

PARKING OPERATIONS AND MANAGEMENT SERVICES AGREEMENT

This Parking Operations and Management Services Agreement (“Agreement”) is made by and between Houston First Corporation (“HFC”), a Texas local government corporation whose address is 701 Avenida de las Americas, Ste. 200, Houston, Texas 77010, and [TBD] (“Contractor”), whose address [TBD]. In consideration of the mutual promises contained herein, the parties hereby agree as follows:

ARTICLE 1: DEFINITIONS

As used in this Agreement, the following terms shall have the meanings assigned below:

1.1 “Avenida District” means, collectively, Avenida North Garage, Avenida Central Garage, Avenida South Garage, Tundra Garage, the Staging Lot, Lot 4, Lot 6, Lot 8, and such additional garages, lots, facilities and locations as HFC may designate during the Term in the manner provided hereunder.

1.2 “Customer Service Ambassador” means an individual assigned by Contractor to perform cashier duties and assist customers with the payment of parking fees, provide directions, place and remove temporary signage, respond to customer inquiries and complaints, and other responsibilities as directed by Contractor so as to ensure the consistent provision of excellent Service.

1.3 “Garage Manager” means the individual designated by Contractor to support the Project Manager and perform other Services as directed by Contractor.

1.4 “HFC Parking Manager” means the individual designated by HFC to serve as general manager of one or more of the Parking Facilities.

1.5 “Parking Facility” (and collectively, “Parking Facilities”) means any one of the following garages and surface lots, including all appurtenant tunnels, stairwells, elevators, escalators, ramps, signs, fixtures, and other property, and such additional garages, lots, facilities and locations as HFC may designate during the Term in the manner provided hereunder:

- a. Avenida North Garage: 1,846-space garage connected to Partnership Tower located at 701 Avenida de las Americas. With entrances located on Capitol St. and Rusk St., this facility is operated 24/7 and serves office workers and attendees at the George R. Brown Convention Center, Minute Maid Park and Avenida Plaza.
- b. Avenida Central Garage: 663-space underground parking facility located at 1002 Avenida de las Americas. Located beneath Discovery Green, this facility is operated 24/7 and serves the park, George R. Brown Convention Center and Avenida Plaza.
- c. Avenida South Garage: 1,459-space garage located at 1710 Polk St. connected by skybridges to the Hilton Americas-Houston Hotel and the George R. Brown Convention Center. Operated 24/7, primary users include hotel guests, convention center attendees. The facility also supports events at Toyota Center, Avenida Plaza and area restaurants.
- d. Tundra Garage: 2,478-space garage located at 1515 Jackson St. serving the Toyota Center and area businesses.
- e. Theater District Parking Garage: 3,369-space underground parking facility located at 511 Rusk St. consisting of three interconnected facilities (the “Green” Civic Center, “Yellow” Large Tranquility

and “Blue” Small Tranquility garages). Located in the heart of downtown Houston, this facility operates 24/7 and is used for events, contract and transient parking.

- f. Lots C&H: 579-space surface lots. Lot C is bounded by Memorial Drive, West Capitol, Buffalo Bayou, and Interstate 45; Lot H is bounded by Memorial Drive, Interstate 45, and Fonde Community Center. These lots are used by City of Houston employees, jurors/municipal court personnel, and in support of area businesses.
- g. HPD Lot: 85-space surface lot located at 3300 Artesian Rd. Weekdays, during the day, the lots is used by the Houston Police Department. After hours and on weekends, the lot supports the Downtown Aquarium.
- h. Staging Lot: Restricted-use marshalling area located at 901 Ruiz used in support of Avenida District operations.
- i. Lot 4: 245-space restricted-use surface lot located on Chartres St. behind the George R. Brown Convention Center Polk St. and Rusk St.
- j. Lot 6: 75-space restricted-use surface lot located on Chartres St. between Capitol St. and Texas St.
- k. Lot 8: Unpaved restricted-use surface lot on Capitol St. at Hamilton St. featuring up to 120 spaces depending on weather conditions.

1.6 “Project Manager” means the individual designated by Contractor to direct, supervise and control the Services who has previous managerial experience in the commercial parking-facility operation industry.

1.7 “Revenue” means all income, receipts and revenue derived from the fees, rates, and charges for parking in the Parking Facilities collected by the Contractor, including but not limited to license fee payments from contract parkers and corporate accounts, and any validation parking codes, coupons, stamps, cards, or books sold to HFC’s leasees, licensees, contractors, resident companies, area businesses, or other accounts.

1.8 “Supervisor” means an individual assigned by Contractor to provide Services and perform supervisory duties.

1.9 “Surface Lots” means Lots C&H, HPD Lot, Staging Lot, Lot 4, Lot 6, Lot 8, and such additional lots and locations as HFC may designate during the Term in the manner provided hereunder.

1.10 “Theater District” means, collectively, the Theater District Parking Garage, Lots C & H, the HPD Lot, and such additional garages, lots, facilities and locations as HFC may designate during the Term in the manner provided hereunder.

1.11 “Tunnel” means any one of the following tunnels interconnecting the Theater District Garage and/or area performing arts facilities and buildings, and such other property, and such additional garages, lots, facilities and locations as HFC may designate during the Term in the manner provided hereunder:

- a. Alley Theatre Tunnel (a/k/a Alley Corridor): The tunnel beginning at the termination of the Bank of America Center tunnel, running along the east wall of the Civic Center Garage and ending at the south end of the tunnel under Texas Avenue (at the commencement of the existing Alley Tunnel).

- b. City Hall Basement Tunnel: The tunnel leading from the south wall of the Large Tranquility Garage into the basement of City Hall.
- c. Jones Hall Tunnel: The section of tunnel from the Jones Hall courtyard to the base of the stairs at the tunnel entrance to Bank of America.
- d. Orange Concourse Tunnel: The section of tunnel beginning at the double doors of the Bank of America tunnel and ending at the west end of the Civic Center Garage.
- e. T-Tunnel: The tunnel from Large Tranquility Garage to City Hall Annex Garage. This tunnel also has an entrance to the Hobby Center for the Performing Arts.
- f. Y-Tunnel: The section of tunnel from the west wall of the Civic Center Garage and under Bayou Place Phase II.
- g. 611 Walker Tunnel Drop-Off Area: A glass-enclosed transition area located in the southeast corner of the yellow level of the Theater District Garage.

ARTICLE 2: DUTIES OF CONTRACTOR

2.1 Services. Contractor shall provide all labor, supervision, management, administrative and support services, materials, equipment, insurance, tools, machinery, transportation, and other goods and services of any kind or type necessary to provide parking management and operations services at the Parking Facilities throughout the Term, 24 hours per day, seven days per week (or as required by HFC), in strict accordance with the terms and conditions of this Agreement, including the Scope of Services attached hereto as **Exhibit “A”** and made a part hereof for all purposes (“Services”).

2.2 Standard of Care. Contractor represents and warrants to HFC that the Services shall be performed in compliance with applicable federal, state, and local laws, statutes, ordinances, rules, regulations and lawful orders of public authorities, as may be amended from time to time, and in a good and workmanlike order meeting the standards of quality prevailing in Harris County, Texas for services of this kind.

2.3 License and Permits. Contractor shall obtain, maintain, and pay, at its sole cost and expense, for all licenses, permits, and certificates necessary to perform the Services, including all professional licenses required by any statute ordinance, rule, or regulation.

2.4 Supervision. Contractor shall supervise and direct the Services, using Contractor’s best skill and attention. Contractor shall be solely responsible for, and have control over, means, methods, techniques, sequences and procedures for coordinating all portions of the Services under the Agreement, except the limited extent that other, specific instructions concerning such matters are set forth in this Agreement or Scope of Services. Contractor shall enforce strict discipline and good order among Contractor’s employees and other persons carrying out the Services. Contractor shall perform all Services using trained and skilled persons having substantial experience performing the work required under the Agreement. Contractor shall not permit employment of unfit persons or persons not properly skilled in tasks assigned to them.

2.5 Safety. Contractor represents and warrants to HFC that the Services shall be performed in compliance with applicable federal, state, and local laws, statutes, ordinances, and lawful orders of public authorities. Without limiting the foregoing, Contractor further represents and warrants that the Services shall be performed in accordance with applicable safety rules and regulations, including but not limited to OSHA

standards and directives for setting-up and utilizing platforms, lifts, ladders, scaffolding, safety lines and belts, and operating other, similar equipment. Contractor shall ensure that its employees, agents, contractors and subcontractors use personal protective equipment, safety harnesses, fall protection equipment, and other equipment in the manner and to the extent required to perform the Services safely.

2.6 Actions of Personnel. Contractor is responsible for all aspects of Services performed by its employees, agents, licensees, invitees, and contractors of any tier, including accuracy, quality of performance, service standards, timeliness, and compliance with applicable law. Contractor shall be liable to HFC for the negligent and intentional acts and omissions of Contractor's employees, agents, contractors, subcontractors, and other persons or entities performing portions of the Services for or on behalf of Contractor, including, but not limited to, damage to any HFC equipment, Parking Facility walls, doors, ceilings, elevators, escalators, lifts, and other property of any kind or type. Contractor shall, at its sole cost and expense, promptly remedy such damages and restore any property or fixtures thereby affected to the condition existing prior to such damage, to the satisfaction of HFC.

2.7 Correction of Services. If any Services performed by Contractor (including its subcontractors) do not meet the standards of this Agreement, as determined by HFC in its reasonable discretion, then Contractor shall correct or modify the Services promptly upon demand from, and at no additional cost to, HFC. If Contractor performs Services knowing it to be contrary to applicable laws, statutes, ordinances, rules and regulations, and/or lawful orders of public authorities, then Contractor shall be liable for such violation and shall bear the costs attributable to correction.

2.8 Authorized Representative. Contractor shall designate a representative who shall have express authority to bind Contractor with respect to all matters under this Agreement and provide a direct phone number and email address for such authorized representative.

2.9 Parts Warranty. With respect to any equipment, supplies, parts, or other items furnished by Contractor in connection with the Services or this Agreement, Contractor represents and warrants to HFC that: (i) all such items are free of defects in title, design, material, and workmanship; (ii) each item meets or exceeds the requirements of the relevant Project or Work Order; (iii) any replacement items are new, in accordance with original equipment manufacturer's specifications, and of a quality at least as good as the quality of the item being replaced (when the replaced item was new), and will not cause any manufacturer's warranties to lapse or become invalid; and (iv) no item or its use infringes any patent, copyright, or proprietary right. Items not conforming to the requirements of this Section shall be deemed defective and repaired or replaced at HFC's sole option by Contractor, at no cost to HFC. If required by HFC, Contractor shall furnish satisfactory evidence as to the kind and quality of materials and equipment. Contractor hereby transfers and assigns to HFC all manufacturer's warranties for materials used in connection with the Services, including any Task Orders, and shall complete and execute all forms required to further evidence such transfer and assignment. The parties agree that no warranty made by Contractor is intended to limit, nor shall it be construed as limiting in any manner or to any extent, any manufacturer's or supplier's warranty. Upon request from HFC, Contractor agrees to provide reasonable assistance in enforcing such warranties against the manufacturer or supplier at no additional cost to HFC.

2.10 Field Inspection. Execution of the Agreement by Contractor is a representation to HFC that Contractor has visited and inspected each Parking Facility, inspected the Units, become familiar with the conditions under which the Services are to be performed, and correlated personal observations with the requirements of the Agreement.

