal Earned Income Tax Credit (EITC) and make available the forms required to secure advance EITC payments from the employer pursuant to Section 10.37.4;
- (e) To permit access to work sites for authorized City representatives to review the operation, payroll and related documents, and to provide certified copies of the relevant records upon request by the City; and,
- (f) Not to retaliate against any employee claiming non-compliance with the provisions of these Ordinances and to comply with federal law prohibiting retaliation for union organizing.

Failure to complete and submit this form to the Awarding Authority and to the Office of the City Administrative Officer may result in withholding of payments by the City Controller, or contract termination.

Check box only if applicable: ☒ I certify under penalty of perjury that I do not have any employees earning less than \$15 per hour working on this City agreement.

| | | | |
|-----------------------------------|----------------|---|-----------------|
| Company Name | | Signature of Officer or Authorized Representative | |
| Advanced Wireless Group LLC | |  | |
| Company Address and Phone Number | | Type or Printed Name and Title | |
| 10460 NW 46th St, Miami, FL 33178 | | H. Scott Phillips, CEO | |
| Date | Contact Number | Awarding City Department | Type of Service |
| 5-15-2012 | | Airports | |

Form CAO/LW-5, Rev. 7/5/01

Declaration of Compliance

EXHIBIT K

Service Contract Worker Revenue Ordinance
(SCWRFO)

LOS ANGELES ADMINISTRATIVE CODE

Div. 10, Ch. 1, Art. 10

SERVICE CONTRACTOR WORKER RETENTION ORDINANCE

Sec. 10.36 Findings and Statement of Policy.

The City awards many contracts to private firms to provide services to the public and to City government. The City awards many contracts to private firms to provide services to the public and to City government. The City also provides financial assistance and funding to others for the purpose of economic development or job growth. At the conclusion of the terms of a service contract with the City or with those receiving financial assistance from the City, competition results in the awarding of a service contract to what may be a different contractor. These new contracts often involve anticipated changes in different managerial skills, new technology or techniques, new themes or presentations, or lower costs.

The City expends grant funds under programs created by the federal and state governments. Such expenditures serve to promote the goals established for those programs by such governments and similar goals of the City. The City intends that the policies underlying this article serve to guide the expenditure of such funds to the extent allowed by the laws under which such grant programs are established.

Despite desired changes through the process of entering into new contracts, it is the experience of the City that reasons for change do not necessarily include a need to replace workers presently performing services who already have useful knowledge about the workplace where the services are performed.

Incumbent workers have already invaluable knowledge and experience with the work schedules, practices, and clients. The benefits of replacing these workers without such experiences decreases efficiency and results in a disservice to City and City financed or assisted projects.

Retaining existing service workers when a change in contractors occurs reduces the likelihood of labor disputes and disruptions. The reduction of the likelihood of labor disputes and disruptions results in the assured continuity of services to citizens who

receive services provided by the City or by City financed or assisted projects.

It is unacceptable that contracting decisions involving the expenditure of City funds should have any potential effect of creating unemployment and the consequential need for social services. The City, as a principal provider of social support services, has an interest in the stability of employment under contracts with the City or by those receiving financial assistance from the City. The retention of existing workers benefits that interest.

SECTION HISTORY

Article and Section Added by Ord. No. 170,784, Eff. 1-13-96.

Amended by: Article and Section, Ord. No. 171,004, Eff. 5-18-96.

Sec. 10.36.1. Definitions.

The following definitions shall apply throughout this article:

(a) "Awarding authority" means that subordinate or component entity or person of the City (such as a department) or of the financial assistance recipient that awards or is otherwise responsible for the administration of a service contract or, if none, then the City or the City financial assistance recipient.

(b) "City" means the City of Los Angeles and all awarding authorities thereof, including those City departments which exercise independent control over their expenditure of funds, but excludes the Community Redevelopment Agency of the City of Los Angeles.

(c) "City financial assistance recipient" means any person that receives from the City in any twelve-month period discrete financial assistance for economic development or job growth expressly articulated and identified by the City totaling at least one hundred thousand dollars (\$100,000); provided, however, that corporations organized under Section § 501(c)(3) of the United States Internal Revenue Code of 1954, 26 U.S.C. § 501(c)(3), with annual operating budgets of less than five million dollars (\$5,000,000) or that regularly employ homeless persons, persons

EXHIBIT K

SCWRO

who are chronically unemployed, or persons receiving public assistance, shall be exempt.

Categories of such assistance include, but are not limited to, bond financing, planning assistance, tax increment financing exclusively by the City, and tax credits, and shall not include assistance provided by the Community Development Bank. City staff assistance shall not be regarded as financial assistance for purposes of this article. A loan shall not be regarded as financial assistance. The forgiveness of a loan shall be regarded as financial assistance. A loan shall be regarded as financial assistance to the extent of any differential between the amount of the loan and the present value of the payments thereunder, discounted over the life of the loan by the applicable federal rate as used in 26 U.S.C. Sections 1274(d), 7872(f). A recipient shall not be deemed to include lessees and sublessees. Service contracts for economic development or job growth shall be deemed such assistance once the \$100,000 threshold is reached.

