

BOARD of SUPERVISORS



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MEMORANDUM

GOVERNMENT AUDIT AND OVERSIGHT COMMITTEE

SAN FRANCISCO BOARD OF SUPERVISORS

TO: Supervisor Dean Preston, Chair
Government Audit and Oversight Committee

FROM: John Carroll, Assistant Clerk

DATE: June 11, 2021

SUBJECT: **COMMITTEE REPORT, BOARD MEETING**
Tuesday, June 15, 2021

The following file should be presented as COMMITTEE REPORT at the regular Board meeting on Tuesday, June 15, 2021. This resolution was acted upon at the special Government Audit and Oversight Committee meeting on Thursday, June 11, 2021, at 2:00 p.m., by the votes indicated.

Item No. 37 File No. 210482

Resolution approving a Lease Agreement for Cellular Service Partner (CSP), Lease No. 2020-0181, between New Cingular Wireless PCS, LLC (d.b.a. AT&T), as tenant, and the City and County of San Francisco, acting by and through its Airport Commission, for a term of ten years, and an annual base rent of \$2,400,000 for the first year of the Lease and a one time reimbursement payment of \$28,600,000 for neutral host distributed antennae system improvements to Harvey Milk Terminal 1 and the Grand Hyatt at SFO, to commence upon approval by the Board of Supervisors.

RECOMMENDED AS A COMMITTEE REPORT

Vote: Supervisor Dean Preston - Aye
 Supervisor Connie Chan - Excused
 Supervisor Rafael Mandelman - Aye
 Supervisor Shamann Walton - Aye

Cc: Board of Supervisors
Angela Calvillo, Clerk of the Board
Alisa Somera, Legislative Deputy
Anne Pearson, Deputy City Attorney

File No. 210482

Committee Item No. 8

Board Item No. 37

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: June 11, 2021

Board of Supervisors Meeting:

Date: June 15, 2021

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- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
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- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
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- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence

OTHER

- Airport Commission Resolution No. 20-0181
- Airport Memo – October 8, 2020
- _____
- _____
- _____

Prepared by: John Carroll

Date: June 4, 2021

Prepared by: John Carroll

Date: June 15, 2021

Prepared by: John Carroll

Date: _____

1 [Lease Agreement - New Cingular Wireless PCS, LLC (d.b.a. AT&T) - Cellular Service Partner
2 Lease - Base Rent of \$2,400,000 for Year 1 - One-Time Reimbursement Payment to City of
3 \$28,600,000]

4 **Resolution approving a Lease Agreement for Cellular Service Partner (CSP), Lease**
5 **No. 2020-0181, between New Cingular Wireless PCS, LLC (d.b.a. AT&T), as tenant, and**
6 **the City and County of San Francisco, acting by and through its Airport Commission,**
7 **for a term of ten years, and an annual base rent of \$2,400,000 for the first year of the**
8 **Lease and a one time reimbursement payment of \$28,600,000 for neutral host**
9 **distributed antennae system improvements to Harvey Milk Terminal 1 and the Grand**
10 **Hyatt at SFO, to commence upon approval of the Board of Supervisors.**

11
12 WHEREAS, Cellular services to the Airport are currently provided by New Cingular
13 Wireless PCS, LLC (d.b.a. AT&T), Sprint Spectrum Realty Company, T-Mobile West, LLC,
14 and GTE Mobilnet of California Limited Partnership dba Verizon Wireless (collectively,
15 Existing Carriers) under four separate Cellular Service Equipment Sites Leases on a month-
16 to-month holdover since the original expiration date of June 30, 2019; and

17 WHEREAS, Rather than maintain separate leases with multiple providers, Airport staff
18 proposed a plan to enter into one single cellular service provider lease to plan, design,
19 procure, install, operate, and maintain a Neutral Host Distributed Antenna System solution;
20 and

21 WHEREAS, While San Francisco Administrative Code, Section 2A.173, exempts
22 telecommunications leases from the competitive process, Airport staff elected to conduct an
23 informal competitive proposal process to obtain advantageous commercial terms; and

24 WHEREAS, Upon completion of the process, on October 6, 2020, by Resolution
25 No. 20-0181, the Airport Commission awarded the Lease Agreement for Cellular Service

1 Partner Lease No. 2020-0181 (Lease) to New Cingular Wireless PCS, LLC (d.b.a. AT&T)
2 (Tenant); and

3 WHEREAS, The Lease has a term of 10 years, and an annual base rent of \$2,400,000
4 during the first year of the term; and

5 WHEREAS, The Lease also requires Tenant to make a one-time payment
6 of \$28,600,000 to City for the reimbursement of the Airport's costs in constructing and
7 implementing the Neutral Host distributed antennae system (DAS) for Harvey Milk Terminal 1
8 and the Grand Hyatt at SFO; now, therefore, be it

9 RESOLVED, That this Board of Supervisors hereby approves the Lease Agreement
10 for Cellular Service Partner Lease No. 2020-0181, a copy of which is on file with the Clerk of
11 the Board of Supervisors in File No. 210428; and, be it

12 FURTHER RESOLVED, That within 30 days of the lease being fully-executed by all
13 parties, the Airport Commission shall provide the final lease to the Clerk of the Board for
14 inclusion into the official file.

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CITY AND COUNTY OF SAN FRANCISCO

BOARD OF SUPERVISORS

BUDGET AND LEGISLATIVE ANALYST

1390 Market Street, Suite 1150, San Francisco, CA 94102 (415) 552-9292
FAX (415) 252-0461

June 4, 2021

TO: Government Audit and Oversight Committee

FROM: Budget and Legislative Analyst



SUBJECT: June 11, 2021 Special Government Audit and Oversight Committee Meeting

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Item 8 File 21-0482	Department: San Francisco International Airport
EXECUTIVE SUMMARY	
<p style="text-align: center;">Legislative Objectives</p> <ul style="list-style-type: none"> • The proposed resolution would approve a lease between the Airport as landlord and New Cingular Wireless PCS, LLC (dba AT&T) as tenant, for a term of 10 years. The initial annual base rent is \$2,400,000. The proposed lease also requires the tenant to make a one-time payment of \$28,600,000 for the reimbursement of the Airport’s costs in constructing and implementing the Neutral Host Distributed Antenna System for Harvey Milk Terminal 1 and the Grand Hyatt at SFO. <p style="text-align: center;">Key Points</p> <ul style="list-style-type: none"> • In December 2012, the Board of Supervisors retroactively approved four five-year existing cellular service equipment site leases with (a) New Cingular Wireless PCS, LLC (Cingular) (b) Sprint Spectrum Realty Company, LLC (Sprint/Nextel) (c) GTE Mobilnet of California dba Verizon Wireless (Verizon), and (d) T-Mobile West, LLC (T-Mobile) from July 1, 2009 through June 30, 2014; and (2) approved the first amendment for three of the four existing cellular service equipment site leases that would extend the leases for five years between the City, and (a) Cingular, (b) Nextel/Sprint, and (c) Verizon from July 1, 2014 through June 30, 2019 (File 12-1037). In September 2014, the Board of Supervisors retroactively approved the first amendment to extend the lease agreement between the Airport and T-Mobile for five years from July 1, 2014 through June 30, 2019 (File 14-0501). • Rather than maintain separate leases with multiple providers, Airport staff proposed a plan in June 2018 to enter into one single cellular service provider lease to plan, design, procure, install, operate, and maintain a Neutral Host Distributed Antenna System (DAS) solution. According to the Airport, consolidating services under a single cellular service provider operating and managing all carrier services will ease the burden on space, resources, and coordination. Consequently, in December 2018, the Airport commenced the informal proposal process to award one new 10-year lease to a single Cellular Service Partner (CSP) which would provide cellular services on behalf of all cellular providers at the Airport. New Cingular Wireless PCS, LLC (dba AT&T) was determined to be the top ranked, most responsible and responsive proposer. In October 2020, the Airport Commission awarded the lease to New Cingular Wireless PCS, LLC (dba AT&T). <p style="text-align: center;">Fiscal Impact</p> <ul style="list-style-type: none"> • The base rent for the first lease year is \$2,400,000 with an annual base rent increase of 3 percent for the term of the lease. Under the proposed lease, the base rent is also increased by \$600,000 per year for each new cellular carrier other than the existing carriers who wish to participate during the proposed lease term. Over the 10-year term of the proposed lease, the Airport would receive at least \$27,513,310 in base rent. <p style="text-align: center;">Recommendation</p> <p>Approve the proposed resolution.</p>	

MANDATE STATEMENT

City Charter Section 9.118(c) states that (1) any lease of real property for ten or more years, including options to renew, (2) have anticipated revenues to the City of \$1,000,000, or (3) the modification, amendment or termination of these leases is subject to Board of Supervisors approval.

BACKGROUND

Existing Cellular Service Provider Leases

Cellular service equipment sites are spaces at the Airport where cellular service providers install their equipment to provide adequate cellular coverage at the Airport. Sites include small equipment rooms at the Airport that feed antennas throughout the Airport via cable and fibers running through conduits. In December 2012, the Board of Supervisors retroactively approved four five-year existing cellular service equipment site leases between the City, acting by and through its Airport Commission, and (a) New Cingular Wireless PCS, LLC (Cingular) (b) Sprint Spectrum Realty Company, LLC (Sprint/Nextel) (c) GTE Mobilnet of California dba Verizon Wireless (Verizon), and (d) T-Mobile West, LLC (T-Mobile) from July 1, 2009 through June 30, 2014; and (2) approved the first amendment for three of the four existing cellular service equipment site leases that would extend the leases for five years between the City, and (a) Cingular, (b) Nextel/Sprint, and (c) Verizon from July 1, 2014 through June 30, 2019 (File 12-1037). In September 2014, the Board of Supervisors retroactively approved the first amendment to extend the lease agreement between the Airport and T-Mobile for five years from July 1, 2014 through June 30, 2019 (File 14-0501).

Transition to One Single Cellular Service Provider Lease

Rather than maintain separate leases with multiple providers, Airport staff proposed a plan in June 2018 to enter into one single cellular service provider lease to plan, design, procure, install, operate, and maintain a Neutral Host Distributed Antenna System (DAS)¹ solution. According to Ms. Dina Quesada, Business Services Manager of Information Technology & Telecommunications at the Airport, this decision is primarily due to rationalizing wireless carrier services and the continuing burden on the Airport's space and resources. Ms. Quesada states that consolidating services under a single cellular service provider operating and managing all carrier services will ease the burden on space, resources, and coordination. In addition, a Neutral Host Distributed

¹ According to Ms. Quesada, a Distributed Antenna System (DAS) is a network of antennas which act as repeaters that send and receive cellular signals through the individual carrier's network. Well implemented DAS architecture fills coverage gaps and capacity shortages within buildings. A DAS may be carrier owned, like in the current SFO environment under the separate Cellular Equipment Sites Leases, or neutral-host where one system infrastructure supports multiple cellular carrier's licensed frequency, which will be implemented under the proposed lease. Neutral Host DAS are typically deployed at large venues like arenas, malls, airports, etc.

Antenna System optimizes carrier signals under a single infrastructure and eliminates the duplication of equipment and hardware deployed at the Airport. According to Ms. Quesada, the Neutral Host Distributed Antenna System provides fair and neutral access to the infrastructure for any cellular service providers interested in serving customers at the Airport, through a sublease or other business arrangement.

Consequently, in December 2018, the Airport commenced the informal proposal process to award one new 10-year lease to a single Cellular Service Partner (CSP) which would provide cellular services on behalf of all cellular providers at the Airport, and released the proposed business and technical requirements for a CSP at the Airport (the CSP Airport Requirements). San Francisco Administrative Code Section 2A.173² exempts telecommunications leases from the competitive process. However, according to Ms. Quesada, the Airport elected to conduct the informal proposal process in an effort to obtain the most advantageous commercial terms and select a CSP that would complement the Airport's objectives.

In January 2019, the Airport received proposals from New Cingular Wireless PCS, LLC (dba AT&T), Verizon, and DAS Group Professionals in response to the CSP Airport Requirements. The Airport determined that the three proposals qualified for scoring and convened a four-member evaluation panel³ that reviewed the proposals and scored them, as shown in Table 1 below.

Table 1: RFP Proposals and Scores

Proposer	Score
New Cingular Wireless (AT&T)	1334.0
Verizon	1281.5
DAS Group Professionals	795.5

Source: Airport

New Cingular Wireless PCS, LLC (dba AT&T) was determined to be the top ranked, most responsible and responsive proposer. In October 2020, the Airport Commission awarded the lease to New Cingular Wireless PCS, LLC (dba AT&T).

The four existing lease agreements for cellular service equipment sites expired on June 30, 2019 and are currently in month-to-month holdover tenancies. According to Ms. Quesada, given the informal proposal process was underway prior to the expiration date of the leases, the Airport opted to continue the lease on a month-to-month holdover increasing the rent to 125 percent

² Administrative Code Section 2A.173 states the following: The Airport Commission shall have power to negotiate and execute leases of airport lands and space in airport buildings, without necessity for competitive bidding, to any person, firm, or corporation engaged in air transportation, aviation support services, or the provision of utility services to the public (including, but not limited to, the provision of: telecommunications, electricity, water, gas or sewerage), or to any agency of government, for such purposes only; provided, that the original term of any such lease shall not exceed 50 years, nor shall any extension of such lease exceed a period of 50 years, except that a lease for aviation support services shall not exceed 10 years.

³ The panel consisted of the Director of Financial Planning & Analysis for the Airport, Director of Application Development and Acting Chief Information Security Officer (CISO) for the Airport, a Principal Infrastructure Engineer for the Airport, and a Property Manager for the Airport.

(\$718,750) of the then prevailing annual base rent, which was \$575,000.⁴ Under the Airport's general policy with respect to lease holdovers, the total holdover period should not exceed 12 months without Commission approval. Therefore, on June 2, 2020, by Resolution No. 20-0100, the Commission authorized the continuance of holdover tenancies for the existing cellular leases beyond 12 months.

Total Rent from Existing Leases

As shown in Table 2 below, total rent from FY 2014-15 through May 2021 of the four existing cellular service equipment site leases is \$16,010,416.

Table 2: Total Rent Under Existing Leases from FY 2014-15 through May 2021

Term	Cingular	Sprint/Nextel	Verizon	T-Mobile	Total
FY 2014-15	\$475,000	\$475,000	\$475,000	\$475,000	\$1,900,000
FY 2015-16	\$500,000	\$500,000	\$500,000	\$500,000	\$2,000,000
FY 2016-17	\$525,000	\$525,000	\$525,000	\$525,000	\$2,100,000
FY 2017-18	\$550,000	\$550,000	\$550,000	\$550,000	\$2,200,000
FY 2018-19	\$575,000	\$575,000	\$575,000	\$575,000	\$2,300,000
FY 2019-20 (month-to-month status)	\$718,750	\$718,750	\$718,750	\$718,750	\$2,875,000
July 1, 2020 – Current (May 2021)	\$658,854	\$658,854	\$658,854	\$658,854	\$2,635,416
Total	\$4,002,604	\$4,002,604	\$4,002,604	\$4,002,604	\$16,010,416

Source: Airport

DETAILS OF PROPOSED LEGISLATION

The proposed resolution would approve a lease between the Airport as landlord and New Cingular Wireless PCS, LLC (dba AT&T) as tenant, for a term of 10 years. The initial annual base rent is \$2,400,000. The proposed lease also requires the tenant to make a one-time payment of \$28,600,000 for the reimbursement of the Airport's costs in constructing and implementing the Neutral Host Distributed Antenna System for Harvey Milk Terminal 1 and the Grand Hyatt at SFO. According to Ms. Quesada, the reimbursement amount is based on the estimated cost of the construction project at the time of the release of the CSP Airport Requirements. Under the proposed lease, the start date of the proposed lease is the commencement date, which is the first day of the calendar month immediately following the completion of the Development Term. The Development Term is 120 days from the Board approval of the proposed lease.

According to Ms. Quesada, upon Board approval of the proposed lease, the tenant will commence with negotiating partnership agreements with the existing wireless carriers. Once the partnership agreements are in place, the tenant will then transition the carrier signal to the SFO

⁴ Tenants will continue to pay 125 percent of the Annual Base Rent during the holdover tenancy.

Neutral Host Distributed Antenna System, which will then mark the termination of the current hold-over leases.

FISCAL IMPACT

The base rent for the first lease year is \$2,400,000 with an annual base rent increase of 3 percent for the term of the lease. According to Ms. Quesada, the initial base rent of \$2,400,000 is based on the total rent amount (\$2,300,000) of the final year of the existing leases (FY 2018-19) with an approximately 4.35 percent escalation. Ms. Quesada states that the annual base rent increase of 3 percent is based on industry standards per information technology surveys conducted in May 2016 by the Airport Council International – North America of other airport Distributed Antenna System contracts. Survey responses from participating airports noted an annual escalation of 1 to 3 percent per year. Under the proposed lease, the base rent is also increased by \$600,000 per year for each new cellular carrier other than the existing carriers who wish to participate during the proposed lease term. Over the 10-year term of the proposed lease, the Airport would receive at least \$27,513,310 in base rent. Base rent under the proposed lease is shown in Table 3 below.

Table 3: Total Base Rent Under Proposed 10-Year Lease

Term	Total Rent Amount
Year 1	\$2,400,000
Year 2	\$2,472,000
Year 3	\$2,546,160
Year 4	\$2,622,545
Year 5	\$2,701,221
Year 6	\$2,782,258
Year 7	\$2,865,726
Year 8	\$2,951,697
Year 9	\$3,040,248
Year 10	\$3,131,456
Total	\$27,513,310

Source: Airport

According to Ms. Quesada, an appraisal report to determine the fair market value of the cellular equipment site lease was not completed. Instead, the Airport used the results of the information technology surveys conducted by the Airport Council International – North America to determine base rent. Based on survey responses, most participating Airports had annual revenues of \$1 million to \$2.1 million.

RECOMMENDATION

Approve the proposed resolution.

**LEASE AGREEMENT
FOR
CELLULAR SERVICE PARTNER (CSP)**

AT SAN FRANCISCO INTERNATIONAL AIRPORT

by and between

NEW CINGULAR WIRELESS PCS, LLC,
a Delaware limited liability company,
as tenant

and

CITY AND COUNTY OF SAN FRANCISCO
ACTING BY AND THROUGH ITS AIRPORT COMMISSION,
as landlord

London N. Breed, Mayor

AIRPORT COMMISSION

Hon. Larry Mazzola, President
Hon. Eleanor Johns, Vice President
Hon. Richard J. Guggenlime
Hon. Everett A. Hewlett, Jr.
Hon. Malcolm Yeung

Ivar C. Satero
Airport Director

October 6, 2020

Lease No. 2020-0181

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- Exhibit B-1 – Permitted Use and Operational Requirements
- Exhibit B-2 – Initial Improvements and Services
- Exhibit B-3 – Building Information Modeling Requirements
- Exhibit B-4 – Airport Tenant Improvement Review and Approval
- Exhibit B-5 – Technical & Functional Requirements
- Exhibit C-1 – Form of Performance Bond
- Exhibit C-2 – Form of Letter of Credit
- Exhibit D – Existing Wireless Carrier Leases Notice of Intent to Terminate Letter

**FORM OF LEASE AGREEMENT FOR
CELLULAR SERVICE PARTNER
AT SAN FRANCISCO INTERNATIONAL AIRPORT**

MAJOR LEASE TERM SUMMARY

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

Effective Date: _____, 2020 [To Be Inserted]
(§ 19.28)

Tenant: New Cingular Wireless PCS, LLC, a Delaware limited liability company

Tenant's Notice Address: New Cingular Wireless PCS, LLC
Attn: Network Real Estate Administration
1025 Lenox Park Blvd. NE
Atlanta, GA 30319
RE: FA# 13237743
Tel. No. (877) 231-5447
Email: RELeaseAdmin@att.com

With a Copy to:

New Cingular Wireless PCS, LLC
Attn: Network Counsel
208 S. Akard Street
Dallas, Texas 75202-4206
RE: FA# 13237743

City: The City and County of San Francisco, a municipal corporation,
acting by and through its Airport Commission.

City's Notice Address: San Francisco International Airport
International Terminal, North Shoulder Bldg., 5th Floor
Attn: Airport Director
P. O. Box 8097
San Francisco, CA 94128
Fax No. (650) 821-5005
Tel. No. (650) 821-5000.

City's Rent Payment Address: San Francisco International Airport
Attn: Accounting
Terminal 2, 4th Floor
P. O. Box 7743
San Francisco, CA 94120

City's Insurance/ Deposit Notice Address: San Francisco International Airport
Attn: Revenue Development and Management
575 N. McDonnell Road, Suite 3-329
P. O. Box 8097
San Francisco, CA 94128
Fax No. (650) 821-4519
Tel. No. (650) 821-4500.

Premises: (§ 1) Certain telecommunications equipment installation locations approved by the Director from time to time (each, a "**Site**"), including the HMT1 and Hotel DAS Equipment (as defined in Section 4.2 below) and all existing telecommunications equipment located at each Site owned by the City prior to the Commencement Date (but leased to Tenant as part of the Premises during the Term of this Lease) (the "**Existing Equipment**"). The initial Sites approved by the Director are more particularly described on the attached **Exhibit A-1**, as the same may be updated by Tenant from time to time pursuant to the terms thereof with the approval of the Airport Director. An inventory of the Existing Equipment is set forth on the attached **Exhibit A-2**. As provided in Section 1.2 hereof, Tenant may expand or contract the Premises by adding or deleting Sites, subject to the prior approval thereof by the Director.

Development Term: (§ 2.2) The Development Term shall commence upon the Effective Date of the Lease and continue for 120 days thereafter, provided if expiration of the Development Term does not occur on the last day of the calendar month, then the Development Term shall terminate upon the last day of such calendar month. During the Development Term, all terms and conditions of this Lease shall apply and be in full force and effect, except for the obligation to pay Base Rent and the Harvey Milk Terminal 1 ("**HMT1**") and Grand Hyatt at SFO ("**Hotel**") DAS Improvement Reimbursement Fee, which shall be due in accordance with the applicable provisions of this Lease.

Term: (§ 2) Ten (10) years from the Commencement Date.

Commencement Date: (§ 2.1) The first day of the calendar month immediately following the expiration of the Development Term.

(actual date to be inserted upon determination)

Expiration Date: 11:59pm on the day before the tenth (10th) anniversary of the
(§ 2) Commencement Date.

(actual date to be inserted upon determination)

Permitted Use: Design, implementation, improvement, maintenance, and operation of
(§ 3) the Airport single neutral-hosted distributed antenna system (“**DAS**”) for the purpose of providing cellular telecommunications services to the entire Airport and other tenants, licensees and other permitted occupants of the Airport, all as further set forth in more detail in accordance with the provisions, terms and conditions set forth in this Lease (the “**Services**”), including, without limitation, **Exhibits B-1, B-2, B-3, B-4** and **B-5**.

Base Rent: Two Million Four Hundred Thousand and 00/100 U.S. Dollars
(§ 4.1) (\$2,400,000) per annum payable in accordance with Section 4.1 of this Lease, subject to: (i) an annual increase of three percent (3%) of such amount on each anniversary of the Commencement Date (the “**Annual Increase**”); and (ii) an increase in the amount of \$600,000 per annum (prorated for any partial Lease Year) for each new DAS Wireless Company Participant (as defined in Section 3.6 below) that commences wireless services at the Airport at any time after the Commencement Date during the Term (other than the Existing Wireless Carriers (as defined in Section 3.4 below)), as such amount would have been adjusted on an annual basis by the Annual Increase prior to the date upon which such new carrier commences services. By way of example, if New Carrier A commences service at the Airport pursuant to Section 3.6 of this Lease upon the commencement of Lease Year 2, then Base Rent would be \$3,072,000 per annum (which accounts for the three percent (3%) the annual increase over Lease Year 1). If New Carrier B commences service at the Airport pursuant to Section 3.6 of this Lease upon the commencement of Lease Year 3, then Base Rent would be \$3,764,160 per annum (which accounts for the three percent (3%) annual increase over Lease Year 2 (as previously adjusted for New Carrier A)).

Base Rent shall in no event be reduced for any reason, including, without limitation, by reason of any consolidations, mergers or acquisitions affecting any of the DAS Wireless Company Participants (or for the avoidance of doubt, any of the three Existing Wireless Carriers, which are Verizon, AT&T and T-Mobile (or their affiliates) as of the Effective Date (with T-Mobile being the surviving brand resulting from the T-Mobile merger with Sprint consummated on April 1, 2020).

HMT1 and Hotel DAS Improvement Reimbursement Twenty-Eight Million Six Hundred Thousand and 00/100 U.S. Dollars (\$28,600,000), due and payable to City in accordance with Section 4.2 of this Lease.

Fee:
(§ 4.2)

Lease Year: The period commencing on the Commencement Date and terminating on the day before the annual anniversary of the Commencement Date, and each subsequent 12-month period, or expiring on the Expiration Date, as the case may be.
(§ 4)

Rent: Base Rent, together with all other amounts owing by Tenant to City hereunder.
(§ 4)

Deposit Amount: Six (6) months of Base Rent (subject to increase on an annual basis with the increase in Base Rent pursuant to Section 12.1).
(§ 12)

Resolution: Number 20-0181, approved by the Airport Commission on October 6, 2020. Number ____-____, approved by the Board of Supervisors on _____, 20.

Initial Tenant Representative: Michael G. Guibord, Director Access- Construction & Engineering
Tel. No. (925) 277-6300
(§ 3.9)

Other Agreements: _____
(§ 14.1)

Exhibits: A-1 – Premises and Sites
A-2 – Existing Equipment
B-1 – Permitted Use and Operational Requirements
B-2 – Initial Improvements and Services
B-3 – Building Information Modeling Requirements
B-4 – Airport Tenant Improvement Review & Approval
B-5 – Technical & Functional Requirements
C-1 – Form of Performance Bond
C-2 – Form of Letter of Credit
D – Existing Wireless Carrier Leases Notice of Intent to Terminate Letter
All such exhibits are incorporated into this Lease and made a part hereof.

Initial of Authorized Representative of City _____

Initial of Authorized Representative of Tenant _____

Summary, Page iv

LEASE AGREEMENT

FOR SINGLE AIRPORT TELECOMMUNICATIONS CELLULAR SERVICE PARTNER (CSP) AT SAN FRANCISCO INTERNATIONAL AIRPORT

THIS LEASE AGREEMENT FOR SINGLE AIRPORT TELECOMMUNICATIONS CELLULAR SERVICE PARTNER (this "Lease"), dated as of the Effective Date, is entered into by and between Tenant, and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Airport Commission (the "Commission"). This Lease is made with reference to the following facts:

A. City owns the San Francisco International Airport (the "Airport" or "SFO") located in the County of San Mateo, State of California, which Airport is operated by and through the Commission, the chief executive officer of which is the Airport Director ("Director"). The Airport's "Terminal Building Complex" is currently comprised of Terminal 1, Terminal 2, Terminal 3, and an International Terminal, together with connecting concourses, piers, boarding areas and extensions thereof, and satellite buildings now or hereafter constructed. Tenant acknowledges that, from time to time, the Airport undergoes certain construction and renovation projects. Unless otherwise specified, the term "Airport" or "Terminal Building Complex" as used herein shall mean the Airport or the Terminal Building Complex, respectively, as the same may be expanded, contracted, improved, modified, renovated, or changed in any way. Unless otherwise specified below, references to the "City" shall mean the City, acting by and through its Airport Commission.

B. Tenant desires to provide and operate the service described in the Permitted Use at the Airport, and City has determined that such service would be an accommodation and convenience for airline passengers and the public using the Terminal Building Complex or the Airport.

C. On October 6, 2020, by Resolution No. 20-0181, the Commission has awarded this Lease to Tenant pursuant to Section 2A.173 of the Administrative Code. On [____], by Resolution No. [____], the Board of Supervisors approved this Lease pursuant to Section 9.118 of the San Francisco Charter (the "Charter").

Accordingly, Tenant and City agree as follows:

1. PREMISES

1.1 Extent of Leasehold. On the terms, conditions, and covenants in this Lease, City hereby leases to Tenant and Tenant hereby leases from City, the Premises, including the right during the Term to use the Existing Equipment, install the Initial Improvements and make other Alterations from time to time in accordance with this Lease. For purposes of this Lease relating to Tenant's responsibilities, the "Premises" shall mean the Sites shown on Exhibit A-1, as well as the Existing Equipment shown on Exhibit A-2.

1.2 Expansion/Contraction or Relocation of Premises. On the terms and conditions of this Section 1.2, Tenant may request the addition or deletion of a Site, or relocation of a Site, by submitting a request thereof to Director, and any such addition/deletion shall be subject to the Director's prior written consent, in Director's sole and absolute discretion, and Tenant's satisfaction of any conditions or

requirements set forth in Director's consent. Any such addition/deletion and/or relocation shall not require an amendment of this Lease, and the Base Rent shall not be adjusted due to the addition/deletion of a Site. Any such expansion or contraction of the Premises hereunder shall be accomplished by a revision to Exhibit A-1 or other applicable Exhibit to the Lease.