2.11 Phase-in Services. Contractor represents and warrants to HFC that it shall be prepared in all respects to accomplish a smooth and successful transition of parking operations and services prior to the commencement of the Term. During the phase-in period, which shall begin on the Effective Date, Contractor shall arrange to have necessary supervisory, technical, and other personnel on-site to observe the operation of the incumbent's parking operations and management services. Contractor may use this phase-in period to recruit and transfer personnel, train personnel, arrange for badging, establish management procedures, set up records, ensure adequate equipment is in place for parking operations (including fixtures and furnishing in the Premises), and otherwise prepare for the assumption of control without disruption of operations.

2.12 Phase-out Services. Contractor recognizes that the Services provided under this Agreement are crucial to operation of the Parking Facilities; that continuity thereof must be maintained at a consistently high level without interruption; that upon expiration of the Agreement, a successor contractor may continue these services; that such contractor shall need phase-in orientation training; and that Contractor shall cooperate in order to effect an orderly and efficient transition of service providers. Accordingly, Contractor agrees to and shall provide phase-out services (including, by way of example and not limitation, a detailed review of system operations and maintenance procedures, record keeping, reports, procurement procedures, and all other pertinent aspects of the Services in order to effect an orderly and efficient transition) for up to 90 calendar days prior to the expiration of this Agreement for any successor contractor at no charge to HFC or such successor contractor. Contractor agrees to disclose necessary personnel records and allow its successor to conduct on-site interviews with its employees, provided Contractor obtains the consent of said employees to disclose their records and to conduct such interviews and provided such disclosure and interviews are conducted in accord with all applicable laws, statutes, rules, regulations, and ordinances which have been passed, enacted or promulgated by any governmental body having jurisdiction over such matters.

ARTICLE 3: TERM AND PAYMENT

3.1 Term. The Term of this Agreement shall begin on **July 1, 2019** and end on **June 30, 2024** (the "Term"), unless sooner terminated according to the terms of this Agreement. HFC may extend the Term by up to an additional 180 calendar days, on the same terms and conditions, by notifying Contractor in writing of such extension prior to the expiration of the Term.

3.2 Management Fee. Subject to all terms and conditions of this Agreement, HFC agrees to pay Contractor the following management fee for its Services monthly, in arrears, based on the following annual amounts, which Contractor represents to be inclusive of all amounts due and payable by HFC for the Services (including, by way of example and not limitation, administrative costs or fees, overhead, accounting services, audits, processing fees, rent, insurance, office supplies, personnel training, travel, licenses, testing, background checks, permits, attorneys' fees, litigation expenses, applicable taxes, vehicles, golf carts, and tools), save and except Labor Rates, Reimbursable Expenses, and payments due pursuant to any Task Orders (the "Management Fee"): **[TBD]**.

3.3 Labor Rates. In addition to the Management Fee and Reimbursable Expenses, HFC agrees to and shall pay Contractor hourly rates for labor in accordance with the following table, conditioned on submission of biometric timekeeping data (the "Labor Rates"): **[TBD]**.

Contractor acknowledges and agrees that HFC has not represented and cannot guarantee any minimum number of service hours or positions. Any new positions shall require an amendment or addendum signed by Contractor and the HFC President & CEO.

3.4 Biometric Timekeeping. Prior to the first date of the Term, Contractor shall provide and install, at its sole cost and expense, a reputable biometric timekeeping system (including equipment and payroll-compatible software) of a kind and type prior approved by HFC at each parking office. Contractor represents and warrants that it shall use and maintain such biometric timekeeping system to record and document the actual hours worked of all personnel for which HFC is to be charged under the Agreement, regardless of whether such individuals are paid hourly or salaried by Contractor (i.e., the Project Manager, Garage Managers, Customer Service Ambassadors, Supervisors, command center operators, shuttle drivers, shuttle driver supervisors, uniformed law enforcement officers, cleaning and janitorial staff, and other personnel). Contractor acknowledges and agrees that, should Contractor fail to record and document actual hours worked by its personnel using such biometric timekeeping system for any reason, HFC shall have no obligation to, and shall not, pay any amount to Contractor for such unrecorded hours.

3.5 Reimbursable Expenses. In addition to the Management Fee and Labor Rates, HFC agrees to reimburse Contractor at cost for equipment, supplies and parts reasonably and commercially required to operate the Parking Facilities in the manner and to the extent (i) allowed under this Agreement, including the Scope of Services; (ii) prior-approved, in writing, by a HFC Parking Manager; and (iii) subject to restrictions and limitations provided in this Section. Contractor shall include authorized reimbursable expenses on the appropriate Parking Facility invoice, as directed by HFC. Contractor shall use its best efforts to seek and obtain the best value for HFC in the procurement of any item for which Contractor will seek reimbursement. Notwithstanding the foregoing or any provision in this Agreement to the contrary, if the cost of any specific item will or is reasonably expected to exceed \$3,000, or in the event that the total cost of equipment, supplies and parts for a Parking Facility in a specific calendar month will or is reasonably expected to exceed \$25,000, then Contractor shall provide an advance estimate to HFC's Purchasing Agent and observe, comply with, and abide by procurement methods approved by and acceptable to HFC's General Counsel.

3.6 Minimum Payment to Certain Personnel. Contractor shall ensure that the minimum hourly wage paid to Contractor's personnel, including contractors of any tier, for the performance of Services under this Agreement are as follows: (a) Customer Service Ambassador, \$12.00; (b) Supervisor, \$14.00; and (c) command center monitor, \$14.00. Payment to uniformed law enforcement officers shall be at cost, and the parties acknowledge that such personnel may require a four-hour minimum.

3.7 Invoice Requirement. Contractor will be paid on the basis of, and in response to, separate monthly invoices submitted by Contractor to each HFC Parking Manager, subject to their individual review and approval. Each such invoice shall (i) be Parking Facility-specific (except to the extent HFC directs the Contractor to combine Parking Facilities); (ii) include a prorated (i.e., 1/12th) portion of the Management Fee, (iii) detail all Services performed; (iv) itemize each position, actual labor hours expended and the correct hourly Labor Rate payable by HFC; (v) itemize and detail any Reimbursable Expenses, and include all supporting documentation confirming that such amounts are invoiced at cost and procured in accordance with Section 3.5 of this Agreement; and (vi) include such other detail as HFC may require.

3.8 Invoice Procedures. Invoices shall be submitted electronically by the eight (8th) calendar day of the month following each month in which services are performed. HFC shall make payment to Contractor within 30 calendar days of the receipt and approval by HFC of such invoices.

3.9 Invoice Disputes. If any items in any invoice submitted by Contractor are disputed by HFC for any reason, including lack of supporting documentation, then HFC shall temporarily delete the disputed item and pay the remaining amount of the invoice; provided, however, that HFC shall promptly notify

Contractor of the dispute and request clarification and/or remedial action. After any dispute shall have been settled, Contractor shall include the disputed amount on a subsequent regularly scheduled invoice or on an invoice for the disputed item only.

3.10 Taxes. HFC is exempt from payment of Federal Excise and Transportation Tax and Texas Limited Sales and Use Tax. Contractor's invoices to HFC must not contain assessments of any of these taxes. HFC will furnish HFC's exemption certificate and federal tax identification number to Contractor if requested.

3.11 Payment of Employees and Subcontractors. Contractor shall make timely payments in accordance with applicable state and federal law to all persons and entities supplying labor, materials or equipment for the performance this Agreement including Contractor's employees. Contractor is solely responsible for the payment of overtime wages in accordance with applicable law and such obligation shall not increase the amount due and payable by HFC in any manner or to any extent. Failure of Contractor to pay its employees as required by law shall constitute a material default under this Agreement for which Contractor and its surety shall be liable on Contractor's performance bond if Contractor fails to cure the default as provided under this Agreement.

3.12 Pledge and Encumbrance of Revenue. Contractor recognizes the superiority and priority of liens on all Revenue at the Parking Facilities for the payment of a series of municipal bonds and related financial obligations of the City of Houston and HFC, and that HFC reserves the right to pledge additional revenues in its sole discretion. Contractor expressly stipulates that all of Contractor's rights to any payments, revenues, fees, or income of any kind shall be junior and subordinate in all respects to any such lien on Parking Facilities revenue. Contractor shall provide further written assurance of such stipulation upon request from HFC.

ARTICLE 4: INSURANCE AND BOND REQUIREMENTS

4.1 Insurance Requirements. With no intent to limit Contractor's liability under the indemnification provisions hereof, Contractor shall provide and maintain, and shall require its contractors and subcontractors to maintain, for the full duration of the Term, including any extension thereof, at least the following insurance and available limits of liability:

- a. Commercial General Liability, including broad form coverage, contractual liability, bodily injury/death, and property damage in amounts not less than \$2,000,000 each occurrence and \$5,000,000 aggregate;
- b. Automobile Liability, with a combined single limit of \$2,000,000 per occurrence;
- c. Garage Keepers Liability, with a combined single limit of \$2,000,000 per occurrence for bodily injury and property damage;
- d. Commercial Crime Liability with a combined single limit of \$1,000,000 per occurrence;
- e. Workers' Compensation with statutory limits (Contractor shall not self-insure for Workers' Compensation); and
- f. Employer's Liability, with limits of \$1,000,000 for each accident, disease limits of \$1,000,000 per policy and \$1,000,000 per employee.

4.2 Additional Insured Parties. Each policy, except those for Workers' Compensation and Employer's Liability, must include an additional insured endorsement in favor of HFC and the City of Houston on the original policy and all renewals or replacements during the term of this Agreement.

4.3 Waiver of Subrogation. Each policy must contain an endorsement approved by HFC waiving any claim or right in the nature of subrogation in favor of HFC and the City of Houston on the original policy and all renewals or replacements during the term of this Agreement.

4.4 Rating. The issuer of any policy shall have a Certificate of Authority to transact insurance business in Texas or shall be an eligible non-admitted insurer in the State of Texas and have an A.M. Best's rating of at least A- with a financial size category of Class VI or better, according to the most current edition of Best's Key Rating Guide, Property-Casualty United States.

4.5 Premiums and Deductibles. Contractor shall be solely responsible for payment of all insurance premiums hereunder. Contractor shall be responsible for and bear any claims or losses to the extent of any deductible amounts and waives any claim it may ever have for same against HFC, its officers or employees.

4.6 Primary Insurance. Each policy hereunder, except Workers' Compensation, shall be primary and noncontributory to any other policies of insurance which may be available to HFC with respect to claims arising in connection with this Agreement.

4.7 Performance Bond. Contractor shall provide a statutory performance bond for \$1,000,000.00 on a form approved by HFC covering faithful performance of the services arising under the Agreement. The bond that is given or tendered to HFC must be executed by a surety company that is authorized and admitted to write surety bonds in the State of Texas and accompanied by power of attorney stating that the attorney in fact executing such bond has requisite authority to execute such Bond. Contractor shall deliver the required bond to HFC prior to commencing Services hereunder.