(d) "Contractor" means any person that enters into a service contract with the City or a City financial assistance recipient.

(e) "Employee" means any person employed as a service employee of a contractor or subcontractor earning less than fifteen dollars (\$15.00) per hour in salary or wage whose primary place of employment is in the City on or under the authority of a service contract and including but not limited to: hotel employees; restaurant, food service or banquet employees; janitorial employees; security guards; parking attendants; nonprofessional health care employees; gardeners; waste management employees; and clerical employees; and does not include a person who is (1) a managerial, supervisory, or confidential employees, or (2) required to possess an occupational license.

(f) "Person" means any individual, proprietorship, partnership, joint venture, corporation, limited liability company, trust, association, or other entity that may employ individuals or enter into contracts.

(g) "Service contract" means a contract let to a contractor by the City or a City financial assistance recipient primarily for the furnishing of services to or for the City or financial assistance recipient (as opposed to the purchase of goods or other property) and that involves an expenditure or receipt in excess

of twenty-five thousand dollars (\$25,000) and a contract term of at least three months.

(h) "Subcontractor" means any person not an employee that enters into a contract with a contractor to assist the contractor in performing a service contract and that employs employees for such purpose.

(i) "Successor service contract" means a service contract where the services to be performed are substantially similar to a service contract that has been recently terminated.

SECTION HISTORY

Added by Ord. No. 170,784, Eff. 1-13-96.

Amended by: Ord. No. 171,004, Eff. 5-18-96; Subsec. (c), Ord. No. 172,843, Eff. 11-4-99.

Sec. 10.36.2. Transition Employment Period.

(a) Where an awarding authority has given notice that a service contract has been terminated, or where a service contractor has given notice of such termination, upon receiving or giving such notice, as the case may be, the terminated contractor shall within ten (10) days thereafter provide to the successor contractor the name, address, date of hire, and employment occupation classification of each employee in employment, of itself or subcontractors, at the time of contract termination. If the terminated contractor has not learned the identity of the successor contractor, if any, by the time that notice was given of contract termination, the terminated contractor shall obtain such information from the awarding authority. If a successor service contract has not been awarded by the end of the ten (10)-day period, the employment information referred to earlier in this subsection shall be provided to the awarding authority at such time. Where a subcontract of a service contract has been terminated prior to the termination of the service contract, the terminated subcontractor shall for purposes of this article be deemed a terminated contractor.

(1) Where a service contract or contracts are being let where the same or similar services were rendered by under multiple service contracts, the City or City financial aid recipient shall pool the employees, ordered by seniority within job classification, under such prior contracts.

(2) Where the use of subcontractors has occurred under the terminated contract or where the use of

subcontractors is to be permitted under the successor contract, or where both circumstances arise, the City or City financial assistance recipient shall pool, when applicable, the employees, ordered by seniority within job classification, under such prior contracts or subcontracts where required by and in accordance with rules authorized by this article.

(b) A successor contractor shall retain, for a ninety (90)-day transition employment period, employees who have been employed by the terminated contractor or its subcontractors, if any, for the preceding twelve (12) months or longer. Where pooling of employees has occurred, the successor contractor shall draw from such pools in accordance with rules established under this article. During such ninety (90)-day period, employees so hired shall be employed under the terms and conditions established by the successor contractor (or subcontractor) or as required by law.

(c) If at anytime the successor contractor determines that fewer employees are required to perform the new service contract than were required by the terminated contractor (and subcontractors, if any), the successor contractor shall retain employees by seniority within job classification.

(d) During such ninety (90)-day period, the successor contractor (or subcontractor, where applicable) shall maintain a preferential hiring list of eligible covered employees not retained by the successor contractor (or subcontractor) from which the successor contractor (or subcontractor) shall hire additional employees.

(e) Except as provided in subsection (c) of this section, during such ninety (90)-day period the successor contractor (or subcontractor, where applicable) shall not discharge without cause an employee retained pursuant to this article. "Cause" for this purpose shall include, but not be limited to, the employee's conduct while in the employ of the terminated contractor or subcontractor that contributed to any decision to terminate the contract or subcontract for fraud or poor performance.

(f) At the end of such ninety (90)-day period, the successor contractor (or subcontractor, where applicable) shall perform a written performance evaluation for each employee retained pursuant to this article. If the employee's performance during such ninety (90)-day period is satisfactory, the

successor contractor (or subcontractor) shall offer the employee continued employment under the terms and conditions established by the successor contractor (or subcontractor) or as required by law. During such ninety (90)-day period, the successor contractor shall maintain a preferential hiring list of eligible covered employees not retained by the successor contractor from which the successor contractor shall hire additional employees.

(g) If the City or a City financial assistance recipient enters into a service contract for the performance of work that prior to the service contract was performed by the City's or the recipient's own service employees, the City or the recipient, as the case may be, shall be deemed to be a "terminated contractor" within the meaning of this section and the contractor under the service contract shall be deemed to be a "successor contractor" within the meaning of this section and section 10.36.3.

SECTION HISTORY

Added by Ord. No. 170,784, Eff. 1-13-96.

Amended By: Ord. No. 171,004, Eff. 5-18-96; Subsec. (g) Added, Ord. No. 172,349, Eff. 1-29-99.