1.3 Relocation by City. At any time during the Term following completion by Tenant of the Initial Improvements, City may require that Tenant relocate and surrender all or part of the Premises or any particular Site (a "**Required Relocation**") if the relocation is required for security, public safety or aviation purposes, or is pursuant to the provisions of Section 1.5. Required Relocations shall be at Tenant's cost, on the terms set forth in this Section 1.3. Any such relocation can be recorded by the parties without a formal amendment to this Lease. City shall give notice (the "**Relocation Notice**") setting forth the approximate effective date of the relocation (the "**Target Effective Date**"), and the location of other on-Airport replacement premises (the "**Relocation Premises**"). The Relocation Notice shall be given no less than one hundred eighty (180) days prior to the Target Effective Date. Tenant shall surrender the Site(s) and relocate to the Replacement Premises on a date (the "**Surrender Date**") determined by City (which shall be no earlier than the Target Effective Date). On the Surrender Date, Tenant shall surrender the Site(s) in the condition required below. Tenant shall bear all costs of such Required Relocation. In connection with such Required Relocation, the following conditions must be satisfied: (a) Tenant shall exclusively perform all work necessary for the Required Relocation; (b) such Required Relocation shall not result in any material interruption of service provided by Tenant during such relocation work or (c) such Required Relocation shall not result in any material impairment of the quality of service provided by Tenant following such relocation. City shall reasonably cooperate with Tenant in enabling it to perform cutover procedures to ensure that the relocated DAS and related equipment is operational before discontinuing service from the original surrendered Premises. City shall not allow any third party to relocate or tamper with the DAS or any related equipment, or interfere with the operation of the DAS, unless authorized by Tenant.

1.4 Rights of Ingress and Egress. Tenant shall have the non-exclusive rights of ingress and egress across Airport property to conduct its permitted operations hereunder, provided that such ingress and egress activity: (a) shall not impede or interfere unduly with the operation of Airport by City or the use of the Airport by its tenants, passengers, or employees; (b) shall be subject to Airport Rules and Regulations and other Airport operations bulletins, as amended from time to time (as amended, the "**Airport Rules**"), including those pertaining to badge, permitting, and other security requirements, and the requirements of this Lease; (c) shall be in or on hallways, roads, and other areas designated by Director from time to time; and (d) may be suspended or revoked by Director provided that Director provides a reasonable alternative route of ingress and egress. Tenant shall not place or install any equipment or personal property in any Airport property outside of the Premises, without the express prior consent of Director. In no event will Tenant engage in any activity on the Airport outside the Premises for the recruitment or solicitation of business, except for any advertising expressly agreed to in writing by Tenant and City at the City's sole and absolute discretion and pursuant to the Airport's concession program.

1.5 Changes to Airport. Tenant acknowledges and agrees that: (a) City shall have the right at all times to change, alter, expand, and contract the Airport, including the Terminal Building Complex; and (b) City has made no representations, warranties, or covenants to Tenant regarding the design, construction, pedestrian traffic, enplanements, airline locations, or views of the Airport or the Premises. Without limiting the generality of the foregoing, Tenant acknowledges and agrees that the Airport: (i) is currently undergoing, and may from time to time hereafter undergo, renovation, construction, and other Airport modifications; and (ii) may from time to time adopt rules and regulations relating to security and other operational concerns that may affect Tenant's business. Although City will use reasonable efforts to

minimize the effect of any such impacts on Tenant's business, Tenant acknowledges that such activity may have some effect on Tenant's operations located at the Airport. Such construction and renovation programs might involve barricading, materials storage, noise, the presence of workers and equipment, rearrangement, utility interruptions, and other inconveniences normally associated with construction and renovation. Although City will use reasonable efforts to minimize the effect of the such changes on Tenant's business, Tenant acknowledges that such activity may have some effect on Tenant's operations located at the Airport, and Tenant shall not be entitled to any rent credit or other compensation therefor. At any time and from time to time, City may, without the consent of Tenant, and without affecting Tenant's obligations under this Lease, at City's sole discretion, (a) change the shape, size, location, number and extent of the improvements in any portion of the Airport, including without limitation the concourses, piers, boarding areas, retail areas and security areas located within the Terminal Building Complex, (b) build additional stories above or below the Airport buildings, including of the Terminal Building Complex, (c) construct multi-level, elevated or subterranean parking facilities, and (d) expand or contract the Airport, including redefining the Airport boundaries so as to include additional lands within the Airport or exclude lands from the Airport or both. Without limiting waivers set forth elsewhere in this Lease, Tenant hereby waives all claims against City and releases City from all Losses (as defined below) that Tenant suffers or incurs arising out of or in connection with any changes to the Airport or any portion of the Airport, and Tenant further agrees that Tenant will not be entitled to any rent abatement or any other rent relief in connection with any changes to the Airport or any portion of the Airport.

1.6 Common Areas. The term "common areas" means all areas and facilities located within the Airport that are designated by City from time to time for the general use and convenience of the tenants of the Airport and other occupants of the airport, and airline passengers and other visitors to the Airport such as concourses, sidewalks, elevators, escalators, moving walkways, parking areas and facilities, restrooms, pedestrian entrances, driveways, loading zones and roadways. City may, in its sole discretion, and without any liability to Tenant (a) change the common areas, (b) increase or decrease the common areas (including the conversion of common areas to leasable areas and the conversion of leasable areas to common areas), and (c) impose parking charges. City will, in its sole discretion, maintain the common areas, establish and enforce Airport Rules concerning the common areas, close temporarily portions of the common areas for maintenance purposes, and make changes to the common areas including changes in the location of security check points, driveways, entrances, exits, parking spaces, parking areas, and the direction of the flow of traffic. City reserves the right to make additional Airport Rules affecting the Airport throughout the Term, including the requirement that Tenant participate in a parking validation program.

2. TERM

2.1 Commencement and Expiration of Term. The Term shall commence on the Commencement Date and expire on the Expiration Date, unless terminated prior thereto as provided herein.

2.2 Development Term. Prior to the Commencement Date and during the Development Term, Tenant shall perform and otherwise comply with the provisions of Section 3.4 of this Lease.

2.3 Delay in Delivery of Possession. If for any reason City cannot deliver possession of the Premises to Tenant on the commencement of the Development Term (but subject to the leases of the Existing Wireless Carriers to be terminated in accordance with the Transition Schedule), this Lease shall remain in effect, City shall not be subject to any liability, and such failure shall not extend the Term hereof. In such event, and provided such delay is not caused by the act or omission of Tenant, or Tenant's principal, affiliate, contractor, employee, agent, licensee or invitee (a "Tenant Entity"), the

Development Term and Commencement Date shall be extended accordingly day for day to reflect such delay. If for any reason City is unable to deliver possession of the Premises to Tenant on the date that is twelve (12) months after the Effective Date of the Lease, each of City and Tenant shall have the right to terminate this Lease by notice to the other. After the Development Term and Commencement Date has occurred, upon Director's request, Tenant will execute a written acknowledgment of the Commencement Date. In the event Tenant fails to execute and return promptly such acknowledgment to City, the dates described therein shall be deemed conclusive.

2.4 Holding Over. If, without objection by City, Tenant holds possession of the Premises after the Expiration Date, Tenant shall become a tenant from month to month, upon the terms of this Lease except that Base Rent during the holdover period shall be equal to one hundred fifty percent (150%) of the then prevailing Base Rent. No such holdover shall be deemed to operate as a renewal or extension of the Term. Such month-to-month tenancy may be terminated by City or Tenant by giving thirty (30) days' notice of termination to the other at any time. Tenant shall have no rights to renew or extend the Term of this Lease.

3. USE AND OPERATION; INITIAL IMPROVEMENTS; ADDITIONAL IMPROVEMENTS.

3.1 Permitted Use. Tenant shall use the Premises for the Permitted Use and the provision of the Services and Additional Services (as defined below) and for no other purpose. Under no circumstances will Tenant operate or enter any restricted Airport area, including the airfield area, except as may be expressly permitted pursuant to this Lease or another lease or permit between City and Tenant.

3.2 No Exclusivity. Intentionally Omitted.

3.3 References to Airport. Tenant shall not, without the prior written consent of Director, reference City or the Airport for any purpose other than the address of the business to be conducted by Tenant in the Premises, nor will Tenant do or permit anything in connection with Tenant's business or advertising which in the judgment of City may reflect unfavorably on City or the Airport, or confuse or mislead the public as to the relationship between City and Tenant.

3.4 Development Term Activities; Site Investigations and Initial Improvements. Prior to and after the Effective Date, certain of the Sites and Premises are currently under lease and part of the premises of other existing wireless carriers ("**Existing Wireless Carriers**"), which such leases are on month-to-month holdover tenancies and require thirty (30) days' notice from City to terminate. Upon the commencement of the Development Term, Tenant shall promptly commence and thereafter diligently continue all reasonable efforts to complete all investigations of the Premises and Sites (Exhibit A-1) and Existing Equipment (Exhibit A-2) (collectively, the "**Site Investigations**") for the purposes of (i) providing a report to City of the Initial Improvements that will be required to be performed by Tenant in the and about the Premises pursuant to this Section 3.4 hereof and (ii) provide a schedule for the date of transition of each of the Sites (and any Existing Equipment held by Existing Wireless Carriers) (the "**Transition Dates**") to the Premises demised under this Lease by Tenant (the "**Transition Schedule**"). Contingent upon the reasonable cooperation of City, the Transition Schedule shall be due to City no later than sixty (60) days from the commencement of the Development Term, and provide for a complete transition of all Sites from the Existing Wireless Carriers to the Premises no later than the expiration of the Development Term. In addition, no later than ten (10) days after the Effective Date, City shall notify the Existing Wireless Carriers in writing that City intends to terminate each lease held by the Existing Wireless Carriers (the "**Existing Wireless Carrier Leases**") with the requisite 30 days' written notice on or about ninety (90) days from the date of such written notice, which such notice shall be substantially in

the form attached to this Lease as Exhibit D (the “**Existing Wireless Carrier Leases Notice of Intent to Terminate Letter**”). No later than ten (10) days after the Effective Date, Tenant shall concurrently send to City and to each Existing Wireless Carrier a draft sublease agreement pursuant to Section 5.4 hereof. Tenant shall advise each Existing Wireless Carrier that the form of sublease agreement is subject to City's review and approval. Upon the effective date of termination of each Existing Wireless Carrier Lease, the Sites shall automatically become part of the Premises demised under this Lease. Tenant shall perform and complete the Initial Improvements in conformance with the scope of work set forth on Exhibit B-2 attached to this Lease and the Transition Schedule. In addition to the foregoing, during the Development Term, prior to and in connection with the construction of the Initial Improvements, Tenant shall: (i) have the right to relocate any and all Existing Improvements, and (ii) otherwise identify and remove all existing and obsolete equipment, supporting infrastructure (i.e. raceways, conduits, cabling etc.) and any other hardware and any debris in and around the Premises that will no longer be part of the DAS to be operated and managed by Tenant hereunder, which such removal shall be subject to the review and approval of City.

3.5 Future Additional Services and Improvements by Tenant. From time to time during the Term, upon the written request of City, Tenant shall perform the additional services in and about the Premises and at the Airport, on and relating to the Existing Equipment and Initial Improvements, as well as on behalf of other telecommunications projects of the Airport (including on and off of the Premises), as reasonably requested by Airport, as well as other tenants, licensees and other permitted occupants and operators at the Airport (“**Additional Services**”). The scope of such Additional Services on behalf of Airport projects (for any Additional Services provided to City) shall be agreed upon and memorialized in a statement of work or similar writing prior to the provision thereof by Tenant. Such Additional Services may include, without limitation (i) planning and design services (ii) construction phasing services; and (iii) operations and maintenance services. At the election of City in its sole and absolute discretion, in lieu of receiving payment for Additional Services, City shall issue to Tenant a credit against any future payments of Base Rent due under this Lease, or if no more payments of Base Rent are due, then against any future payments of Additional Rent due under this Lease. In the event that no additional payments of Base Rent or Additional Rent are due from Tenant, then City may elect to refund amounts already paid by Tenant with respect to Base Rent or Additional Rent until Tenant is fully compensated for such Additional Services. Notwithstanding the foregoing, City reserves the right to consent or withhold consent to any projects or joint ventures undertaken by Tenant and any third party at the Airport in connection with Additional Services provided hereunder.

3.6 Other Operational Requirements; DAS Wireless Company Participants.

(a) In order to provide the highest quality experience to the users of the Airport, City, through its agreements with concessionaires, permittees, vendors and other contractors, continuously strives to maintain a sufficient level of variety and competition in the range of services made available at the Airport. In conformance with such goals, and notwithstanding that Tenant will be the single host operator of the DAS at the Airport, Tenant covenants and agrees to provide the Services and any Additional Services in a first-class manner and engage in the business of the Permitted Use in a non-discriminatory and equal manner to ensure fair access to the DAS to all other providers of cellular telecommunications services that desire to provide such services at the Airport DAS (each a “**DAS Wireless Company Participant**”), including the Existing Wireless Carriers, and to not engage in any anti-competitive or unfair trade or business practices in connection with this Lease and the Permitted Use, all as reasonably determined by City from time to time. Provided such parties are willing to execute a sublease agreement with Tenant pursuant to Section 5.4 of the Lease, in no event may Tenant by contract or actual practice exclude any Existing Wireless Company or DAS Wireless Company Participant from providing cellular services at the Airport through the DAS. Notwithstanding the foregoing, to the extent

that any such DAS Wireless Company Participant or Existing Wireless Carrier seeks to use the DAS, the related equipment, or space occupied by Tenant in the Premises, any such company must meet the following requirements, as reasonably determined by City: (i) be solvent and in good financial standing; (ii) have a valid license issued by the Federal Communications Commission (or any successor agency) granting it the right to provide wireless service in the geographic area in which the Premises are located (to the extent a license is required); and (iii) such company's use shall not result in any adverse technical interference with Tenant's use of the shared DAS and related equipment. In addition to the amounts set forth in Sections 4.1 and 4.2 of this Lease, Tenant shall also be permitted to charge all such DAS Wireless Company Participant and Existing Wireless Carrier subtenants a reasonable and proportionate share of the administrative cost of Tenant's management of the shared DAS and related equipment, as reasonably approved by the Airport from time to time, but in any event not to exceed two percent (2%) of the monthly rent charged to such DAS Wireless Company Participant or Existing Wireless Carrier (the "**DAS Administrative Fee**").

(b) Tenant must dispose of all trash and debris in areas and in containers designated by Director. If City provides common trash areas, Tenant may request a permit to use the same for a charge determined by Director from time to time. Tenant may not place or leave or permit to be placed or left in or upon any part of the common areas or corridors adjacent to the Premises any garbage, debris or refuse.

(c) Tenant acknowledges that the operational requirements of the Airport as an airport facility, including without limitation security requirements, are of paramount importance. Tenant acknowledges and agrees that it must conduct its business in a manner that does not conflict with the operational requirements of the Airport as an airport facility and that fully accommodates those requirements. Without limiting other waivers herein, Tenant waives all claims for any Losses arising out of or connected to the operation of the Airport as an airport facility. Without limitation on the foregoing, Tenant must:

- (i) comply with the Airport Rules;
- (ii) cause all deliveries and dispatches of merchandise, supplies, fixtures, equipment and furniture to be made and conveyed to or from the Premises by means and during hours established by Director in Director's sole discretion. City has no responsibility regarding the delivery or dispatch of Tenant's merchandise, supplies, fixtures, equipment and furniture. Tenant may not at any time park its trucks or other delivery vehicles in common areas; and
- (iii) not park within the parking areas of the Airport except in those areas, if any, designated by City pursuant to permits obtained from the Airport's Permit Bureau. Nothing herein shall imply that Tenant shall be able to secure any on-Airport parking privileges.

3.7 Prohibited Activities. Without limiting any other provision herein, Tenant shall not, without the prior written consent of Director: (a) cause or permit anything to be done, in or about the Premises, or bring or keep anything thereon which might (i) increase in any way the rate of fire insurance on the Terminal Building Complex or any of its contents; (ii) create a nuisance; (iii) in any way obstruct or interfere with the rights of others in the Terminal Building Complex or injure or annoy them; (b) commit or suffer to be committed any waste upon the Premises; (c) use, or allow the Premises to be used, for any improper, immoral, unlawful or objectionable purpose; (d) place any loads upon the floor, walls or ceiling which endanger the structure or obstruct the sidewalk, passageways, stairways or

escalators, in front of, within, or adjacent to the Terminal Building Complex; (e) use any advertising or promotional medium that may be seen, heard, or otherwise experienced outside the Premises (such as searchlights, barkers or loudspeakers); (f) distribute handbills or circulars to Airport patrons or to cars in the parking lots, or engage in any other advertising in the Airport; (g) engage in any activity on the Airport outside the Premises for the recruitment or solicitation of business; or (h) do or permit to be done anything in any way tending to injure the reputation of City or appearance of the Airport.

3.8 Audit of Operations. At any time and from time to time, but not more frequently than once during any one Lease Year unless there is an Event of Default, City may conduct an audit of Tenant's operations at the Airport to confirm that such operations comply with the requirements set forth herein. Tenant shall cooperate with such audit. In the event such audit shows that Tenant is not complying with such requirements, without limiting City's ability to call a default hereunder, City may require that Tenant reimburse City for the costs of such audit. Tenant shall promptly remedy any noncompliance shown in any such audit.

3.9 Representative of Tenant. Tenant shall at all reasonable times retain in the Terminal Building Complex at least one qualified representative authorized to represent and act for it in matters pertaining to its operation, and shall keep Director informed in writing of the identity of each such person. The initial person so designated is the Initial Tenant Representative.

3.10 Investigation Reports. At any time and from time to time, but not more frequently than once during any Lease Year unless there is an Event of Default, Tenant shall, if required by Director, employ, at its own cost and expense, an investigative organization approved by Director for the purpose of making investigations and observations and preparing a written report of the carrying out of any pricing policies, revenue control, and operational techniques being used on the Premises. Tenant shall cause such investigation and observation to be made at such reasonable times and in the manner directed by Director, and the investigator shall deliver forthwith to Director a true and complete written copy of any such reports made to Tenant.

3.11 Compliance with Laws. Tenant shall promptly, at its sole expense, cause the Premises (including any permitted Alterations (as defined below)), and Tenant's and any Tenant Entity's use of the Premises and operations therein, to comply at all times with all Laws (as defined below). Notwithstanding the foregoing, this Section 3.11 shall not impose on Tenant any liability to make any structural alterations to the roof, foundation, bearing and exterior walls and subflooring of the Terminal Building Complex; or heating, ventilating, air conditioning, plumbing, electrical, fire protection, life safety, security and other mechanical, electrical and communications systems of the Terminal Building Complex (collectively "**Building Systems**"), except to the extent the same is (x) installed by Tenant or Tenant Entity, or (y) necessitated by Tenant's Alterations or by any act or omission of Tenant or any Tenant Entity. As used herein, the term "**Laws**" shall mean all present and future laws, ordinances, rules, judgments, decrees, injunctions, regulations, permits, authorizations, orders and requirements, to the extent applicable to Tenant or the Premises or any portion of any of them whether or not in the contemplation of the parties, including, without limitation, all consents or approvals required to be obtained from, and all rules and regulations of, and all building and zoning laws of, all federal, state, county and municipal governments, the departments, bureaus, agencies or commissions thereof, authorities, board of officers, any national or local board of fire underwriters, or any other body or bodies exercising similar functions, having or acquiring jurisdiction of the Site or any portion thereof, including the Occupational Safety and Health Act and all other applicable laws relating to workplace safety or toxic materials, substances or wastes, Division 4, Part 6 (commencing with Section 8000) of the California Civil Code relating to works of improvement and all other applicable laws relating to construction projects, the provisions of the American with Disabilities Act, 42 U.S.C. Section 12101 et. seq. and any governmental regulations with

respect thereto (the “ADA”) (including, without limitation, the requirements under the ADA for the purposes of “public accommodations”, as that term is used in the ADA), Title 24 of the California Code of Regulations, all Environmental Laws, the Airport Rules, the Tenant Improvement Guide (including any design criteria) as the same may be amended from time to time (the “TI Guide”), and the requirements referenced in Section 18 of this Lease [City and Other Governmental Provisions].

4. RENT

4.1 Base Rent. On the Commencement Date, Tenant shall pay to City, as rent for the Premises, the amount of Base Rent for the first Lease Year. On the first day of each subsequent Lease Year following the first Lease Year, Tenant shall pay to City, as rent for the Premises, the Base Rent for the upcoming applicable Lease Year, the amount of which shall include the additional amounts equal to: (i) the prorated amount of any increase in Base Rent due to the addition of one or more new DAS Wireless Company Participants during any portion of the prior Lease Year and (ii) the amount of \$600,000 for each new DAS Wireless Company Participant added during the prior Lease Year, as set forth in the definition of “Base Rent” in the Major Lease Term Summary. In connection with the payment of Base Rent hereunder, but not as a condition, Tenant shall have the right to charge a proportionate share of the Base Rent to each Existing Wireless Carrier and each DAS Wireless Company Participant authorized to use the DAS and related equipment pursuant to Section 3.6 and Section 5.4 of this Lease.

4.2 HMT1 and Hotel DAS Improvement Reimbursement Fee. In addition to the Base Rent as set forth in Section 4.1 above, no later than sixty (60) days after the later of (i) the Effective Date, or (ii) the receipt by Tenant from City of the HMT1 and Hotel DAS Improvement Reimbursement Fee Deliverables (as defined below), Tenant shall pay to City the full amount of the HMT1 and Hotel DAS Improvement Reimbursement Fee as reimbursement for all of City’s costs of design, construction and installation of the DAS equipment for HMT1 and the Grand Hyatt at SFO Hotel (the “**HMT1 and Hotel DAS Equipment**”). The HMT1 and Hotel DAS Improvement Reimbursement Fee is agreed upon by the parties to be fully earned by City upon the Effective Date and due and payable as and when set forth above. In connection with the payment of the HMT1 and Hotel DAS Improvement Reimbursement Fee, but not as a condition, Tenant shall have the right to charge a proportionate share of the HMT1 and Hotel DAS Improvement Reimbursement Fee to each Existing Wireless Carrier and each DAS Wireless Company Participant authorized to use the DAS and related equipment pursuant to Section 3.6 of this Lease. In connection with the payment of the HMT1 and Hotel DAS Improvement Reimbursement Fee by Tenant to City, City shall deliver to Tenant the following deliverables (collectively, “**HMT1 and Hotel DAS Improvement Reimbursement Fee Deliverables**”): (i) the as-built drawings of the HMT1 and Hotel DAS Equipment in iBwave; and (ii) a breakdown of City’s costs of construction of the HMT1 and Hotel DAS Equipment based on payment milestones to Airport’s contractors engaged for such project which payment milestones set forth: (A) a description of such milestone; (B) the allocated amount for such milestone under the Airport’s approved budget; (C) the amount paid by the Airport to date for such milestone and (D) the total amounts for the allocated budget and payments to date. Notwithstanding the foregoing, Tenant expressly acknowledges, covenants and agrees that: (1) the HMT1 and Hotel DAS Improvement Reimbursement Fee Deliverables are only for the purposes of satisfying Tenant’s internal accounting requirements and for charging a proportionate share of the HMT1 and Hotel DAS Improvement Reimbursement Fee to each Existing Wireless Carrier and each DAS Wireless Company Participant pursuant to this Section 4.2 and (2) the HMT1 and Hotel DAS Improvement Reimbursement Fee is an agreed upon final sum to be paid to City as consideration for City’s design, construction and installation of the construction of the HMT1 and Hotel DAS Equipment and for City’s conveyance of its interest in the same to Tenant under this Lease, and (3) Tenant shall have no right to object, challenge or

in any way reduce the amount of the HMT1 and Hotel DAS Improvement Reimbursement Fee based on anything contained in the HMT1 and Hotel DAS Improvement Reimbursement Fee Deliverables.

4.3 Additional Rent. Tenant shall pay to City any and all charges and other amounts under this Lease as additional rent, at the same place where Base Rent is payable. City shall have the same remedies for a default in the payment of any such additional charges as for a default in the payment of Base Rent.

4.4 Prepay Rent. Notwithstanding anything to the contrary herein, in the event Tenant shall fail to pay any Rent when due hereunder, Director shall have the right to require Tenant to pay estimated monthly Rent (including Base Rent (if applicable), utility charges, and all other amounts) one (1) month in advance of when such payment would otherwise be due. Such prepayment would be based on the highest monthly Rent previously due from Tenant. Such right shall be exercised by a notice from Director to Tenant, which notice may be given any time after such default by Tenant, regardless of whether the same is cured by Tenant.

4.5 Nature of Lease. Under no circumstances will City be expected or required to make any payment of any kind with respect to Tenant's use or occupancy of the Premises, except as may be otherwise expressly set forth herein. Except as may be specifically and expressly provided otherwise in this Lease, no occurrence or situation arising during the Term, nor any present or future Law, whether foreseen or unforeseen, shall relieve Tenant from its liability to pay all of the sums required by this Lease, or relieve Tenant from any of its other obligations under this Lease, or give Tenant the right to terminate this Lease in whole or in part. Tenant waives any rights now or hereafter conferred upon it by any existing or future Law to terminate this Lease or to receive any abatement, diminution, reduction, or suspension of payment of such sums, on account of such occurrence or situation. Except as otherwise expressly provided herein, this Lease shall continue in full force and effect, and the obligations of Tenant hereunder shall not be released, discharged or otherwise affected, by reason of: (a) any damage to or destruction of the Premises or any portion thereof or any improvements thereon, or any taking thereof in eminent domain; (b) any restriction or prevention of or interference with any use of the Premises or the improvements or any part thereof; (c) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other proceeding relating to City, Tenant or any constituent partner of Tenant or any sublessee, licensee or concessionaire or any action taken with respect to this Lease by a trustee or receiver, or by any court, in any proceeding; (d) any claim that Tenant or any other person has or might have against City; (e) any failure on the part of City to perform or comply with any of the terms hereof or of any other agreement with Tenant or any other person; (f) any failure on the part of any sublessee, licensee, concessionaire, or other person to perform or comply with any of the terms of any sublease or other agreement between Tenant and any such person; (g) any termination of any sublease, license or concession, whether voluntary or by operation of law; or (h) any other occurrence whatsoever, whether similar or dissimilar to the foregoing in each case whether or not Tenant shall have notice or knowledge of any of the foregoing. The obligations of Tenant hereunder shall be separate and independent covenants and agreements. Tenant hereby waives to the full extent permitted by applicable law, all rights now or hereafter conferred by statute, including without limitation the provisions of Civil Code Sections 1932 and 1933, to quit, terminate or surrender this Lease or the Premises or any part thereof, or to any abatement, suspension, deferment, diminution or reduction of any rent hereunder.

5. ASSIGNMENT OR SUBLETTING

5.1 No Assignment. Tenant shall not assign, sublet, encumber, or otherwise transfer, whether voluntary or involuntary or by operation of law, the Premises or any part thereof, or any interest herein, without City's prior written consent, which consent may be granted or denied in City's sole and

absolute discretion (the term “**Transfer**” shall mean any such assignment, subletting, encumbrance, or transfer). City’s consent to one Transfer shall not be deemed a consent to subsequent Transfers. Any Transfer made without City’s consent shall constitute a default hereunder and shall be voidable at City’s election.

5.2 Changes in Tenant. The merger of Tenant with any other entity or the transfer of any controlling ownership interest in Tenant, or the assignment or transfer of a substantial portion of the assets of Tenant, whether or not located on the Premises, shall constitute a Transfer. Without limiting the generality of the foregoing, if Tenant is a partnership, a withdrawal or change, voluntary, involuntary or by operation of law of the partner or partners owning twenty-five percent (25%) or more of the partnership, or the dissolution of the partnership, or the sale or transfer of at least twenty-five percent (25%) of the value of the assets of Tenant, shall be deemed a Transfer. If Tenant is a corporation or limited liability company, any dissolution, merger, consolidation or other reorganization of Tenant, or the sale or other transfer of a controlling percentage of the capital stock or membership interests of Tenant, or the sale or transfer of at least twenty-five percent (25%) of the value of the assets of Tenant, shall be deemed a Transfer. The phrase “controlling percentage” means the ownership of, and the right to vote, stock or interests possessing at least twenty-five percent (25%) of the total combined voting power of all classes of Tenant’s capital stock or interests issued, outstanding and entitled to vote for the election of directors. Without limiting the restrictions on asset transfers, this paragraph shall not apply to stock or limited liability company interest transfers of corporations or limited liability companies the stock or interests of which is traded through an exchange or over the counter.

5.3 No Release. In no event will City’s consent to a Transfer be deemed to be a release of Tenant as primary obligor hereunder.