ARTICLE 5: LIMITATION OF LIABILITY

5.1 Release. **CONTRACTOR AGREES TO AND SHALL RELEASE HFC, ITS OFFICERS, DIRECTORS, EMPLOYEES, CONTRACTORS, AND AGENTS FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE BY CONTRACTOR UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CONCURRENT NEGLIGENCE OF HFC AND CONTRACTOR, AND INCLUDING ALL LIABILITY FOR DAMAGES OR OTHER RELIEF ARISING UNDER FEDERAL OR STATE EMPLOYMENT LAWS RELATING TO OR INVOLVING PERSONNEL EMPLOYED OR RETAINED BY CONTRACTOR.**

5.2 Indemnification. **TO THE MAXIMUM EXTENT ALLOWED BY APPLICABLE LAW, CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD HFC, INCLUDING ITS OFFICERS, DIRECTORS, EMPLOYEES, CONTRACTORS AND AGENTS, (COLLECTIVELY, "INDEMNITEES") HARMLESS FROM AND AGAINST ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, JUDGMENTS, COSTS, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR OTHER LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL**

TO PERFORMANCE BY CONTRACTOR UNDER THIS AGREEMENT, INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY OR RELATING TO CONTRACTOR AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY, "CONTRACTOR'S") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS; INDEMNITEES' AND CONTRACTOR'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT; INDEMNITEES' AND CONTRACTOR'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER CONTRACTOR IS IMMUNE FROM LIABILITY OR NOT; AND ACTUAL OR ALLEGED VIOLATIONS OF ANY FEDERAL, STATE OR LOCAL EMPLOYMENT LAWS, INCLUDING WITHOUT LIMITATION, ANY AND ALL CLAIMS AND CAUSES OF ACTION BROUGHT AGAINST INDEMNITEES BY CONTRACTOR'S PERSONNEL AND/OR GOVERNMENT AGENCIES ARISING FROM, RELATING TO, OR INVOLVING SERVICES OF CONTRACTOR'S PERSONNEL UNDER THIS AGREEMENT.

5.3 Limitation of Liability. HFC SHALL NOT BE LIABLE TO CONTRACTOR FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, INCIDENTAL, PUNITIVE, OR EXEMPLARY DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS (DIRECT OR INDIRECT) AND LOST REVENUES HOWSOEVER ARISING, WHETHER OR NOT CHARACTERIZED IN NEGLIGENCE, TORT, CONTRACT, OR OTHER THEORY OF LIABILITY, EVEN IF HFC HAS BEEN ADVISED OF THE POSSIBILITY OF OR COULD HAVE FORESEEN ANY SUCH DAMAGES.

5.4 Notice of Claims. If HFC or Contractor receives notice of any claim or circumstances, which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 30 calendar days. The notice must include a description of the indemnification event in reasonable detail, the basis on which indemnification may be due, and the anticipated amount of the indemnified loss. This notice does not stop or prevent HFC from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If HFC does not provide this notice within the 30 calendar day period, it does not waive any right to indemnification except to the extent that Contractor is prejudiced, suffers loss, or incurs expense because of the delay.

5.5 Assumption of Defense. Contractor may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to HFC. Within 10 calendar days after receiving written notice of the indemnification request, Contractor must advise HFC as to whether or not it will defend the claim. If Contractor does not assume the defense, then HFC may assume and control the defense, and all defense expenses constitute an indemnification loss.

5.6 Continued Participation. If Contractor elects to defend the claim, HFC may retain separate counsel to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Contractor may settle the claim without the consent or agreement of HFC, unless it would result in injunctive relief or other equitable remedies or otherwise require the Indemnitees to comply with restrictions or limitations that adversely affect the Indemnitees; require the Indemnitees to pay amounts that Contractor does not fund in full; or does not result in the Indemnitees' full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

ARTICLE 6: DEFAULT AND TERMINATION

6.1 Default. Contractor shall be deemed to be in default under this Agreement due to the occurrence of any of the following events: (a) Contractor fails to perform or observe any material term, condition or requirement under this Agreement; (b) Contractor, or any employee, agent, contractor, or subcontractor of Contractor, violates applicable law in connection with the performance of the Services; (c) Contractor becomes insolvent; (d) All or substantial part of Contractor's assets are assigned for the benefit of its creditors; (e) A receiver or trustee is appointed for Contractor; or (f) Contractor assigns this Agreement without the prior written consent of HFC.

6.2 Remedies. If default by Contractor occurs, then HFC shall have the right to exercise its legal and equitable remedies, including, without limitation, the right to terminate this Agreement or to seek specific performance of all or any part of this Agreement. In addition, HFC shall have the right, but not the obligation, to cure or cause to be cured on behalf of Contractor any such default, and Contractor shall pay HFC on demand all costs and expenses incurred by HFC in effecting such cure, in addition to all actual damages, losses, costs or expenses incurred by HFC as a result of such default by Contractor.

6.3 Termination for Convenience. HFC reserves the right to terminate this Agreement for convenience at any time by giving 30 calendar days' written notice to Contractor. HFC's right to terminate this Agreement for convenience is cumulative of all rights and remedies that exist now or in the future. On receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all Services under this Agreement and cancel all existing orders and subcontracts that are chargeable to this Agreement. As soon as practicable after receiving the termination notice, Contractor shall submit an invoice showing in detail the service performed under this Agreement up to the termination date. HFC shall then pay the fees to Contractor for Services actually performed, but not already paid for. **TERMINATION OF THIS AGREEMENT AND RECEIPT OF PAYMENT FOR SERVICES RENDERED ARE CONTRACTOR'S EXCLUSIVE REMEDIES FOR HFC'S TERMINATION FOR CONVENIENCE, WHICH DOES NOT CONSTITUTE A DEFAULT OR BREACH OF THIS AGREEMENT. CONTRACTOR WAIVES ANY CLAIM (OTHER THAN ITS CLAIM FOR PAYMENT AS SPECIFIED HEREIN), IT MAY HAVE NOW OR IN THE FUTURE FOR FINANCIAL LOSSES OR OTHER DAMAGES RESULTING FROM HFC'S TERMINATION FOR CONVENIENCE.**

6.4 Termination by Contractor. Contractor may terminate this Agreement only if HFC defaults and fails to cure the default after receiving written notice thereof. Default by HFC occurs if HFC fails to perform one or more of its material duties under this Agreement. If a default occurs and Contractor seeks to terminate the Agreement, then Contractor must deliver a written notice to HFC describing the default and proposed termination date. Such date must be at least 90 days after HFC receives notice. If HFC cures the default before the proposed termination date, then the proposed termination date is ineffective. If HFC does not cure the default before the proposed termination date, then Contractor may terminate this Agreement upon 30 days' notice to HFC and may seek any remedy available under applicable law, subject to the provisions and limitations of this Agreement.

6.5 Remedies Cumulative. The rights and remedies of HFC under this Agreement shall be cumulative. HFC shall have and may exercise all other rights and remedies not inconsistent herewith as provided under applicable law, or in equity. No exercise by HFC of one right or remedy shall be deemed an election, and no delay by HFC shall constitute a waiver, election or acquiescence to any default, breach, violation, or on-performance by Contractor.

ARTICLE 7: REQUIRED PROVISIONS

7.1 Diversity Program. Contractor shall make good faith efforts to award subcontracts equal to **twenty percent (20%)** of the value of this Agreement to certified, diverse suppliers of good and services in accordance with the Diversity Program established by HFC, which is made a part hereof for all purposes. Contractor shall disclose to HFC the manner and extent to which it has made good faith efforts to achieve such goal and submit reports on forms provided by HFC with each invoice, or as directed by HFC.

7.2 Additions and Deletions. HFC, by means of a written directive to Contractor, may add or delete Parking Facilities or services to or from this Agreement and any items or services provided by Contractor that are reasonably related to the scope of this Agreement. Written notification of the added or deleted Parking Facilities, items or services shall take effect upon Contractor's receipt of such notice or on such other day as specified therein. Charges for deletions shall be excluded from any sums otherwise due under the Agreement as of the date such notice is received by Contractor. Charges for additions shall be provided at the same cost as existing Services under the Agreement or, in the absence thereof, at a reasonable price agreed upon in advance by HFC and Contractor.

7.3 Task Orders. At any time during the Agreement, HFC may issue a written task order to Contractor, in a form approved by HFC's General Counsel, to perform specific projects (e.g., restriping parking spaces), equipment upgrades (e.g., additional pay-on-foot stations) or ancillary services (e.g., towing) in the manner and to the extent HFC may find necessary to accomplish the general purposes of this Agreement (each a "Task Order" and collectively "Task Orders"). Each Task Order shall include, as applicable, the following information: A description of the project or service; the date of issuance; a lump-sum or a not-to-exceed amount based on hourly rates; any expenses; a 10-20% retainage; any subcontractors; period of performance/project milestones; a description of the services or tasks to be performed; and any deliverables. Contractor agrees to and shall complete each Task Order in accordance with the terms, conditions and restrictions of this Agreement. Contractor acknowledges that if a Task Order describes items that Contractor is otherwise required to provide under this Agreement, then HFC shall not be obligated to pay any additional payment to Contractor. The parties agree that the total amount of all Task Orders issued under this Section will not exceed 25% of the Management Fee per Term year.

7.4 Drug Testing. It is the policy of HFC to achieve a drug-free workforce and workplace; Contractor shall comply with this policy and shall subject its employees to drug testing if there is a reasonable suspicion that the employees may be abusing drugs or alcohol while working in a Parking Facility. Prior to their employment by Contractor, all personnel performing Services under this Agreement on a routine basis shall be drug tested at Contractor's sole cost and expense. Subsequent drug testing, whether at random or for reasonable suspicion, shall also be conducted at Contractor's sole cost and expense. Any employee or applicant testing positive for drugs or alcohol shall not be permitted to perform Services for HFC under this Agreement. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by Contractor, including its employees, agents and subcontractors, is prohibited at the Parking Facilities.

7.5 Background Checks. Contractor shall conduct national and local background checks on all temporary and permanent employees, including subcontractor employees, at its sole cost and expense, before they are assigned to work at any of the Parking Facilities. Background checks shall include a through criminal history check, including registered sex offender status, prior employment history check, inclusive of dismissals and reasons, if any, and level of education. Background checks shall be conducted in accordance with EEOC regulations, as may be amended from time to time. Upon request by HFC, Contractor shall provide evidence that the background checks have been conducted, both at the beginning

of the Term and at any other time deemed necessary by HFC throughout the Term. Contractor may be required by HFC at Contractor's expense to conduct additional background checks, at its sole cost and expense, for special events. Failure to strictly comply with this requirement is ground for immediate termination of the Agreement.

7.6 Environmental Compliance. Contractor shall comply with all rules, regulations, statutes, or orders of the Environmental Protection Agency, the Texas Commission on Environmental Quality, and any other governmental agency with the authority to promulgate environmental rules and regulations ("Environmental Laws"). Contractor shall promptly reimburse HFC for any fines or penalties levied against HFC because of Contractor's failure to comply. Contractor shall not possess, use, generate, release, discharge, store, dispose of, or transport any Hazardous Materials on, under, in, above, to or from the Parking Facilities except in strict compliance with the Environmental Laws. "Hazardous Materials" means any substances, materials, or wastes that are or become regulated as hazardous or toxic substances under any applicable Federal, State, or local laws, regulations, ordinances, or orders. Contractor shall not deposit oil, gasoline, grease lubricants or any ignitable or hazardous liquids, materials, or substances in the storm sewer system or sanitary sewer system or elsewhere on HFC property in violation of the Environmental Laws. Contractor shall provide a Safety Data Sheet for each and every Hazardous Material used in performance of the work on HFC property as required under the Environmental Laws.