Sec. 10.36.3. Enforcement.

(a) An employee who has been discharged in violation of this article by a successor contractor or its subcontractor may bring an action in the Municipal Court or Superior Court of the State of California, as appropriate, against the successor contractor and, where applicable, its subcontractor, and may be awarded:

(1) Back pay for each day during which the violation continues, which shall be calculated at a rate of compensation not less than the higher of:

(A) The average regular rate of pay received by the employee during the last 3 years of the employee's employment in the same occupation classification; or

(B) The final regular rate received by the employee.

(2) Costs of benefits the successor contractor would have incurred for the employee under the successor contractor's (or subcontractor's, where applicable) benefit plan.

(b) If the employee is the prevailing party in any such legal action, the court shall award reasonable attorney's fees and costs as part of the costs recoverable.

(c) Compliance with this article shall be required in all City contracts to which it applies, and such contracts shall provide that violation of this article shall entitle the City to terminate the contract and otherwise pursue legal remedies that may be available.

(d) Notwithstanding any provision of this Code or any other ordinance to the contrary, no criminal penalties shall attach for any violation of this article.

SECTION HISTORY

*Added by Ord. No. 170,784, Eff. 1-13-96.
Amended By: Ord. No. 171,004, Eff. 5-18-96.*

Sec. 10.36.4. Exemption for Successor Contractor or Subcontractor's Prior Employees.

An awarding authority shall upon application by a contractor or subcontractor exempt from the requirements of this article a person employed by the contractor or subcontractor continuously for at least twelve (12) months prior to the commencement of the successor service contract or subcontract who is proposed to work on such contract or subcontract as an employee in a capacity similar to such prior employment, where the application demonstrates that (a) the person would otherwise be laid off work and (b) his or her retention would appear to be helpful to the contractor or subcontractor in performing the successor contract or subcontract. Once a person so exempted commences work under a service contract or subcontract, he or she shall be deemed an employee as defined in Section 10.36.1(e) of this Code.

SECTION HISTORY

*Added by Ord. No. 170,784, Eff. 1-13-96.
Amended By: Ord. No. 171,004, Eff. 5-18-96.*

Sec. 10.36.5. Coexistence with Other Available Relief for Specific Deprivations of Protected Rights.

This article shall not be construed to limit an employee's right to bring legal action for wrongful termination.

SECTION HISTORY

*Added by Ord. No. 170,784, Eff. 1-13-96.
Amended By: Ord. No. 171,004, Eff. 5-18-96.*

Sec. 10.36.6. Expenditures Covered by this Article.

This article shall apply to the expenditure, whether through service contracts let by the City or by its financial assistance recipients, of funds entirely within the City's control and to other funds, such as federal or state grant funds, where the application of this article is consonant with the laws authorizing the City to expend such other funds. City financial assistance recipients shall apply this article to the expenditure of non-City funds for service contracts to be performed in the City by complying themselves with § 10.36.2(g) and by contractually requiring their service contractors to comply with this article. Such requirement shall be imposed by the recipient until the City financial assistance has been fully expended.

SECTION HISTORY

*Added by Ord. No. 171,004, Eff. 5-18-96.
Amended by: Ord. No. 172,337, Eff. 1-14-99; Ord. No. 172,843, Eff. 11-4-99*

Sec. 10.36.7. Timing of Application of Ordinances Adding and then Amending this Article.

The provisions of this article as set forth in City Ordinance No. 171,004 shall apply to contracts consummated and financial assistance provided after May 18, 1996 (the effective date of City Ordinance No. 171,004). As for contracts consummated and financial assistance provided after the original version of this article took effect on January 13, 1996 (by City Ordinance No. 170,784) and through May 18, 1996, the City directs its appointing authorities and urges others affected to use their best efforts to work cooperatively so as to allow application City Ordinance No. 171,004 rather than City Ordinance No. 170,784 to service contracts let during such period. No abrogation of contract or other rights created by City Ordinance No. 170,784, absent consent to do so, shall be effected by the retroactive application of City Ordinance No. 171,004.

SECTION HISTORY

*Added by Ord. No. 171,784, Eff. 1-13-96.
Amended by: Ord. No. 171,004, Eff. 5-18-96; Ord. No. 172,337, Eff. 1-14-99.*

Sec. 10.36.8. Promulgation of Implementing Rules.

The City Council shall by resolution designate a department or office, which shall promulgate rules for implementation of this article and otherwise coordinate administration of the requirements of this article.

SECTION HISTORY

Added by Ord. No. 171,004, Eff. 5-18-96.

Sec. 10.36.9. Severability.

If any severable provision or provisions of this article or any application thereof is held invalid, such invalidity shall not affect other provisions or applications of the article that can be given effect notwithstanding such invalidity.

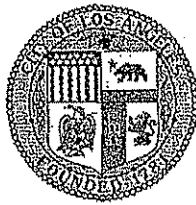
SECTION HISTORY

Added by Ord. No. 171,004, Eff. 5-18-96.