5.4 Subleasing. Without limiting City’s discretion in approving or disapproving a proposed Transfer, if and to the extent City permits Tenant to sublease the Premises, including to the Existing Wireless Carriers and any DAS Wireless Company Participant, the following shall apply: (a) Prior to negotiating a sublease agreement, Tenant must submit to City a sublease proposal for City’s approval, which approval may be granted or withheld in the Airport Director’s absolute and sole discretion; (b) Every sublease must be on a standard sublease agreement form approved by Director, and the actual sublease must be approved by Director (“**City Subleasing Approval Right**”), provided that City agrees to review and either approve such form or respond to the proposed form of sublease agreement with comments within ten (10) days of submittal, and Tenant and City agree to work continuously and diligently to reach agreement on such form; (c) Each and every covenant, condition or obligation imposed upon Tenant by this Lease and each and every right, remedy or benefit afforded City by this Lease will not be impaired or diminished as a result of any sublease agreement; and (d) No subtenant shall be obligated to pay to Tenant, and Tenant shall not be permitted to charge any rent, percentage rent, bonus rent, key money, administration fee, or the like, which exceeds, in the aggregate, the total sums that Tenant pays to City under this Lease for the portion of the Premises subleased by the subtenant under its sublease agreement (the “**Excess Rent**”). If, notwithstanding the foregoing prohibition, Tenant receives any Excess Rent, Tenant shall pay the same to City, Tenant shall assign to City all rent and other payments due from all subtenants under any sublease agreements; provided however, Tenant is hereby granted a license to collect rents and other payments due from subtenants under their sublease agreements until the occurrence of an Event of Default, regardless of whether a notice of that default has been given by City. At any time, at Director’s option, City may notify a subtenant of this assignment and upon such notice the subtenant will pay its rent other payments directly to City. City will credit Tenant with any rent received by City under such assignment, but the acceptance of any payment on account of rent from any subtenants as a result of an Event of Default will in no manner whatsoever serve to release Tenant from any liability under this Lease. No payment of rent or any other payment by a subtenant directly to

City or other acceptance of such payments by City, regardless of the circumstances or reasons therefor, will in any manner whatsoever be deemed an attornment by the subtenants to City in the absence of either a specific written agreement signed by City to such an effect. Notwithstanding the foregoing, Tenant shall have the right to require any and all Existing Wireless Carriers and each DAS Wireless Company Participant subtenants to each pay their equitably apportioned share of: (i) costs of construction of the Initial Improvements made by Tenant pursuant to Section 3.4; (ii) the costs of Additional Services provided by Tenant pursuant to Section 3.5; (iii) the DAS Administrative Fee pursuant to Section 3.6; (iv) Base Rent payable by Tenant pursuant to Section 4.1; (v) the HMT1 and Hotel DAS Improvement Reimbursement Fee pursuant to Section 4.2; (vi) the costs of Alterations made by Tenant pursuant to Article 7; and (vii) the costs of ongoing maintenance of the DAS and related equipment incurred by Tenant pursuant to Article 9, none of which amounts shall be deemed to constitute Excess Rent under this Section 5.4 (collectively, "**Subtenant Proportionate Share Rent**"). Notwithstanding the City Subleasing Approval Right set forth above, City shall not object to any sublease which permits Tenant to exercise remedies against any subtenant for failure to pay its Subtenant Proportionate Share Rent (after a reasonable notice period and opportunity to cure), which remedies may include the suspension of such subtenant's right to access and use the Airport DAS for its telecommunications services at the Airport.

5.5 Acceptance of Rent. The acceptance of rent by City from any person or entity does not constitute a waiver by City of any provision of this Lease or a consent to any Transfer. City's consent to one Transfer will not be deemed to be a consent to any subsequent Transfer. If Tenant defaults in the performance of any of the terms of this Lease, City may proceed directly against the transferor (or if there has been more than one Transfer, then each transferor) without necessity of exhausting remedies against Tenant. City may consent to subsequent Transfers or amendments or modifications to this Lease with transferees, without notifying transferor (or if there has been more than one Transfer, then each transferor) and without obtaining its or their consent thereto and such action shall not relieve any transferor of liability under this Lease as amended.

5.6 Waiver. Tenant waives the provisions of Civil Code Section 1995.310 with respect to remedies available to Tenant should City fail to consent to a Transfer.

6. TAXES, ASSESSMENTS AND LIENS

6.1 Taxes.

(a) Tenant recognizes and understands that this Lease may create a possessory interest subject to property taxation and that Tenant may be subject to the payment of property taxes levied on such interest. Tenant further recognizes and understands that any Transfer permitted under this Lease and any exercise of any option to renew or other extension of this Lease may constitute a change in ownership for purposes of property taxation and therefore may result in a revaluation of any possessory interest created hereunder. Tenant shall pay all taxes of any kind, including possessory interest taxes, that may be lawfully assessed on the leasehold interest hereby created and to pay all other taxes, excises, licenses, permit charges and assessments based on Tenant's usage of the Premises, all of which shall be paid when the same become due and payable and before delinquency.

(b) Tenant shall report any Transfer, or any renewal or extension hereof, to the County of San Mateo Assessor within sixty (60) days after such Transfer transaction, or renewal or extension. Tenant further agrees to provide such other information as may be requested by the City to enable the City to comply with any reporting requirements under applicable law with respect to possessory interests.

6.2 Other Liens. Tenant shall not permit or suffer any liens to be imposed upon the limitation, mechanics', materialmen's and tax liens, as a result of its activities without promptly

discharging the same. Notwithstanding the foregoing, Tenant may in good faith contest any such lien if Tenant provides a bond in an amount and form acceptable to City in order to clear the record of any such liens. Tenant shall assume the defense of and indemnify and hold harmless City against any and all liens and charges of any and every nature and kind which may at any time be established against said premises and improvements, or any part thereof, as a consequence of any act or omission of Tenant or as a consequence of the existence of Tenant's interest under this Lease.

7. INVESTMENTS; ALTERATIONS

7.1 City's Approval Rights. Tenant shall not make or suffer to be made any alterations, additions, or improvements to the Premises or any part thereof or attach any fixtures or equipment thereto, including the Initial Improvements (collectively, "**Alterations**") without City's prior written consent. Without limiting the generality of the foregoing, the initial layout and design of all Alterations, including the Initial Improvements, shall conform to Commission's established architectural design scheme for the Terminal Building Complex and the provisions of Airport's TI Guide, as applicable. Prior to the construction of any Alterations (including the Initial Improvements), Tenant shall submit detailed plans and specifications to the Airport's Design Review Committee for approval. All decisions by the Airport's Design Review Committee shall be made subject to the approval of the Airport Commission. City's approval rights will extend to and include architectural and aesthetic matters and City reserves the right to reject any designs submitted and to require Tenant to resubmit designs and layout proposals until they meet City's approval. The Commencement Date shall not be extended if City elects to reject any designs or layout proposals submitted. In the event of disapproval by City of any portion of the plans and specifications, Tenant will promptly submit necessary modifications and revisions thereof. No changes or alterations will be made in said plans or specifications after approval by City. City agrees to act within a reasonable period of time upon such plans and specifications and upon requests for approval of changes or alterations in said plans or specifications. One copy of plans for all improvements or subsequent changes therein or alterations thereof will, within fifteen (15) days after approval thereof by City, be signed by Tenant and deposited with City as an official record thereof. All Alterations shall be constructed and installed only through the use of contractors approved by City who shall furnish to City upon demand such completion bonds and labor and material bonds as City may require so as to assure completion of the Alterations on a lien-free basis. Without limiting the requirements set forth above, Tenant acknowledges and agrees that Tenant may be required to obtain approvals for any desired Alterations from the Airport's Quality Control Department.

7.2 Structures and Fixtures. Tenant shall, at its sole cost and expense, design, erect, construct and install all fixtures and equipment and all other necessary Alterations for its operation under this Lease. All construction shall be in conformity with the latest edition of the Airport TI Guide, and in conformity with the approved plans and specifications submitted by Tenant, and shall meet all applicable local building codes and ordinances as well as all other Laws. Tenant shall submit complete plans and specifications to Director, and prior to the commencing any construction work, obtain Director's written approval of said plans and specifications. Tenant shall make no change or alteration in the plans and specifications without prior written approval of Director. Nothing herein contained shall be construed to delay or otherwise affect the Commencement Date.

7.3 Notice and Permits. Tenant shall give written notice to Director not less than seven (7) days prior to the commencement of any work in construction, alteration or repairs of the Premises, in order that City may post appropriate notices of non-responsibility, and agrees that such notices may remain posted until the acceptance of such work by City. Tenant shall obtain, and pay all fees for all permits required by the City or other legal jurisdictions, for improvements that it is required to construct or install, and it shall furnish copies of all such permits to City prior to the commencement of any work.

7.4 Title to Alterations and DAS. During the Term, except as may be otherwise expressly provided for herein, title to all Alterations, the Existing Equipment and the DAS shall be vested with Tenant. Title to all Alterations, Existing Equipment and the DAS, and other fixtures of such a nature as cannot be removed without damage to the Terminal Building Complex, including equipment and similar installations shall vest in City on the Expiration Date or earlier termination of this Lease and shall not be removed (“**Permanent Fixtures**”). All other equipment of Tenant that are not Permanent Fixtures (all trade fixtures, equipment and other personal property of Tenant) shall remain the property of Tenant and may be removed by Tenant or required to be removed by Tenant at the end of the Term pursuant to Section 15 of this Lease (“**Tenant Personal Property**”). Notwithstanding the foregoing, City and Tenant acknowledge and agree that the Existing Equipment includes existing wireless telecommunications facilities located on Sites that were subject to leases between City and the Existing Wireless Carriers prior to the Commencement Date. To the extent that such Existing Wireless Carriers own such wireless communications facilities pursuant to the terms of their former respective leases, such other providers of wireless telecommunications services shall be allowed to continue to utilize such facilities in connection with their participation in the DAS after the Commencement Date, but Tenant shall remain responsible for the management of the use of such facilities and all other components of the Existing Equipment by other wireless service providers in connection with Tenant’s provision of the Services and its ownership of the DAS as specified herein.

7.5 Effect of Alterations on Airport. If and to the extent that Tenant’s activities or proposed Alterations trigger an obligation or requirement on the part of City to make changes to the Airport premises (including ADA requirements), Tenant shall indemnify, defend, and hold harmless City from and against any and all Losses (as defined below) arising out of such activities or Alterations.

7.6 Labor Harmony. The parties acknowledge that it is of the utmost importance to City, Tenant, and all those occupying or to occupy space in the Domestic and International Terminals that there be no interruption in the progress of the construction work. Accordingly, City and Tenant agree as follows:

(a) In any contract or undertaking which Tenant may make with a contractor for work in the Premises, provision shall be made for the dismissal from the job of workmen whose work is unskilled or otherwise objectionable, in the Director’s (and, for this purpose, “the Director” shall include a reference to the Airport’s Architect) reasonable judgment. Tenant shall cause any such workmen to be discharged from the project within twenty-four (24) hours after Director shall give notice to Tenant requiring such discharge.

(b) Tenant shall use, and Tenant shall require its contractor and subcontractors to use, their respective best efforts to prevent work stoppages on the Premises, and/or elsewhere on the Airport, to the extent attributable to work being performed on the Premises, irrespective of the reason of any such stoppage. In the event that the conduct or presence of any employee(s) of Tenant or Tenant’s contractor(s) or subcontractor(s) causes a labor dispute or work stoppage, Tenant shall have such employee(s) immediately removed from the Airport upon Director’s request.

(c) Tenant shall include, and shall cause its contractor to include, the following clause in all contracts with its general contractors and subcontractors:

Harmony Clause

There shall be no manifestations on the project of any dispute between any labor organization and any Tenant contractor or subcontractor, including but not limited to, any area standards picketing against said contractor or subcontractor. Should

there be any manifestation of a labor dispute between any Tenant contractor or subcontractor and any union, which results in a stoppage of work on the part of said contractor or subcontractor's employees or the employees of any other employer or supplier on the project or at the Airport, which in the sole judgment of the Director will cause, or is likely to cause, unreasonable delay in the progress of construction or operation of any business at the Airport, then upon written notice from Director, Tenant shall declare the contractor or subcontractor in default of its contract, and upon such notice, Tenant shall have the right to take such steps as are necessary to finish the uncompleted portion of the work to be performed by the contractor or subcontractor.

(d) Without limiting the generality of indemnities elsewhere in this Lease, Tenant shall indemnify, defend, and hold harmless City and each City Entity for any and all Losses which arise from the actions taken pursuant to this Section 7.6.

8. UTILITIES

8.1 Services Provided. City shall provide in the Terminal Building Complex the following utility services: reasonable amounts of water, electricity, telephone, sewage outlets, heating, ventilation, and air conditioning, to a point determined by the Director. All extensions of the facilities requested by Tenant for said utility services from said points shall be at the sole cost and expense of Tenant. In the event of any change desired by Tenant as to said points of supply by City, the expense of making such changes or alterations shall be at the sole cost of Tenant.

8.2 Utility Costs. Tenant shall pay the whole cost for all utility services as invoiced to Tenant by City and for such other special services which Tenant may require in the Premises, at standard rates charged to Tenants at the Airport, and Tenant hereby expressly waives the right to contest any utility rates.

8.3 Shared Telecommunications Services. Tenant acknowledges that City has implemented a shared telecommunications service program ("**STS Program**") to provide telecommunications services. The STS Program may involve City's provision of telephone, telefacsimile, local access, long distance option, Tenant shall participate in the STS Program by engaging City or its agent to provide such services at Tenant's expense, provided that the charges for such services are generally competitive. Further, may be modified from time to time. All payments for STS services shall be due and payable when invoiced by City.

8.4 Waiver of Damages. Tenant hereby expressly waives any and all claims for damages arising or resulting from failures or interruptions of utility services to the Premises, including electricity, gas, water, plumbing, sewage, telephone, communications, heat, ventilation, air conditioning, or for the failure or interruption of any public or passenger conveniences. Without limiting the generality of the foregoing, Tenant shall have no rights to abate Rent or terminate this Lease in the event of any interruption or failure of utility services.

9. MAINTENANCE AND REPAIR

9.1 "As-Is" Condition. **TENANT SPECIFICALLY ACKNOWLEDGES AND AGREES THAT CITY IS LEASING THE PREMISES (INCLUDING THE EXISTING EQUIPMENT) TO TENANT ON AN "AS IS WITH ALL FAULTS" BASIS AND THAT TENANT IS NOT RELYING ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM CITY OR ITS AGENTS, AS TO ANY THE FOLLOWING MATTERS**

CONCERNING THE PREMISES (INCLUDING THE EXISTING EQUIPMENT): (i) the quality, nature, adequacy and physical condition and aspects of the Premises, including, but not limited to, landscaping, utility systems, (ii) the quality, nature, adequacy, and physical condition of soils, geology and any groundwater, (iii) the existence, quality, nature, adequacy and physical condition of utilities serving the Premises, (iv) the development potential of the Premises, and the use, habitability, merchantability, or fitness, suitability, value or adequacy of the Premises for any particular purpose, (v) the zoning or other legal status of the Premises or any other public or private restrictions on use of the Premises, (vi) the compliance of the Premises or its operation with any applicable codes, laws, regulations, statutes, ordinances, covenants, conditions and restrictions of any governmental or quasi-governmental entity or of any other person or entity, (vii) the presence of Hazardous Materials on, under or about the Premises or the adjoining or neighboring property, (viii) the quality of any labor and materials used in any improvements on the real property, (ix) the condition of title to the Premises, and (x) the agreements affecting the Premises, including covenants, conditions, restrictions, ground leases, and other matters or documents of record or of which Tenant has knowledge.

9.2 Tenant's Maintenance Obligations. Tenant, at all times during the Term and at Tenant's sole cost and expense, shall keep the Premises, the DAS and all Alterations located therein and every part thereof in good condition and repair, and in compliance with applicable Laws, including the replacement of any facility of City used by Tenant which requires replacement by reason of Tenant's use thereof, excepting (a) ordinary wear and tear, and (b) damage due to casualty with respect to which the provisions of Section 13 [Damage or Destruction] shall apply. Tenant hereby waives all right to make repairs at the expense of City or in lieu thereof to vacate the Premises as provided by California Civil Code Section 1941 and 1942 or any other law, statute or ordinance now or hereafter in effect. As provided below in Section 14.4 [City's Right to Perform], in the event Tenant fails to perform its maintenance and repair obligations hereunder, City shall have the right to do so, at Tenant's expense. The parties acknowledge and agree that Tenant's obligations under this Section are a material part of the bargained-for consideration under this Lease. Tenant's compliance obligations may include, without limitation, the obligation to make substantial or structural repairs and alterations to the Premises (including the Initial Improvements), regardless of, among other factors, the relationship of the cost of curative action to the Rent under this Lease, the length of the then remaining Term hereof, the relative benefit of the repairs to Tenant or City, the degree to which curative action may interfere with Tenant's use or enjoyment of the Premises, the likelihood that the parties contemplated the particular requirement involved, or the relationship between the requirement involved and Tenant's particular use of the Premises. No occurrence or situation arising during the Term, nor any present or future requirement, whether foreseen or unforeseen, and however extraordinary, shall relieve Tenant of its obligations hereunder, nor give Tenant any right to terminate this Lease in whole or in part or to otherwise seek redress against City. Tenant waives any rights now or hereafter conferred upon it by any existing or future requirement to terminate this Lease, to receive any abatement, diminution, reduction or suspension of payment of Rent, or to compel City to make any repairs to comply with any such requirement, on account of any such occurrence or situation.

10. SIGNS AND ADVERTISING

10.1 Signs and Advertising. Tenant may, at its own expense, install and operate necessary and appropriate identification signs on the Premises, subject to the approval of Director and the requirements of the TI Guide, including but not limited to, the approval of the number, size, height, location, color and general type and design. Such approval shall be subject to revocation by Director at any time. Without express written consent of Director, Tenant shall not display any advertising, promotional, or informational pamphlets, circulars, brochures or similar materials. Without limiting the foregoing

restrictions on advertising, in no event will there be permitted on the Premises any advertising of cigarettes or tobacco products.

10.2 Prohibition of Tobacco Sales and Advertising. Tenant acknowledges and agrees that no sales or advertising of cigarettes or tobacco products is allowed on the Premises. This advertising prohibition includes the placement of the name of a company producing, selling or distributing cigarettes or tobacco products or the name of any cigarette or tobacco product in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (i) communicate the health hazards of cigarettes and tobacco products, or (ii) encourage people not to smoke or to stop smoking.

10.3 Prohibition of Alcoholic Beverage Advertising. Tenant acknowledges and agrees that no advertising of alcoholic beverages is allowed on the Premises. For purposes of this section, "alcoholic beverage" shall be defined as set forth in California Business and Professions Code Section 23004, and shall not include cleaning solutions, medical supplies and other products and substances not intended for drinking. This advertising prohibition includes the placement of the name of a company producing, selling or distributing alcoholic beverages or the name of any alcoholic beverage in any promotion of any event or product. This advertising prohibition does not apply to any advertisement sponsored by a state, local, nonprofit or other entity designed to (i) communicate the health hazards of alcoholic beverages, (ii) encourage people not to drink alcohol or to stop drinking alcohol, or (iii) provide or publicize drug or alcohol treatment or rehabilitation services.

11. WAIVER; INDEMNITY; INSURANCE

11.1 Waiver. Tenant, on behalf of itself and its assigns, waives its rights to recover from and releases and discharges City and all City Entities and their respective heirs, successors, personal representatives and assigns, from any and all Losses whether direct or indirect, known or unknown, foreseen or unforeseen, that may arise on account of or in any way connected with (a) the physical or environmental condition of the Premises or any law or regulation applicable thereto, (b) any damage that may be suffered or sustained by Tenant or any person whosoever may at any time be using or occupying or visiting the Premises, or in or about the Airport, or (c) any act or omission (whether negligent, non-negligent or otherwise) of Tenant or any Tenant Entity, whether or not such Losses shall be caused in part by any act, omission or negligence of any of City, Commission, its members, or any officers, agents, and employees of each of them, and their successors and assigns (each, a "City Entity"), except if caused by the sole gross negligence or willful misconduct of City. In connection with the foregoing waiver, Tenant expressly waives the benefit of Section 1542 of the California Civil Code, which provides as follows: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR EXPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY."

11.2 Indemnity. In addition to, and not in limitation of the foregoing, Tenant shall forever indemnify, defend, hold and save City and each City Entity free and harmless of, from and against any and all Losses caused in whole or in part by or arising out of (a) any act or omission of Tenant or any Tenant Entity, (b) Tenant's use of the Premises or operations at the Airport, or (c) any default by Tenant or any Tenant Entity hereunder, whether or not Losses shall be caused in part by any act, omission or negligence of City or any City Entity. The foregoing indemnity shall not extend to any Loss caused by the sole gross negligence or willful misconduct of City.

11.3 “Losses”. For purposes hereof “Losses” shall mean any and all losses, liabilities, judgments, suits, claims, damages, costs and expenses (including reasonable attorneys’ fees, investigation costs, remediation costs, and court costs), of any kind or nature.

11.4 Immediate Obligation to Defend. Tenant specifically acknowledges that it has an immediate and independent obligation to defend City or the City Entity from any claim which is actually or potentially within the scope of the indemnity provision of this Section 11 or any other indemnity provision under this Lease, even if such allegation is or may be groundless, fraudulent or false, and such obligation arises at the time such claim is tendered to Tenant, and continues at all times thereafter.

11.5 Notice. Without limiting the foregoing waiver and indemnity, each party hereto shall give to the other prompt and timely written notice of any Loss coming to its knowledge which in any way, directly or indirectly, contingently or otherwise, affects or might affect either, and each shall have the right to participate in the defense of the same to the extent of its own interest.

11.6 Insurance. Tenant shall carry and maintain, and provide coverage for or have each Tenant Entity carry and maintain, during the Term the following insurance:

(a) Workers’ Compensation Insurance with Employer’s Liability limits not less than \$1,000,000 each accident.

(b) Commercial General Liability Insurance with limits not less than \$5,000,000 each occurrence and aggregate Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products Liability and Completed Operations Coverages.

(c) Comprehensive Automobile Liability Insurance with limits not less than \$2,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Employer’s non-ownership liability and hired auto coverages.

(d) Property Insurance on all causes of loss-special form covering all Premises tenant improvements, fixtures, and equipment insuring against the perils of fire, lightning, extended coverage perils, vandalism and malicious mischief in the demised premises in an amount equal to the full replacement value of tenant improvements, fixtures and equipment.

(e) Business Interruption Insurance insuring that the Base Rent will be paid to City for a period of one (1) year if Tenant, or Tenant’s Entity, is unable to operate its business at the Premises. Said insurance shall also cover business interruptions due to failures or interruptions in telecommunications services, strikes, employee lockouts, riots, or other civil commotion.

11.7 Form of Policies. All insurance required by Tenant hereunder shall be pursuant to policies in form and substance and issued by companies satisfactory to City and City’s City Attorney. City may, upon reasonable notice and reasonable grounds increase or change the required insurance hereunder, in which event Tenant shall obtain such required insurance. Without limiting the generality of the foregoing, all Comprehensive General Liability Insurance, and Comprehensive Automobile Liability Insurance, policies shall be endorsed to provide the following:

(a) Name as additional insured the City and County of San Francisco, the Airport Commission and its members, the Grand Hyatt at SFO, and all of the officers, agents, and employees of each of them (collectively, **“Additional Insureds”**);

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

(c) That the insurance company shall give thirty (30) days prior written notice to City of cancellation, non-renewal or reduction in coverage or limits, delivered to City at City's Insurance/Deposit Notice Address.

Notwithstanding the foregoing, provided that Tenant's applicable program is funded throughout the entire Term of the Lease, and subject to City's approval on an annual basis, City agrees that Tenant may self-insure for any insurance that Tenant is obligated to obtain under this Article 11. The coverage amounts set forth in Section 11.6 may be met by a combination of underlying and umbrella policies so long as in combination the limits equal or exceed those stated. This provision is inapplicable to Tenant Entities.

11.8 Delivery of Policies or Certificates. Within five (5) days after Director's request, and in any event on or before the Commencement Date, Tenant shall provide to City copies of its insurance policies or certificates thereof evidencing the above insurance, at City's Insurance/ Deposit Notice Address.

11.9 Subrogation. Notwithstanding anything to the contrary herein, Tenant waives any right of recovery against City for any loss or damage to the extent the same is required to be covered by Tenant's insurance hereunder. Tenant shall obtain from its insurer, if possible, a waiver of subrogation the insurer may have against City or any City Entity in connection with any Loss covered by Tenant's property insurance policy.

12. DEPOSIT

12.1 Form of Deposit. On or before the date specified by the Director, Tenant will deliver to Director a security deposit (the "**Deposit**") in the Deposit Amount. Such Deposit shall be in the form of (a) a surety bond payable to City, naming City as obligee, in the form attached as Exhibit C-1, and otherwise in form satisfactory to City's City Attorney, and issued by a surety company satisfactory to Director, or a (b) letter of credit naming City as beneficiary, in the form attached as Exhibit C-2, and otherwise in form satisfactory to City's City Attorney, issued by a bank satisfactory to Director. Notwithstanding the foregoing, as may be provided in the Airport Commission Policy on Concession Deposits (Resolution No. 04-0153, August 3, 2004) as the same may be amended from time to time, Tenant shall be permitted to submit as the Deposit alternative forms of deposit as specified therein. Such Deposit shall be renewed annually and increased annually such that at all times, the Deposit is equal to six (6) months of Base Rent, all at Tenant's cost. The sum designated as the "Deposit" is and will remain the sole and separate property of City until actually repaid to Tenant (or at City's option, the last assignee (if any) of Tenant's interest hereunder), said sum not being earned by Tenant until all provisions precedent for its payment to Tenant have been fulfilled.

12.2 Maintenance of Deposit. Tenant shall cause the bond or letter of credit to be kept in full force and effect during the Term and any holdover period to ensure the faithful performance by Tenant of all covenants, terms, and conditions of this Lease, including payment of Rent. If and to the extent City accepts a Deposit (such as a bond or letter of credit) which has an expiration date or cancellation/termination provision, Tenant shall cause the surety company or bank issuing such bond or letter of credit to give Director notice in writing by registered mail at least forty-five (45) days prior to the expiration date of such bond or letter of credit of its intention not to renew or to cancel or terminate said bond or letter of credit. Tenant shall cause such bond or letter of credit to be renewed, extended, or

replaced, at Tenant's sole cost, at least thirty (30) days before the expiration date or cancellation date of the bond or letter of credit, with another bond or letter of credit that complies with the requirements herein. If Tenant fails to do so, City may, without notice to Tenant, draw on the entirety of the Deposit and hold the proceeds thereof as security hereunder. Tenant shall cause all notices to be given to City under this Section 12 to be given to City at City's Insurance/Deposit Notice Address.

12.3 Alternative Forms of Deposit. Notwithstanding the foregoing, if and to the extent alternative form(s) of Deposit are permitted pursuant to the Airport Bid Deposit and Performance Guarantee Policy, as authorized by Commission Resolution No. 04-0153, as such Policy may be amended from time to time, then Tenant may provide such alternative forms of Deposit.

12.4 Use of Deposit. If Tenant fails to pay Rent or otherwise defaults with respect to any provision of this Lease, City may use, apply or retain all or any portion of the Deposit for the payment of Rent or other charge in default or for the payment of any other sum to which City may become obligated by reason of Tenant's default or to compensate City for any loss or damage which City may suffer thereby. If City so uses or applies all or any portion of the Deposit, Tenant, within ten (10) days after request therefore, shall deposit other security acceptable to Director with City in an amount sufficient to restore the Deposit to the full amount thereof, and Tenant's failure to do so shall be a breach of this Lease. City shall not be required to keep the Deposit or any proceeds thereof, as applicable, separate from its general accounts. Any proceeds of the Deposit are and will remain the sole and separate property of City until actually repaid to Tenant, said sum not being earned by Tenant until all conditions precedent for its payment to Tenant have been fulfilled. If Tenant performs all of Tenant's obligations hereunder, the Deposit, or the proceeds thereof, or so much thereof as has not theretofore been applied by City, shall be returned, without payment of interest or other increment for its use, to Tenant (or, at City's option, to the last assignee, if any, of Tenant's interest hereunder) within sixty (60) days after the expiration of the Term, and after Tenant has vacated the Premises. No trust relationship is created herein between City and Tenant with respect to the Deposit or any proceeds thereof.

12.5 Other Agreements. If Tenant defaults with respect to any provision of any other agreement between City and Tenant ("**Other Agreements**"), City may use, apply or retain all or any portion of the Deposit for payment of any sum owing to City or to which City may become obligated by reason of Tenant's default or to compensate City for any loss or damage which City may suffer thereby. Likewise, if Tenant defaults with respect to any provision under this Lease, City may use, apply, or retain all or any portion of any deposit provided under any Other Agreements for payment of any sum owing to City or to which City may become obligated by reason of Tenant's default or to compensate City for any loss or damage which City may suffer thereby. In the event the Deposit or any other deposit is so used, Tenant shall deposit other security acceptable to Director with City in an amount sufficient to restore the Deposit to the full amount thereof, no later than ten (10) business days of written demand from City.

13. DAMAGE OR DESTRUCTION

13.1 Partial Destruction of the Premises.

(a) In the event the improvements on the Premises are damaged by any casualty which is required to be insured against pursuant to this Lease, then Tenant shall repair such damage as soon as reasonably possible, at its own cost, and this Lease shall continue in full force and effect.

(b) In the event such improvements are damaged by any casualty not covered under an insurance policy required to be maintained pursuant to this Lease, then City may, at City's option, either (i) repair such damage as soon as reasonably possible at City's expense, in which event this Lease shall continue in full force and effect, or (ii) give written notice to Tenant within sixty (60) days after the date

of occurrence of such damage of City's intention to terminate this Lease. Such termination shall be effective as of the date specified in such notice.

(c) Notwithstanding the foregoing, if such damage is caused by an act or omission to act of Tenant or a Tenant Entity, then Tenant shall repair such damage, promptly at its sole cost and expense.

(d) In the event City elects to terminate this Lease pursuant to this Section 13.1, Tenant shall have the right within ten (10) days after receipt of the required notice to notify City of Tenant's intention to repair such damage at Tenant's expense, without reimbursement from City, in which event this Lease shall continue in full force and effect and Tenant shall proceed to make such repairs as soon as reasonably possible. If Tenant does not give such notice within the ten (10) day period, this Lease shall be terminated as of the date specified in City's notice. City shall not be required to repair any injury or damage by fire or other cause, or to make any restoration or replacement of any Alterations, the DAS, equipment, machinery or fixtures or any other improvements or property installed in the Premises by Tenant or at the direct or indirect expense of Tenant. Tenant shall be required to restore or replace same in the event of damage.

13.2 Total Destruction of Premises. If the improvements on the Premises are totally destroyed during the Term from any cause whether or not covered by the insurance required herein (including any destruction required by any authorized public authority), this Lease shall automatically terminate as of the date of such total destruction.