7.7 Sponsorship and Advertising. Contractor shall not display or permit to be displayed any advertisement or sponsor information at the Parking Facilities without prior written approval from HFC. The term "sponsor information" includes any third party name, logo, brand, symbol, motto, trademark, service mark, or any other indicia of service, product and/or corporate identification. Contractor shall not enter into any advertising or sponsorship agreements in connection with this Agreement or otherwise related to the Parking Facilities, including but not limited to sponsoring or supporting an event, HFC licensee, or Parking Facility user for consideration or name/brand promotion without prior written consent of HFC, as determined by HFC in its sole discretion. Contractor shall not display or use the name, logo, trademark or service mark of HFC in any manner without prior written permission from HFC. This Agreement shall not be construed to restrict or otherwise affect the right of HFC to use third party services (including but not limited to competitors of Contractor) or enter into agreements relating to advertising or sponsorship in any manner.

ARTICLE 8: MISCELLANEOUS PROVISIONS

8.1 Record Inspections and Audits. HFC shall have the right to examine and review all books, records and billing documents held by Contractor, including its agents, which relate to performance or payment under this Agreement at any time. Contractor shall keep its books and records available for this purpose for at least three years after this Agreement expires or terminates. Nothing in this Section shall affect the time for bringing a cause of action or the applicable statute of limitations. Any discrepancies identified in connection with any such audit shall be corrected by the Contractor within 30 calendar days, and Contractor shall provide HFC a written explanation for each discrepancy, remit any amounts owed to HFC, and take corrective action within such time.

8.2 Confidentiality. Contractor agrees to and shall hold all Confidential Information in strict confidence and protect it with the same degree of care with which the Contractor protects its own confidential information, but in any event with no less than a commercially reasonable standard of care. Contractor agrees that use of Confidential Information shall be limited to purposes necessary to fulfill its service obligations hereunder. Contractor shall not take for itself or divert to a third party any corporate

opportunity arising out of this Agreement or discovered otherwise through the use of Confidential Information. As used herein, the term “Confidential Information” shall mean any information relating to the business, operations, plans, accounts, clients, leases, licenses, finances, or assets of HFC (whether oral or written, and whether in electronic or other form) disclosed to Contractor or learned or developed by Contractor in connection with the performance of the Services.

8.3 PCI and GDPR Compliance. Contractor represents and warrants to HFC that it shall comply with the Payment Card Industry (“PCI”) data security standard and EU General Data Protection Regulation 2016/679 (“GDPR”) in connection with credit card transactions or records or any kind or type held, stored or controlled by Contractor that include personal identifiable information. Contractor shall maintain a comprehensive policy on privacy and information security, including PCI and GRD compliance, and provide a copy to HFC upon request.

8.4 Force Majeure. Timely performance by both parties is essential to this Agreement. However, neither party will be liable for delays or other failures to perform its obligations under this Agreement to the extent the delay or failure is caused by an occurrence of Force Majeure. For purposes of this Agreement, the term “Force Majeure” shall mean fires, floods, hurricanes, tornadoes, explosions, war, terrorism, and the acts of a superior governmental or military authority. The term Force Majeure does not include strikes, slowdowns or other labor disputes; changes in general economic conditions, such as inflation, interest rates, economic downturn, or other factors of general application; or an event that merely makes performance more difficult, expensive or impractical. Relief is not applicable unless the affected party uses due diligence to remove the Force Majeure as quickly as possible and provides the notice describing the actual delay or non-performance incurred within 20 calendar days after the Force Majeure ceases. An occurrence of Force Majeure shall not extend the Term. Without limiting the foregoing, HFC further reserves the right, due to an occurrence of Force Majeure or other cause beyond the control of HFC, to suspend performance by Contractor at one or more Parking Facilities for such period of time as HFC may determine in its sole discretion, and Contractor acknowledges and agrees that the Management Fee and other fees for Services or other payments of any kind or type shall abate for the duration of such period. **CONTRACTOR AGREES TO AND SHALL WAIVE ANY CLAIM IT MAY HAVE FOR FINANCIAL LOSS OR OTHER DAMAGES RESULTING FROM SUSPENSION OF SERVICES OR TERMINATION OF THIS AGREEMENT DUE TO FORCE MAJEURE, EXCEPT FOR AMOUNTS DUE HEREUNDER UP TO THE TIME SERVICES WERE SUSPENDED OR TERMINATED.**

8.5 Notices. Notices to either party to the Agreement must be in writing and must be delivered by hand, United States registered or certified mail, return receipt (or electronic return receipt) requested, Federal Express, UPS or any other national overnight express delivery service. The notice must be addressed to the party to whom the notice is given at its address set out in this Agreement or other address the receiving party has designated previously by proper notice to the sending party. Postage or delivery charges must be paid by the party giving the notice.

8.6 Independent Contractor. HFC and Contractor agree that they do not intend to form, and this Agreement shall not be construed as creating, a partnership or joint venture under any circumstances. Neither party hereto shall have any authority, in any manner or to any extent, to bind the other party. With respect to each other, the parties shall be independent contractors for all purposes.

8.7 Venue and Laws. Contractor shall strictly comply with all applicable laws, ordinances, codes, and regulations that affect performance by Contractor hereunder. This Agreement shall be construed in

accordance with the laws of the State of Texas without regard to conflict of law principles. Any litigation in connection with this Agreement shall be in a court of competent jurisdiction in Harris County, Texas.

8.8 Non-Waiver. Failure of either party hereto to insist on the strict performance of any of the agreements herein or to exercise any rights or remedies accruing hereunder upon default or failure of performance shall not be considered a waiver of the right to insist on and to enforce by any appropriate remedy, strict compliance with any other obligation hereunder or to exercise any right or remedy occurring as a result of any future default or failure of performance.

8.9 HFC Policy Compliance. Contractor shall ensure that its personnel observe, abide by, and strictly comply with HFC policies and procedures, including by way of example and not limitation, the HFC Cash Control Policy and Parking Operations Policies and Procedures, as each may be amended from time to time during the Term.

8.10 Ambiguities. If any term of this Agreement is ambiguous, it shall not be construed for or against any party on the basis that the party did or did not write it.

8.11 Non-Exclusivity. Services under this Agreement are non-exclusive, and HFC reserves the right to contract, license, grant, or other allow third-parties persons and entities to perform similar or dissimilar services in its sole discretion without incurring any liability or obligation whatsoever to Contractor.

8.12 Survival. The parties shall remain obligated to each other under all clauses of this Agreement that expressly or by their nature extend beyond the expiration of the Term or termination of the Agreement.

8.13 Assignment and Severability. Contractor shall not assign this Agreement in whole or in part without the prior written consent of HFC. HFC reserves the right to assign this Agreement in whole or in part, including any or all rights granted hereunder, at any time upon written notice to Contractor. If any part of this Agreement is for any reason found to be unenforceable, all other parts remain enforceable unless the result materially prejudices either party.

8.14 Entire Agreement. This Agreement, including the Exhibits attached hereto, represents the entire and integrated agreement between HFC and Contractor with regard to the subject matter hereof and supersedes all prior negotiations, representations or agreements, either written or oral. In the event of a conflict between the Agreement and the Exhibits, this Agreement shall control and prevail. This Agreement may not be altered or amended except in a writing executed on behalf of HFC and Contractor.

[signature page to follow in final Agreement]

**EXHIBIT “A”
SCOPE OF SERVICES**

[**TBD**] (“Contractor”) agrees to and shall provide all labor, supervision, materials, equipment, insurance, tools, machinery, testing, transportation, and other goods and services of any kind or type necessary to provide parking operations and management services for HFC at the Parking Facilities in strict accordance with the terms and conditions of the foregoing Agreement and the following Scope of Services:

Article 1. Personnel Requirements

1.1 Project Manager. Contractor shall engage a Project Manager with at least 10 years’ experience in parking management and operations, who shall use and occupy a portion of the Parking Facility as his or her primary business office, to ensure the safe and effective performance of the Services. Contractor represents and warrants to HFC that such Project Manager shall direct and supervise all aspects of the Services and is authorized to represent and act for Contractor with regard to all matters pertaining to this Agreement. The Project Manager shall be dedicated exclusively to the services required by this Agreement. Any change of Project Manager is subject to the prior written notice to HFC. The Project Manager shall communicate with HFC parking staff on a regular basis regarding the Services and other operational matters, including an in-person meeting at least once per week.

1.2 Garage Manager. Contractor shall engage [**TBD**] Garage Managers, each with at least 5 years’ experience in parking management and operations, who shall support the Project Manager and perform other Services as directed by Contractor.

1.3 Direct Contact. Contractor represents and warrants that the Project Manager or, in the event his or her unavailability for any reason, a pre-designated Garage Manager, shall be available immediately by phone, email, and text message Monday through Friday from at least 8:00 a.m. to 5:00 p.m. (excluding holidays). Outside of such times, Contractor guarantees an inquiry-specific response within 30 minutes, with a direct and immediate contact made available to HFC for use in the event of an emergency at all times.

1.4 Personnel. Contractor shall schedule, engage and provide fully-trained, highly-qualified Customer Service Ambassadors, Supervisors, command center operators, shuttle drivers, shuttle driver supervisors, uniformed law enforcement officers, cleaning and janitorial staff, and other personnel in sufficient quantity to ensure ease of ingress and egress, control and direct vehicular and pedestrian traffic, maximize revenue, and provide such other services necessary to fulfill the requirements of the Agreement and this Scope of Services.

1.5 Scheduling. Contractor shall prepare a two-week staffing schedule for each Parking Facility and submit same to the appropriate HFC Parking Manager for review, comment and approval at least one week prior to the first day of the proposed schedule. Contractor shall anticipate all conventions, performances, concerts, sporting events, banquets, and other events likely to affect use of HFC Parking Facilities and schedule personnel accordingly to meet demand, maximize efficiency, and ensure Service standards are met. Contractor personnel shall arrive for work no more than 30 minutes before their shifts begin and shall leave the premises within 15 minutes after their shifts end, unless an early arrival or late departure is necessary due to scheduling irregularities or an emergency situation.

1.6 Positioning. Contractor shall pre-position Customer Service Ambassadors, uniformed law enforcement officers, and other personnel strategically to meet operational needs and maximize efficiency. One or more Customer Service Ambassadors may also be stationed on-site at one or more Parking

Facilities during load-in and/or load-out days. If HFC designates one or more exits as “no entry,” then Contractor shall secure such exits to prevent unauthorized access. HFC may, but shall not be required to, provide complimentary parking for some or all Contractor personnel (during their work shift only); if provided, Contractor shall ensure that its personnel park only in areas designated by HFC in its sole discretion.

1.7 Dedication. Contractor represents and warrants to HFC that its personnel shall not perform any duties whatsoever outside of this Scope of Services during their scheduled shift at the Parking Facilities.

1.8 Uniforms. Contractor shall ensure its personnel (including, for the avoidance of doubt its subcontractors) wear a standardized uniform, including the Avenida District, Theater District, or appropriate Parking Facility name and logo as directed and approved by HFC. Contractor shall provide its personnel with appropriate summer, winter and all-weather outdoor clothing, including raingear. All uniform clothing shall be cleaned and pressed. Contractor shall ensure its personnel have good personal hygiene, a well-groomed and neat appearance (e.g., shirt tucked in, appropriate pants and shoes, etc.), and provide friendly service to customers. The provision of uniforms and all-weather clothing are Reimbursable Expenses, subject to the requirements of the Section 3.5 of the Agreement.