EXHIBIT L

Contractor Responsibility Program

LOS ANGELES WORLD AIRPORTS



CONTRACTOR RESPONSIBILITY PROGRAM RULES AND REGULATIONS FOR LEASES

Effective date: May 20, 2002

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These Rules and Regulations are promulgated pursuant to Board Resolution #21601, the Los Angeles World Airports Contractor Responsibility Program (CRP). Each Requesting LAWA Division shall cooperate to the fullest extent with the Executive Director in the administration of the CRP. The Executive Director may amend these Rules and Regulations from time to time as required for the implementation of the CRP.

A. DEFINITIONS

1. **Adoption of CRP definitions:** For purposes of these Rules and Regulations, the definitions set forth in the Board Resolution are incorporated herein, and include the following:

- a. **Board**
- b. **Executive Director**
- c. **Los Angeles World Airports (LAWA)**
- d. **Lease agreement** means a written document in which the rights to use and occupancy of land or structures are transferred by the owner to another for a specified of time in return for a specified rent.
- e. **Tenant** - means Lessee
- f. **Subtenant** - means Sublessee
- g. **Prospective tenant** - means a firm or individual not currently a LAWA tenant
- h. **New Lease agreement** - means new leasehold premises for a prospective tenant. A lease with a firm or individual not currently a LAWA tenant.
- i. **Additional Lease agreement** - means new leasehold premises for a current tenant
- j. **Renewal Lease** - means same leasehold premises for a current tenant
- k. **Amendment** - means modified terms on same leasehold premises for a current tenant
- l. **Public Lease** - means a lease of LAWA property

2. New Definitions

- a. **"CRP Questionnaire"** means the set of questions developed by Procurement Services Division (PSD) that will assist LAWA in determining a prospective tenant's responsibility. Information solicited from the CRP Questionnaire may include but is not limited to: ownership and name changes, financial resources and responsibility, satisfactory performance of other leases, satisfactory record of compliance with relevant laws and regulations, and satisfactory record of business integrity. PSD may amend the CRP Questionnaire from time to time.
- b. **"CRP Pledge of Compliance"** means the CRP Pledge developed by the PSD. The CRP Rules and Regulations may be updated from time to time by the PSD. The CRP Pledge shall require contractors to sign under penalty of perjury that the Tenant will:

- (1) Comply with all applicable Federal, State, and local laws that apply to the lease agreement, including but not limited to, laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.
- (2) Notify LAWA within thirty (30) calendar days after receiving notification that any government agency has initiated an investigation that may result in a finding that the Tenant is not in compliance with subparagraph 2(b)(1).
- (3) Notify LAWA within thirty (30) calendar days of all findings by a government agency or court of competent jurisdiction that the Tenant has violated subparagraph 2(b) (1).
- (4) Ensure that Subtenants occupying space through any Sublease in connection with a LAWA lease agreement shall complete and sign a Pledge of Compliance attesting under penalty of perjury to compliance with paragraphs 2(b)(1) through (3). To submit to LAWA the completed Pledges.
- (5) Notify LAWA within thirty (30) days of becoming aware of an investigation, violation or finding of any applicable Federal, State, or local law involving any Subtenant(s) in the LAWA lease agreement.
- (6) Cooperate fully with LAWA during an investigation and to respond to request(s) for information within ten (10) working days from the date of the Notice to Respond.

B. SUBMISSION OF CRP QUESTIONNAIRES

1. **Prospective Tenants** are required to submit a completed and signed CRP Questionnaire for determination of responsibility prior to award of the lease.
2. **Current Tenants** : The requirement to submit a CRP Questionnaire is not applicable to current tenant. See Section D(2)(a)
3. **Subtenants**: The requirement to submit a CRP Questionnaire is not applicable to subtenants. See Section D(2)(b)

C. LAWA REVIEW OF SUBMITTED CRP QUESTIONNAIRES – APPLIES TO PROSPECTIVE TENANTS ONLY.

1. Posting of CRP Questionnaires and Subtenant Lists:

Prospective Tenants: The Requesting LAWA Division will forward to PSD the completed CRP Questionnaires and Subtenant list(s), if any, submitted by the prospective tenants to make available for public review and comment for a minimum of fourteen (14) calendar days prior to the award of the lease.

Current Tenants: The requirement to submit a CRP Questionnaire is not applicable to current tenants. Subtenants of current tenants are listed on the LAWA website.

2. Departmental Review of CRP Questionnaires

- a. PSD will determine Contractor Responsibility from the completeness and accuracy of the information in the submitted CRP Questionnaire; information from various compliance and regulatory agencies; accuracy and completeness of the information received from the public; and through PSD's own reviews and investigations.
- b. PSD may submit written requests to the tenant for clarification or additional documentation. Failure to respond to these requests within the specified time may render the tenant non-responsible and disqualified.
- c. PSD will report its findings and determination to the Requesting LAWA Division.
- d. No lease award will be made by LAWA until after the CRP review and determination has been made.
- e. The CRP Questionnaire of the prospective tenant awarded the lease will be retained by PSD. The CRP Questionnaires for the prospective tenants not awarded the lease will also be retained by PSD.