13.3 Partial Destruction of Terminal Building. If fifty percent (50%) or more of the Terminal Building Complex shall be damaged or destroyed by an insured risk, or if fifteen percent (15%) or more of the Terminal Building Complex shall be damaged or destroyed by an uninsured risk, notwithstanding that the Premises may be unaffected thereby, each of City and Tenant may elect to terminate this Lease by giving notice to the other within ninety (90) days from the date of occurrence of such damage or destruction, in which event the Term of this Lease shall expire on a mutually agreed upon date and Tenant shall thereupon surrender the Premises to City as required hereunder.

13.4 Damage Near End of the Term. If during the last year of the Term the improvements on the Premises are partially destroyed or damaged, City may at City's option terminate this Lease as of the date of occurrence of such damage by giving written notice to Tenant of City's election to do so within thirty (30) days after the date of occurrence of such damage. In the event City elects to terminate this Lease pursuant hereto, Tenant shall have the right within ten (10) days after receipt of the required notice to notify City in writing of Tenant's intention to repair such damage at Tenant's expense, without reimbursement from City, in which event this Lease shall continue in full force and effect and Tenant shall proceed to make such repairs as soon as reasonably possible.

13.5 No Abatement of Rent; Tenant's Remedies.

(a) If the Premises are partially destroyed or damaged, Tenant shall have no claim against City for any damage suffered by reason of any such damage, destruction, repair or restoration. Tenant waives California Civil Code Sections 1932(2) and 1933(4) providing for termination of hiring upon destruction of the thing hired.

(b) In no event will Tenant be entitled to an abatement of Rent resulting from any damage, destruction, repair, or restoration described herein.

14. DEFAULT; REMEDIES

14.1 Event of Default. The occurrence of any one or more of the following events shall constitute a breach of this Lease and an “**Event of Default**” hereunder:

(a) Tenant shall fail duly and punctually to pay Rent, or to make any other payment required hereunder, when due to City, and such failure shall continue beyond the date specified in a written notice of such default from Director, which date shall be no earlier than the third (3rd) day after the effective date of such notice. Notwithstanding the foregoing, in the event there occurs two (2) defaults in the payment of Rent or other payment during the Term, thereafter Tenant shall not be entitled to, and City shall have no obligation to give, notice of any further defaults in the payment of Rent or other payment. In such event, there shall be deemed to occur an “Event of Default” immediately upon Tenant’s failure to duly and punctually pay Rent or other payment hereunder; or

(b) Tenant shall become insolvent, or shall take the benefit of any present or future insolvency statute, or shall make a general assignment for the benefit of creditors, or file a voluntary petition in bankruptcy, or a petition or answer seeking an arrangement for its reorganization, or the readjustment of its indebtedness under the federal bankruptcy laws, or under any other law or statute of the United States or of any state thereof, or consent to the appointment of a receiver, trustee, or liquidator of any or substantially all of its property; or

(c) A petition under any part of the federal bankruptcy laws, or an action under any present or future insolvency law or statute, shall be filed against Tenant and shall not be dismissed within thirty (30) days after the filing thereof; or

(d) There shall occur a Transfer without the prior approval of the City; or

(e) Tenant shall voluntarily abandon, desert or vacate the Premises; or

(f) Any lien shall be filed against the Premises as a result of any act or omission of Tenant, and shall not be discharged or contested by Tenant in good faith by proper legal proceedings within twenty (20) days after receipt of notice thereof by Tenant; or

(g) Tenant shall fail to provide, maintain, increase, or replace, the Deposit as required herein; or

(h) Tenant shall fail to obtain and maintain the insurance required hereunder, or provide copies of the policies or certificates to City as required herein; or

(i) Tenant shall fail to keep, perform and observe each and every other promise, covenant and agreement set forth in this Lease, and such failure shall continue for a period of more than ten (10) days after delivery by Director of a written notice of such failure (the “**First Notice**”); or if satisfaction of such obligation requires activity over a period of time, if Tenant fails to commence the cure of such failure within ten (10) days after receipt of the First Notice, or thereafter fails to diligently prosecute such cure, or fails to actually cause such cure within one hundred twenty (120) days after the giving of the First Notice; or

(j) Tenant shall use or give its permission to any person to use any portion of the Premises or other areas of the Airport used by Tenant under this Lease for any illegal purpose, or any purpose not approved by Director; or

(k) There shall occur a default under any Other Agreements, if any, and such default is not cured as may be provided in such Other Agreement; provided, however, that nothing herein shall be deemed to imply that Tenant shall be entitled to additional notice or cure rights with respect to such default other than as may be provided in such Other Agreement.

14.2 Statutory Notices. Notwithstanding anything to the contrary in this Section 14, any written notice, other than as specifically set forth in this Section 14, required by any statute or law now or hereafter in force is hereby waived by Tenant to the fullest extent available under law. Any notice given by City pursuant to Section 14.1 may be the notice required or permitted pursuant to Section 1161 et seq. of the California Code of Civil Procedure or successor statutes, and the provisions of this Lease will not require the giving of a notice in addition to the statutory notice to terminate this Lease and Tenant's right to possession of the Premises. The periods specified in Section 14.1 within which Tenant is permitted to cure any default following notice from City will run concurrently with any cure period provided by applicable Laws.

14.3 Remedies. Upon the occurrence and during the continuance of an Event of Default, City shall have the following rights and remedies in addition to all other rights and remedies available to City at law or in equity:

(a) City shall have the rights and remedies provided by California Civil Code Section 1951.2 (damages on termination for breach), including the right to terminate Tenant's right to possession of the Premises. In the event this Lease is so terminated, City may recover from Tenant the following damages:

- (i) The "worth at the time of the award" of the unpaid Rent earned to the time of termination hereunder;
- (ii) The "worth at the time of the award" of the amount by which the unpaid Rent which would have been earned after termination until the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; and
- (iii) The "worth at the time of the award" of the amount by which the unpaid Rent for the balance of the Term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; and
- (iv) Any other amount necessary to compensate City for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of things would be likely to result therefrom.

For purposes of the foregoing, the "*worth at the time of award*" of the amounts referred to in clauses (i) and (ii) above is computed by allowing interest at the lower of 18% per annum and the highest rate legally permitted under applicable law. The "*worth at the time of award*" of the amount referred to in clause (iii) above is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus 1% (one percent). Notwithstanding any other provisions hereof, any efforts by City to mitigate damages caused by Tenant's breach of this Lease shall not constitute a waiver of City's right to recover damages hereunder and shall not affect the right of City to indemnification pursuant to the provisions of Section 11 [Waiver; Indemnity; Insurance] hereof.

(b) City shall have the right and remedy described in California Civil Code Section 1951.4. City may elect not to terminate this Lease and let this Lease continue, in which case City may enforce all its rights and remedies under this Lease, including the right to recover Rent as it becomes due under this Lease. Acts of maintenance or preservation or efforts to relet the Premises or the appointment of a receiver upon the initiative of City to protect City's interest under this Lease shall not constitute a termination of Tenant's right to possession.

(c) City shall have the right and power, as attorney in fact for Tenant, to enter and to sublet the Premises, to collect rents from all subtenants and to provide or arrange for the provision of all services and fulfill all obligations of Tenant (as permitted in accordance with the terms of this Lease) and City is hereby authorized on behalf of Tenant, but shall have absolutely no obligation, to provide such services and fulfill such obligations and to incur all such expenses and costs as City deems necessary in connection therewith. Tenant shall be liable immediately to City for all costs and expenses City incurs in collecting such rents and arranging for or providing such services or fulfilling such obligations. City is hereby authorized, but not obligated, to relet the Premises or any part thereof on behalf of Tenant, to incur such expenses as may be necessary to relet the Premises and make said relet for such term or terms, upon such conditions and at such rental as City in its sole discretion may deem proper. Tenant shall be liable immediately to City for all reasonable costs City incurs in reletting the Premises required by the reletting, and other costs. If City relets the Premises or any portion thereof, such reletting shall not relieve Tenant of any obligation hereunder, except that City shall apply the rent or other proceeds actually collected by it as a result of such reletting against any amounts due from Tenant hereunder to the extent that such rent or other proceeds compensate City for the nonperformance of any obligation of Tenant hereunder. Such payments by Tenant shall be due at such times as are provided elsewhere in this Lease, and City need not wait until the termination of this Lease, by expiration of the Term hereof or otherwise, to recover them by legal action or in any other manner. City may execute any lease made pursuant hereto in its own name, and the lessee thereunder shall be under no obligation to see to the application by City of any rent or other proceeds, nor shall Tenant have any right to collect any such rent or other proceeds. City shall not by any reentry or other act be deemed to have accepted any surrender by Tenant of the Premises or Tenant's interest therein, or be deemed to have otherwise terminated this Lease, or to have relieved Tenant of any obligation hereunder, unless City shall have given Tenant express written notice of City's election to do so as set forth herein.

(d) City shall have the right to have a receiver appointed upon application by City to take possession of the Premises and to collect the rents or profits therefrom and to exercise all other rights and remedies pursuant to this Section 14.3.

(e) City shall have the right to enjoin, and any other remedy or right now or hereafter available to a landlord against a defaulting tenant under the laws of the State of California or the equitable powers of its courts, and not otherwise specifically reserved herein.

(f) City may elect to terminate any other agreement between Tenant and City, including the Other Agreements, if any.

14.4 City's Right to Perform. All agreements and provisions to be performed by Tenant under any of the terms of this Lease shall be at its sole cost and expense and without any abatement of Rent. If Tenant shall fail to make any payment or perform any act on its part to be performed hereunder and such failure shall continue beyond any applicable notice and cure period provided for in this Lease (or such additional time period as set forth in any written notice), City may, but shall not be obligated to do so, and without waiving or releasing Tenant from any obligations of Tenant, make any such payment or perform any such other act on Tenant's part to be made or performed as provided in this Lease. All sums so paid

by City and all necessary incidental costs shall be deemed additional rent hereunder and shall be payable to City on demand, and City shall have (in addition to any other right or remedy of City) the same rights and remedies in the event of the nonpayment thereof by Tenant as in the case of default by Tenant in the payment of Rent.

14.5 Rights Related to Termination. In the event of any termination based on any breach of the covenants, terms and conditions contained in this Lease, City shall have the option at once and without further notice to Tenant to enter upon the Premises and take exclusive possession of same. City may remove or store any personal property located therein, at the sole cost and expense of Tenant without City being liable to Tenant for damage or loss thereby sustained by Tenant. Upon such termination by City, all rights, powers and privileges of Tenant hereunder shall cease, and Tenant shall immediately vacate any space occupied by it under this Lease, and Tenant shall have no claim of any kind whatsoever against City or any City Entity by reason of such termination, or by reason of any act by City or any City Entity incidental or related thereto. In the event of the exercise by City of such option to terminate, Tenant shall have no right to or claim upon any improvements or the value thereof, which may have been previously installed by Tenant in or on the Premises.

14.6 Cumulative Rights. The exercise by City of any remedy provided in this Lease shall be cumulative and shall in no way affect any other remedy available to City under law or equity.

14.7 Prepayment. As provided in Section 4.4 [Prepay Rent], if Tenant defaults in the payment of Rent, City may require prepayment of Rent. Such right shall be in addition to and not in lieu of any and all other rights hereunder, or at law or in equity.

14.8 Fines. If Tenant defaults under any of the Lease terms specified below, Director may elect to impose the fines described below on the basis of per violation per day:

<u>Violation</u>	<u>Section</u>	<u>Fine</u>
Violation of Premises Clause	1	\$100
Violation of Use Section	3	\$300
Failure to cause operations or Premises to comply with Laws	3.11	\$100
Construction or Alterations without City approval	7	\$100
Failure to make required repairs	9	\$300
Failure to obtain/maintain insurance	12	\$300
Failure to obtain or maintain Deposit	13	\$300
Failure to abide by any other term in this Lease		\$300

Director's right to impose the foregoing Fines shall be in addition to and not in lieu of any and all other rights hereunder, in the Airport Rules, or at law or in equity. City shall have no obligation to Tenant to impose Fines on or otherwise act against any other tenant at the Airport. Such Fines shall constitute "Additional Rent."

14.9 City Lien. Tenant hereby grants to City a lien upon and security interest in all fixtures, chattels and personal property of every kind now or hereafter to be placed or installed in or on the Premises, and agrees that in the event of any default on the part of Tenant City has all the rights and

remedies afforded the secured party by the chapter on "Default" of the Uniform Commercial Code in the state wherein the Premises are located on the date of this Lease and may, in connection therewith, also (a) enter on the Premises to assemble and take possession of the collateral, (b) require Tenant to assemble the collateral and make its possession available to the City at the Premises, (c) enter the Premises, render the collateral, if equipment, unusable and dispose of it in a manner provided by the Uniform Commercial Code on the Premises. Tenant agrees to execute such instruments as City may request to perfect such lien, and designates also Director his attorney-in-fact for purposes of executing such documents.

14.10 Commencement of Legal Actions. Any legal action by City to enforce any obligation of Tenant or in the pursuit of any remedy hereunder shall be deemed timely filed if commenced at any time prior to one (1) year after the expiration or termination of the Term hereof or prior to the expiration of the statutory limitation period that would be applicable except for this Section 14.10, whichever period expires later.

14.11 Waiver of Notice. Except as otherwise expressly provided in this Section 14, Tenant hereby expressly waives, so far as permitted by law, the service of any notice of intention to enter or re-enter provided for in any statute, or of the institution of legal proceedings to that end, and Tenant, for and on behalf of itself and all persons claiming through or under Tenant, also waives any right of redemption or relief from forfeiture under California Code of Civil Procedure Sections 1174 or 1179, or under any other present or future law, if Tenant is evicted or City takes possession of the Premises by reason of any default by Tenant hereunder.

15. SURRENDER

Tenant shall at the end of the Term (either on the Expiration Date or any earlier termination date) surrender to City the Premises, the DAS, Permanent Fixtures and all Alterations, additions and improvements thereto in the same condition as when received, ordinary wear and tear and damage by fire, earthquake, act of God, or the elements excepted. Unless required to be removed by City at the end of the Term, all Alterations installed in the Premises by Tenant and Permanent Fixtures shall, without compensation to Tenant, then become City's property free and clear of all claims to or against them by Tenant or any third person. Unless otherwise approved in writing by City, Tenant shall remove all Tenant Personal Property at Tenant's sole cost and expense. In the event that Tenant's removal of any Tenant Personal Property damages any part of the Premises, Tenant shall repair such damage and restore the Premises to as good a condition as the same was in prior to said damage, reasonable wear and tear excepted. In the event that Tenant shall fail to remove Tenant Personal Property, the same shall become City's property free and clear of all claims to or against them by Tenant or any third person. In such event, City shall not be responsible for any Losses related to such personal property, and City may sell or otherwise dispose of such personal property. In addition, if Tenant shall fail to remove Tenant Personal Property as required hereunder, Tenant shall be liable to City for City's costs, if any, for storing, removing and disposing of any Tenant Personal Property, and of restoration of the Premises to as good condition as the same was in prior to said removal, reasonable wear and tear excepted.

16. HAZARDOUS MATERIALS

16.1 Definitions. As used herein, the following terms shall have the meanings hereinafter set forth:

(a) "Environmental Laws" shall mean any federal, state, local or administrative law, rule, regulation, order or requirement relating to industrial hygiene, environmental conditions or Hazardous Materials, whether now in effect or hereafter adopted, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et seq.), the

Resources Conservation and Recovery Act of 1976 (42 U.S.C. Section 9601, et seq.), the Clean Water Act (33 U.S.C. Section 1251, et seq.), the Safe Drinking Water Act (14 U.S.C. Section 401, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. Section 1801, et seq.), the Toxic Substance Control Act (15 U.S.C. Section 2601, et seq.), the California Hazardous Waste Control Law (California Health and Safety Code Section 25100, et seq.), the Porter-Cologne Water Quality Control Act (California Water Code Section 13000, et seq.), and the Safe Drinking Water and Toxic Enforcement Act of 1986 (California Health and Safety Code Section 25249.5, et seq.

(b) "*Hazardous Material*" shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. "Hazardous Material" includes, without limitation, any material or substance defined as a "hazardous substance," or "pollutant" or "contaminant" pursuant to any Environmental Law; any asbestos and asbestos containing materials; petroleum, including crude oil or any fraction thereof, natural gas or natural gas liquids; and any materials listed in the Airport's TI Guide.

(c) "*Release*" when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or inside the Building, or in, on, under or about the Property.

(d) "*Pre-Existing Condition*" means the existence of any Hazardous Materials on the Premises immediately prior to the Commencement Date.

16.2 Tenant's Covenants.

(a) Neither Tenant nor any Tenant Entity shall cause any Hazardous Material to be brought upon, kept, used, stored, generated or disposed of in, on or about the Premises or the Airport, or transported to or from the Premises or the Airport; provided that Tenant may use such substances as are customarily used in connection with wireless telecommunications operations so long as such use complies with all applicable Environmental Laws and the Airport's TI Guide.

(b) Tenant shall handle Hazardous Materials discovered or introduced on the Premises during the Term in compliance with all Environmental Laws and the Airport's TI Guide. Tenant shall protect its employees and the general public in accordance with all Environmental Laws.

(c) In the event Tenant becomes aware of the actual or possible Release of Hazardous Materials on the Premises or elsewhere on the Airport, Tenant shall promptly give notice of the same to City. Without limiting the generality of the foregoing, Tenant shall give notice to City of any of the following: (i) notice of a Release of Hazardous Materials given by Tenant, any subtenant, or other occupant to any governmental or regulatory agency; (ii) notice of a violation or potential or alleged violation of any Environmental Law received by Tenant, any subtenant, other occupant on the Premises from any governmental or regulatory agency; (iii) any inquiry, investigation, enforcement, cleanup, removal, other action that is instituted or threatened by a government or regulatory agency; (iv) any claim that is instituted or threatened by a third party against Tenant, any subtenant, or other occupant on the Premises that relates to Hazardous Materials; and (v) any notice of termination, expiration, or material amendment to any environmental operating permit or license necessary for the use of the Premises.

(d) At Director's request, Tenant shall provide information necessary for City to confirm that Tenant is complying with the foregoing covenants.

16.3 Environmental Indemnity. Tenant shall indemnify, defend, and hold harmless City from and against any and all Losses arising during or after the Term as a result of or arising from: (a) a breach by Tenant of its obligations contained in the preceding Section 16.2 [Tenant's Covenants], or (b) any Release of Hazardous Material from, in, on or about the Premises or the Airport caused by the act or omission of Tenant or any Tenant Entity, or (c) the existence of any Hazardous Materials on the Premises, except to the extent that Tenant can demonstrate that such Hazardous Materials constitutes a Pre-Existing Condition.

16.4 Environmental Audit. Upon reasonable notice, Director shall have the right but not the obligation to conduct or cause to be conducted by a firm acceptable to Director, an environmental audit or any other appropriate investigation of the Premises for possible environmental contamination. Such investigation may include environmental sampling and equipment and facility testing, including the testing of secondary contamination. No such testing or investigation shall limit Tenant's obligations hereunder or constitute a release of Tenant's obligations therefor. Tenant shall pay all costs associated with said investigation in the event such investigation shall disclose any Hazardous Materials contamination as to which Tenant is liable hereunder.

16.5 Closure Permit. Prior to the termination or expiration of this Lease, Director shall have the right to require Tenant to file with the City an application for a permit for decontamination of the site and investigation and removal of all Hazardous Materials in compliance with the Airport's TI Guide, the Airport Rules, and all Laws ("**Closure Permit**"). The Closure Permit may require a plan for long-term care and surveillance of any contamination allowed to remain at the Premises or Airport property and an acknowledgment of responsibility and indemnification for any and all Losses associated with any such contamination. Without limiting the foregoing provision, City reserves the right to require Tenant to, and in such event Tenant shall, at Tenant's sole cost and expense, decontaminate the Premises and remove any Hazardous Materials discovered during the Term, except those Hazardous Materials which constitute Pre-Existing Conditions. Such removal shall be performed to the Director's reasonable satisfaction.

17. EMINENT DOMAIN

17.1 Definitions. For purposes of this Section 18, the following capitalized terms shall have the following meanings:

(a) "*Award*" means all compensation, sums or value paid, awarded or received for a Taking, whether pursuant to judgment, agreement, settlement or otherwise.

(b) "*Date of Taking*" means the earlier of: (a) the date upon which title to the portion of the Premises taken passes to and vests in the condemnor, and (b) the date on which Tenant is dispossessed

(c) "*Taking*" means a taking or damaging, including severance damage, by eminent domain, inverse condemnation or for any public or quasi-public use under applicable Laws. A Taking may occur pursuant to the recording of a final order of condemnation, or by voluntary sale or conveyance in lieu of condemnation or in settlement of a condemnation action.

17.2 General. If during the Term or during the period between the execution of this Lease and the Commencement Date, any Taking of all or any part of the Premises or any interest in this Lease occurs, the rights and obligations of the parties hereunder shall be determined pursuant to this Section 17. City and Tenant intend that the provisions hereof govern fully in the event of a Taking and accordingly, the Parties each hereby waives any right to terminate this Lease in whole or in part under Sections 1265.120 and 1265.130 of the California Code of Civil Procedure or under any similar Law now or hereafter in effect.

17.3 Total Taking; Automatic Termination. If a total Taking of the Premises occurs, then this Lease shall terminate as of the Date of Taking.

17.4 Partial Taking; Election to Terminate.

(a) If a Taking of any portion (but less than all) of the Premises occurs (a "**Partial Taking**"), then this Lease shall terminate in its entirety if all of the following exist: (a) the Partial Taking renders the remaining portion of the Premises untenable or unsuitable for continued use by Tenant for the Permitted Use; (b) the condition rendering the Premises untenable or unsuitable either is not curable or is curable but City is unwilling or unable to cure such condition; and (c) City elects to terminate.

(b) If a Partial Taking of a material portion of the Terminal Building Complex occurs, City shall have the right to terminate this Lease in its entirety.

(c) City's elections to terminate this Lease pursuant to this Section 17 shall be exercised by City's giving notice to Tenant on or before the date that is one hundred twenty (120) days after the Date of Taking, and thereafter this Lease shall terminate upon on the thirtieth (30th) day after such notice is given.

17.5 Tenant Monetary Obligations; Award. Upon termination of this Lease pursuant to an election under Section 17.4 [Partial Taking; Election to Terminate] above, then: (a) Tenant's obligation to pay Base Rent shall continue up until the date of termination, and thereafter shall cease, and (b) City shall be entitled to the entire Award in connection therewith (including any portion of the Award made for the value of the leasehold estate created by this Lease), and Tenant shall have no claim against City for the value of any unexpired term of this Lease, provided that Tenant may make a separate claim for compensation, and Tenant shall receive any Award made specifically to Tenant, for Tenant's relocation expenses or the interruption of or damage to Tenant's business or damage to Tenant's personal property.

17.6 Partial Taking; Continuation of Lease. If a partial Taking of the Premises occurs and this Lease is not terminated in its entirety under Section 17.4 [Partial Taking; Election to Terminate] above, then this Lease shall terminate as to the portion of the Premises so taken, but shall remain in full force and effect as to the portion not taken, and the rights and obligations of the Parties shall be as follows: (a) the Base Rent shall be proportionately adjusted by Director to reflect the area subject to the Taking and the functionality of the remaining Premises, and (b) City shall be entitled to the entire Award in connection therewith (including, but not limited to, any portion of the Award made for the value of the leasehold estate created by this Lease). Tenant shall have no claim against City for the value of any unexpired Term of this Lease, provided that Tenant may make a separate claim for compensation. Tenant shall retain any Award made specifically to Tenant for Tenant's relocation expenses or the interruption of or damage to Tenant's business or damage to Tenant's personal property.

17.7 Temporary Takings. Notwithstanding anything to contrary in this Section, if a Taking occurs with respect to all or any part of the Premises for a limited period of time not in excess of one hundred eighty (180) consecutive days, this Lease shall remain unaffected thereby, and Tenant shall continue to pay Rent, and to perform all of the terms, conditions and covenants of this Lease. In the event of such temporary Taking, City shall be entitled to receive any Award.

18. CITY AND OTHER GOVERNMENTAL PROVISIONS

18.1 MacBride Principles - Northern Ireland. Pursuant to San Francisco Administrative Code §12.F.5, the City and County of San Francisco urges companies doing business in Northern Ireland to

move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. The City and County of San Francisco urges San Francisco companies to do business with corporations that abide by the MacBride Principles. By signing below, the person executing this agreement on behalf of Tenant acknowledges that he or she has read and understood this section.

18.2 Charter. The terms of this Lease shall be governed by and subject to the budget and fiscal provisions of the Charter of the City and County of San Francisco.

18.3 Tropical Hardwood and Virgin Redwood Ban. The City and County of San Francisco urges companies not to import, purchase, obtain or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product. Except as expressly permitted by the application of Sections 802(b) and 803(b) of the San Francisco Environmental Code, Tenant shall not provide any items to the construction of Alterations, or otherwise in the performance of this Lease which are tropical hardwoods, tropical hardwood wood products, virgin redwood, or virgin redwood wood products. In the event Tenant fails to comply in good faith with any of the provisions of Chapter 8 of the San Francisco Environmental Code, Tenant shall be liable for liquidated damages for each violation in any amount equal to Tenant's net profit on the contract, or five percent (5%) of the total amount of the contract dollars, whichever is greater.

18.4 No Representations. Tenant acknowledges and agrees that neither City nor any person on behalf of City has made, and City hereby disclaims, any representations or warranties, express or implied, regarding the business venture proposed by Tenant at the Airport, including any statements relating to the potential success or profitability of such venture. Tenant represents and warrants that it has made an independent investigation of all aspects of the business venture contemplated by this Lease and the Permitted Use.

18.5 Effect of City Approvals. Notwithstanding anything to the contrary herein, Tenant acknowledges and agrees that City is entering into this Lease as a landowner, and not as a regulatory agency with police powers. Accordingly, any construction, alterations, or operations contemplated or performed by Tenant hereunder may require further authorizations, approvals, or permits from governmental regulatory agencies, including the Airport's Quality Control Department. Nothing in this Lease shall limit Tenant's obligation to obtain such other authorizations, approvals, or permits. No inspection, review, or approval by City pursuant to this Lease shall constitute the assumption of, nor be construed to impose, responsibility for the legal or other sufficiency of the matter inspected, reviewed, or approved. In particular, but without limiting the generality of the foregoing, in approving plans and specifications for Alterations, City (a) is not warranting that the proposed plan or other action complies with applicable Laws, and (b) reserves its right to insist on full compliance in that regard even after its approval has been given or a permit has been issued.

18.6 Limitation on Damages. Notwithstanding anything to the contrary herein, in no event will City or any City Entity be liable to Tenant or any Tenant Entity for any consequential, incidental, or special damages, or lost revenues or lost profits.

18.7 Sponsor's Assurance Agreement. This Lease shall be subordinate and subject to the terms of any "Sponsor's Assurance Agreement" or any like agreement heretofore or hereinafter entered into by City and any agency of the United States of America.

18.8 Federal Nondiscrimination Regulations.

(a) Tenant understands and acknowledges that City has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to nondiscrimination, which have been required by Title VI of the Civil Rights Act of 1964, as effectuated by Title 49 of the Code of Federal Regulations, Subtitle A - Office of the Secretary of Transportation, Part 21, as amended, and 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964) (collectively, the “**Acts and Regulations**”), as a condition precedent to the government making grants in aid to City for certain Airport programs and activities, and that City is required under said Regulations to include in every agreement or concession pursuant to which any person or persons other than City, operates or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Tenant agrees as follows: “The (grantee, lessee, permittee, etc. as appropriate) for himself, herself, his/her heirs, personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) in the event facilities are constructed, maintained or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, Tenant will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of said facilities, and (3) that the grantee, licensee, permittee, etc., shall use the Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Subtitle A, Office of the Secretary of Transportation, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation Effectuations of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended. With respect to this Lease, in the event of a breach of any of the above non-discrimination covenants, City will have the right to terminate this Lease and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if this Lease had never been made or issued,”

(b) (i) This agreement is subject to the requirements of the U.S. Department of Transportation’s regulations, 49 CFR part 23. The concessionaire or contractor agrees that it will not discriminate against any business owner because of the owner’s race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR part 23. (ii) The concessionaire or contractor agrees to include the above statements in any subsequent concession agreement or contract covered by 49 CFR part 23 that it enters and cause those businesses to similarly include the statements in the further agreements.

18.9 Federal Affirmative Action Regulations. Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Tenant assures that it will require that its covered sub-organizations provide assurances to Tenant that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

18.10 Pertinent Non-Discrimination Authorities. During the performance of this Lease, Tenant, for itself, its assignees, and successors-in-interest (hereinafter referred to as the “contractor” in this

Section 18.10) agrees to comply with the following non-discrimination statutes and authorities, including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 USC §2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation-Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 USC §4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 USC. §794 et seq.), as amended (prohibits discrimination on the basis of disability); and 49 CFR §27;
- The Age Discrimination Act of 1975, as amended (42 USC §6101 et seq.), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC §471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §12131 - 12189) as implemented by Department of Transportation regulations at 49 CFR §37 and 38 and the Department of Justice regulations at 28 CFR, parts 35 and 36;
- The Federal Aviation Administration's Non-discrimination statute (49 USC §47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 CFR at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC §1681 et seq.).

18.11 City's Nondiscrimination Ordinance.

(a) In the performance of this agreement, Tenant agrees not to discriminate against any employee, City and County employee working with Permittee, applicant for employment Tenant, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations operated by Tenant, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex,

sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

(b) Tenant shall include in all subleases and other subcontracts relating to the Premises hereunder a non-discrimination clause in substantially the form of subsection (a) above. In addition, Tenant shall incorporate by reference in all subleases and other subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code and shall require all subtenants and other subcontractors to comply with such provisions. Tenant's failure to comply with the obligations in this subsection shall constitute a material breach of this Lease.