1.9 Identification. All Contractor personnel, including subcontractors, shall be required to carry and have clearly displayed on their person a photo identification card at all times when performing Services at the Parking Facilities. Contractor shall issue such identification cards at its sole cost and expense. These cards shall include, at a minimum, the company name, first and last name of the individual, and a recent photographic image of the individual.

1.10 Training. Prior to the commencement of the Term, Contractor shall, at its sole cost and expense, undertake and complete pre-assignment training using best industry practices, including, at a minimum, all essential and ancillary duties and responsibilities; Parking Facility orientation; parking equipment and systems operation; evacuation procedures; responding to an emergency; providing courteous assistance in a respectful manner; preparing reports; and other similar training. Contractor shall provide the same level of pre-assignment training to all new employees and contractors, and shall conduct continuing training courses for all personnel on an annual basis. All training shall be documented, and such documentation shall be available promptly upon request from HFC.

1.11 Personnel Changes. If the employment of the Project Manager or a Garage Manager terminates for any reason, then Contractor, as soon as practicable, shall furnish in writing to HFC the name and qualifications of a proposed replacement. HFC may reply within 15 calendar days to Contractor that HFC has reasonable objection to the proposed candidate or, alternatively, that HFC requires more time to review. Failure of HFC to reply to Contractor within such 15 calendar day period shall constitute notice of no reasonable objection. Contractor shall not employ a proposed Project Manager or Garage Manager to whom HFC has made timely objection. HFC reserves the right to require Contractor to remove from HFC property any persons employed or retained by Contractor who are observed or reasonably believed to have violated the terms of this Agreement, Service standards, applicable law, the Parking Facility Rules and Regulations, or the Office Space Rules and Regulations.

Article 2. Essential Services

2.1 Operation and Management. Contractor agrees to and shall control, operate and manage each Parking Facility, including all parking equipment systems and controls, in accordance with this Scope of Services

and in a manner that serves the best interests of HFC. Contractor shall not divert or cause any business to be diverted from the Parking Facilities by referral or any other method.

2.2 Parking Rates. Contractor shall post signage, program digital signage, impose, collect, and otherwise implement rates established by HFC for each Parking Facility, including any early-bird, event, or other special event rates as HFC may require in its sole discretion. Rates are inclusive of applicable taxes, and the parties agree that any future tax increase or decrease may be reflected in revised parking rates or absorbed into the existing rates, as the option of HFC.

2.3 Tickets. All tickets and hangtags used in the operation of the Parking Facilities shall be serially numbered and include ticketback language approved by HFC General Counsel. The form, content, design, color, wording, font, logos, and aesthetics of all such tickets and hangtags shall be subject to and require prior approval from HFC.

2.4 Unauthorized Discounts Prohibited. Contractor shall not provide complimentary or discounted parking except to the limited extent authorized in advance and in writing by the HFC Parking Manager. Contractor accepts and shall be liable for the full value of any unauthorized complimentary or discounted parking allowed by Contractor's personnel.

2.5 Marketing Assistance. Contractor shall use its best efforts to market and promote all aspects of Parking Facility use, including transient, contract, and event parking, as well as validation purchases. Contractor shall use all means available to support such efforts, including social media and technology; Contractor shall endeavor to use and exploit new technologies as they develop.

2.6 Restricted Use. The manner and extent to which all or a portion of each Parking Facility is to be reserved, disused, set aside, or otherwise restricted for monthly parkers, employees, in-house contractors, resident companies, projects, renovations, or other uses shall be determined by HFC in its sole discretion.

2.7 Transit Centers. Contractor shall activate, manage and operate the transit centers located in the Avenida North and Avenida South Garages as needed to support conventions and other events. Contractor shall ensure that busses, shuttles and other commercial vehicles are directed, parked, loaded/unloaded, and disembarked safely and on a timely basis. Contractor shall create and maintain accurate records recording vehicle arrival date/time, purpose, departure date/time, and other pertinent details as the HFC Parking Manager may require.

2.8 Armored Car Service. Contractor shall arrange for and provide, as a Reimbursable Expense (subject to the requirements of the Section 3.5 of the Agreement), armored car services to guarantee the secure transfer of Revenue and any other funds to the bank account(s) designed by the HFC Chief Financial Officer. Contractor accepts responsibility for safeguarding and ensuring that all Revenue and other funds are accounted for and handled securely from cashiers, pay in lane stations, and other areas and timely deposited in the correct account.

2.9 Command Center. Contractor shall staff and operate a central command center 24 hours a day, seven days a week that is fully capable of remote monitoring, two-way communication, and control of ingress and egress at the Parking Facilities through the existing interconnected network of parking equipment in the Avenida District and certain facilities in the Theater District, subject to extension to some or all Parking Facilities during the Term.

2.10 Security. Contractor shall work proactively with HFC's security contractor to limit crimes of opportunity, theft, vandalism, vagrancy, unauthorized commercial transactions, and other undesirable activity by all available means and methods, including implementing effective policies, adjustments to personnel schedules and stationing, recommendations pertaining to security camera and patrols, and regular collaborative meetings with the security contractor and HFC Parking Manager.

2.11 Valet. Contractor shall work cooperatively with valet companies authorized by HFC to use one or more Parking Facilities and support HFC in the collection of fees, use of serially-numbered tickets, designated parking areas, and other operational matters.

2.12 Disaster Mitigation. In the event of an actual or impending disaster or emergency, Contractor shall proactively take all appropriate actions under the circumstances to protect the health, safety and welfare of all persons, as well as to prevent, limit or otherwise mitigate damage to the Parking Facilities and other property. As an essential part of the Services under this Agreement, Contractor shall identify key employees to assist HFC with the deployment of flood gates and barriers as needed and include those key employees in periodic training and simulation exercises.

2.13 Complaint Management. If Contractor or HFC receive any complaints concerning the conduct, demeanor or appearance of any of Contractor's personnel, then Contractor shall promptly investigate and, to the extent commercially reasonable, take remedial action or otherwise correct the condition which gave rise to the complaint. Contractor shall report its findings, remedial actions and corrective measures to HFC in writing.

2.14 Office Space Rules and Regulations. Contractor shall abide by the Office Space Rules and Regulations attached hereto as **Exhibit "1"** and made a part hereof by this reference. HFC, in its sole discretion, shall have the right to establish additional, equitable rules and regulations applicable to all office space occupants and to adopt amendments to the same from time to time for the proper and efficient operation and/or maintenance of common areas of the Parking Facilities, or any portion thereof.

2.15 Parking Facility Rules and Regulations. Contractor shall observe, abide by, implement, and enforce of the Parking Facility Rules and Regulations attached hereto as **Exhibit "2"** and made a part hereof by this reference, as may be amended from time to time by HFC.

Article 3. Financial Duties

3.1 Revenue Collection. Contractor shall follow generally accepted accountability controls and shall collect, count and verify all revenue and receipts arising from the operation of the Parking Facilities and Services. Contractor covenants and agrees that all Revenues of the Parking Facilities, including collection of any rates, rents, fees, charges, and all other income derived or arising from or in connection with the operation and maintenance of the Parking Facilities shall be collected and deposited daily (or, for weekends or holidays, on the next business day) in an HFC account.

3.2 Capture Rate. Contractor represents, warrants and guarantees that its capture rate for vehicles in each Parking Facility for each calendar day of the Term shall be no less than **[TBD]**. If HFC conducts an audit, causes an audit to be conducted, or otherwise becomes aware that revenue received is less than such rate, then Contractor shall pay the difference to HFC upon demand, dollar-for-dollar, as liquidated damages and not as a penalty.

3.3 Contract Parking. Contractor is responsible for issuing, managing and enforcing contract parking agreements (on a form approved by HFC General Counsel), including by way of example and not limitation, all matters pertaining to fulfillment thereunder, such as providing access to the correct Parking Facility and space, as applicable; giving notice and canceling license agreement as needed; and providing and collecting access cards/devices.

3.4 Client Billing. Contractor shall bill and collect amounts due from contract parkers, including corporate customers, and validation by forwarding to their address a true and correct statement for each receivable. Such statements shall be sent by email or mail not later than the 25th day of each calendar month for the charges due for the succeeding month. Validation accounts shall be billed not later than the fifth calendar day of the month for the preceding month. As of the Effective Date, HFC is responsible for billing and collecting from City of Houston departments (e.g., Public Works and Engineering); this process may, however, change during the Term, and, in such event, HFC may require Contractor to bill and collect amounts due from the City of Houston at no additional cost to HFC.

3.5 Records. Contractor shall keep, maintain and preserve, in accordance with generally accepted accounting principles, for at least three years following expiration or termination of this Agreement, complete records and accounts of all gross receipts and business transacted including daily bank deposits, all sales slips, parking tickets, cash register tapes, sales books, bank books, or duplicate deposit slips, complete cashier reconciliations and other evidence of gross receipts and business transacted.

3.6 Chargebacks and Returned Checks. Contractor is responsible for promptly investigating and analyzing each chargeback arising in connection with the Parking Facilities and shall make a specific recommendation to HFC in each such instance. Contractor shall use its best efforts to reduce the occurrence of chargebacks. Contractor is responsible for the prompt collection of all amounts due, including bank fees, for returned checks tendered by customers that are returned unpaid by the bank for any reason.

3.7 Annual Audited Financial Statements. Contractor shall provide HFC, at its sole cost and expense, an annual audited financial statement of all receipts and business activities related to this Agreement, to be conducted by an independent CPA firm selected by Contractor (subject to prior approval by HFC). No cost related to any such audit shall be reimbursable. The time period covered by the annual audits shall coincide with each Term year (i.e., July 1 through June 30), and the audits shall be submitted to HFC's Chief Financial Officer and each HFC Parking Manager on or before the September 30 following each Term year. Contractor acknowledges and agrees that the obligation to provide such annual financial audit shall survive the expiration or earlier termination of the Agreement.

3.8 No Comingling of Records. Contractor shall not combine or commingle any accounts, records, reports, statements, ledgers, billings, invoices, receipts, collections, or other documents of any nature whatsoever pertaining to HFC or the Parking Facilities with any similar or dissimilar record or document pertaining to any other contract, agreement, account, or understanding to which Contractor is a party.

Article 4. Equipment and Maintenance

4.1 Smart Phones. Contractor shall provide, as a Reimbursable Expense (subject to the requirements of the Section 3.5 of the Agreement), smart phones for use by its personnel, as approved by the HFC Parking Manager, to ensure uninterrupted communication during performance of the Services. HFC may require that smart phones be shared from shift to shift, though they must be kept in good working condition at all

times. Contractor shall, at its sole cost and expense, ensure that the Project Manager and Garage Managers have access to an individual-specific email account as an additional means of communication.

4.2 Computers. Contractor shall ensure, at its sole cost and expense, that the Project Manager, Garage Managers, and other essential personnel are provided with or have access to a desktop or laptop computer able to access the internet and with standard office software programs installed and operable.

4.3 Golf Carts. Contractor shall procure and provide, at its sole cost and expense, at least eight (8) street-legal golf carts (four for the Theater District and four for the Avenida District) for use by its personnel in the performance of the Services. Contractor shall insure and maintain each golf cart in good, fully-operable for the duration of the Term at its sole cost and expense; provided, however, that the cost of gasoline will be a Reimbursable Expense. Contractor shall be provide and use and OSHA and NFPA-approved containers and storage cabinets for the gasoline at its sole cost and expense.