3. Claims Resulting from Public Review and Comments

Prospective Tenants/Subtenants:

- a. Claims regarding a tenant/subtenant's responsibility must be submitted to PSD in writing. However, PSD may investigate a claim regarding a tenant/subtenant's responsibility, whether or not it is submitted in writing.
- b. If PSD receives information which calls into question a tenant/subtenant's responsibility, and the information was received **before** the lease/sublease has been executed, PSD shall:
 - (1) Notify the Requesting Division in writing that no lease/sublease shall be awarded until PSD has completed investigation into the matter.
 - (2) Investigate the complaint, collect necessary documentation, and determine the complaint's validity.
 - (3) Upon completion of the investigation, notify the Requesting Division in writing of the results of the investigation.
 - (4) Findings from the PSD investigation received by the Requesting Division will be considered by the Requesting Division as part of the determination of the tenant/subtenant's responsibility.

Current Tenants/Subtenants:

- a. Claims regarding a tenant/subtenant's responsibility must be submitted to PSD in writing. However, PSD may investigate a claim regarding a tenant/subtenant's responsibility, whether or not it is submitted in writing.
- b. If PSD receives written information that calls into question a current tenant/subtenant's responsibility, PSD shall investigate the matter as required in Section G, LAWA Investigation.

D. AWARD AND EXECUTION OF LEASES

1. Determination of Responsibility and Award of Lease

Prospective Tenants/Subtenants:

- a. PSD shall determine whether a tenant/subtenant is a responsible tenant/subtenant with the necessary quality, fitness and capacity to comply with the terms of the lease by considering the following:
 - (1) Completeness and accuracy of the Information contained in the CRP Questionnaire;
 - (2) Completeness and accuracy of the information received from the public;
 - (3) Information and documentation from PSD's own investigation; and
 - (4) Information that may be available from any compliance or regulatory governmental agency.
- b. Board may award and Executive Director may execute a lease with a prospective tenant only if:
 - (1) The tenant's CRP Questionnaire, and Subtenant's list(s), if any, has been made available for public review for at least fourteen (14) calendar days unless otherwise exempted from the posting requirement by the CRP;
 - (2) The tenant is not being investigated pursuant to the CRP;
 - (3) The tenant has not been found to be a non-responsible contractor pursuant to the CRP;
 - (4) The tenant does not appear on any City list of debarred bidders or contractors; and
 - (5) The tenant has met all other applicable City requirements.

Current Tenants/Subtenants:

- a. PSD shall determine whether a tenant/subtenant is a responsible tenant/subtenant with the necessary quality, fitness and capacity to comply with the terms of the lease by considering the following:

- (1) Completeness and accuracy of any information received from the public;
- (2) Information and documentation from PSD's own investigation; and
- (3) Information that may be available from any compliance or regulatory governmental agency.

2. Submission of Pledge of Compliance

Prospective and Current Tenants:

- a. Unless otherwise exempt from the CRP, all prospective and current tenants/subtenants are required to submit a CRP Pledge of Compliance signed under penalty of perjury. Failure to submit a CRP Pledge of Compliance as required may render the tenant/subtenant non-compliant with the terms of the lease and subject to sanctions.

Subtenants:

- b. Within ten (10) calendar days of execution of a sublease, the tenant shall submit to LAWA a signed CRP Pledge of Compliance from each subtenant listed as occupying space on the leasehold premises.

3. Subtenant Responsibility

- a. Tenants shall ensure that their subtenants meet the criteria for responsibility set forth in the CRP and these Rules and Regulations unless the sublease is not subject to the CRP.
- b. Tenants shall ensure that subtenants occupying space on the LAWA leasehold premises shall complete and submit a signed CRP Pledge of Compliance.
- c. Tenants shall not use in any capacity any subtenant that has been determined or found to be a non-responsible contractor by LAWA or the City.
- d. Subject to approval by the LAWA Requesting Division, tenants may substitute a non-responsible subcontractor with another subtenant.

4. Execution of Contracts

Prospective Tenants:

- a. Unless exempt from the CRP, all lease agreements subject to the CRP shall contain language obligating the contractor to comply with the CRP.
- b. No lease agreement may be executed unless:

- (1) The prospective tenant's CRP Questionnaire, unless otherwise exempt, has been made available for public review for at least fourteen (14) calendar days
- (2) The tenant has submitted a signed Pledge of Compliance with the CRP.
- (3) The prospective tenant's subtenant list, if any, has been made available for public review for at least fourteen (14) calendar days.
- (4) The prospective tenant is determined by LAWA to be a Responsible Contractor.

Current Tenants:

- a. Unless exempt from the CRP, all lease agreements subject to the CRP shall contain language obligating the tenant to comply with the CRP.
- b. No lease agreement may be executed unless the tenant has submitted a signed Pledge of Compliance with the CRP.

E. LEASE AMENDMENTS

Compliance with the CRP is required in lease amendments if the initial lease was not subject to the CRP, but the total term and amount of the lease, inclusive of all amendments, would make the lease subject to the CRP.

- a. A tenant subject to the CRP because of an amendment shall submit a CRP Pledge of Compliance to LAWA before the lease amendment can be executed.
- b. Unless exempt from the CRP, all lease amendments subject to the CRP shall contain contract language obligating the contractor to comply with the CRP.