(c) Tenant does not as of the date of this Lease and will not during the Term, in any of its operations in San Francisco, where the work is being performed for the City, or elsewhere within the United States, discriminate in the provision of bereavement leave, family medical leave, health benefits, membership or membership discounts, moving expenses, pension and retirement benefits or travel benefits, as well as any benefits other than the benefits specified above, between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, where the domestic partnership has been registered with a governmental entity pursuant to state or local law authorizing such registration, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

(d) Tenant hereby represents that prior to execution of this Lease (i) Tenant executed and submitted to the Human Rights Commission of the City and County of San Francisco (the "HRC") the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (Form HRC-12B-101)", with supporting documentation, and (ii) the HRC approved such form.

(e) The provisions of Chapters 12B and 12C of the San Francisco Administrative Code relating to non-discrimination by parties contracting for the lease of City property are incorporated in this Section by reference and made a part of this Lease as though fully set forth herein. Tenant shall comply fully with and be bound by all of the provisions that apply to this Lease under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Tenant understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Lease may be assessed against Tenant and/or deducted from any payments due Tenant.

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

18.13 Prevailing Rates of Wage. Replaced by MCO, subject to Section 18.22.

18.14 Declaration Regarding Airport Private Roads. Tenant hereby acknowledges and agrees that all roads existing at the date of execution hereof within the boundaries of the Airport, as shown on the current official Airport plan and as it may be revised, are the private property and private roads of the City and County of San Francisco, with the exception of that portion of the old Bayshore Highway which runs through the southern limits of the City of South San Francisco and through the northern portion of the Airport to the intersection with the North Airport Road as shown on said Airport Plan, and with the

exception of that portion of the North Airport Road which runs from the off and on ramps of the State Bayshore Freeway to the intersection with said old Bayshore Highway as shown on said Airport Plan. It further acknowledges that any and all roads hereafter constructed or opened by City within the Airport boundaries will be the private property and road of City, unless otherwise designated by appropriate action.

18.15 No Relocation Assistance; Waiver of Claims. Tenant acknowledges that it will not be a displaced person at the time this Lease is terminated or expires by its own terms, and Tenant fully releases, waives, and discharges forever any and all claims or other Losses, against and covenants not to sue City or any City Entity under any Laws, including any and all claims for relocation benefits or assistance from City under federal and state relocation assistance laws. Without limiting Section 5 [Assignment or Subletting], Tenant shall cause any Transferee to expressly waive entitlement to any and all relocation assistance and benefits in connection with this Lease. Tenant shall indemnify, defend, and hold harmless City for any and all Losses arising out of any relocation assistance or benefits payable to any Transferee.

18.16 Drug-Free Workplace. Tenant acknowledges that pursuant to the Federal Drug-Free Workplace Act of 1989, the unlawful manufacture, distribution, possession or use of a controlled substance is prohibited on City premises. Any violation of this prohibition by Tenant or any Tenant Entity shall constitute a default hereunder.

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

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

18.19 Pesticide Prohibition. Tenant shall comply with the provisions of Section 308 of Chapter 3 of the San Francisco Environment Code (the "**Pesticide Ordinance**") which (i) prohibit the use of certain pesticides on City property, (ii) require the posting of certain notices and the maintenance of certain records regarding pesticide usage and (iii) require Tenant to submit to the Airport an integrated pest management ("**IPM**") plan that (a) lists, to the extent reasonably possible, the types and estimated quantities of pesticides that Tenant may need to apply to the Premises during the terms of this Lease, (b) describes the steps Tenant will take to meet the City's IPM Policy described in Section 300 of the Pesticide Ordinance and (c) identifies, by name, title, address and telephone number, an individual to act as the Tenant's primary IPM contact person with the City. In addition, Tenant shall comply with the requirements of Sections 303(a) and 303(b) of the Pesticide Ordinance.

18.20 First Source Hiring. Tenant shall comply with the San Francisco First Source Hiring Ordinance (Board of Supervisors Ordinance No. 264-98) in cooperation with the Airport Commission Office of Employment and Community Partnerships pursuant to the First Source Hiring Agreement entered into between the Airport Commission and the Tenant concurrently herewith, and incorporated herein by reference.

18.21 Labor Peace/Card Check Rule. Without limiting the generality of other provisions herein requiring Tenant to comply with all Airport Rules, Tenant shall comply with the Airport's Labor Peace/Card Check Rule, adopted on February 1, 2000, pursuant to Airport Commission Resolution No. 00-0049 (the "**Labor Peace/Card Check Rule**"). Capitalized terms not defined in this provision are defined in the Labor Peace/Card Check Rule. To comply with the Labor Peace/Card Check Rule, Tenant shall, among other actions: (a) Enter into a Labor Peace/Card Check Agreement with any Labor Organization which requests such an agreement and which has registered with the Airport Director or his/her designee, within thirty (30) days after the Labor Peace/Card Check Agreement has been requested; (b) Not less than thirty (30) days prior to the modification of this Lease, Tenant shall provide notice by mail to any Labor Organization or federation of labor organizations which have registered with the Director or his/her designee ("registered labor organization"), that Tenant is seeking to modify or extend this Lease; (c) Upon issuing any request for proposals, invitations to bid, or similar notice, or in any event not less than thirty (30) days prior to entering into any Subcontract, Tenant shall provide notice to all registered labor organizations that Tenant is seeking to enter into such Subcontract; and (d) Tenant shall include in any subcontract with a Subcontractor performing services pursuant to any Covered Contract, a provision requiring the Subcontractor to comply with the requirements of the Labor Peace/Card Check Rule. If Airport Director determines that Tenant shall have violated the Labor Peace/Card Check Rule, Airport Director shall have the option to terminate this Lease, in addition to exercising all other remedies available to him/her.

18.22 Requiring Minimum Compensation. Tenant agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance ("**MCO**"), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at http://www.sfgov.org/site/olse_index.asp. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12P. Consistent with the requirements of the MCO, Tenant agrees to all of the following:

(a) For each hour worked by a Covered Employee during a Pay Period on the property covered by this Agreement, Tenant shall provide to the Covered Employee no less than the Minimum Compensation, which includes a minimum hourly wage and compensated and uncompensated time off consistent with the requirements of the MCO. For the hourly gross compensation portion of the MCO, Tenant shall pay a minimum of \$11.54 an hour beginning January 1, 2009. Rates may be adjusted each January 1st, thereafter; and employers must pay the then current rate.

(b) Tenant shall not discharge, reduce in compensation, or otherwise discriminate against any employee for complaining to the City with regard to Tenant's compliance or anticipated compliance with the requirements of the MCO, for opposing any practice proscribed by the MCO, for participating in proceedings related to the MCO, or for seeking to assert or enforce any rights under the MCO by any lawful means.

(c) Tenant understands and agrees that the failure to comply with the requirements of the MCO shall constitute a material breach by Tenant of the terms of this Agreement. The City, acting

through the Contracting Department, shall determine whether such a breach has occurred.

(d) If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City, acting through the Contracting Department, shall have the right to pursue the following rights or remedies and any rights or remedies available under applicable law:

- (1) The right to charge Tenant an amount equal to the difference between the Minimum Compensation and any compensation actually provided to a Covered Employee, together with interest on such amount from the date payment was due at the maximum rate then permitted by law;
- (2) The right to set off all or any portion of the amount described in Subsection (d)(1) of this Section against amounts due to Tenant under this Agreement;
- (3) The right to terminate this Agreement in whole or in part;
- (4) In the event of a breach by Tenant of the covenant referred to in Subsection (b) of this Section, the right to seek reinstatement of the employee or to obtain other appropriate equitable relief; and
- (5) The right to bar Tenant from entering into future contracts with the City for three (3) years.
- (6) Each of the rights provided in this Subsection (d) shall be exercisable individually or in combination with any other rights or remedies available to the City. Any amounts realized by the City pursuant to this subsection shall be paid to the Covered Employee who failed to receive the required Minimum Compensation.

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

(f) Tenant shall keep itself informed of the current requirements of the MCO, including increases to the hourly gross compensation due Covered Employees under the MCO, and shall provide prompt written notice to all Covered Employees of any increases in compensation, as well as any written communications received by the Tenant from the CITY, which communications are marked to indicate that they are to be distributed to Covered Employees.

(g) Tenant shall provide reports to the City in accordance with any reporting standards promulgated by the City under the MCO, including reports on subtenants.

(h) The Tenant shall provide the City with access to pertinent records after receiving a written request from the City to do so and being provided at least five (5) business days to respond.

(i) The City may conduct random audits of Tenant. Random audits shall be (i) noticed in advance in writing; (ii) limited to ascertaining whether Covered Employees are paid at least the minimum compensation required by the MCO; (iii) accomplished through an examination of pertinent records at a mutually agreed upon time and location within ten (10) days of the written notice; and (iv) limited to one audit of Tenant every two years for the duration of this Agreement. Nothing in this Agreement is intended to preclude the City from investigating any report of an alleged violation of the MCO.

(j) Any sublease entered into by Tenant and another party shall require that party to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify the Department of Administrative Services when it enters into such a sublease and shall certify to the Department of Administrative Services that it has notified the sub-tenant of the obligations under the MCO and has imposed the requirements of the MCO on the sub-tenant through the provisions of the subcontract. It is Tenant's obligation to ensure that any sub-tenants of any tier under this Agreement comply with the requirements of the MCO. If any sub-tenant under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(k) Any contract entered into by Tenant and another party to perform services on the property covered by this Lease shall require that party to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify the Department of Administrative Services when it enters into such a contract and shall certify to the Department of Administrative Services that it has notified the contractor of the obligations under the MCO and has imposed the requirements of the MCO on the contractor through the provisions of the subcontract. It is Tenant's obligation to ensure that any such contractors comply with the requirements of the MCO. If such a contractor fails to comply, City may pursue any of the remedies set forth in this Section against Tenant.

(l) Each Covered Employee is a third-party beneficiary with respect to the requirements of subsections (a) and (b) of this Section, and may pursue the following remedies in the event of a breach by Tenant of subsections (a) and (b), but only after the Covered Employee has provided the notice, participated in the administrative review hearing, and waited the 21-day period required by the MCO. Tenant understands and agrees that if the Covered Employee prevails in such action, the Covered Employee may be awarded: (1) an amount equal to the difference between the Minimum Compensation and any compensation actually provided to the Covered Employee, together with interest on such amount from the date payment was due at the maximum rate then permitted by law; (2) in the event of a breach by Tenant of subsections (a) or (b), the right to seek reinstatement or to obtain other appropriate equitable relief; and (3) in the event that the Covered Employee is the prevailing party in any legal action or proceeding against Tenant arising from this Agreement, the right to obtain all costs and expenses, including reasonable attorney's fees and disbursements, incurred by the Covered Employee. Tenant also understands that the MCO provides that if Tenant prevails in any such action, Tenant may be awarded costs and expenses, including reasonable attorney's fees and disbursements, from the Covered Employee if the court determines that the Covered Employee's action was frivolous, vexatious or otherwise an act of bad faith.

(m) If Tenant is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than \$25,000 (\$50,000 for nonprofits), but Tenant later enters into an agreement or agreements that cause Tenant to exceed that amount in a fiscal year, Tenant shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Tenant and this department to exceed \$25,000 (\$50,000 for nonprofits) in the fiscal year.

(n) In the event that the MCO is repealed and not replaced with successor legislation, or is otherwise ever not in force or effect at the Airport generally or applicable to Tenant for any reason, Tenant shall, nevertheless abide by Airport Commission Policy No. 80-0031, requiring that Tenant pay prevailing rates of salaries, wages, and employee benefits to all of its employees working at the Airport.

18.23 Airport Intellectual Property. Pursuant to Resolution No. 01-0118, adopted by the Airport Commission on April 18, 2001, the Airport Commission affirmed that it will not tolerate the unauthorized use of its intellectual property, including the SFO logo, CADD designs, and copyrighted publications. All proposers, bidders, contractors, tenants, permittees, and others doing business with or at the Airport (including subcontractors and subtenants) may not use the Airport intellectual property, or any intellectual property confusingly similar to the Airport intellectual property, without the Airport Director's prior consent.

18.24 Requiring Health Benefits for Covered Employees. Unless exempt, Tenant agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q (Chapter 12Q), including the implementing regulations, as the same may be amended or updated from time to time. The provisions of Chapter 12Q are incorporated herein by reference and made a part of this Lease as though fully set forth herein. The text of the HCAO is currently available on the web at http://www.sfgov.org/site/olse_index.asp. Capitalized terms used in this Section and not defined in this Lease shall have the meanings assigned to such terms in Chapter 12Q.

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

(b) Notwithstanding the above, if Tenant meets the requirements of a "small business" as described in Section 12Q.3(d) of the HCAO, it shall have no obligation to comply with part (a) above.

(c) Tenant's failure to comply with the requirements of the HCAO shall constitute a material breach by Tenant of this Lease. If, within 30 days after receiving City's written notice of a breach of this Lease for violating the HCAO, Tenant fails to cure such breach or, if such breach cannot reasonably be cured within such 30-day period, Tenant fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the remedies set forth in Section 12Q.5(f)(1-5). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.

(d) Any Sublease or Contract regarding services to be performed on the Premises entered into by Tenant shall require the Subtenant or Contractor and Subcontractors, as applicable, to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Tenant shall notify the Purchasing Department when it enters into such a Sublease or Contract and shall certify to the Purchasing Department that it has notified the Subtenant or Contractor of the obligations under the HCAO and has imposed the requirements of the HCAO on the Subtenant or Contractor through written agreement with such Subtenant or Contractor. Tenant shall be responsible for ensuring compliance with the HCAO by each Subtenant, Contractor and Subcontractor performing services on the Premises. If any Subtenant, Contractor or Subcontractor fails to comply, City may pursue the remedies set forth in this Section against Tenant based on the Subtenant's, Contractor's, or Subcontractor's failure to comply, provided that the Contracting Department has first provided Tenant with notice and an opportunity to cure the violation.

(e) Tenant shall not discharge, reprimand, penalize, reduce the compensation of, or otherwise discriminate against, any employee for notifying City of any issue relating to the HCAO, for opposing any practice proscribed by the HCAO, for participating in any proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

(f) Tenant represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the requirements of the HCAO.

(g) Tenant shall keep itself informed of the requirements of the HCAO, as they may change from time to time.

(h) Upon request, Tenant shall provide reports to City in accordance with any reporting standards promulgated by City under the HCAO, including reports on Subtenants, Contractors, and Subcontractors.

(i) Within five (5) business days after any request by City, Tenant shall provide City with access to pertinent records relating to any Tenant's compliance with the HCAO. In addition, City and its agents may conduct random audits of Tenant at any time during the term of this Lease. Tenant agrees to cooperate with City in connection with any such audit.

18.25 Notification of Limitations on Contributions. By executing this Agreement, Tenant acknowledges its obligations under section 1.126 of the City's Campaign and Governmental Conduct Code ("**Conduct Code**"), which prohibits any person who leases, or seeks to lease, to or from any department of the City any land or building from making any campaign contribution to (a) a City elected official if the lease must be approved by that official, (b) a candidate for that City elective office, or (c) a committee controlled by that elected official or a candidate for that office, at any time from the submission of a proposal for the lease until the later of either the termination of negotiations for the lease or twelve (12) months after the date the City approves the lease. Tenant acknowledges that the foregoing restriction applies only if this Agreement or a combination or series of leases or other contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of one hundred thousand dollars (\$100,000) or more. Tenant further acknowledges that (i) the prohibition on contributions applies to each prospective party to the lease; any person on Tenant's board of directors, any of Tenant's principal officers (including its chairperson, chief executive officer, chief financial officer, chief operating officer) and any person with an ownership interest of more than 10 percent (10%) in Tenant; any subtenant listed in the lease; and any committee that is sponsored or controlled by Tenant; and (ii) within thirty (30) days of the submission of a proposal for the lease, the City department with whom Tenant is leasing is obligated to submit to the Ethics Commission the parties to the lease and any subtenant. Additionally, Tenant certifies that it informed any member of its board of directors and any of its principal officers, including its chairperson, chief executive officer, chief financial officer, chief operating officer, any person with an ownership interest of more than 10% in Tenant, and any subtenant listed herein of the limitation on contributions imposed by Section 1.126 by the time it submitted a proposal for this Agreement, and has provided the names of the persons required to be informed to the City department with whom it is leasing.

18.26 Vending Machines; Nutritional Standards and Calorie Labeling Requirements. Tenant may not install or permit any vending machine on the Premises without the prior written consent of the Airport Director. Any permitted vending machine will comply with the food and beverage nutritional standards and calorie labeling requirements set forth in San Francisco Administrative Code Section 4.9-1(c), as may be amended from time to time (the "**Nutritional Standards Requirements**"). Tenant will incorporate the Nutritional Standards Requirements into any contract for the installation of a vending machine on the Premises or for the supply of food and beverages to that vending machine. Failure to comply with the Nutritional Standards Requirements or to otherwise comply with this Section 18.25 will be a material breach of this Lease. Without limiting City's other rights and remedies under this Lease, City will have the right to require the immediate removal of any vending machine on the Premises that is not permitted or that violates the Nutritional Standards Requirements.

18.27 Consideration of Salary History. Tenant shall comply with Administrative Code Chapter 12K (“**Chapter 12K**”), the Consideration of Salary History Ordinance or “Pay Parity Act.” Tenant is prohibited from considering current or past salary of an applicant in determining whether to hire the applicant or what salary to offer the applicant to the extent that such applicant is applying for employment to be performed on this Lease or in furtherance of this Lease, and whose application, in whole or part, will be solicited, received, processed or considered, whether or not through an interview, in the City or on City property. The ordinance also prohibits employers from (1) asking such applicants about their current or past salary or (2) disclosing a current or former employee's salary history without that employee's authorization unless the salary history is publicly available. Tenant is subject to the enforcement and penalty provisions in Chapter 12K. Information about and the text of Chapter 12K is available on the web at <https://sfgov.org/olse/consideration-salary-history>. Tenant shall Tenant is required to comply with all of the applicable provisions of Chapter 12K, irrespective of the listing of obligations in this Section. Tenant shall include this obligation in all subleases, licenses, sublicenses and any other contracts for work performed in furtherance of this Lease (including all amendments of the same), and failure to do so shall constitute a material breach of this Lease.

18.28 Local Hire. Any undefined, initially-capitalized term used in this Section shall have the meaning given to such term in San Francisco Administrative Code Section 23.62 (the “**Local Hiring Requirements**”). All Alterations under this Lease are subject to the Local Hiring Requirements unless the cost for such work is (a) estimated to be less than \$750,000 per building permit or (b) meets any of the other exemptions in the Local Hiring Requirements. Tenant agrees that it shall comply with the Local Hiring Requirements to the extent applicable. Before starting any Alteration, Tenant shall contact City's Office of Economic Workforce and Development (“**OEWD**”) to verify if the Local Hiring Requirements apply to the work (i.e., whether the work is a “**Covered Project**”). Tenant shall include, and shall require its subtenants to include, a requirement to comply with the Local Hiring Requirements in any contract for a Covered Project with specific reference to San Francisco Administrative Code Section 23.62. Each such contract shall name the City and County of San Francisco as a third-party beneficiary for the limited purpose of enforcing the Local Hiring Requirements, including the right to file charges and seek penalties. Tenant shall cooperate, and require its subtenants to cooperate, with City in any action or proceeding against a contractor or subcontractor that fails to comply with the Local Hiring Requirements when required. Tenant's failure to comply with its obligations under this Section shall constitute a material breach of this Lease. A contractor's or subcontractor's failure to comply with this Section will enable City to seek the remedies specified in San Francisco Administrative Code Section 23.62 against the breaching party.

18.29 Resource-Efficient City Buildings. Tenant acknowledges that City has enacted Chapter 7 of the San Francisco Environment Code relating to green building requirements. Tenant hereby agrees that it shall comply with all applicable provisions of Chapter 7, including but not limited to those relating to Leadership in Energy and Environmental Design (LEED) certification.

18.30 Packaged Water Ordinance. Tenant will comply with San Francisco Environment Code Chapter 24 (“**Chapter 24**”). Tenant may not sell, provide, or otherwise distribute Packaged Water, as defined in Chapter 24 (including bottled water), in the performance of this Lease or on City property unless Tenant obtains a waiver from City's Department of the Environment. If Tenant violates this requirement, City may exercise all remedies in this Lease and the Director of City's Department of the Environment may impose administrative fines as set forth in Chapter 24.

18.31 All Gender Toilet Facilities. If applicable, Tenant will comply with San Francisco Administrative Code Section 4.1-3 requiring at least one all-gender toilet facility on each floor of the Premises in any building where extensive renovations are made by Tenant. An “all-gender toilet facility”

means a toilet that is not restricted to use by persons of a specific sex or gender identity by means of signage, design, or the installation of fixtures, and “extensive renovations” means any renovation where the construction cost exceeds 50% of the cost of providing the toilet facilities required by Administrative Code Section 4.1-3. If Tenant has any question about applicability or compliance, Tenant should contact Building Inspection and Code Enforcement (BICE) for guidance.

18.32 Federal Fair Labor Standards Act. This Lease incorporates by reference the provisions of 29 USC §201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers. Tenant has full responsibility to monitor compliance to the referenced statute or regulation. Tenant must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

18.33 OSHA. This Lease incorporates by reference the requirements of 29 CFR §1910 with the same force and effect as if given in full text. Tenant must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. Tenant retains full responsibility to monitor its compliance and their contractor’s and subcontractor’s compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR §1910). Tenant must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

19. GENERAL PROVISIONS

19.1 Notices. Except as otherwise specifically provided in this Lease, any notice, consent, request, demand, or other correspondence given under this Lease shall be in writing and given by delivering the notice in person or by commercial courier, or by sending it by first-class mail, certified mail, return receipt requested, or overnight courier, return receipt requested, with postage prepaid, to: (a) Tenant at Tenant’s Notice Address; or (b) City at City’s Notice Address; or (c) such other address as either Tenant or City may designate as its new address for such purpose by notice given to the other in accordance with this Section. Any notice hereunder shall be deemed to have been given and received and effective two (2) days after the date when it is mailed, if sent by first-class, certified mail, one day after the date when it is mailed if sent by overnight courier, or upon the date personal delivery is made. For convenience of the parties, copies of notices may also be given by facsimile to the number set forth in the Summary or such other number as may be provided from time to time; however, neither party may give official or binding notice by facsimile.

19.2 No Implied Waiver. No failure by either party to insist upon the strict performance of any obligation of the other party under this Lease or to exercise any right, power or remedy consequent upon a breach thereof shall constitute a waiver of any such breach or of such term, covenant or condition. No express written waiver of any default or the performance of any provision hereof shall affect any other default or performance, or cover any other period of time, other than the default, performance or period of time specified in such express waiver.

19.3 Entire Agreement. The parties intend that this Lease (including all of the attached exhibits, which are made a part of this Lease) shall be the final expression of their agreement with respect to the subject matter hereof and may not be contradicted by evidence of any prior or contemporaneous written or oral agreements or understandings. The parties further intend that this Lease shall constitute the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever (including prior drafts hereof and changes therefrom) may be introduced in any judicial, administrative or other legal proceeding involving this Lease.

19.4 Amendments; Updates to Exhibits Not Amendments. Except as specifically provided herein, neither this Lease nor any term or provisions hereof may be changed, waived, discharged or terminated, except by a written instrument signed by the party against which the enforcement of the change, waiver, discharge or termination is sought. Whenever this Lease requires or permits City's consent or approval, the Airport Director or his or her designee will be authorized to provide the consent or approval, except as otherwise provided by applicable Laws, including the Charter. Any amendments or modifications to this Lease are subject to the mutual written agreement of City and Tenant, and City's agreement may be made solely upon the approval of the Airport Commission without any further approval by the Board of Supervisors under the Charter; provided, however that: (a) increasing the Term, (b) increasing the Base Rent, (c) changing the general use of the Premises from the Permitted Use, and (d) any other amendment or modification that materially increases City's liabilities or financial obligations under this Lease may also require the approval of City's Board of Supervisors under the Charter. Notwithstanding the foregoing, revisions and or updates to Exhibits A-1 and B-1 from time to time as contemplated and authorized under this Lease shall not constitute or otherwise be deemed to be an amendment or modification of the Lease, and shall be evidenced by the written approval by Tenant and Airport Director.

19.5 Interpretation of Lease. The captions preceding the articles and sections of this Lease and in the table of contents have been inserted for convenience of reference only and such captions shall in no way define or limit the scope or intent of any provision of this Lease. This Lease has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with herein and shall be interpreted to achieve the intents and purposes of the parties, without any presumption against the party responsible for drafting any part of this Lease. Provisions in this Lease relating to number of days shall be calendar days. Use of the word "including" shall mean "including, without limitation." References to statutes, sections, ordinances or regulations are to be construed as including all statutory, ordinance, or regulatory provisions consolidating, amending, replacing, succeeding or supplementing the statute, section, ordinance or regulation. Whenever the singular number is used in this Lease and when required by the context, the same includes the plural, the plural includes the singular, and the masculine gender includes the feminine and neuter genders, and the word "person" shall include corporation, partnership, firm, limited liability company, and association.

19.6 Successors and Assigns. Subject to the provisions of Section 5 [Assignment or Subletting], the terms, covenants and conditions contained in this Lease shall bind and inure to the benefit of Tenant and City and, except as otherwise provided herein, their personal representatives and successors and assigns.

19.7 No Third-Party Beneficiaries. There are no third-party beneficiaries to this Lease.

19.8 No Joint Venture. It is expressly agreed that City is not, in any way or for any purpose, a partner of Tenant in the conduct of Tenant's business or a member of a joint enterprise with Tenant, and does not assume any responsibility for Tenant's conduct or performance of this Lease.

19.9 Brokers. Neither party has had any contact or dealings regarding the leasing of the Premises, nor any communication in connection therewith, through any licensed real estate broker or other person who could claim a right to a commission or finder's fee in connection with the lease contemplated herein. In the event that any broker or finder perfects a claim for a commission or finder's fee based upon any such contact, dealings or communication, the party through whom the broker or finder makes his/her claim shall be responsible for such commission or fee and shall indemnify, defend, and hold harmless the other party from any and all Losses incurred by the indemnified party in defending against the same. The provisions of this Section shall survive any termination or expiration of this Lease.

19.10 Severability. If any provision of this Lease or the application thereof to any person, entity or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such provision to persons, entities or circumstances other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each other provision of this Lease shall be valid and be enforceable to the full extent permitted by law.

19.11 Governing Law. This Lease shall be construed and enforced in accordance with the laws of the State of California and the Charter of the City and County of San Francisco.

19.12 Attorneys' Fees. In the event that either City or Tenant fails to perform any of its obligations under this Lease or in the event a dispute arises concerning the meaning or interpretation of any provision of this Lease, the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party in enforcing or establishing its rights hereunder (whether or not such action is prosecuted to judgment), including, without limitation, court costs and reasonable attorneys' fees. For purposes of this Lease, reasonable fees of attorneys of City's Office of the City Attorney shall be based on the fees regularly charged by private attorneys with the equivalent number of years of experience in the subject matter area of the law for which the City Attorney's services were rendered who practice in the City of San Francisco in law firms with approximately the same number of attorneys as employed by the Office of the City Attorney. Without limiting the generality of the foregoing, Tenant shall also pay all costs and expenses incurred by City related to City's participation in or monitoring of any Tenant bankruptcy, insolvency, or similar proceeding involving creditors' rights generally and any proceeding ancillary thereto. This Section shall survive expiration or earlier termination of this Lease.

19.13 Cumulative Remedies. All rights and remedies of either party hereto set forth in this Lease shall be cumulative, except as may otherwise be provided herein.

19.14 Time of Essence. Time is of the essence with respect to all provisions of this Lease in which a definite time for performance is specified.

19.15 Reservations by City. City may at any time, upon reasonable advance written notice (a) enter the Premises to show the Premises to prospective tenants or other interested parties, to post notices of non-responsibility, to re-measure the Premises, to repair any part of the Premises or adjoining areas, to install equipment for adjoining areas, and for any other lawful purpose; (b) enter the Premises to conduct an environmental audit, operational audit, or general inspection. City shall have the right to enter the Premises without advance notice in the event of an emergency. In addition to the foregoing, City shall have the right from time to time to enter the Premises without advance notice (i) in the event of an emergency; and (ii) for general inspection purposes to ensure that the Premises is being operated and maintained in a safe and secure manner. City shall use reasonable efforts to minimize disruption in Tenant's business. Such entry shall not constitute a forcible or unlawful entry into or a detainer of the Premises, or an eviction, actual or constructive of Tenant from the Premises. City reserves the exclusive right to use all areas of the Airport not comprising the Premises, and the exterior walls and roofs of the Premises. City reserves the exclusive right to use such areas together with the right to install, maintain, use, repair, and replace pipes, ducts, conduits, wires, columns, and structural elements serving other parts of the Airport in and through the Premises. This reservation in no way affects maintenance obligations imposed in this Lease.

19.16 Survival of Indemnities. Expiration or termination of this Lease shall not affect the right of either party to enforce any and all indemnities and representations and warranties given or made to the other party under this Lease, nor shall it effect any provision of this Lease that expressly states it shall

survive termination hereof. Each party hereto specifically acknowledges and agrees that, with respect to each of the indemnities contained in this Lease, the indemnitor has an immediate and independent obligation to defend the indemnitees from any claim which actually or potentially falls within the indemnity provision even if such allegation is or may be groundless, fraudulent or false, which obligation arises at the time such claim is tendered to the indemnitor by the indemnitee. Further, Tenant's obligation to make payments to City in respect of accrued charges (including those which have not yet been billed) and to make repairs (including those relating to the return of the Premises to City) which are accrued at the expiration or earlier termination of this Lease shall survive the expiration or earlier termination of this Lease.