4.4 Radios. Contractor shall provide, as a Reimbursable Expense (subject to the requirements of the Section 3.5 of the Agreement), two-way, 16-channel radios for use by its personnel, as approved by the HFC Parking Manager, in the performance of the Services. Additionally, at each parking office, Contractor shall provide at least one multi-unit radio charger and four spare batteries to ensure uninterrupted lines of communication at all times. Contractor shall be solely responsible for use, operation, maintenance, and all other costs associated with the use of such radios and chargers, which must remain fully operable for the duration of the Term.

4.5 Labeling and Identification. Contractor shall label its equipment in a durable manner so as to ensure clear identification of ownership. Upon request from HFC, Contractor shall promptly provide a then-current list of all Contractor equipment stored at the Parking Facilities.

4.6 Inventory. Contractor shall provide, as a Reimbursable Expense (subject to the requirements of the Section 3.5 of the Agreement), and maintain throughout the Term, a commercially reasonable and accurate inventory of sequential ticket stock, hangtags, receipts, validation stamps or coupons, gate arms, signs, compressed air dusters, traffic cones, traffic barricades, removable lane dividers, and car stops to ensure the continuity of operations and avoid unnecessary interruption. The form, content, design, color, wording, font, logos, and aesthetics of all such equipment and items shall be subject to and require prior approval from HFC.

4.7 HFC-Owned Equipment. HFC may, in its sole discretion, allow Contractor reasonable use of HFC-owned equipment to support performance of the Services, such as a power scrubber, motorized sweeping machine, tools, computers, monitors, printers, office furniture, or other equipment. HFC shall have no obligation to repair or replace any such equipment. HFC makes no warranty or representation to Contractor of any kind, express or implied, regarding the suitability of any HFC-owned equipment for aspect of Contractor's actual or expected use thereof. Contractor acknowledges and agrees that use of HFC-owned equipment hereunder is on an "AS IS" basis in its current condition. Contractor shall keep HFC-owned equipment in good repair and condition and surrender same to HFC immediately upon demand or on the expiration or earlier termination of this Agreement.

4.8 Contract Parking Software Licenses. HFC shall hold the licenses for contract parking software of its choice throughout the Term at its expense. Contractor shall use such software in the manner required by HFC.

4.9 Temporary Equipment. Contractor shall place cones, traffic barricades and removable lane dividers in the Parking Facilities during events or regular operations as needed. Contractor shall promptly remove and store temporary equipment when not needed in a secure area.

4.10 Vehicle Counters. Contractor shall program, operate and maintain all vehicle counters in the Parking Facilities as needed.

4.11 Trams. Contractor shall operate and maintain the trams (HFC-owned multi-passenger vehicles used to transport event attendees) in the Theater District at the direction of the appropriate HFC Parking Manager. Contractor shall keep the trams fully operational throughout the Term. Contractor shall ensure that the trams are operated safely, by a licensed driver, at a speed not to exceed five miles per hour.

4.12 Electronic Message Boards. Contractor shall program, operate, place, remove, store, and maintain the electronic message board owned by HFC to support the Parking Facilities as needed during events.

4.13 Inspection and Testing. Contractor shall continuously inspect and test all parking equipment and systems at each Parking Facility for indicia of excessive wear, fraying, malfunction, or other damage or defects and shall prevent use of same at the Parking Facilities in any manner. Contractor shall promptly report excessively worn, malfunctioning, damaged, defective, vandalized, lost, or stolen equipment to the HFC Parking Manager in writing.

4.14 Parking Equipment Maintenance. Contractor agrees to and shall maintain the parking equipment in good, reliable, and fully-operable condition, in part by performing routine inspection and preventative maintenance in accordance with manufacturer's recommendations as an essential part of the Services, including all of the following specific tasks:

- a. Clean all ticket spitters and dispenser mechanisms daily with compressed air.
- b. Inspect gate arms, card readers, lights, and intercom systems daily for malfunction or damage.
- c. Lubricate hinge bearings of all gate arms monthly or more frequently as needed.
- d. Inspect bollards and chains monthly for damage.
- e. Inspect car stops monthly to ensure none are broken or excessively worn.
- f. Vacuum, remove debris and clean oil leakage or residue from the interior of gate cabinets monthly or more frequently as needed.

4.15 Repairs. Contractor shall proactively repair or replace broken or excessively worn gate arms, traffic barricades, bollards, chains, removable lane dividers, car stops, and similar items to ensure the continuity of operations and avoid any loss of revenue. All other repairs to parking equipment and systems, as well as any improvements to the Parking Facilities, must be authorized in advance by the appropriate HFC Parking Manager, and shall be further subject to the Reasonable Expenses section of the Agreement. Contractor represents and warrants to HFC that repairs of any kind or type shall be made only by a qualified and experienced technician and in strict accordance with manufacturer specifications and requirements.

4.16 Maintenance and Repair Exclusions. Contractor is not responsible for maintaining or repairing utility connections, mechanical equipment, elevators, escalators, light fixtures, light bulbs, ventilation systems, generators, or fire protection equipment at the Parking Facilities.

4.17 Maintenance and Repair Records. Contractor shall keep a detailed record of all preventive maintenance and repairs performed at each Parking Facility, noting, at minimum, the time and date,

specific piece of equipment, observations, any parts replaced, and any service performed. Contractor shall provide true and correct copies of any or all such records immediately upon request from HFC.

Article 5. Cleaning and Janitorial Services

5.1 Overview. Contractor shall provide cleaning and janitorial services at each Parking Facility, including trash removal, emptying trash cans, and routine cleaning of elevators, escalators, Tunnels, stairwells, ticket dispensers, pay-on-foot stations, exit verifiers, parking barriers, intercoms, license plate readers, and all other parking equipment. Contractor is responsible for providing all cleaning supplies and equipment at its sole cost and expense, with the exception of the powered sweeper and scrubber described below.

5.2 Subcontractor Requirements. Contractor assumes responsibility and liability for all work, acts or omission of any subcontractor for cleaning and janitorial services made by Contractor in connection with this Agreement. Contractor shall ensure that any subcontract for cleaning and janitorial services entered into by Contractor in connection with this Agreement includes, at a minimum, a provision requiring strict compliance with the terms and conditions of this Agreement, including, by way of example and not limitation, service standards, insurance, indemnification, and biometric timekeeping. Contractor agrees to initiate and take all corrective action should a subcontractor fail to comply with the term of its subcontract with Contractor or any provision of this Agreement.

5.3 Routine Cleaning. Contractor shall provide and perform the following cleaning and janitorial tasks and service to the satisfaction of the appropriate HFC Parking Manager on a daily basis, or as directed by the HFC Parking Manager:

- a. Pick up trash and litter throughout all surface areas in the Parking Facilities, including ramps, elevators, elevator lobbies, and Tunnels.
- b. Empty all trash cans at each Parking Facility.
- c. Sweep all paved entrance and exit areas at the Parking Facilities.
- d. Check and clean all major pedestrian flow areas at the Avenida District and Theater District.
- e. Clean all steps, light fixtures, mirrors, walls, and floor drains at each Facility.
- f. Clean parking rate and other signs throughout each Parking Facility.
- g. Clean all parking equipment and cabinets.
- h. Clean all bollards, car stops and lane dividers.
- i. Sweep, dust mop, deodorize, and/or buff all Tunnels and Parking Facility stairwells.
- j. Clean and sweep all Parking Facility escalators and elevators, including sweeping out of door tracks.
- k. Remove any graffiti and gum stains at each Parking Facility.

5.4 Theater District Stairwells. At the Theater District Garage, Contractor is advised that stairwells shall require cleaning several times per day due to pedestrian traffic. The first cleaning shall be **completed** by 7:00 a.m., Monday through Friday and one hour before the start of the first event on any day, including Saturdays and Sundays. As required, but at least once per week, stairs shall be scrubbed and/or mopped and cleaned using a biodegradable cleaner/degreaser.

5.5 Powered Sweeper and Scrubber Cleaning. Contractor shall use a powered sweeper and scrubber to clean all parking area surfaces in each Parking Facility (excluding the Surface Lots) six times per year, or as required by the HFC Parking Manager. Contractor shall employ the person(s) to operate the power sweeper and scrubber, and Contractor shall properly train and furnish safety instructions to such persons.

Contractor shall also ensure that the power sweeper and scrubber operator uses such equipment in a safe manner at all times and in accordance with the manufacturer's operations guidelines.

5.6 Surface Lot Sweeping. Contractor shall mechanically sweep each Surface Lot six times per year, or as required by the HFC Parking Manager, using a vehicle-mounted motorized sweeping machine designed for sweeping outdoor parking surfaces. Contractor shall provide all equipment and materials required for such service at its sole cost and expense, as HFC's power sweeper cannot and shall not be used for any outdoor use.

5.7 Flooring and Surfaces. Contractor shall finish vinyl or tile floors with a high gloss finish and buff as necessary to maintain a high gloss state. Contractor shall provide all equipment and materials required for such service at its sole cost and expense. All wall surfaces and floor surfaces are to be maintained according to their manufacturer's or supplier's specifications.

5.8 Caution Signs Required. Contractor represents and warrants to HFC that it shall be responsible for the prominent placement of caution, warning and hazard signs during and, as needed, after the performance of cleaning and janitorial or other services to prevent slips, trips and falls in any areas accessible by Parking Facility users or the public.

5.9 Secure Cords and Cables. Contractor shall secure cords and cables using best industry practices. Contractor shall arrange cords, cables and other connections to avoid crossing walkways, creating trip hazards, exposure to moisture or the elements, or physical damage.

5.10 Trained Staff. Contractor shall utilize a well-trained staff including individuals who have had special training with the types of floor surfaces found in the garages, surface parking lots, (i.e., concrete parking surfaces as well as tile), and who have received training on maintaining floors with maintenance machinery such as scrubbers, sweepers, and floor buffers.

5.11 Flexible Scheduling. Contractor recognizes that requirements for cleaning and janitorial services under this Agreement will vary by type of Parking Facility and frequency of use, due to their location, frequency of use, events, and other factors. Contractor shall ensure that personnel are scheduled accordingly, and in strict compliance with Section 1.5 of this Scope of Services.

5.12 Cleaning and Janitorial Records. Contractor shall keep a detailed record of all cleaning and janitorial services performed at each Parking Facility, including a checklist of required tasks and noting, at minimum, the date and shift during which the specific service was performed. Contractor shall provide true and correct copies of any or all such records immediately upon request from HFC.

Article 6. Shuttle Bus Operation and Maintenance

6.1 Commercial Vehicle Fleet. Contractor shall maintain, repair, insure, and operate the following shuttle busses and commercial vehicles, and such additional vehicles as HFC may designate during the Term, effective on notice to Contractor:

- a. One (1) 2008 Goshen Coach Sentinel 28-passenger busses
- b. Four (4) 2012 Ford E350 12-passenger vans with 2 wheelchair spaces
- c. One (1) 2011 Ford E350 14-passenger van
- d. One (1) 2011 Ford E250 12-passenger van
- e. One (1) 2013 Ford E450 25-passenger shuttle bus

- f. One (1) 2002 Dodge Ram 2500 V8 truck with lift gate

HFC reserves the right to remove one or more shuttle busses and commercial vehicles from inventory at any time, whether temporarily or permanently, with or without prior notice to Contractor.