F. TENANT NOTIFICATION OF INVESTIGATIONS AND UPDATE OF INFORMATION

1. Notification of Investigations

Prospective and Current Tenants shall:

- a. Notify LAWA within thirty (30) calendar days after receiving notification that any government agency has initiated an investigation that may result in a finding that the tenant is not in compliance with any applicable Federal, State, or local law that apply to the LAWA or City lease agreement, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.
- b. Notify LAWA within thirty (30) calendar days of receiving notice of any findings by a government agency or court of competent jurisdiction that the tenant violated any applicable Federal, State, or local law that apply to the LAWA or City lease agreement, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.

- c. Notify LAWA within thirty (30) calendar days of becoming aware of an investigation, violation or finding of any applicable Federal, State, or local law involving the subtenants in the performance of a LAWA or City lease agreement.

2. Subtenant Notification of Investigations

Tenants shall ensure that subtenants occupying the LAWA leasehold premises abide by these same updating requirements, including the requirement to:

- a. Notify LAWA within thirty (30) calendar days after receiving notification that any government agency has initiated an investigation which may result in a finding that the subtenant did not comply with any applicable Federal, State, or local law that apply to the LAWA or City lease agreement, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.
- b. Notify LAWA within thirty (30) calendar days of all findings by a government agency or court of competent jurisdiction that the subtenant violated any applicable Federal, State, or local law that apply to the LAWA or City lease agreement, including but not limited to laws regarding health and safety, labor and employment, wage and hour, and licensing laws which affect employees.

3. Update of CRP Questionnaire Information – applies to Prospective Tenants only.

- a. Updates of information contained in the prospective tenant's responses to the CRP Questionnaire shall be submitted to LAWA within thirty (30) days of any changes to the responses if the change would affect the prospective tenant's fitness and ability to comply with the terms of the lease.
- b. PSD, or the Requesting Division, shall determine whether a tenant in a specific situation should have provided updated information.
 - (1) If PSD, or the Requesting Division, becomes aware of new information concerning a tenant and determines that the tenant should have provided information or updated LAWA of such information, but the tenant has not done so, PSD shall issue a written notice to the tenant requiring the tenant to submit the required information within (ten) 10 calendar days.
 - (2) If PSD or the Requesting Division becomes aware of new information concerning a subtenant and determines that the subtenant should have provided information or updated LAWA of such information, but the subtenant has not done so, PSD shall issue a written notice to the tenant requiring the subtenant to submit the required information within (ten) 10 calendar days.

- c. Tenant's failure to provide information or updated information when required by LAWA, the CRP or these Rules and Regulations, may be considered a material breach of the lease agreement, and LAWA may invoke remedies set forth in Section J of these Rules and Regulations
4. **Submission of CRP Questionnaires and Updates of CRP Questionnaire Is Not Applicable to Current Tenants and Subtenants:** The requirement that tenants submit to LAWA CRP Questionnaires and updates to the CRP Questionnaire responses does not apply to current tenants and subtenants.

G. LAWA INVESTIGATION

1. **Reporting of Alleged Violations:** Claims regarding a tenant/subtenant's responsibility must be submitted to PSD in writing. However, PSD may investigate a claim regarding a tenant/subtenant's responsibility, whether or not it is submitted in writing.
2. **Process:**
 - a. Upon receipt of a complaint or upon initiation of an investigation, PSD shall notify the Requesting Division and the tenant in writing that an investigation has been initiated.
 - b. PSD shall collect necessary facts and documentation from the complainant(s). To the extent permissible, PSD shall maintain the identity of the complainant, if any, confidential.
 - c. PSD shall issue a "Notice to Respond" to the tenant summarizing the facts of the investigation.
 - d. The tenant shall cooperate fully and respond to LAWA's request for information within ten (10) working days from the date of the Notice to Respond.
 - e. A tenant's failure to cooperate or respond to the Notice to Respond will be deemed conclusive admission that the tenant/subtenant is a non-responsible contractor/subcontractor and LAWA may initiate a hearing as set forth in Section I of these Rules and Regulations.

Where the Subtenant is the alleged entity, the tenant shall gather the necessary information and respond to LAWA's request for information.
 - f. Upon completion of the investigation, PSD shall prepare a written report of the findings and notify the Requesting Division, the tenant, and complainant(s), if applicable, of the results.

3. Results of Investigation

Prospective Tenants

- a. When an investigation is completed **before** the lease is awarded, PSD shall notify the Requesting Division of the results, and Requesting Division will consider the information as part of the determination of a tenant's responsibility.
 - (1) If the tenant is found non-responsible, PSD shall notify the tenant, and the Requesting Division, of the proposed determination of non-responsibility and provide an opportunity for a hearing as set forth in Section I of these Rules and Regulations.
 - (2) If the tenant fails to exercise the right to a hearing within ten (10) working days of the date of the notice of the proposed determination of non-responsibility, the tenant shall be deemed to waive the right to a hearing. PSD may proceed to declare the tenant a non-responsible contractor without a hearing and LAWA may invoke remedies set forth in Section J of these Rules and Regulations.