19.17 Quiet Enjoyment and Title. Tenant, upon paying the Rent hereunder and performing the covenants hereof, shall peaceably and quietly have, hold and enjoy the Premises and all appurtenances during the full Term as against all persons or entities claiming by and through City. Tenant expressly acknowledges that Tenant's right to quiet possession of the Premises does not preclude City's right to make changes and additions to the Airport, including the Premises as may be expressly permitted hereunder, and to do work in the Premises as permitted by this Lease.

19.18 No Right of Redemption. Tenant waives any right of redemption or reinstatement of Tenant under any present or future case law or statutory provision (including Code of Civil Procedure Sections 473 and 1179 and Civil Code Section 3275) in the event Tenant is dispossessed from the Premises for any reason. This waiver applies to future statutes enacted in addition or in substitution to the statutes specified herein.

19.19 Accord and Satisfaction. The payment by Tenant or the receipt by City of a lesser amount than the rent stipulated in this Lease may be, at City's sole option, deemed to be on account of the earliest due stipulated rent, or deemed to be on account of rent owing for the current period only, notwithstanding any instructions by or on behalf of Tenant to the contrary, which instructions shall be null and void, and no endorsement or statement on any check or any letter accompanying any such check or payment will be deemed an accord and satisfaction, and City may accept such check or payment without prejudice to City's right to recover the balance of such rent or payment or pursue any other remedy available in this Lease, at law or in otherwise, including possession of the Premises. City may accept any partial payment from Tenant without invalidation of any contractual notice required to be given herein (to the extent such contractual notice is required) and without invalidation of any notice given or required to be given pursuant to applicable law. In such event, if City shall receive any such partial payment after it shall have commenced an action against Tenant, City may amend its action as contemplated by Section 1161.1(c) of the California Civil Code to reflect any such partial payment, and no such payment shall limit any of City's rights to continue the action.

19.20 Joint and Several Liability. The liabilities hereunder of the entities and/or person(s) comprising Tenant shall be joint and several.

19.21 Estoppel Statements. At any time and from time to time, City may deliver to Tenant, and Tenant may deliver to City, written notice requesting such receiving party to certify in writing that, to the knowledge of the certifying party that (i) the Lease is in full force and effect and a binding obligation of the parties; (b) the Lease has not been amended, or if amended, the identity of each amendment; (c) the requesting party is not in default of the Lease beyond any applicable notice or cure periods, and if in default, a description of such default(s); and (d) the date of Tenant's most recent payment of Base Rent. The party receiving such a request must execute and return the certificate within thirty (30) days of written request therefor. Notwithstanding the conclusiveness of Tenant's failure to deliver such statement, Tenant's failure shall constitute a breach of this Lease.

19.22 Authority. If Tenant signs as a corporation, a limited liability company, or a partnership, each of the persons executing this Lease on behalf of Tenant does hereby covenant and warrant that Tenant is a duly authorized and existing entity, that Tenant has and is duly qualified to do business in California, that Tenant has full right and authority to enter into this Lease, and that each and all of the persons signing on behalf of Tenant are authorized to do so. Upon City's request, Tenant shall provide City evidence reasonably satisfactory to City confirming the foregoing representations and warranties.

19.23 Consents. If City is required to reasonably grant consent or approval, but does not do so, Tenant's sole and exclusive remedy is to seek specific performance and in no event will City be liable for any monetary damages.

19.24 Options Personal. If and to the extent Tenant has an option to extend the Term of this Lease, such option is personal to the original Tenant and may be exercised only by the original Tenant while occupying the Premises who does so without the intent of thereafter making any Transfer, and may not be exercised by or assigned, voluntarily or involuntarily, by or to any person or entity other than Tenant, unless the foregoing prohibition is waived by Director. The options, if any, herein granted to Tenant are not assignable separate and apart from this Lease, nor may any option be separated from this Lease in any manner, either by reservation or otherwise.

19.25 Counterparts. This Lease may be executed in two or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

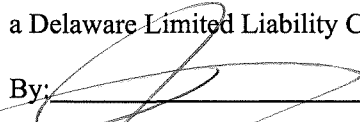
19.26 Effective Date. This Lease will be effective on the date (the "**Effective Date**") that: (a) City's Board of Supervisors and the Mayor, in their sole and absolute discretion, adopt a resolution approving this Lease in accordance with all applicable Legal Requirements and (b) this Lease is duly executed and delivered by the parties.

NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN THIS LEASE, TENANT ACKNOWLEDGES AND AGREES THAT NO CITY OFFICER OR EMPLOYEE HAS AUTHORITY TO COMMIT CITY TO THIS LEASE UNLESS AND UNTIL CITY'S BOARD OF SUPERVISORS HAS DULY ADOPTED A RESOLUTION APPROVING THIS LEASE AND AUTHORIZING THE TRANSACTIONS CONTEMPLATED HEREBY. THEREFORE, ANY CITY OBLIGATIONS OR LIABILITIES UNDER THIS LEASE ARE CONTINGENT ON ADOPTION OF A RESOLUTION, AND THIS LEASE WILL BE NULL AND VOID IF CITY'S MAYOR AND THE BOARD OF SUPERVISORS DO NOT APPROVE THIS LEASE, IN THEIR RESPECTIVE SOLE DISCRETION. APPROVAL OF THIS LEASE BY ANY CITY DEPARTMENT, COMMISSION, OR AGENCY WILL NOT BE DEEMED TO IMPLY THAT A RESOLUTION WILL BE ENACTED, AND NO APPROVAL WILL CREATE ANY BINDING CITY OBLIGATIONS.

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IN WITNESS WHEREOF, the parties have executed this Lease as of the Effective Date.

TENANT: NEW CINGULAR WIRELESS PCS, LLC
[signatories also to initial Summary] a Delaware Limited Liability Company

By:  _____

Name: Jerome K. Hetrick
(type or print)

Title: V.P. Access, Construction and Engineering

CITY: CITY AND COUNTY OF SAN FRANCISCO,
[signatories also to initial Summary] a municipal corporation,
acting by and through its Airport Commission

Ivar C. Satero
Airport Director

AUTHORIZED BY
AIRPORT COMMISSION

Resolution No.: 20-0181
Adopted: October 6, 2020

Attest: _____
Secretary
Airport Commission

APPROVED AS TO FORM:
DENNIS J. HERRERA,
City Attorney

By: _____
Deputy City Attorney

LIST OF EXHIBITS

Exhibit A-1 – Premises and Sites

Exhibit A-2 – Existing Equipment

Exhibit B-1 – Permitted Use and Operational Requirements

Exhibit B-2 – Initial Improvements and Services

Exhibit B-3 – Building Information Modeling Requirements

Exhibit B-4 – Airport Tenant Improvement Review and Approval

Exhibit B-5 – Technical & Functional Requirements

Exhibit C-1 – Form of Performance Bond

Exhibit C-2 – Form of Letter of Credit

Exhibit D – Existing Wireless Carrier Leases Notice of Intent to Terminate Letter

**EXHIBIT A-1
PREMISES AND SITES**

The following is an inventory of existing wireless carrier headend equipment and coverage schematics in service at the Airport as of December 27, 2018. Tenant is expected to provide updates to this Exhibit A-1 and Exhibit B-1 at the completion of the Development Term to include all existing Sites and all future improvements and additions to the Premises and Sites.

I. Headend Equipment Inventory – Updated 12/27/18

CELL PHONE CARRIER	BUILDING INFORMATION (Legend: IT = International Terminal)			TOTAL SQ. FT.	OPERATING STATUS	DESIGNATED SPACE USAGE		COMMENTS
	Building	Location	Room Number			Headend	Remote Equip.	
AT&T	900	Level 2		212	In Construction	X		
AT&T	Central Garage	Level 6 – Core E	CP.E6.001	77	Active	X		
AT&T	IT - A Side	Level 1	I-1-103JA	180	Active	X		
AT&T	IT - A Side	Level 5	I-5-153A	212	Active	X		Support antennas on the roof
AT&T	IT - A Side	Level 1	N/A	Appx. 20'	Active		X	Loading Dock- Courtyard
AT&T	ITB	Level 5	I-5-054Z	56	Active		X	
AT&T	IT-G Side	Level 1	Near I-1-45D	Appx. 20'	Active		X	Loading Dock- Courtyard
AT&T	IT-G Side	Level 1	I-1-17	346'	Active	X		Headend Room for International Terminal
AT&T	Rental Car Center	5th Floor	Electric Room	Shared	Active	X		
AT&T	Superbay	Next Fire Station	N/A	N/A	Active	X		Shelter & monopole
AT&T	Bldg 612	Level 1	612.2.120	355	Active	X		
AT&T	Terminal 1	BAC	C.1.006AZ	163'	Active	X		
AT&T	Terminal 2	Level 1	T2-1-007B	305'	Active	X		
AT&T	Terminal 3	Level 1	BAE-1-306	79'	Active	X		Headend Room for Terminal 3
AT&T	Terminal 3	AOA	N/A	Appx. 50'	Active		X	Power Plant- T3 West next to Gate 72 (Column E99)

CELL PHONE CARRIER	BUILDING INFORMATION (Legend: IT = International Terminal)			TOTAL SQ. FT.	OPERATING STATUS	DESIGNATED SPACE USAGE		COMMENTS
	Building	Location	Room Number			Headend	Remote Equip.	
AT&T	Westfield Garage	L1	N/A	525	Planned	X		
Sprint	612	Level 2	N/A	N/A	Active		X	
Sprint	Central Garage	Level 6 – Core D	CP.D6.001	109'	Active	X		
Sprint	IT A Side	Level 1	I-1-133G	290'	Active	X		Headend Room for International Terminal
Sprint	Rental Car Center	5th Floor	Boiler Room	N/A	Active	X		
Sprint	Superbay	AA Hangar	N/A	N/A	Active		X	
Sprint	Terminal 2	Level 1	T2-1-125	202'	Active	X		
Sprint	Terminal 3	Basement	T3-B-025	166'	Active	X		Headend Room for Terminal 3
Sprint	Westfield Garage	L1	N/A	525	Planned	X		Previously Nextel to be converted to Sprint
T-Mobile	612	Level 2	N/A	N/A	Active		X	Shared Room, T-Mobile has closets in Airport space
T-Mobile	Central Garage	Level 6 – Core D	N/A	N/A	Active	X		Equipment on the Roof
T-Mobile	Rental Car Center	5th Floor	N/A	N/A	Active	X		Equipment on the roof
T-Mobile	Superbay	Fire Station		N/A	Active	X		Equipment inside Airport space in the Fire Station
T-Mobile	Terminal 2	Level 1	T2-1-106F	37'	Active	X		
T-Mobile	Terminal 3	Level 1	E-1-312	71'	Active	X		Headend Room for Terminal 3
T-Mobile	Terminal 3	Level 1	T3-1-172	157	Planned	X		T3 East
Verizon	1057	Inbound Lot	N/A	1875	Planned	X		Shelter & monopole to replace the Cell on Wheels (COW)
Verizon	Central Garage	Level 2 - F Side	Across United Door 4	182	Active	X		
Verizon	Central Garage	Level 2 - C Side	Across Delta Door 16	179'	Active	X		

CELL PHONE CARRIER	BUILDING INFORMATION (Legend: IT = International Terminal)			TOTAL SQ. FT.	OPERATING STATUS	DESIGNATED SPACE USAGE		COMMENTS
	Building	Location	Room Number			Headend	Remote Equip.	
Verizon	IT-A Side	AOA	N/A	Appx. 50'	Active		X	
Verizon	IT-A Side	Level 1	N/A	Appx. 50'	Active		X	
Verizon	ITB	Level 4	I-4-042A	24	Active		X	
Verizon	IT-G Side	AOA	N/A	Appx. 50'	Active		X	Gate 96
Verizon	IT-G Side	AOA	N/A	Appx. 50'	Active		X	Across from Room I-1-19/ Baggage Loading Area
Verizon	Terminal 2	Level 1	T2-1-007B	283'	Active	X		
Verizon	Terminal 3	AOA	N/A	Appx. 30'	Active		X	Power Plant- T3 East column E119
Verizon	Terminal 3	AOA	N/A	Appx. 30'	Active		X	Power Plant- T3 West next to Gate 72
Verizon	ITB	Level 4	I-4-042A	24	Active		X	
Verizon	Garage G	Level 7	N/A		Built/ not active			Cabinets and 2 antennas aimed at Airport main roadways
Verizon	RCC	QTA	N/A		Construction			Equipment on the roof of QTA, Antennas North and South
Verizon	Westfield Garage	Level 1	N/A		Construction	X		Shelter, Antennas on top of the garage all directions

The following provides the coverage schematics in scope to transitioning under this lease:

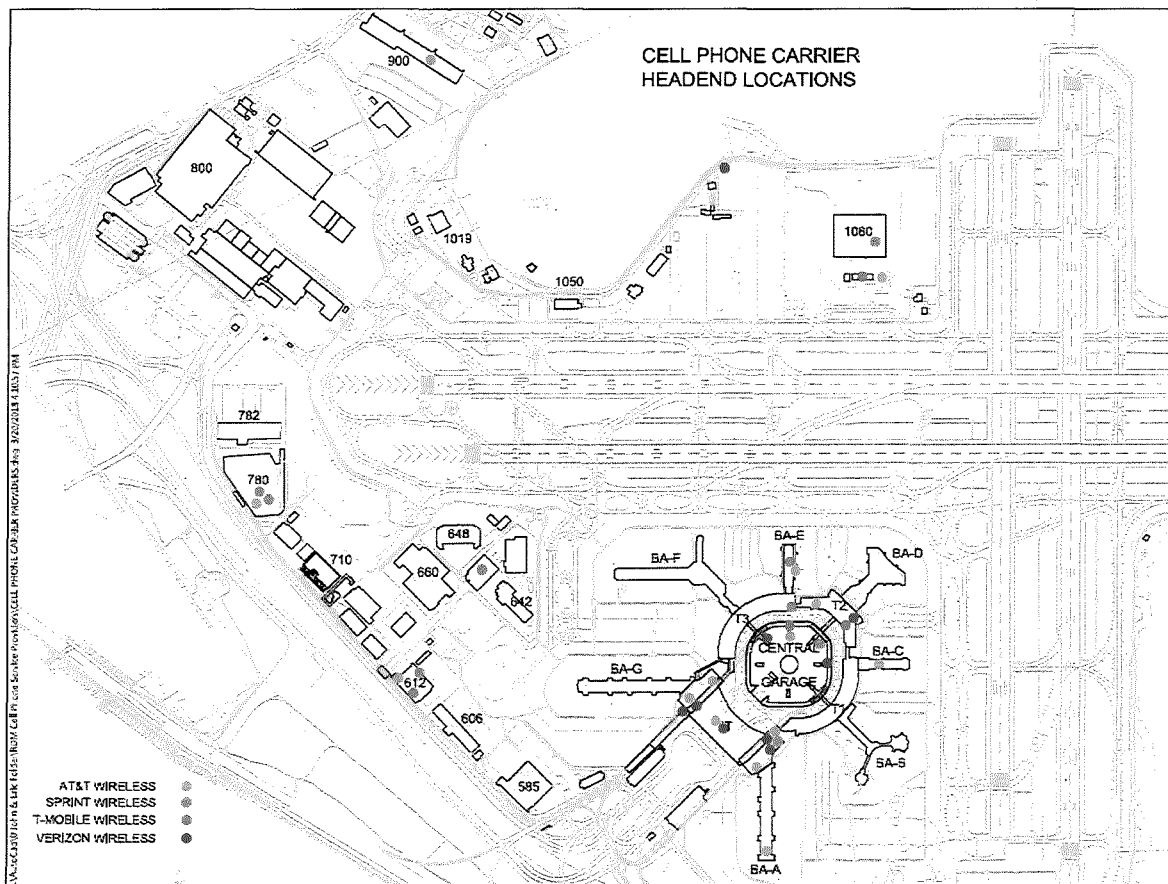


Exhibit A-1 – Page 4

**EXHIBIT A-2
EXISTING EQUIPMENT**

Tenant shall provide the Airport an inventory of equipment at all Sites:

1. upon completion of the Development Term to identify wireless carrier equipment transitioning from current individual Cellular Equipment Lease to the Cellular Service Provider (CSP) Lease;
2. upon completion of the Initial Improvements to capture changes to the inventory; and,
3. upon completion of Additional Services and future Improvements to maintain current inventory.

EXHIBIT B-1
PERMITTED USE AND OPERATIONAL REQUIREMENTS

This Exhibit provides the details for a range of duties and responsibilities as the Cellular Service Partner (“CSP” or “Tenant”) at SFO. The CSP will be responsible for the planning, designing, implementing, maintaining, and operating of the Airport’s single neutral-hosted distributed antenna system (“DAS”) product for the sole purpose of providing cellular communications services throughout the Airport campus. The CSP shall also be responsible for the timely transition of the Existing Wireless Carriers (“Carriers” or “Existing Wireless Carriers” to include Sprint, T-Mobile, and Verizon Wireless or “Carrier” for individual Existing Wireless Carrier) equipment from individual Airport holdover leases to the CSP Lease.

I. Core Services

The CSP shall provide the following core services:

1. **Planning and Design Services** – When applicable, the CSP shall participate in the planning and design of DAS services as required in Airport projects and provide 100% construction document designs, utilizing BIM technologies such as Autodesk REVIT®. The CSP must conform to Commission CADD and Building Information Modeling (“BIM”) standards and all drawings shall be on the latest version of Autodesk products and digital data shall be prepared on the latest version of the software (see Exhibit B-4: Building Information Modeling (BIM) Requirements). The CSP shall provide planning and revenue share evaluations as a part of these projects, or as a part of independent, Airport DAS focused projects.
2. **Construction Services** – The CSP shall participate, representing Carriers, on design teams as a partner to the electrical or low voltage contractors, and provide equipment installation, configuration, and integration services. The CSP shall manage a licensed electrical contractor, or general contractor, who shall be responsible for physical infrastructure modifications and enhancements. The CSP shall maintain the required licenses and permits and self-perform work as required. The CSP shall make modifications and updates to existing solutions within the facility to meet a consistent level of service Airport wide. The CSP shall be responsible for providing all drawings, analysis, and other documentation necessary to obtain full approval of the Airport’s Infrastructure Review Committee (IRC), Design Review Committee (DRC), and Building Inspection and Code Enforcement (BICE) section. See Exhibit B-5: Airport Tenant Improvement Review & Approval for more information.
3. **Operations and Maintenance Services** – The CSP shall provide direct maintenance and operation services related to all SFO DAS components. The CSP shall also be responsible for coordinating with Carriers, and provisioning services to meet the needs of the carriers utilizing the DAS. The CSP will track all requests for expansion and services with the Carriers and provide a monthly report to the Airport of all Moves, Adds, and Changes (MAC), along with new service requests. The CSP must obtain Airport approval of planned MACs by submitting plans and supporting documentation to IRC and BICE. See Exhibit B-4: Airport Tenant Improvement Review & Approval for more information.

II. Solution Vision

For all services under this lease, the Tenant shall provide a plan for the strategic build-out of the DAS and to serve as the Solution Vision for the DAS. Tenant shall provide and obtain Airport approval of the plan prior to the commencement of implementation tasks. The plan shall be provided to the Airport upon submission of the initial DAS design as a baseline and updated upon:

- Tenant completion of the Development Term and possession of existing equipment inventory;
- Tenant completion of the final assessment of the existing Carrier equipment and submission to the Airport of the final DAS design;
- Tenant completion of the initial improvements;
- Tenant completion of any future improvements along with required documentation as noted in this exhibit; and
- Annually upon payment of Rent

The plan shall include the initial design of the new DAS system, the initial construction of centralized, shared space for headend equipment, and a sequence of construction initiatives aligned to approved or planned construction projects. A transition plan for evaluation, integration, and upgrade of existing Airport DAS infrastructure shall be required. Ongoing Capital Improvement Program (CIP) projects shall be aligned with this plan and/or the Tenant may engage in a competitive procurement for limited construction services with the Airport that serve to build out the DAS infrastructure.

All capital investment for the implementation, improvement, and expansion of the Airport DAS infrastructure shall be borne solely by the CSP.

The Solution Vision shall address the Airport's requirements as outlined in Exhibit B-5. At a minimum, the outline below describes the nature and extent of the information required as part of the DAS Solution Vision.

1. **Purpose**
Provide the overall purpose of the document and the information it contains.
2. **Background and Introduction**
Provide relevant background of DAS services at the Airport and an introduction of how this Solution Vision came about.
3. **Summary of Existing Conditions**
Document the existing conditions at the Airport for DAS and Wireless services and constraints these conditions may impose upon the new strategy and execution plan.
4. **DAS Execution Plan**
Provide the strategy of improving the existing condition and current operating environment at the Airport and how the DAS aligns with the Airport's 5-year strategic plan, and on-going capital improvement program.

Provide a plan that includes a schedule for project execution for the next 5-year period. The schedule should document a phased approach, and specifically highlight the independent projects which will make up the whole of the expansion of the DAS around the Airport. It must describe the high-level plan to transition from multiple siloed environments to a single infrastructure platform. At a minimum, it should include the following sections:

- a. **Initiation Steps**
Identify initiation activities to kick-off and ramp-up the program including the stakeholder engagement process and customer acceptance.
- b. **Goals**
Identify the overall goals of the program and articulate measures of program success.
- c. **Risks and Contingencies**
Outline the risks and contingencies faced by the transition process with special attention given to minimizing operational risks. Risks should be classified or grouped into related sets for optimal effectiveness of management and mitigation. Classification should be done using a consistent classification scheme and basis. Risk attributes of probability, impact of occurrence, and time frame of occurrence should be evaluated.
- d. **Resources**
Outline the specific resources needed to complete the transition/deployment phase of the project. Resources include hardware, software, facilities, personnel, and other special resources (e.g., service and maintenance contracts).
- e. **Communications Plan**
Identify plans to achieve stakeholder communications and coordinate with Airport resource teams in broadcasting physical Airport plant work and potential workarounds or service outages.
- f. **Service Transition and Integration Plan**
Evaluate and develop a service acquisition plan for existing DAS infrastructure at SFO. Detail how solutions shall be maintained through their useful life, and how Existing Wireless Carriers shall be migrated onto the future DAS.
- g. **Expansion Plan**
Utilizing an overall site plan, develop a phased approach to integration and expansion of the DAS throughout the SFO campus. Expansion plan must consider ongoing construction programs, and highlight which areas are the priority for expansion or upgrade.
- h. **Financial Plan**
Identify revenue and expenses for the term of the Agreement and segment fees paid and revenues provided to the Airport.
- i. **Training**
Identify key training required throughout the transition process and resources required to deliver and receive training.
- j. **Management Controls**
Outline the management controls that will be employed to ensure each transition task is successfully executed and completed based on the approved acceptance criteria. This section should include procedures for progress control, quality control, change control, version control, and issue management during the transition process.
- k. **Configuration Controls**

Outline the configuration and change control procedures that will be employed during the transition phases of the program.

- l. **Quality Assurance and Quality Control Procedures**
Identify the process and steps for testing and other quality control procedures and the quality assurance process which ensures accurate design and delivery of products and services.
 - m. **Airport Commissioning Process**
Identify the steps used to provide commissioning of new products and services within the Airport environment and process.
 - n. **Continuous Operation Plan**
Identify steps that will be taken to avoid disruption of Airport services and operations and actions that will be taken to avoid service outages.
 - o. **De-commissioning**
Identify the steps used to de-commission existing products, infrastructure, and services within the existing Airport environment.
 - p. **Timelines and Milestones**
Provide high-level timelines for the program duration and key anticipated milestone achievements.
 - q. **Appendices**
Include relevant materials and resources including, but not limited to:
 - Updated DAS infrastructure as-builts
 - Updated Wireless Spectrum Analysis
 - Capital Improvement Plan projects for the 10-year term of the agreement, including consideration for DAS infrastructure improvement to support new expansions in line with the Airport Capital Improvement Program, DAS service enhancement to support growing passenger volume, etc.
 - Drawings detailing the phased approach the Tenant will take to expand the DAS around the Airport, supporting buildings, and overall campus. These drawings should detail coverage area requirements and expected locations for DAS equipment to be hosted. SFO will provide the initial background for these drawings and details.
 - Detailed summaries of each existing Capital Improvement Project and how they are planned to have an involvement in building or utilizing DAS services. Include key dates relevant to coordinating with these projects (e.g. start / finish, design complete, construction start, DAS-related funding, and any other, relevant details.
 - Technical Specifications summary of DAS design that should be used to procure Capital Improvement Project services and serves as a guide to how CIP teams shall design infrastructure to accommodate DAS services.
 - Inter-team coordination expectations that CIP teams can use to better understand how to work with the DAS service provider.
5. Providing SFO with reports detailing DAS performance to include total uptime (time without a major failure) and maintenance performed (both scheduled and non-scheduled) on the DAS service via the system's reporting capabilities. The reports shall compare the solutions

performance and the Airport's Airport Service Quality scores for Wi-Fi vs Cellular services. Additional information contained in the monthly reports shall be coordinated with SFO's designated representative. The following provides a sample list of reports expected from the Tenant:

- Operations & Maintenance (O&M) Functional Process Flow
 - Daily Project Activities Reporting
 - Weekly Project Schedule Tracking
 - Weekly Fiber Block State Overview
 - O&M Field Notification
 - Incident Notification NOC Report
 - Quarterly Quality of Service (QoS) Reporting
6. Providing all preventive maintenance and system repairs, including system updates throughout the term of the contract, as required for the normal operation of the DAS and based upon changes in technology.
 7. Training, as needed, for SFO will be provided by the Tenant at the request of SFO.
 8. All electrical work, including installation of new electrical outlets required to support the DAS equipment. All electrical installations shall conform to the latest Airport standards as well as National Electrical Code (NEC), local building codes and requirements, and shall be provided by licensed contractors of the Tenant as may be required by law.
 9. Participating in all Airport safety and security programs and adhering to the established safety guidelines.
 10. Providing all required notices and plans prior to performing any work that may affect Airport operations and / or the availability of the system(s). These notices and plans must be approved by SFO ITT prior to commencement of work.
 11. Provide change management services related to the DAS, with review and approval by SFO ITT.
 12. Engage directly in wireless negotiation for the use of the DAS at SFO. All agreements are subject to SFO approval prior to execution.
 13. Comply with all codes, ordinances, regulations, and any other legal requirements of public authorities which will bear on the implementation of work for the project.
 14. Badge all employees who will work at the Airport and who require access to the facility beyond the public areas.
 15. Conducting audits of wireless coverage at the Airport and submitting formal spectrum analysis surveys for SFO ITT's consideration and planning.
 - a) Spectrum / wireless surveys of the Airport shall be conducted by the Tenant every 6 months for the life of the contract. These surveys shall be delivered on updated floor plans / backgrounds of the Airport, specifically outlining signal coverage, by frequency, by Carrier, in all areas of the Airport terminal and concourses, Airport parking garages, Airport owned perimeter buildings, surrounding Airport campus, and surrounding

roadways. The first of these surveys shall be conducted immediately following NTP, and shall be utilized in the development of the DAS Solution Vision, along with its subsequent updates.