6.2 Preventative and Remedial Maintenance. Contractor shall develop and maintain a preventive maintenance program to routinely inspect and repair the shuttle buses and other commercial vehicles and shall maintain same in good repair, condition and working order. At the expiration or earlier termination of this Agreement, Contractor shall return the shuttle buses and other commercial vehicles to HFC in good condition, excepting ordinary wear and tear. Preventive and remedial maintenance scheduled and performed by Contractor shall include, but not be limited to, (i) daily sweeping and cleaning of the tram and shuttle bus interiors; (ii) weekly exterior cleaning with a high-pressure water process or comparable method; (iii) painting and repair of the trams and shuttle bus fleet, as necessary, to retain a high-quality appearance; and (iv) preventative and periodic maintenance of engines, drive trains and other major systems (e.g., doors, air conditioning, brakes, etc.). The provision of preventative and scheduled maintenance of the shuttle buses and other commercial vehicles are Reimbursable Expenses, subject to the requirements of the Section 3.5 of the Agreement.

6.3 Fuel. Contractor shall arrange for and provide, as a Reimbursable Expense (subject to the requirements of the Section 3.5 of the Agreement), all fuel necessary to operate the shuttle busses, commercial vehicles, trams (See Section 4.11 of this Scope of Services) and Electronic Message Boards (See Section 4.12 of this Scope of Services). All other fuel needs, such as golf carts or other Contractor vehicles, shall be at Contractor's sole cost and expense.

6.4 Route and Tours. Shuttle busses will be used on routes designated by the HFC Parking Manager, as amended from time to time, for purposes that include, but are not limited to, transporting (i) City of Houston employees from designated Parking Facilities to City Hall, City Hall Annex, Downtown Central Library, 611 Walker, and any other governmental facilities; (ii) event attendees to various performing arts and other venues; and (iii) in support of various events and tours to attract and promote Houston as a meeting place for convention, tourism and bother business-related matters.

6.5 Dispatch. Contractor shall manage, operate and maintain a shuttle bus and commercial vehicle dispatching system to maintain contact with the driver of each vehicle at all times while operating.

6.6 Shuttle Rates. Contractor shall post signage, program digital signage, impose, collect, and otherwise implement rates for shuttle bus and commercial vehicle transportation established by HFC (whether for a specific Parking Facility, route, or otherwise), and including any early-bird, event, or other special event rates as HFC may require in its sole discretion. Rates are inclusive of applicable taxes, and the parties agree that any future tax increase or decrease may be reflected in revised parking rates or absorbed into the existing rates, as the option of HFC.

6.7 Driver Conduct. All shuttle bus and commercial vehicle drivers (including tram operators and any supervisors) must be prompt, have good personal hygiene, a well-groomed and neat appearance (e.g., shirt tucked in, appropriate pants and shoes, etc.), and provide friendly service to passengers and the general public at all times. Drivers shall also assist passengers who have difficulty boarding and disembarking the shuttle buses. Drivers shall not solicit tips, but may accept tips as offered.

6.8 Requirements for Drivers. Shuttle bus and commercial vehicle drivers (including tram operators and any supervisors) shall properly licensed in the State of Texas to drive and operate commercial vehicles.

Before assigning or allowing an employee, agent or contractor of any tier to drive or operate a shuttle bus, commercial vehicle or tram, Contractor shall obtain and review the driving records of such individuals, at its sole cost and expense, to determine whether they are qualified and able to drive such vehicle in a consistently safe and responsible manner; Contractor shall re-review individual's driving records at least annually. Contractor represents and warrants to HFC that no Contractor employee, agents or contractor of any tier shall drive or operate a shuttle bus, commercial vehicle or tram who has been convicted, during the preceding three years, regardless of jurisdiction or location, of (i) a felony of any kind, including but not limited to those involving the use of a motor vehicle; (ii) driving while intoxicated or driving under the influence; (iii) any combination of three or more moving violations and/or motor vehicle accidents, regardless of location.

6.9 Accidents. Contractor shall ensure that drivers involved in an accident of any kind while driving or operating a shuttle bus, commercial vehicle or tram report the accident immediately to Contractor and the appropriate law enforcement authority in the jurisdiction in which the accident occurred as required by law. Contractor shall notify the HFC Parking Manager in writing on the accident within four hours of its occurrence. Contractor shall provide all assistance required by HFC and its contractors to investigate and document any accident.

6.10 Safety. Contractor shall operate the shuttle buses, commercial vehicles and tram safely, in accordance with all traffic laws and regulations. Contractor assumes the risk of injury, damage or other loss to persons or property arising out of or sustained in connection with the operation of any shuttle bus, commercial vehicle or tram by Contractor, its employees, employees, agents, licensees, invitees, and contractors of any tier. Contractor acknowledges and agrees that it is solely responsible and liable for the safety and welfare of all shuttle bus, commercial vehicle and tram passengers.

6.11 Discontinuation of Services. At any time during the Term, upon 30 calendar days' notice, HFC reserves the right to terminate and direct contractor to cease all services pertaining to shuttle bus and commercial vehicle operation and maintenance. On receiving the notice, Contractor shall, unless the notice directs otherwise, immediately discontinue all such services and cancel all related orders and subcontracts that are chargeable to this Agreement and send a final invoice to HFC for such services in the same manner provided in Section 6.3 of the Agreement.

Article 7. Reporting Requirements

7.1 Daily Revenue Reports. Each day, no later than noon, Contractor shall prepared and provide separate reports for the Avenida District and Theater District to the appropriate HFC Parking Manager listing all Revenue from the previous calendar day, including all deposits, a complete credit card reconciliation, the capture rate by Parking Facility, a summary of shuttle bus ridership by time and route, and such other information as HFC may require.

7.2 Weekly Revenue and Operating Reports. Each Monday, no later than noon, Contractor shall prepare and provide separate reports for the Avenida District and Theater District to the appropriate HFC Parking Manager reporting all revenue and Labor Charges from the previous calendar week, including all deposits, a complete credit card reconciliation, the capture rate by Parking Facility, a summary of shuttle bus ridership by time and route, and such other information as HFC may require.

7.3 Monthly Revenue Report. Contractor shall prepare and provide separate monthly reports for the Avenida District and Theater District to the HFC Chief Financial Officer and HFC Parking Manager noting all Revenue, Labor Charges, deposits, paid invoices, a complete credit card reconciliation, the

capture rate by Parking Facility, reimbursable expenses for the immediately-preceding month, and such other information and detail as HFC may require. Contractor represents and warrants to HFC that such reports shall be delivered no later than the **eight (8th) calendar day** of each month during the Term, commencing after the first calendar month of the Term. If Contractor fails to provide such Monthly Revenue Reports by such specified date and also fail to provide supporting documentation to substantiate the delay or obtain the HFC Chief Financial Officer's approval to delay such reports, then HFC reserves the right to assess, as liquidated damages as not as a penalty, \$100 per delayed report per business day.

7.4 Revenue Forecasts. Contractor shall provide calendar year and fiscal year revenue forecasts to the HFC Chief Financial Officer in accordance with this Section. Each such report shall include a projection of Management Fees, Revenue, Labor Charges, deposits, paid invoices, and reimbursable expenses for the succeeding one-year period (i.e., January to December for the calendar year; July to June for each fiscal year). On a monthly basis, Contractor shall provide the HFC Chief Financial Officer forecast-versus-actual report with an explanation of any variances and such other detail as HFC may require.

7.5 Revenue Detail. Daily, weekly and monthly Revenue reports shall itemize parking revenue type (i.e., transient, contract, event, employee, or other), payment method (i.e., cash, check, debit, credit card, validation, or other), and such other information as HFC may require.

7.6 Monthly Accounts Receivable Aging Report. Contractor shall include with each Monthly Revenue Report an accounts receivable aging report for the Avenida District and Theater District (or each Parking Facility, as directed by the HFC Chief Financial Officer).

7.7 Monthly Chargeback and Returned Check Analysis. Contractor shall include with each Monthly Revenue Report an analysis of any chargebacks and returned checks by date, Parking Facility/pay-on-foot station, name, account, and such other information as HFC may require.

7.8 Incident Reports. Contractor shall immediately report to the appropriate HFC Parking Manager any accident, injury, or near miss occurring during the performance of the Services and provide all reasonable assistance to HFC and its security contractor in the preparation of a written incident report.

7.9 Contractor Personnel Damage. Damage caused in whole or in part by Contractor, its employees, agents, contractors or subcontractors during the performance of the Services shall be reported promptly by Contractor immediately to the appropriate HFC Parking Manager.

7.10 Parking Facility Damage. If Contractor observes any malfunctioning equipment, graffiti or vandalism at any Parking Facility during the performance of the Services, then Contractor shall report same promptly to the appropriate HFC Parking Manager and provide all reasonable assistance in the preparation of a written incident report.

7.11 Personnel Reports. Upon request from HFC, at any time during the Term, Contractor shall provide a complete and accurate list of the names and positions of all Contractor's employees who are performing services in the Parking Facilities. HFC may direct that Contractor provide and update such list on an ongoing basis, in its discretion.

7.12 Market Rate Surveys. Contractor shall conduct and provide market rate surveys for the Parking Facilities in the Avenida District each calendar quarter during the Term in a form and manner approved in advance by the appropriate HFC Parking Manager. For the Theater District, Contractor shall conduct market rate surveys each calendar quarter or annually, as directed by the appropriate HFC Parking

Manager. Unless otherwise directed by the HFC Parking Manager, the market rate to be determined for the Theater District shall be the sum of monthly rates to park a passenger vehicle in public parking garages not owned or operated by HFC located near the Theater District Parking Garage in the area of the Central Business District bounded by or fronting on Bagby, Franklin, Fannin, and Dallas streets divided by the number of such parking garages. All market rate surveys shall be at Contractor's sole cost and expense.

7.13 Site Inspections. HFC shall have the right to conduct both scheduled and unscheduled inspections within each Parking Facility for the purpose of assessing performance of the Services by Contractor. HFC may present any observed deficiencies or non-compliance in writing to Contractor and, in each such instance, Contractor shall respond to each item of concern in writing within five calendar days and promptly take corrective remedial measures.

7.14 Disaster Readiness and Recovery Plan. Contractor shall develop and submit a Disaster Readiness and Recovery Plan to HFC addressing all aspects of disaster and emergency condition preparedness and mitigation, such as staffing, shelter-in-place procedures, securing equipment, and using all means available to protect the Parking Facilities. Contractor shall submit such plan to HFC by March 1st of each year during the Term.

Article 8. Parking Contractor Offices

8.1 Premises License. HFC grants to Contractor a license to use and occupy a limited portion of one or more Parking Facilities designated by HFC in its sole but reasonable discretion for office use and storage purposes (the "Premises"). Such Premises shall be used by Contractor exclusively for the purposes of the provision of the Services, including storage of equipment and supplies. Contractor represents and warrants to HFC that equipment and supplies stored in the Premises shall be for the exclusive benefit of HFC in the performance of the Services by Contractor.

8.2 Disclaimer of Warranties. HFC makes no warranty or representation to Contractor of any kind, express or implied, regarding the suitability of the Premises, or any portion of the Parking Facilities, as built, for any aspect of Contractor's use or expected use of the Premises. The Premises is offered by HFC and accepted by Contractor in its current condition, on an "AS IS" basis. Commencement of the use of the Premises shall be conclusive that the Premises were in good repair and in satisfactory condition, fitness and order when such use commenced.