Current Tenants

- b. When an investigation is completed **after** the execution of a contract:
 - (1) If violations of the CRP are found, PSD shall notify the Requesting Division and tenant of the violation and require the tenant to submit an explanation and information on the status of the violation within (ten)10 calendar days.
 - (2) After review of the information regarding the violation, PSD may:
 - (i) Proceed to declare the tenant a non-responsible contractor and LAWA may invoke remedies as set forth in Section J of these Rules and Regulations; or
 - (ii) Declare the tenant a responsible contractor.
 - (3) If the tenant fails to provide information regarding the violation as required, PSD shall notify the Requesting Division and may:
 - (i) Proceed to declare the tenant a non-responsible contractor and LAWA may invoke remedies as set forth in Section J of these Rules and Regulations.

H. VIOLATIONS OF THE CRP OR ITS RULES AND REGULATIONS

1. Claims regarding a tenant's responsibility must be submitted to PSD in writing. However, PSD may investigate a claim regarding a tenant's responsibility, whether or not it is submitted in writing.

2. A tenant/subtenant will be considered in violation of the CRP and sanctioned if the tenant/subtenant:
 - a. Does not submit required CRP documents
 - b. Submits incomplete, inaccurate, or unsigned CRP documents, or
 - c. Does not cooperate with PSD during its investigation, and/or fails to respond to PSD's Notice to Respond within the time allowed, or
 - d. Is determined by LAWA to be a non-responsible contractor/subcontractor after a review of the CRP documents, supportive documentation and/or public comments.
3. If violations of the CRP are found, PSD shall notify the Requesting Division and the tenant of the violation and require the tenant to submit an explanation and information on the status of the violation within 10 calendar days.
4. After review of the information regarding the violation, PSD may:
 - a. Proceed to declare the tenant a non-responsible contractor and LAWA may invoke remedies as set forth in Section J of these Rules and Regulations; or
 - b. Declare the tenant a responsible contractor.
5. If the tenant fails to provide information regarding the violation as required, PSD shall notify the Requesting Division and may:
 - a. Proceed to declare the tenant a non-responsible contractor and LAWA may invoke remedies as set forth in Section J of these Rules and Regulations.

I. NON-RESPONSIBILITY HEARING

1. PSD, after consultation with the City Attorney, shall initiate the process of declaring a tenant as a non-responsible contractor.
2. Before a tenant may be declared non-responsible, PSD shall notify the tenant, and the Requesting Division, of the proposed determination of non-responsibility and provide with an opportunity for a hearing.
3. PSD shall administer a procedure for the non-responsibility hearing which, at minimum, must include the following:
 - a. The tenant shall be provided with a written Notice that LAWA intends to declare the tenant a non-responsible contractor.
 - b. The Notice shall provide the tenant with the following information:
 - (1) That LAWA intends to declare the tenant a non-responsible contractor.
 - (2) A summary of the information upon which LAWA is relying upon.

- (3) That the tenant has a right to respond to the information by requesting a hearing to rebut adverse information and to present evidence of the necessary quality, fitness and capacity to comply with the terms of the lease required under the lease agreement or for future lease agreements.
 - (4) That the tenant shall exercise the right to a hearing by submitting to PSD a written request for a hearing within (ten) 10 working days of the date of the notice.
 - (5) That failure to submit a written request for hearing within the required time frame shall be considered a waiver of the right to a hearing that allows LAWA to proceed with the determination of non-responsibility.
4. If the tenant fails to exercise the right to a hearing within ten (10) working days of the date of the Notice of the proposed determination of non-responsibility, the tenant shall be deemed to waive the right to a hearing. PSD may proceed to declare the tenant a non-responsible contractor without a hearing and LAWA may invoke remedies as set forth in Section J of these Rules and Regulations.
5. If the tenant submits a written request for a hearing, the hearing may be held with the head of PSD, Requesting Division, City Attorney and/or their respective designees. LAWA may determine that the tenant:
 - a. Does not possess the necessary quality, fitness, or capacity to comply with the terms of the lease, should be declared a non-responsible contractor, and invoke remedies as set forth in Section J of these Rules and Regulations; or
 - b. Should be declared a responsible contractor.
6. LAWA's determination shall be final and constitute exhaustion of administrative remedies.
7. PSD shall provide LAWA's written final decision to the tenant and to the Requesting Division. If the tenant is declared to be non-responsible, a copy of the final decision shall also be provided to the City Administrative Officer.

J. NON-RESPONSIBILITY SANCTIONS

Sanctions for Airline Tenants:

Airline tenants that do not comply with CRP requirements and/or are determined non-responsible by LAWA will be declared to have a material breach of the lease agreement. LAWA may exercise its legal remedies thereunder, which are to include, but not limited to:

1. Non-issuance of a successor ACOP, paying landing fees at the higher rate of non-permitted carriers;
2. Losses of exclusive, preferential and/or historical gate assignments;
3. Termination of the lease agreement.

Sanctions for Non-Airline Tenants:

1. **Prospective** tenants that do not comply with CRP requirements and/or are determined non-responsible by LAWA will be disqualified and will not be awarded a lease agreement.
2. **Current** tenants that do not comply with CRP requirements and/or are determined non-responsible will be declared to have a material breach of the lease agreement. LAWA may exercise its legal remedies thereunder, which are to include, but not limited to the termination of the lease agreement.