16. Preparing Tenant Improvement submittals, for Building Inspection & Code Enforcement (BICE) required for code review (See Exhibit B-4) to include all those referenced above and the following:
 - a) Project Schedule and Phasing Plan for the Airport to expand throughout the campus. Project schedule shall include a detailed task list, duration for each task, start date and completion date.
 - b) System Environmental Requirements: Provide the environmental specifications for each system component. This information shall include heat load documentation, electrical requirements, equipment dimensions and weight, and any special requirements or limitations of each system component.
 - c) System Drawings: The Tenant shall submit drawings that clearly illustrate the proposed system architecture and show the normal flow of data throughout the system. These drawings shall be submitted at the design levels as required by the specific project team that they are participating on.
 - d) Agency Review Documents: Fully executed as required by the Airport. Link to process and requirements will be provided to the Tenant contact.
 - e) As-built drawings: The Tenant shall supply system as-built drawings prior to final system acceptance. These drawings shall be in AutoCAD .dwg drawing format, utilizing the Airport's local SFO-B coordinate system or in NAD88 California State Plane (U.S. Foot) Zone III. If NAD88 California State Plane coordinate system is utilized, ensure that the reference frame is included as well. Drawings shall detail system component interconnectivity, component locations, and room / rack layouts. Autodesk REVIT® drawings, if required by a specific project, shall be developed and delivered, per the BIM standards of the Airport.
 - f) Headend Configuration: The Tenant shall submit drawings and documentation clearly indicating the DAS MOU configuration. Configuration details shall include rack layouts and other installed components.
 - g) System Administration Documentation: The Tenant shall provide complete information on the operation, maintenance, and troubleshooting of the systems and shall include a parts list and sources of supply for parts. If SFO requires it, the Successful Tenant shall provide training to Airport staff for the operation and maintenance of the DAS. The manuals shall be provided in an electronic format that is approved by SFO.
 - h) Documentation Reference: The Tenant shall supply a complete list and cross-reference of all supplied documents (i.e., name, brief description, and document number).
 - i) Maintenance Manuals: Maintenance instructions and other descriptive material shall be made available to Airport personnel to maintain equipment and test equipment. This documentation shall include descriptions, specifications, theory of operation (where applicable), layout drawings (showing component types, positions and locations), and back-panel and assembly wiring diagrams. In addition, electronic copies of all documentation shall be provided on USB drive.
 - j) Preventive Maintenance: If, after the original agreement expires and SFO chooses to perform management of the DAS in-house, the Tenant shall supply instructions for preventive maintenance procedures that include examinations, tests, adjustments, and periodic cleaning. The manuals shall provide guidelines for isolating the causes of hardware malfunctions and for localizing faults. The manuals shall provide thorough

- instructions on the use of any specialized test equipment needed for hardware maintenance. In addition, electronic copies of all documentation shall be provided on USB drive.
- k) Disaster Recovery Plan: Due to the critical nature of Airport operations, the Tenant shall prepare a primary disaster recovery plan for the DAS. The Tenant shall include a description of how the Tenant will be able to respond with the necessary labor, hardware, software, technical support, materials, equipment and other requirements to ensure that the DAS is up and running properly throughout a disaster scenario. Provide a time-table detailing actions in a "cause and event" scenario. A detailed "disaster recovery plan" shall be delivered to SFO within 30 days of completion of the first phase of the DAS expansion.
 - l) The following are other Airport Requirements for review of DAS expansion:
 - 1) Refine the Building Information Plan and develop the Building Information Model
 - 2) Schedule of Values and Payments
 - 3) Site Logistics Plan
 - 4) Schedule of Shop Drawing and Sample Submittals
 - 5) Initial HazMat Submittal Package
 - 6) Work Schedules and Reports
 - 7) Sustainability strategies and plans
 - 8) Project and Site-Specific Plans
 - 9) Environmental Health and Safety Plan; Construction Safety Plan; and Evacuation Plan
 - 10) Construction and Demolition Debris Management Plan and Demolition Debris Recovery Plan
 - 11) Security Program
 - 12) Transportation Plan
 - 13) Warranties Schedule
 - 14) Training Plan

17. Delivery and Storage

- Store products in accordance with manufacturer's instructions, within Tenant's staging area (as identified by SFO) and with seals and labels intact and legible. Store sensitive products in weather-tight enclosures; maintain within temperature and humidity ranges required by manufacturer's instructions. Storage containers shall include adequate security mechanisms to safeguard all equipment.
- After installation, provide coverings to protect products from damage from traffic and construction operations, remove when no longer needed.

18. Service Level Agreement (SLA) Requirements

The Tenant will provide preventive and corrective maintenance services on the DAS Systems. On critical components, the Tenant shall provide 24 / 7 / 365 on-call response services to ensure service level requirements for these systems are fully operational outside of the Service Maintenance Window (SMW).

a) Reliability

- 1) The Minimum Service Level for the DAS system shall be an uptime of at least 99.9%. This is defined as the percentage of time that equipment is available with cellular signal strength maintained, outside of the SMW.
- 2) The availability of a comprehensive 24 hours, 7 days a week alarm system made as part of the Tenant's DAS design is viewed as essential to being able to maintain an interference-free, high availability system over the life of the service.

b) Responsiveness

- 1) Tenant shall provide a dedicated call-in number 24 hour, 7 days a week help desk line for the Airport to report any problems or issues. The Tenant must respond to any problems or issues within twenty (20) minutes and provide an estimated time to resolve to the Airport. Complete system outages must be resolved within eight (8) hours.
 - 2) Tenant shall provide a full time, on-site resource as the main point of contact for all DAS related design and construction questions from 9:00 AM – 5:00 PM PST, Monday – Friday.
 - 3) Tenant shall have a local technician available to troubleshoot, resolve, and escalate problems reported by the Airport. The local on-site technician must be available on-site within two (2) hours for any problem that cannot be resolved remotely.
 - 4) Tenant will resolve inter-system interference within 24 hours at the Radio Frequency (RF) level, the digital signaling levels, or in mechanical or electrical connections and shall provide a statement of resolution for RF interference, electrical / mechanical interference, and digital and optical interference.
 - 5) The DAS must not interfere with any other frequencies within the Airport and it is the responsibility of the Tenant to ensure signal strength and frequencies are adjusted appropriately.
 - 6) Tenant shall assist Existing Wireless Carriers with installation to ensure their equipment is operational on the DAS. The Tenant shall treat each Carrier fairly, by providing Carriers with a reasonable amount of time for installation, testing, integration, and turn-up. Installation of each Carrier must be performed within ninety (90) days from the time they sign an agreement with the Tenant (unless action by the Carrier requires a longer start up time).
 - 7) Tenant shall have a plan for maintaining operational performance as required including a spare inventory of replacement devices to minimize downtime.
 - 8) DAS maintainability should contain a Mean Time to Repair (MTR) estimate for a system failure and an estimated “re-installation repair time” for a software failure. It is expected that the Tenant will also establish and maintain a Service Level Agreement with all active Carrier providers who will be participating on the DAS system. These Carrier SLA’s must be shared with SFO following their execution.
 - 9) Tenant shall ensure Airport Service Level Agreements (“SLAs”) are included in Carrier contract.
- c) Procedure for Reporting Problems
- 1) Tenant shall insure that all preventive and remedial maintenance be performed in a manner that will minimize service interruptions for wireless Carriers. In addition, Tenant shall notify the Airport of any preventive or remedial maintenance that will require service interruption and will only perform said maintenance at a date and time agreed to by the Airport.
- d) Monitoring and Reporting Service Levels
- 1) Tenant is required to provide an instance of real-time monitoring for the Airport.
 - 2) The DAS shall be monitored daily, including recognized holidays.
 - 3) Tenant shall monitor and report service degradations and/or hardware failures. In the event a Carrier reports service degradation or loss of power, onsite support and remote verification will be coordinated through Tenant’s NOC to address and remedy the issue in a timely manner.
 - 4) Tenant shall insure that all preventive and remedial maintenance be performed in a manner that will minimize service interruptions for wireless Carriers. In addition, Tenant shall notify the Airport of any preventive or remedial maintenance that will require service interruption and will only perform said maintenance at a date and time agreed to by the Airport. Tenant shall provide the Airport with a comprehensive

preventive and predictive maintenance schedule prior to commencing work. This comprehensive plan shall include all equipment and system inspections, schedules, and services to be performed, including frequencies broken down by day, week, month quarter, semi-annual and annual intervals.

- 5) The Airport shall review and approve Tenant's comprehensive maintenance plan prior to commencing with services and execution of the plan. Tenant shall meet with the Airport on a regular basis to discuss performance of the plan and overall system performance and plan effectiveness.
- 6) Tenant shall be held to the following service level requirement for the equipment specified in this scope. During the term of this Lease, Tenant shall perform and adhere to the following Service Level Requirements:
 - (a) All equipment and materials used in the performance of these Requirements must be maintained, identified, and acceptable in appearance always and as approved by the Airport.
 - (b) Retrieval of spares shall be from a local Tenant facility.
 - (c) Maintain communications with the Airport or its representative while on site.
 - (d) Must return all service request calls placed by the Airport within twenty (20) minutes of receipt.
 - (e) Must have a technician on-site two (2) hours after receiving a service request from the Airport if such on-site assistance is deemed necessary.
- e) Other
 - 1) The Airport has the right to schedule and require CSP's participation in system operating and maintenance review meetings, which shall provide a forum for the presentation and discussion of operating and system performance issues. Such meetings shall be conducted at such times as reasonably requested by the Airport and shall be regularly held no more often than monthly unless system performance circumstances dictate more frequent meetings.
 - 2) All service shall be conducted in accordance with Tenant and Manufacturer's applicable test and maintenance procedures.
 - 3) Maintenance service will be performed solely by CSP's certified trained representative(s) or any sub-Licensee approved by Airport. Further, the Airport reserves the right to approve or reject any CSP personnel or representatives.

III. Project Management and Implementation

Tenant shall provide an on-site dedicated project manager with experience in airport implementation environments. The Project Manager shall be the focal point for all communications, internal/external resources selection, management and deliverables that include but are not limited to the following:

- Create and execute project work plans and update as appropriate to meet changing needs and requirements
- Identify internal and external resources needed and assigns individual responsibilities.
- Manage day-to-day operational aspects of a project and scope.
- Develop and manage deliverables prepared by team
- Effectively applies best practice methodology and enforces project standards.
- Minimizes exposure and risk on project.
- Ensure project documents are complete, current, and stored appropriately
- Facilitate team and client meetings effectively.
- Hold regular status meetings with project team and all stakeholders.
- Keep project team informed of changes within the project objective, goals and timeline.

- Effectively communicate relevant project information.
- Deliver engaging, informative, well-organized presentations.
- Resolves and/or escalates issues in a timely fashion.
- Understands how to communicate difficult/sensitive information tactfully.

IV. Project Timeline

Tenant shall provide a detailed project timeline (“Project Timeline”) for Airport approval upon completion of the initial design. The Project Timeline shall provide details on tasks and effort by location. Durations shall be show by task, project, location, and overall program. At a minimum, the Project Timeline shall include the following:

Task Name	Duration	Start	End
SFO Airport			
Contract Commencement			
Carrier Design coordination and design efforts			
Design adjustment and model tuning			
Construction drawing generation per design (new Build)			
SFO construction drawing review			
SFO changes implemented (if required)			
SFO Review and approval of Construction plans			
By Individual Airport Location			
Material order			
Construction			
AT&T On-Air			
Interface other carriers			
Perform Benchmark			
Location Complete			
Closeout Package			
SFO Airport Complete			

V. Roles and Responsibilities

ACTION ITEMS	SFO	TENANT
GENERAL REQUIREMENTS		
Furnish facility Architectural, Electrical, RCPs, Low Voltage and Elevation drawings in CAD format	X	
Furnish conduit and cable path detail drawings in CAD format	X	
Furnish finish materials or specifications (paint, wall texture, etc.)	X	
Provide drawings that depict plenum/non-plenum environment	X	
Provide drawings that depict ceiling space and fill	X	
Provide parking for trades people (10 stalls)	X	
Provide 24x7x365 access to headend for RSS	X	
Provide 24x7x365 access to individual WSP signal sources	X	
Approve implementation plan	X	X
Provide coordination with security/access plan	X	
Follow established access plan		X
Provide storage and staging areas (approx. 500sf)	X	
DESIGN		

ACTION ITEMS	SFO	TENANT
Conduct pre-installation walk to review design/cable layout	X	X
CELLULAR DAS		
Provide design documentation - DAS		X
Approve design layout, proposed equipment location, antenna mounting, access hatches	X	X
Obtain WSP approval on cellular DAS design		X
Provide documentation as necessary for all jurisdictional entities		X
Provide expected insertion loss for each cable (applies to new build only)		X
Generate site A&E drawings as needed for signal source installation		
APPROVAL/PERMITS		
Obtain local jurisdiction permits and approvals for provided equipment and services		X
Provide Owner's agent as necessary for jurisdictional interface	X	
DOCUMENTATION		
Provide cabling Statement of Work (SOW) per RSS design		X
Generate as-built documents that reflect the final installation of all components in the DAS; including cable paths, equipment locations, access hatch locations, fire wall penetrations (passive as-built for existing DAS does not apply)		
CELLULAR DAS		
GENERAL REQUIREMENTS		
Receive, inventory, store and document all DAS equipment deliveries		X
Participate in kick-off meeting	X	X
Open ceilings for cable installation per cellular design (applies to new build only)		X
Provide detail ed construction schedule		X
Provide written weekly updates, including as-built drawings for each floor		X
Provide fire stopping for all penetrations (applies to new build only)		X
Open and close all fire penetrations within same day		X
ANTENNAS		
Furnish in-building antenna mounting brackets/plates		X
Furnish outdoor antennas, mounting brackets/plates/shrouds		X
Inst all in-building antenna brackets/plates and antennas		X
Install outdoor antenna brackets/plates/shrouds and antennas		X
CONDUIT/RACEWAYS/CABLE PATHS		
Furnish and install all conduit and raceways (applies to new build only)		X
Furnish and install path for backhaul from headend to MPOE		X
Provide sufficient space in MPOE for WSP backhaul connections		X
Furnish and install consumables related to cable installation - sleeves, suspension, etc.		X
COAX CABLE		
Provide field take-offs to validate (or adjust) material quantities (applies to new build only)		X
Furnish coax cables and connectors per BOM		X

ACTION ITEMS	SFO	TENANT
Install coax per RSS design, specifications, and standards (applies to new build only)		X
Test coax cables per RSS specifications, document results (applies to new build only)		X
Provide written test results for review		X
Correct any failed coax lines, retest, and provide to for review		X
Label all cables per RSS specifications		X
FIBER CABLE AND SPLICE TRAYS/BOXES		
Provide field take-offs to validate (or adjust) material quantities (applies to new build only)		X
Furnish fiber cable (applies to new build only)		X
Furnish fiber pigtails/connectors		X
Furnish fiber splice trays/boxes		X
Install fiber per RSS design, specifications, and standards		X
Fusion splice cable per manufacturers' specifications and RSS design		X
Test fiber cables per RSS specifications, document results (applies to new build only)		X
Provide written test results to RSS for review		X
Correct any failed fiber lines, retest, and provide to RSS for review		X
Label all cables per Airport specifications		X
IDFs/TELCO CLOSETS		
Provide recommendation on wall or rack mount options for IDFs		X
Provide suitable space in telco rooms or electrical closets for all DAS equipment and cables <ul style="list-style-type: none"> • SFO: Within existing Terminal 1 B/A B and Center • Tenant: All other locations 	X	X
Provide sufficient cooling for current and forecast heat load <ul style="list-style-type: none"> • SFO: Within existing Terminal 1 B/A B and Center 	X	X
Furnish and install fire-rated plywood back boards		X
Provide E-power and grounding within 3' of equipment mounting location		X
Provide all racks for DAS equipment (if applicable)		X
Install all racks for DAS equipment (if applicable)		X
Electrically bond/ground wall -mounted cabinets to ground bar		X
Furnish active equipment		X
Furnish passive equipment		X
In stall all active equipment		X
In stall all passive equipment		X
HEADEND		
Specify headend power and grounding		X
Provide E-power and grounding within 3' of equipment mounting location <ul style="list-style-type: none"> • SFO: Within existing Terminal 1 NHDAS Headend • Tenant: All other locations 	X	X
Provide fire suppression <ul style="list-style-type: none"> • SFO: Within existing Terminal 1 NHDAS Headend • Tenant: All other locations 	X	X
Specify headend heat load		X
Provide sufficient cooling for current and forecast heat load	X	X

ACTION ITEMS	SFO	TENANT
<ul style="list-style-type: none"> • SFO: Within existing Terminal 1 NHDAS Headend • Tenant: All other locations 		
Provide all racks for DAS equipment		X
Furnish and install cable trays		X
Install all racks for DAS equipment		X
Electrically bond/ground wall -mounted cabinets to ground bar		X
Furnish active equipment		X
Furnish passive equipment		X
Install all active equipment		X
Install all passive equipment		X
WSP SIGNAL SOURCE		
Collaborate on signal source installation/configuration		X
Provide all racks for WSP equipment		X
Provide sector count per approved RSS design		X
Provide installation and recurring support for backhaul connections		X
Provide interconnect cables, jumpers, attenuators		X
Provide cable path to roof for GPS antennas (applies to new build only)		X
COMMISSIONING		
Configure DAS equipment		X
Connect active components as required per design		X
Perform CW test to validate system coverage		X
Connect signal source to DAS using WSP-supplied interconnect equipment		X
Conduct post-commissioning RF Audit and document results		X
Publish post- commissioning RF Audit results		X

VI. Product Vision

Tenant shall align the solution vision to support the 5G protocol and architecture and shall include:

1. Increased density within the consumption area for growth of data and 5G protocol
2. Increased units of capacity spread over the facility, resulting in more capacity in focused areas of the facility.
3. Support for additional frequencies and emerging technologies.
 - a. Options for Carriers to add new frequencies at the remote node locations.
 - b. Support of low, mid, and high bands up to 2.5GHz including A WS3, A WS5.
 - c. Design support for 2.3GHz and 2.5GHz for future technology additions when required.
 - d. Platform support for PCS H block for immediate use when required by carriers.
 - e. Support future enhancements into LAA and millimeter wave spectrum when required.
 - f. Antennas, splitters, connectors, and other related passive materials supporting frequencies from 470MHz to 6GHz (exception of panel antennas for time being-not yet released for general availability).
4. A Multiple In-Multiple Out (MIMO) antenna configuration for higher throughput experience by the end user.
 - a. Carriers leveraging 2x2 and 4x4 MIMO to support increasing capacity/5G requirements.
 - b. Options for other MIMO configurations.
5. Carrier flexibility in laying out their RF zones within the overall facility.
6. Carrier flexibility in the type of equipment used at the remote node location.

7. Provide for known and future optical capacity.
8. Capacity, technology, and frequency choices to allow optical expansion.
9. Fit within the operational requirement of the SFO facility and have no impact on the facility's operations.
10. System operations and maintenance controlled through a single point.
11. Limited impact on the Airport operations
12. Minimize visible equipment while maintaining SFO DRC approval and comprise a density no greater than that of the Airport's Wi-Fi Access Point (AP) infrastructure.
13. Meet the Carriers technical requirements and provide sufficient support for the extension of the coverage zones and changes in frequencies and technologies.
14. Adherence with Carriers requirements while maintaining SFO IRC approval.
DAS components that are highly PIM rated and help in reducing the passive intermodulation across different frequency bands as required and preferred by Carriers.

VII. Solution Composition

1. The following provides the flow of the signal from the carrier base station (BTS) to the serving antenna (located in the coverage area).

BTS → POI → Combiner → Optical Unit → Fiber Optics → Remote Unit → Antenna

2. The BTS signal source (provided by the Carrier) is connected to the DAS Point of Interface (POI). Signals from Carriers are then combined and converted to optical signals for transmission to the remote unit amplifier. The signal then travels through coax cable to the serving antenna.

The active equipment shall be located in the Tenant IDFs across the Airport campus. A hybrid combiner will also reside in the IDF closet and will serve as the signal injection point for the other WSPs. The remainder of the passive distribution will be located as close to the users as possible while maintaining the venue aesthetic.

3. RF Design & Approach

Tenant shall provide a preliminary design based on the Airport Requirements and its understanding of Carrier requirements and experience with large Airport. The Preliminary design proposes a five-sector application as follows:

- 1 sector for the International Terminal Parking Garages
- 2 sectors for Rental Car Center
- 2 sectors for Air Operations Area (Coverage requirement part of SFO RFP-target locations are preliminary and for purpose of solution proposal for RFP)

Coverage Solution includes inbuilding and exterior outdoor Airfield areas. Design implementation will utilize existing carrier infrastructures and spaces to accommodate the new neutral host system solution. Phased installation will be applied to accommodate new locations and parallel deployment to existing Carrier coverage solutions (current systems specific to each carrier) to ensure no downtime to service. Tenant will utilize Building Information Modeling (BIM) and support for the final design implementation and supporting documentation for all phases of the project as outlined in Exhibit B-3.

Tenant shall deploy an RF design and solution approach that can be expanded, as needed, for the term of the Lease to accommodate Airport CIP program and, if needed, new wireless service providers. AT&T will upgrade all existing Carrier DAS to Neutral Host and deploy new DAS in the areas without coverage.

- a. Existing Terminal Complex
 - Terminal 1 Boarding Area C (remaining Terminal 1 areas and Grand Hyatt will be handled under future continuing improvements)
 - Terminal 2
 - Terminal 3
 - Domestic Parking Garage
 - International Main Hall
 - International A and G
- b. New Coverage Areas Solutions
 - International Parking Garages
 - Rental Car Center
 - Air Operations Area
 - Airport Offices areas
 - Airport remote areas

4. Antenna Placement

The design shall be built to strategically place antennas within the facility to optimize zone boundaries. Antennas shall be mounted in visible locations (e.g. on walls, below ceilings, etc.) for ease of access and ideal propagation considerations.

5. Zone Strategy

The zones shall be flexible to accommodate each Carrier capacity needs. This will also require equipment to be upgraded in the Head End only.

- Other Carriers shall be able to dictate their own zone requirements, up to a total number of zones equal to the total number of Remote Units (RUs).
- Carriers have the option to deploy dedicated RRHs/Small cell at each remote node location for new designs only.

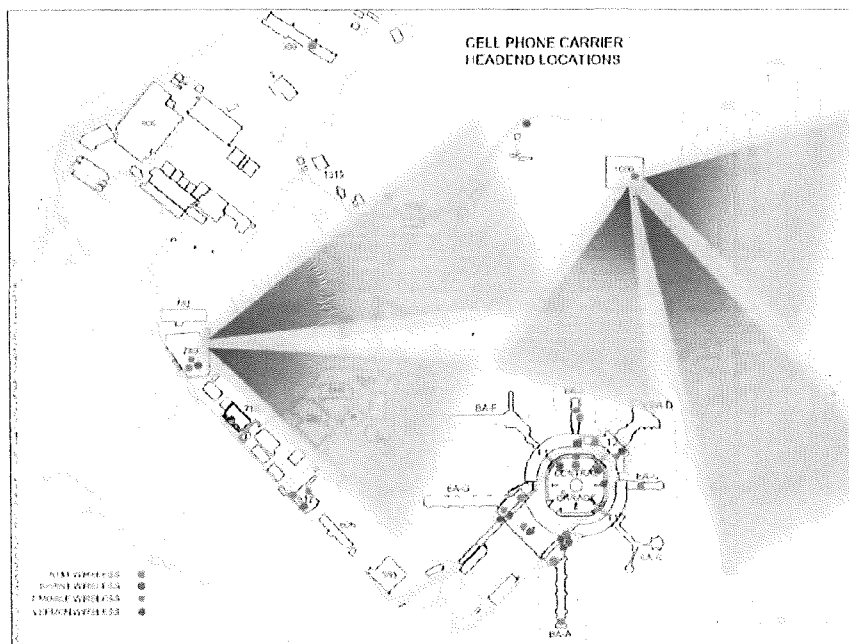
Tenant shall configure the equipment in a number of discrete RF zones. The designation of these zones aligns with the construction schedule and is based on the forecast user population and density.

- New indoor Terminal/Concourse solution shall be designed for a minimum of 4 zones
- Existing terminals shall be designed for a minimum of 12-15 zones and be flexible to increase to 20-25 zones
- Outdoor solution shall be designed for a minimum of 2 zones to maintain quality service
- Zone borders shall be determined based on user traffic and construction phases

- a. Terminal 1 Boarding Areas C
1 zone currently supported with the ability to expand up to 8 zones for the remaining Terminal 1 areas and Grand Hyatt
- b. Terminal 2

3 zones currently supported with the ability to expand up to 9+ zones

- c. Terminal 3
7 zones supported with ability to expand up to 12+ zones.
- d. Domestic Parking Garage
1 zone with ability to expand up to 6+ zones
- e. International Terminal Main Hall
3 zones supported with ability to expand up to 7 zones
- f. International Terminal A and G
6 zones supported with ability to expand up to 10+ zones
- g. International Parking Garages
1 zone with ability to expand up to 6 zones
- h. Rental Car Center
2 zones with ability to expand up to 5 zones
- i. Air Operations Area (AOA)
2 zones with flexibility to expand to additional zones as required following the Carrier planning sessions to review capacity support. The option approach in the following diagram applies to potential carrier macro consolidation based on Carrier's macro requirements.



6. System Drawings – 3D Modeling & RF iBwave Design

Tenant shall provide modeling of the facility that ensures the proposed system meets the Airport requirements and provides effective capacity and coverage for the Airport campus. Such modeling shall include the locations noted in Section VII. 3. RF Design & Approach.

EXHIBIT B-2
INITIAL IMPROVEMENTS AND SERVICES

The current individual carrier DAS system operating at the Airport are spread across multiple DAS Headends and Intermediate Distribution Frames (IDFs) throughout the Airport. Each carrier has designed and implemented its own coverage solution independent from the others with improvements over time. Tenant shall implement a DAS design that will consolidate carrier equipment in a common space and a passive infrastructure that will serve the needs and requirements of all carriers.

The immediate focus for Tenant is to transition current carrier Signal Source from individual equipment implemented under the individual Carrier leases to the new Airport DAS. In parallel, the Tenant shall commence with CSP services in the design and implementation of a DAS as part of the construction of the Courtyard 3 Connector (C3C).

1. Carrier Signal Source Transition

The Signal Source for existing Carriers shall be transported from existing locations to Tenant's existing Headend. Tenant shall upgrade existing Headend and IDF's active equipment to accommodate all carriers' signal source and coverage requirements. Tenant shall utilize its existing passive network (as the common passive distribution) to reduce the need for additional coaxial cable, antenna, and other passive components.

Initial steps shall include but not be limited to performing F surveys and discovery of the Carriers' existing signal source condition and physical location to better understand the path forward for final design and implementation. The survey also includes planning for signal source transport path and construction required from each carrier's current Headend location to Tenant's Headend. Upon completion of survey, Tenant shall provide to Airport for approval the transport path, construction plan and project schedule. Tenant shall commence with upgrading each existing terminal active equipment upon receipt of Airport approval. In order to reduce service interruptions for existing coverage, Terminal/area upgrades will be conducted successively. The service interruption occurs in two phases for each Terminal/area:

- a. During Active Equipment upgrades, only Tenant's specific services for the terminal/area under consideration will be affected. The service interruption timeline is dependent on the number of active equipment requiring upgrades and varies for each terminal/area. Upon completion of active equipment upgrade Tenant specific services will be restored.
- b. During all other carriers' signal source connection to the newly upgraded Tenant Headend

All activities above take place in IDFs and Headend locations with minimal construction activities in public areas. Tenant shall provide Airport with weekly updates and identify potential risks and critical dependencies with a mitigation plan to ensure the transition of Carrier Signal Source is completed on time.

2. Courtyard 3 Connector (C3C) DAS

Tenant shall design and implement DAS for the Airport's C3C complex and ensure cellular services is in accordance with the Airport DAS design. Tenant shall utilize existing headend in Terminal 2 to support cellular services for C3C.

Tenant shall work with the C3C project team to deliver the DAS design and provide direction on related tasks. Tenant shall provide to the Airport for approval the construction plan and project schedule before commencement of work.

EXHIBIT B-3
BUILDING INFORMATION MODELING REQUIREMENTS

This Exhibit describes the procedures and scope for the use of Building Information Modeling (BIM) for the work of this Lease. Tenant is required to maintain BIM model of all of the active Airport DAS service compliant with the Airport BIM standards. All expansion and enhancement designs must be provided.

Procedures

- a. Tenant shall utilize BIM for the design and preparation of documents in all phases of the Contract Work.
- b. The Airport is developing a BIM Implementation Plan (BIP) that shall include a BIM Execution Plan (BEP), and a set of BIM Technical and Project Standards, and data maintenance procedures.
- c. Tenant shall review and refine the BIP for all aspects of the model based on the different informational needs of stakeholders throughout the Programming, Design, Construction, Activation, Closeout, and Post Occupancy (Operation and Maintenance) phases of a project. The refined BIP must address workflows required to communicate between the various application platforms, incorporate the requirements of appropriate Airport end-users, and address the capabilities and workflows required to integrate with other existing systems.
- d. All design disciplines including the architectural/engineering sub-consultants and the trade bid package subcontractors shall prepare documents using BIM without exception unless specifically approved in writing by the Airport Project Manager.
- e. The BIM platform shall be Autodesk Revit® in the software version established or designated by the Airport Project Manager.
- f. The current horizontal datum to be used for BIM deliverables is the SFO "B" Coordinate System and the vertical datum to be used is the N.A.V.D. 1988 Alameda, CA. Confirm latest horizontal datum with Airport Project Manager.
- g. Existing BIM models of Airport terminal facilities will be provided to the Tenant. The use of the BIM model shall not relieve the Tenant of their sole responsibility for verifying accuracy of conditions indicated within the BIM models.
- h. Tenant shall use the BIM models for ascertaining quantity take-offs in establishing and validating the Trade Package Set Guaranteed Maximum Price (GMP).
- i. Tenant shall utilize the BIM models for development of the whole building Life Cycle Assessment (LCA) and other sustainability documentation requirements as required by the Airport.
- j. Tenant shall utilize BIM models with appropriate Autodesk Revit® module(s) (e.g. AutoCASE™) to develop a comprehensive business case (return on investment) analysis that includes data on external economic, social, and environmental costs and benefits adjusted for risk and uncertainty to equal value for money for sustainability impact value for the proposed Project design options and project component options, as required by the Airport.

EXHIBIT B-4
Airport Tenant Improvement Review & Approval

Tenant shall be required to submit planned Airport DAS improvements to the Airport committees and section identified in this Exhibit.

1. Building Inspection & Code Enforcement (BICE)

The Building Inspection & Code Enforcement (BICE) section enforces the California Building codes, Title 24 and ensures that all Airport buildings and structures are constructed in conformance with all applicable fire life safety codes and standards. BICE provides plan review and inspection for all Airport and tenant building construction, enforces all code requirements, monitors construction activity, and ensures code compliance.

BICE is committed to serving SFO and the general public by ensuring that life safety, property and public welfare are safeguarded, and to control the occupancy of all buildings and facilities in SFO through effective, consistent and safe code interpretation and inspections. Tenant is required to submit plans relating to proposed expansion and enhancements that meet the criteria for BICE review and approval.

2. Airport Design Review Committee (DRC)

In 1998, the Airport Commission approved Resolution No.98-0200 delegating aesthetic design-approval authority for all Airport facilities and tenant improvements costing up to \$10,000,000 to the Design Review Committee (DRC) and the Airport Director. All projects over \$10,000,000 and any project that would have significant visual impact on the public, regardless of construction cost, continue to require Airport Commission approval as well.