Such tenant shall not perform any work or occupy any leasehold premises in the proposed lease, whether as a Master tenant, a subtenant, a partner in a partnership, a participant in a joint venture, a member of a consortium, or in any other capacity.

3. Upon final determination of a tenant as a non-responsible contractor, PSD shall provide the Requesting Division and the tenant with a written notice summarizing the findings and applicable sanctions.
4. PSD shall maintain a listing of tenants/subtenants who have been found non-responsible by LAWA pursuant to the CRP.

K. EXEMPTIONS

1. **Categorical Exemption:** The following types of lease agreements are categorically exempt from the CRP and these Rules and Regulations:
 - a. Lease agreements with a governmental entity such as the United States of America, the State of California, a county, city or public agency of such entities, or a public or quasi-public corporation located therein and declared by law to have such status.
 - b. Lease agreements wherein LAWA is the Lessee
 - c. LAWA permits, certificates, license agreements
 - d. Lease agreements for the purpose of re-setting the lease rates or other rates and charges for City facilities covered in lease agreements
 - e. Lease agreements wherein LAWA buys/sells/exchanges real estate or when LAWA conveys or receives easements rights(a real estate interest) in land
2. **Board approval required for CRP Exemptions:** The following types of lease agreements are exempt from the CRP and these Rules and Regulations when the Board of Airport Commissioners makes a finding that the lease agreement meets any of the following conditions:

- a. Lease agreements awarded on the basis of exigent circumstances whenever Board finds that LAWA would suffer a financial loss or LAWA operations would be adversely impacted.
- b. Lease agreements entered into during time of war or national, state or local emergency.

L. EFFECTIVE DATE OF RULES AND REGULATIONS

1. The CRP and these Rules and Regulations apply to Lease agreements **issued** after the City Attorney has approved these Rules and Regulations, the CRP Pledge of Compliance, and the CRP Questionnaire.
2. The CRP and these Rules and Regulations apply to lease agreements **entered into** by LAWA after the City Attorney has approved these Rules and Regulations, the CRP Pledge of Compliance, and the CRP Questionnaire.
3. Leases amended after these Rules and Regulations are approved by the City Attorney will become subject to CRP and these Rules and Regulations if they meet definitions contained in the CRP and these Rules and Regulations.

M. CONSISTENCY WITH FEDERAL AND STATE LAW

The CRP and these Rules and Regulations do not apply in instances where application would be prohibited by Federal and State law or where the application would violate or be inconsistent with the terms and conditions or a grant or contract with the Federal or State agency.

N. SEVERABILITY

If any provision of the CRP or these Rules and Regulations are declared legally invalid by any court of competent jurisdiction, the remaining provisions remain in full force and effect.

**LOS ANGELES WORLD AIRPORTS
CONTRACTOR RESPONSIBILITY PROGRAM
PLEDGE OF COMPLIANCE FOR LEASES**

The Los Angeles World Airports (LAWA) Contractor Responsibility Program (Board Resolution #21601) provides that, unless specifically exempted, LAWA Tenants for leases that require the Board of Airport Commissioners' approval shall comply with all applicable provisions of the LAWA Contractor Responsibility Program. Tenants for leases subject to the CRP are required to complete and submit this Pledge of Compliance with the lease agreement.. In addition, within ten (10) days of execution of any sublease agreement, the Tenant shall submit to LAWA this Pledge of Compliance from each Subtenant listed as performing work on, or otherwise occupying, the leasehold premises.

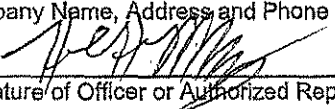
The Tenant agrees to comply with the Contractor Responsibility Program and the following provisions:

- (a) To comply with all applicable Federal, State, and local laws that apply to the lease agreement, including but not limited to, laws regarding health and safety, labor and employment, wage and hours, and licensing laws which affect employees.
- (b) To notify LAWA within thirty (30) calendar days after receiving notification that any government agency has initiated an investigation that may result in a finding that the Tenant is not in compliance with paragraph (a).
- (c) To notify LAWA within thirty (30) calendar days of all findings by a government agency or court of competent jurisdiction that the Tenant has violated paragraph (a).
- (d) To ensure that Subtenants occupying space through any Sublease in connection with a LAWA lease agreement shall complete and sign a Pledge of Compliance attesting under penalty of perjury to compliance with paragraphs (a) through (c) herein. To submit to LAWA the completed Pledges.
- (e) To notify LAWA within thirty (30) days of becoming aware of an investigation, violation or finding of any applicable Federal, State, or local law involving any Subtenant(s) in the LAWA lease agreement.
- (f) To cooperate fully with LAWA during an investigation and to respond to request(s) for information within ten (10) working days from the date of the Notice to Respond.

Failure to sign and submit this form to LAWA as required may render the Tenant non-compliant with the terms of the lease and subject to CRP sanctions. (877)-286-3521

Advanced Wireless Group LLC, 10460 NW 46th St., Miami, FL 33178

Company Name, Address and Phone Number



Signature of Officer or Authorized Representative

5/15/12

Date

H. Scott Phillips, President/CEO

Print Name and Title of Officer or Authorized Representative

Interim WiFi at LAX

Project Title