Some major, stand-alone structures built on Airport property may also be subject to review and approval by the City's Art Commission through its Civic Design Committee. The Art Commission's scope is limited to exterior appearance. Tenant is required to meet design guidelines established by the DRC for proposed expansion and enhancements that meet the criteria for DRC review and approval.

3. Airport Infrastructure Review Committee (IRC)

The intent of the Infrastructure Review Committee (IRC) is to ensure tenant improvement project scope and design adheres to Airport policies and procedures. The IRC's emphasis is to safeguard Airport infrastructure assets and ensure the proposed work will have the required Airport business approval.

Under the guidance of Airport Senior Staff, the IRC will review all tenant improvement projects for business approval and compliance with Airport Rules and Regulations and Airport standards. This includes all tenant construction connecting to or modifying existing Airport infrastructure. The IRC will recommend business approval if a project has no adverse impact on Airport infrastructure.

All tenant improvement projects must seek IRC approval in conjunction with Design Review Committee (DRC) review and prior to their Building Inspection and Code Enforcement (BICE) submission for code review, building permit application, and installation. Tenant CSP will be required to submit an Application for Tenant Improvement Work relating to proposed expansion and enhancements that meet the criteria for IRC review and approval.

EXHIBIT B-5
Technical & Functional Requirements

Tenant shall implement a DAS solution that meet or better the Airport's requirements outlined below. As technology allows during the term of this lease, Tenant shall strive to improve solution status in areas where current solution status notes not compliant with the Airport's requirements.

LEGEND for TENANT SOLUTION STATUS:	
Solution Compliant As Is = Y	Solution Compliant w/ Development = I
Solution Not Compliant = N	
Functional Requirements	Tenant Solution Status as Proposed
1. Solution shall have adequate capacity to support the estimated passenger forecast of 71 million passengers and the 43,000+ employees that work in and around the Airport every day.	Y
2. Solution must be able to support triangulation of devices, using either Angle of Arrival (AOA) or Time Difference of Arrival (TDOA) for location services within the facility, to be used with E911 Services.	N Each carrier provides their own method of E911 services
3. Solution must be able to support the transmission of GPS navigation signals from Wireless devices to the SH-DAS head-end, and to the carrier specific Base Transceiver Stations (BTS).	Y
4. Solution must accommodate multiple sectors (or zones) to ensure high capacity requirements are met, along with carrier zoning requirements.	Y
5. Support for frequency allocation reports by carrier. Reports should be generated on an automated basis.	I
6. Remote Units should support standard Ethernet (RJ45) connections for management and monitoring.	Y
7. Solution must distribute wireless services utilizing different power levels for antennas.	Y
8. Solution must distribute wireless services utilizing different types of antenna end points, depending on the use case. For example, solution must support a high density, lower power deployment for internal Airport use cases, along with high power, exterior antennas for ramp and airfield coverage.	Y
9. Solution must have pre-existing connections and support all frequencies for AT&T Wireless.	Y
10. Solution must have pre-existing connections and support all frequencies for Sprint.	Y
11. Solution must have pre-existing connections and support all frequencies for T-Mobile.	Y
12. Solution must have pre-existing connections and support all frequencies for Verizon.	Y
13. Solution must support Airport Having Jurisdiction (AHJ) approval and integration into the existing Public Safety Network (PSN).	I

LEGEND for TENANT SOLUTION STATUS:	
Solution Compliant As Is = Y	Solution Compliant w/ Development = I
	Solution Not Compliant = N
Functional Requirements	Tenant Solution Status as Proposed
14. Solution must integrate carrier wireless service from a traditional off-air repeater.	N All carrier services are currently/will continue be served by BTS RF signal feed. Off Air repeater solution not carrier grade for necessary capacity support.
15. Solution must be capable of offloading traffic from the SH-DAS network onto the local Wi-Fi network, without interrupting connectivity/on-going device activity. Solution must also be capable of the inverse, on-boarding devices from a local Wi-Fi network onto the SH-DAS.	N DAS does not support Wi-Fi offloading. Any Wi-Fi offloading would be specific to each carrier
16. Solution must support IoT Device needs, with multiple devices in a space requiring IP connectivity and potentially high latency. Solution should provide services specifically for low-energy and low-bitrates, or support WSP's who wish to provide this service over the solution.	N Each carrier would provide their own specific requirements for IoT connectivity
17. Solution shall support network slicing, allowing wireless operators to provide customized networks depending upon needs (priority, security, mobility) or performance requirements (latency, availability, reliability) within the facility, or to a specific user group.	I
Technical	
18. Must support code division multiple access (CDMA) networks and associated wireless frequencies.	Y
19. Must support Long Term Evolution (LTE) Advanced mobile communication standard, as of 3GPP Release 12.	Y
20. Solution shall support a frequency range of 380 - 2500 MHz in a single solution.	N Support for all commercial carriers' frequencies from 698 to 2600 MHz
21. Solution shall be expandable within the existing solution to support possible 5G frequency ranges, from 2500 MHz to 2.6 MHz.	I
22. Solution shall be capable of supporting commercial bands.	I
23. Solution shall support flexible bandwidth provisioning, providing varying levels of spectrum to the different users that require it. At a minimum, 1.4 MHz, 3 MHz, 5 MHz, 10 MHz, and 20 MHz bandwidths shall be supported.	Y
24. Solution shall support omni-directional and directional coverage CAP. CAPs shall support a frequency range of 380 - 2500 MHz.	N Support for all commercial carriers' frequencies from 698 to 2600 MHz

LEGEND for TENANT SOLUTION STATUS:	
Solution Compliant As Is = Y	Solution Compliant w/ Development = I
Solution Not Compliant = N	
Installation, Operation, and Maintenance	
25. Solution shall have a Network Management System (NMS) capable of monitoring, configuration, and control of all active components on the system, including base head-end, remote units, antennas and supporting infrastructure (power supplies, etc.).	Y
26. The NMS must integrate with other Simple Network Monitoring Protocol (SNMP) based products, tools similar to Solarwinds and ServiceNow products.	Y
27. NMS shall have a browser-based interface and shall include a GUI which includes facility maps with equipment locations. Equipment icons should be color coded, depicting the status of all devices on the system.	N NMS will have browser interface & GUI
28. System performance and technical data should be accessible utilizing a REST API. Data that is available over the API must include system status, alarms and events, performance data, maintenance data, user logs and system configuration information.	N

EXHIBIT C-1
FORM OF PERFORMANCE BOND FOR AIRPORT LEASES/PERMITS

_____ (Surety)

KNOW ALL MEN BY THESE PRESENT:

That we, _____, as Principal, and _____, a corporation duly organized and existing under and by virtue of the laws of the State of _____, as Surety, are held and firmly bound unto the City and County of San Francisco, acting by and through its Airport Commission, as Oblige, in the sum of _____ Dollars (\$_____) lawful money of the United States of America, to be paid to the City and County of San Francisco, acting by and through its Airport Commission, for which payment, well and truly to be made, we bind ourselves, our heirs, executors and successors, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into one or more leases, permits, or agreements with the City and County of San Francisco, Airport Commission (collectively, the "Agreements").

NOW, THEREFORE, the condition of this obligation is such that if the Principal shall perform all terms of the Agreements (which by reference are made a part hereof), including the payment of rent or fees, in accordance with the terms of such Agreements, then this obligation shall be null and void, otherwise to remain in full force and effect; and shall be effective _____.

This bond may be called upon by Oblige by a notice sent to the Surety in person or by registered mail, overnight mail, overnight courier service, or other courier service sent to our offices at:

Any such call by Oblige shall include a statement signed by the Airport Director of the Airport Commission of the City and County of San Francisco, or his/her designee, to the effect that any of the following events has occurred or is continuing:

- a) Principal has defaulted under one or more of the Agreements; or
- b) Principal has become insolvent, or has taken the benefit of any present or future insolvency statute, or has made a general assignment for the benefit of creditors, or has filed a voluntary petition in bankruptcy, or a petition or answer seeking an arrangement for its reorganization, or the readjustment of its indebtedness under the federal bankruptcy laws, or under any other law or statute of the United States or any state thereof, or any jurisdiction available to Principal, or has consented to the appointment of a receiver, trustee, or liquidator of any or substantially all of its property; or
- c) A petition under any of the federal bankruptcy laws or an action under any present or future insolvency law or statute has been filed against Principal; or
- d) This bond is cancelled, terminated, or not renewed, and City has not received an acceptable replacement letter of credit or bond at least thirty (30) days prior to the cancellation, termination, or expiration date.

We shall honor and pay on such call within ten (10) days after receipt.

Exhibit C-1 – Page 1

We shall give you notice in writing by registered mail at least forty-five (45) days prior to the cancellation date, termination date or expiration date of this bond, if any is stated, of our intention to cancel, terminate, or non-renew this bond. In the event we fail to give such notice promptly, then this bond shall be deemed renewed for an additional one-year period.

Signed, sealed, and dated this ___ day of _____, 20__.

Principal: By: _____

Title: _____

Seal: _____

Surety By: _____
Company:

Title: _____

Seal:

(Attach Notary Public Certificate and Attorney-in-Fact form)

EXHIBIT C-2
FORM OF LETTER OF CREDIT FOR AIRPORT LEASES/PERMITS

Date _____

Irrevocable Letter of Credit No. _____

Airport Commission
City and County of San Francisco
Att'n: Deputy Director, Business & Finance
San Francisco International Airport
International Terminal, No. Shoulder Bldg., 5/F
PO Box 8097
San Francisco, CA 94128

Ladies and Gentlemen:

We hereby establish an irrevocable letter of credit in your favor in the amount of _____ United States Dollars (US\$ _____) for the account of _____ ("Account Party"), available by your draft at sight, when accompanied by the following document:

A statement signed by the Airport Director of the Airport Commission of the City and County of San Francisco, or his/her designee, to the effect that any of the following events has occurred or is continuing:

- a) Account Party has defaulted under the one or more agreements with the City and County of San Francisco, acting by and through its Airport Commission at San Francisco International Airport; or
- b) Account Party has become insolvent, or has taken the benefit of any present or future insolvency statute, or has made a general assignment for the benefit of creditors, or has filed a voluntary petition in bankruptcy, or a petition or answer seeking an arrangement for its reorganization, or the readjustment of its indebtedness under the federal bankruptcy laws, or under any other law or statute of the United States or any state thereof, or any jurisdiction available to Account Party, or has consented to the appointment of a receiver, trustee, or liquidator of any or substantially all of its property; or
- c) A petition under any of the federal bankruptcy laws or an action under any present or future insolvency law or statute has been filed against Account Party; or
- d) This letter of credit is cancelled or not renewed, and City has not received an acceptable replacement letter of credit or bond at least thirty (30) days prior to the cancellation or expiration date.

Drafts drawn under and in compliance with the terms of this letter of credit will be duly honored by us upon presentation and delivery of the statement specified above. Partial draws are permitted. Such drafts may be presented in person or by registered mail, overnight mail, overnight courier service, or other courier service sent to our offices at: _____.

We shall give you notice in writing by registered mail at least forty-five (45) days prior to the cancellation date or expiration date of this letter of credit, if any is stated, of our intention to cancel or non-renew this letter of credit. In the event we fail to give such notice promptly, then this letter of credit shall be deemed renewed for an additional one-year period. Notwithstanding the foregoing, this letter of credit shall finally expire on _____, 20_.

Sincerely,

EXHIBIT D
FORM OF EXISTING WIRELESS CARRIER LEASES NOTICE OF INTENT TO TERMINATE LETTER

NOTICE OF INTENT TO TERMINATE CELLULAR EQUIPMENT SITES LEASE

[Date]

TRANSMITTED VIA EMAIL AND USPS
[Email Address]

[Existing Wireless Company]
[Address]
[City, State, Zip]
Attention: [_____]

RE: Notice of Intent to Terminate Lease- Lease Agreement for Cellular Equipment Sites at San Francisco International Airport (SFO) - Lease No. [_____] (as amended, the Existing Lease) by and between [_____], as tenant (Tenant) and the City and County of San Francisco, acting by and through its Airport Commission, as landlord (City or Airport)

Dear [_____]:

The Airport recently completed a competitive process to engage a single Cellular Service Partner (CSP) to plan, design, procure, install, operate and maintain the Airport NH-DAS pursuant to a single CSP lease (the CSP Lease). On October 6, the Airport Commission awarded the CSP Lease to AT&T, which became effective on [_____] , 2021. A copy of the Airport Commission resolution awarding the CSP Lease to AT&T is enclosed for your reference.

As a courtesy to Tenant, the Airport is providing this advance notice that it intends to provide the required 30-day termination notice of the holdover tenancy of the Existing Lease on or about ninety (90) days from the date of this letter (the Existing Lease Termination Date). AT&T has already or will be contacting Tenant directly to enter into a sublease arrangement under the CSP Lease for Tenant's continued telecommunications services at SFO upon and after the Existing Lease Termination Date.

Upon the Existing Lease Termination Date, Tenant will be required to surrender the Premises demised under the Lease (including all Sites), and Tenant's operations under the Existing Lease shall cease. As Tenant will only be permitted to continue providing telecommunications services at the Airport after that date through AT&T as the single CSP, Tenant is strongly encouraged to proceed in an expeditious manner to enter into a sublease arrangement with AT&T. Failure to do so could result in the interruption of Tenant's services at SFO. The Airport reserves all rights and remedies for any failure of Tenant to timely surrender the Premises and cease separate operations under the Existing Lease.

Thank you for your services to San Francisco International Airport under the Existing Lease. Please contact [_____] at 650-821-[_____] with any questions.

Very truly yours,

Ian Law
Chief Information Officer

cc: Kevin Bumen, SFO Chief Commercial Officer

AWARD OF CELLULAR SERVICE PARTNER LEASE TO NEW CINGULAR WIRELESS PCS, LLC (D.B.A. AT&T)

- WHEREAS, New Cingular Wireless PCS, LLC (d.b.a. AT&T); Sprint Spectrum Realty Company; T-Mobile West, LLC; and GTE Mobilnet of California Limited Partnership dba Verizon Wireless (Existing Carriers) currently provide wireless services at the Airport under four separate Cellular Service Equipment Sites Leases (Existing Wireless Leases); and
- WHEREAS, the Existing Wireless Leases expired on June 30, 2019, but have continued on a month-to-month holdover basis since that time; and
- WHEREAS, on June 12, 2018, Staff informed the Commission of the Airport's intention to engage a single Cellular Service Provider (CSP) to plan, design, procure, install, operate, and maintain a Neutral Hosted Distributed Antenna System (NH-DAS), pursuant to a single telecommunications lease in replacement of the expiring Existing Wireless Leases; and
- WHEREAS, while San Francisco Administrative Code Section 2A.173 exempts telecommunications leases from the competitive process, Airport staff elected to conduct an informal competitive proposal process (Informal Process) to obtain advantageous commercial terms and that would complement the Airport's objectives; and
- WHEREAS, on December 6, 2018, Staff commenced the Informal Process, releasing the CSP Airport Requirements to six prospective proposers, including each of the Existing Carriers, Crown Castle, and DAS Group Professionals; and
- WHEREAS, on January 31, 2019, the Airport received proposals from AT&T, Verizon Wireless, and DAS Group Professionals; and
- WHEREAS, a four-member panel evaluated the proposals and conducted two sets of oral interviews; and
- WHEREAS, AT&T was determined to be the most responsible and responsive proposer, and, now, therefore be it

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. **20-0181**

RESOLVED, that this Commission hereby awards the Cellular Service Partner Lease to New Cingular Wireless, LLC (d.b.a. AT&T) on the terms set forth in the Staff memorandum on file with the Commission Secretary, which include, but are not limited to (i) a lease term of ten years; (ii) an Annual Base Rent of \$2,400,000 for the first year of the lease term with an annual base rent increase of 3% for the term of the lease and (iii) a one-time payment from AT&T of \$28,600,000 for the reimbursement of Airport's costs in constructing and implementing the NH-DAS for the new Harvey Milk Terminal 1 and the Grand Hyatt at SFO; and, be it further

RESOLVED, that this Commission hereby directs the Commission Secretary to forward the Cellular Service Partner Lease to the Board of Supervisors for approval under Section 9.118 of the Charter of the City and County of San Francisco.

Page 2 of 2

I hereby certify that the foregoing resolution was adopted by the Airport Commission
at its meeting of _____

Stamp: OCT 6 2020

OCT 6 2020

Secretary



San Francisco International Airport

MEMORANDUM

October 6, 2020

TO: AIRPORT COMMISSION
Hon. Larry Mazzola, President
Hon. Eleanor Johns, Vice President
Hon. Richard J. Guggenlime
Hon. Everett A. Hewlett, Jr.
Hon. Malcolm Yeung

20-0181

OCT 6 2020

FROM: Airport Director

SUBJECT: Award Cellular Service Partner Lease to New Cingular Wireless PCS, LLC (d.b.a. AT&T)

DIRECTOR'S RECOMMENDATION: (1) AWARD THE CELLULAR SERVICE PARTNER LEASE AGREEMENT TO NEW CINGULAR WIRELESS PCS, LLC (D.B.A. AT&T), AS THE NEW SINGLE CELLULAR SERVICE PARTNER FOR THE PROVISION OF CELLULAR SERVICES AT SFO IN REPLACEMENT OF THE CURRENT FOUR EXISTING LEASES; AND (2) DIRECT THE COMMISSION SECRETARY TO REQUEST APPROVAL OF THE LEASE FROM THE BOARD OF SUPERVISORS UNDER SECTION 9.118 OF THE CHARTER OF THE CITY AND COUNTY OF SAN FRANCISCO.

Executive Summary

Airport Commission staff (Staff) concluded the informal outreach process (Informal Process) to select a single Cellular Service Partner (CSP) to replace the four Airport Cellular Service Equipment Sites Lease Agreements (Existing Cellular Leases) with New Cingular Wireless PCS, LLC (d.b.a. AT&T), Sprint Spectrum Realty Company, T-Mobile West, LLC, and GTE Mobilnet of California Limited Partnership dba Verizon Wireless (the Existing Carriers), which are currently in month-to-month holdover status as of July 1, 2019. Staff recommends award of the new Cellular Service Partner Lease Agreement (the CSP Lease) to New Cingular Wireless PCS, LLC d.b.a. AT&T (AT&T).

Background

The San Francisco Administrative Code Section 2A.173 exempts telecommunications leases from the competitive process. However, Staff elected to conduct the Informal Process in an effort to obtain the most advantageous commercial terms and select a CSP that would complement the Airport's objectives.

On June 12, 2018, Airport staff informed the Commission of the Airport's proposed Informal Process seeking a single CSP to implement, integrate, support, and maintain an Airport Neutral Hosted Distributed Antenna System (NH-DAS) for cellular services at SFO.

On December 6, 2018, Staff commenced the Informal Process, releasing the proposed business and technical requirements for a CSP at the Airport (the CSP Airport Requirements) to the Existing Carriers, Crown Castle, and DAS Group Professionals.

On January 31, 2019, the Airport received proposals from AT&T, Verizon, and DAS Group Professionals (Proposers) in response to the CSP Airport Requirements. Staff determined that the three proposals qualified for scoring and convened a four-member evaluation panel to review and score the proposals. The panel consisted of the following: the Director of Financial Planning & Analysis for the Airport, Director of Application Development and Acting Chief Information Security Officer (CISO) for the Airport, a Principal Infrastructure Engineer for the Airport, and a Property Manager for the Airport.

The Existing Cellular Leases with the Existing Carriers expired June 30, 2019, and subsequently went into month-to-month holdover tenancies. Under the Airport's general policy with respect to lease holdovers, the total holdover period should not exceed 12 months without Commission approval. On June 2, 2020, by Resolution No. 20-0100, the Commission authorized the continuance of holdover tenancies for the Existing Cellular Leases beyond 12 months.

The Proposers each submitted written responses to the CSP Airport Requirements by the January 31, 2019 deadline. Staff conducted the first oral interviews with the Proposers on March 6, 2019. Based on those results, the evaluation panel advanced AT&T and Verizon to proceed to the second oral interviews, conducted on July 10, 2019. Based on the written responses and the results of the oral interviews, AT&T was ranked the highest proposer. On November 8, 2019, Airport Staff notified AT&T that the Airport would enter into negotiations with AT&T for the CSP Lease.

The proposers for this Lease, along with their corresponding scores, are as follows:

PROPOSER	SCORE
<u>Highest Ranking:</u>	
AT&T	1334.00
Verizon	1281.50
DAS Group Professionals	795.50

The Base Rent for the first lease year is \$2,400,000 with an annual base rent increase of 3% for the term of the lease. The minimum Base Rent for the term of the CSP Lease is a total of \$27,513,310. AT&T shall increase Base Rent by \$600,000 (as adjusted) for each new cellular carrier other than the Existing Carriers wishing to do business at SFO. In addition to Base Rent, no later than 60 days from the Effective Date of the CSP Lease, AT&T will pay the Airport the amount of \$28,600,000 as reimbursement of the Airport's cost to construct and implement the NH-DAS for the new Harvey Milk Terminal 1 and Grand Hyatt at SFO. The lease term is 10 years. Despite the pandemic crisis, AT&T has reconfirmed agreement to the business terms of the CSP Lease.

Recommendation

I recommend the Commission award the CSP Lease Agreement to New Cingular Wireless PCS, LLC, d.b.a. AT&T, and direct the Commission Secretary to request approval of the Lease from the Board of Supervisors under Section 9.118 of the Charter of the City and County of San Francisco.

A handwritten signature in black ink, appearing to read 'Ivar C. Satero', is written over a circular stamp or seal.

Ivar C. Satero
Airport Director

Prepared by: Ian Law
Chief Information Officer

Attachment



San Francisco International Airport

April 28, 2021

Ms. Angela Calvillo
Clerk of the Board
Board of Supervisors
City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689

Subject: Award of the Cellular Service Partner Lease between New Cingular Wireless PCS, LLC (d.b.a. AT&T) and the City and County of San Francisco, acting by and through its Airport Commission

Dear Ms. Calvillo:

Pursuant to Section 9.118 of the City Charter, I am forwarding for the Board of Supervisors' approval the proposed Resolution, which approves the award of the Cellular Service Partner Lease between the City and County of San Francisco, acting by and through its Airport Commission, and New Cingular Wireless PCS, LLC (d.b.a. AT&T).

The following is a list of accompanying documents:

- Board of Supervisors Resolution (one original and one copy);
- Approved Airport Commission Resolution No. 20-0181;
- Memorandum accompanying Airport Commission Resolution No. 20-0181;
- SFEC-126(f)4 (Board of Supervisors) for New Cingular Wireless PCS, LLC, and;
- A copy of Lease for Cellular Service Partner Lease No. 2020-0181 executed by New Cingular Wireless PCS, LLC, as tenant.

The following person may be contacted regarding this matter:

Dina Quesada
Manger, ITT Business Services
(650) 821-3334
dina.quesada@flsfo.com

Very truly yours,

Kantrice Ogletree/S/

Kantrice Ogletree
Commission Secretary

Enclosures

cc: Dina Quesada, Information Technology & Telecommunications
Cathy Widener, Governmental Affairs



San Francisco Ethics Commission

25 Van Ness Avenue, Suite 220, San Francisco, CA 94102

Phone: 415.252.3100 . Fax: 415.252.3112

ethics.commission@sfgov.org . www.sfethics.org

Received On:

File #: 210482

Bid/RFP #: N/A

Notification of Contract Approval

SFEC Form 126(f)4

(S.F. Campaign and Governmental Conduct Code § 1.126(f)4)

A Public Document

Each City elective officer who approves a contract that has a total anticipated or actual value of \$100,000 or more must file this form with the Ethics Commission within five business days of approval by: (a) the City elective officer, (b) any board on which the City elective officer serves, or (c) the board of any state agency on which an appointee of the City elective officer serves. For more information, see: <https://sfethics.org/compliance/city-officers/contract-approval-city-officers>

1. FILING INFORMATION

TYPE OF FILING	DATE OF ORIGINAL FILING (for amendment only)
Original	
AMENDMENT DESCRIPTION – Explain reason for amendment	

2. CITY ELECTIVE OFFICE OR BOARD

OFFICE OR BOARD	NAME OF CITY ELECTIVE OFFICER
Board of Supervisors	Members

3. FILER'S CONTACT

NAME OF FILER'S CONTACT	TELEPHONE NUMBER
Angela Calvillo	415-554-5184
FULL DEPARTMENT NAME	EMAIL
office of the clerk of the Board	Board.of.Supervisors@sfgov.org

4. CONTRACTING DEPARTMENT CONTACT

NAME OF DEPARTMENTAL CONTACT	DEPARTMENT CONTACT TELEPHONE NUMBER
Dina Quesada	510.697.3359
FULL DEPARTMENT NAME	DEPARTMENT CONTACT EMAIL
AIR San Francisco International Airport	dina.quesada@flysfo.com

5. CONTRACTOR	
NAME OF CONTRACTOR New Cingular Wireless PCS, LLC	TELEPHONE NUMBER (877) 231-5447
STREET ADDRESS (including City, State and Zip Code) 1025 Lenox Park Blvd. NE, Atlanta, GA 30319	EMAIL RELeaseAdmin@att.com

6. CONTRACT		
DATE CONTRACT WAS APPROVED BY THE CITY ELECTIVE OFFICER(S)	ORIGINAL BID/RFP NUMBER N/A	FILE NUMBER (If applicable) 210482
DESCRIPTION OF AMOUNT OF CONTRACT 1) Base Rent - Per Formula and 2) Reimbursement Fee = \$28,600,000		
NATURE OF THE CONTRACT (Please describe) <p>Airport single Cellular Service Partner(CSP) Lease for a term of 10 years with the base rent and one-time reimbursement fee noted below. The single CSP Lease shall replace the current 4 separate Cellular Service Equipment Sites Leases at SFO.</p> <p>Description of Amount of Contract: 1) Base Rent = \$2,400,000 per annum subject to an annual 3% increase for the term of the lease. 2) One-time Reimbursement Fee = \$28,600,000 for the Airport's cost to implement the Distributed Antenna Systems as part of the construction of the Harvey Milk Terminal 1 and Grand Hyatt at SFO.</p>		

7. COMMENTS

8. CONTRACT APPROVAL	
This contract was approved by:	
<input type="checkbox"/>	THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM
<input checked="" type="checkbox"/>	A BOARD ON WHICH THE CITY ELECTIVE OFFICER(S) SERVES Board of Supervisors
<input type="checkbox"/>	THE BOARD OF A STATE AGENCY ON WHICH AN APPOINTEE OF THE CITY ELECTIVE OFFICER(S) IDENTIFIED ON THIS FORM SITS

9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor's board of directors; (B) the contractor's principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
1	Groff	Scott	Board of Directors
2	Bohley	Pete	Board of Directors
3	Nelson	Aaron	Board of Directors
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9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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9. AFFILIATES AND SUBCONTRACTORS

List the names of (A) members of the contractor’s board of directors; (B) the contractor’s principal officers, including chief executive officer, chief financial officer, chief operating officer, or other persons with similar titles; (C) any individual or entity who has an ownership interest of 10 percent or more in the contractor; and (D) any subcontractor listed in the bid or contract.

#	LAST NAME/ENTITY/SUBCONTRACTOR	FIRST NAME	TYPE
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Check this box if you need to include additional names. Please submit a separate form with complete information. Select “Supplemental” for filing type.

10. VERIFICATION

I have used all reasonable diligence in preparing this statement. I have reviewed this statement and to the best of my knowledge the information I have provided here is true and complete.

I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

<p>SIGNATURE OF CITY ELECTIVE OFFICER OR BOARD SECRETARY OR CLERK</p> <p>BOS Clerk of the Board</p>	<p>DATE SIGNED</p>
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Member, Board of Supervisors
District 5



City and County of San Francisco

DEAN PRESTON

DATE: June 10, 2021

TO: Angela Calvillo
Clerk of the Board of Supervisors

FROM: Supervisor Preston
Chairperson

RE: Government Audit and Oversight Committee
COMMITTEE REPORT

Pursuant to Board Rule 4.20, as Chair of the Government Audit and Oversight Committee I have deemed the following matters to be of an urgent nature and request each be considered by the full Board on Tuesday, June 15, 2021, as Committee Reports:

1. 210533 [Compensation for Unrepresented Employees]
2. 210555 [Memorandum of Understanding - Service Employees International Union Local 1021: Staff & Per Diem Nurses]
3. 200371 [Participation Agreement Modification - California Mental Health Services Authority - Tech Suite Mental Health Services Act Innovation Program - Not to Exceed \$10,000,000]
4. 210449 [Contract Amendment - HealthRIGHT 360 - COVID-19 Isolation and Quarantine Services - Not to Exceed \$21,767,146]
5. 210413 [Agreement - Medline Industries, Inc. - Bulk Medical Supplies Distribution Services - Not to Exceed \$115,072,061]
6. 210414 [Agreement - Medline Industries, Inc. - Low Unit of Measure Medical Supplies Distribution Services - Not to Exceed \$178,218,296]
7. 210610 [Grant Agreement Amendment - St. Vincent de Paul Society of San Francisco - Division Circle Navigation Center - Not to Exceed \$40,038,573]
8. 210482 [Lease Agreement - New Cingular Wireless PCS, LLC (d.b.a. AT&T) - Cellular Service Partner Lease - Base Rent of \$2,400,000 for Year 1 - One-Time Reimbursement Payment to City of \$28,600,000]

Member, Board of Supervisors
District 5



City and County of San Francisco

DEAN PRESTON

These matters will be heard in the Government Audit and Oversight Committee during a special meeting on Friday, June 11, 2021, at 2 p.m.

A handwritten signature in blue ink, appearing to read "Dean Preston".