8.3 Surrender of Premises. At the end of the Term, Contractor shall vacate and surrender the Premises to HFC in the same condition found before the commencement of the Term, excepting minor damage due to ordinary wear and tear. Should Contractor fail to vacate and surrender the Premises in such manner, then HFC may enter the Premises, remove and store all property therein at the sole expense of Contractor and dispose of same if, after the expiration of 30 calendar days, Contractor has failed to remove the property from the possession of HFC.

8.4 Personal Property and Services. Contractor shall arrange for, at its sole cost and expense, any furniture, furnishings, computers, copiers, printers, scanners, and any other equipment and supplies necessary to ensure the orderly performance of the Services; provided, however, that Contractor shall be obliged to order and pay for, as may be applicable, any exclusive in-house services that Contractor may require, whether offered currently or subsequent to the Effective Date, including, by way of example and not limitation, telecommunications and food-and-beverage services. Additionally, Contractor acknowledges that HFC has or may have contractual sponsorship obligations requiring exclusivity with respect to certain products or brands and Contractor shall not take any action that might in any manner or to any extent

conflict with or challenge such commitments or obligations to such sponsors, as determined by HFC.

8.5 Fixtures. At Contractor's sole cost and expense, Contractor may construct or install fixtures or permanent improvements in the Parking Facility, including the Premises; provided, however, that all such fixtures and improvements shall have the prior written approval of HFC and shall in all respects conform to and comply with all applicable statutes and ordinances. Title to all such fixtures and improvements shall vest in HFC upon the termination or expiration of this Agreement and shall not be removed by Contractor.

8.6 Shared Use. Contractor acknowledges that, in order for the Parking Facilities to be operated as efficiently as practicable, it may be necessary to schedule or share certain services and equipment including, but not limited to, entrances, exits, ramps, loading docks, receiving areas, marshaling areas, freight elevators, and parking areas. Contractor agrees to work cooperatively with other contractors and users of the Parking Facilities; in the event of a conflict, HFC shall have final authority to establish the reasonable schedules for the use and availability of such services and equipment and to determine when, and the extent to which, the sharing of any such services and equipment is necessary or desirable.

8.7 Relocation. HFC may elect to modify the Premises or relocate Contractor from the Premises to another space that is owned, operated or controlled by HFC, without the consent of Contractor, by giving Contractor at least 30 calendar days' prior notice. Such relocation notice shall specify the effective date of the relocation from the Premises Contractor is then occupying and the space to which Contractor is being relocated, and Contractor shall surrender the Premises Contractor is then occupying in accordance with the provisions of this Section on or before the stated effective date. In accomplishing such relocation, HFC and Contractor shall reasonably cooperate with one another, and consult with one another in good faith, so as to reduce or limit, insofar as reasonably practical, the effects of the necessary disturbance or disruption of the Services.

**Exhibit “1”
Parking Facility
Rules and Regulations**

These Parking Facility Rules and Regulations, promulgated by Houston First Corporation (“HFC”) effective February 22, 2019, shall govern the general conduct of drivers, passengers, pedestrians, licenses, tenants, employees, agents, contractors, and any other individuals entering, exiting, or otherwise using the Avenida North Garage, Avenida Central Garage, Avenida South Garage, Tundra Garage, Theater District Parking Garage, Lots C&H, the HPD Lot, the Staging Lot, Lot 4, Lot 6, Lot 8, or any other HFC garage, surface lot, or parking facility in Houston, Texas (each a “Parking Facility” and collectively, “Parking Facilities”).

Office Locations

Offices. Parking Facility users who would like to apply for monthly parking, or who need to reactivate their proximity card, report an accident or incident, or arrange to have their vehicle towed are directed to appear in person at one of the following Parking Offices:

- Avenida North Garage: Office located on ground floor adjacent to the Transit Center.
- Avenida Central Garage: Office located at the main garage entrance.
- Avenida South Garage: Office located on ground level facing the elevators.
- Theater District Garages: Office located in the Civic Center Garage, 1st-level management office.
- Tundra Garage: Office located on ground level on Jackson Street side.

Parking and Vehicle Operation

Access. Drivers allowed entry into a Parking Facility may use and occupy one available, unreserved parking space for parking one passenger vehicle only and no other purpose.

Availability. Parking space is not guaranteed; it will be available, if at all, on a first-come, first-served basis.

Designated Parking Areas. Vehicles shall be parked only in an open parking space designated by two parallel parking stall lines. Drivers shall not park on or over the line, regardless of how others park, and shall not create a space in areas not designated by two parallel parking stall lines. Absence of signage is not an authorization to park.

Disabled Parking Spaces. Only persons with disabilities whose vehicles display the appropriate state-issued disability license plates or placards shall be allowed to park in spaces identified with signage for use by the disabled.

Incidents. Any accident, incident, damage, injury, theft, or other loss to persons or property shall be reported promptly to security at the Parking Office prior to leaving the Parking Facility.

Loading Zones. Loading zones areas are designated for active loading and unloading activities only. Loading zones are not parking spaces; vehicles may stop for no more than 15 minutes with the flashers on during active loading or unloading.

Overnight Parking. Parking at the Facilities is prohibited from 2:00 a.m. to 4:00 a.m., except for hotel guests and employees/contractors whose regular shift consistently includes such hours. Overnight parking

at the Facilities is strictly prohibited for employees and contractors when traveling, whether on official business or otherwise.

Parking Violations. Parking in spaces identified with signage as “No Parking”; in more than one space; in a loading zone, lane, crossing, or ramp; adjacent to a curb painted yellow or red; in a reserved or disabled space (without authorization); or blocking an entrance, exit, fire lane, or other parked vehicle is a material violation of these Parking Facility Rules and Regulations and constitutes grounds for immediate removal from the Parking Facility by tow truck at the sole expense of the owner.

Reserved Parking Spaces. Reserved parking spaces are identified with signage and are for the exclusive use of the authorized users. Any unauthorized vehicle parked in or obstructing access to a reserved parking space shall be subject to immediate removal from the Parking Facility by tow truck at the sole expense of the owner.

Repairs. Facilities cannot be used for vehicle or equipment repairs, servicing or alterations except to the limited extent allowed under signed service contract between HFC and one or more third parties, if any.

Responsibility. Inclement weather, lateness, ignorance, inattentiveness, mechanical problems, and other, similar excuses shall not justify any violation of these Parking Facility Rules and Regulations.

Reverse Parking. Backing a vehicle into a parking space is prohibited if it positions the vehicle in a direction facing opposite to the flow of traffic in the nearest lane.

Right-of-way. Drivers shall yield the right-of-way to pedestrians and drivers in the process of parking their vehicles.

Risk of Loss. No bailment is intended or created in connection with Parking Facility entry or use. The Parking Facility owner and operator, including their employees, agents and contractors, do not and shall not assume care, custody or control of any vehicle or equipment, and shall not be responsible or liable in any manner for any damages or loss by fire, theft, vandalism, casualty, or any other cause with respect to any vehicle, its contents or other personal property.

Safety Precautions. Once parked, prior to leaving their vehicle unattended, drivers are strongly advised to lock their vehicle, close all windows, and remove the keys and any items of value to deter criminal activity. (See also “Risk of Loss” above.)

Signage. Drivers shall observe and comply with all posted directional and advisory signs, and obey safety and traffic regulations while operating a vehicle in the Facilities.

Size Limitations. Vehicles having a height greater than seven feet (7’ 00”) or having a length or width exceeding the size of a conventional parking space are prohibited in the Facilities. Only small cars may be parked in spaces identified with signage as “Compact” or “Compact Only”.

Speed Limit. Drivers shall observe a 5 MPH speed limit in the Facilities at all times.

Stopping. Drivers shall not stop in lanes or on ramps to pick-up/drop-off passengers or load/unload items. No vehicle shall be left running while unattended.

Towing. Drivers should contact the on-site Parking Facility manager prior to towing a disabled vehicle, or if their vehicle has been towed due to a parking violation.

Vehicle Condition. All vehicles operated at the Facilities shall be in good working condition. No vehicle shall be driven at the Facilities if leaking fluid or found to have other technical, mechanical or safety defects which may impair the safe or efficient operation of the vehicle. No person shall operate a vehicle at the Facilities if it is loaded or equipped so as to endanger any persons or property.

Vehicle Displays. Vehicle displays and exhibitions are prohibited in the Facilities. Vehicles shall not be offered for sale or lease within the Parking Facility without the prior written approval of HFC.

Personal Conduct

Advertisements. No person shall post, distribute, or display signs, advertisements, circulars, printed or written matter at the Facilities without the prior written approval of HFC.

Commercial Activities. No Parking Facility may be used to sell, peddle or offer for sale or purchase any goods, merchandise, property or services of any kind whatsoever, without the prior written approval of HFC.

Conduct. Use of profane, vulgar or threatening language directed to or at Parking Facility employees or contractors is strictly prohibited and shall result in immediate removal of the individual from the Parking Facility.

Damage. No person shall damage, cause to be damaged, or engage in conduct likely to damage, in any manner, the Facility or property of any nature located therein, nor willfully abandon any personal property in the Parking Facilities.

Deliveries and Freight. Deliveries and move-in/out of freight must be through designated loading docks, freight doors and freight elevators only. Escalators, passenger elevators, lobbies, and side doors, shall not be used for such purposes.

Elevators and Escalators. Passenger elevators and escalators shall be restricted to passenger use only. Bicycles, luggage, strollers, walkers, wheelchairs, carts, hand trucks, and similar objects are prohibited on escalators.

Hazardous Materials. Hazardous materials, including biohazards, are strictly prohibited in the Facilities.

Lawful Conduct. Drivers, passengers, pedestrians, and all other individuals entering, existing, using, or otherwise present at the Facilities are subject and shall conform to the requirements of applicable law and regulation at all times.

Littering. No person shall place, discharge, or deposit in any manner, papers, trash, rubbish, food waste or other litter anywhere in the Parking Facilities, except in designated receptacles.

Loitering. Tailgating or loitering in any Parking Facility is prohibited.

Obstruction. No person shall obstruct or impede, or endeavor to obstruct or impede, the efficient use and operation of the Facilities in any manner or to any extent. No entrance, exit, corridor, passageway, lobby,

stairway, escalator, elevator, sidewalk, or other common area of a Parking Facility shall be obstructed by any means or used for any other purpose than ingress and egress.

Photography and Recording. No person shall take still, motion, television, or sound pictures for commercial purposes at any Parking Facility without the prior written approval of HFC, which shall be produced by the holder upon demand of Parking Facility employees or contractors.

Restricted Areas. No person shall enter any restricted area of a Parking Facility, except persons required to do so to perform an essential job function who are in possession of an HFC-issued access card and personal identification.

Violation. Any person who violates, disobeys, omits, neglects or refuses to comply with any provision of these Parking Facility Rules and Regulations shall be denied use of the Facilities, in addition to the penalties described pursuant to applicable law or regulation.

Residual Matters

Amendment. These Parking Facility Rules and Regulations may be amended by HFC in writing from time-to-time and shall be effective upon date of issuance. No Parking Facility employee, contractor or agent has authority to amend, modify or waive these Parking Facility Rules and Regulations.

Discounts. Complimentary or discounted parking requires the prior written approval of the HFC President & CEO, CFO, CDO, or COO. Requests for complimentary or discounted parking for events or multiple individuals must be submitted and approved at least 15 days in advance, and are subject to availability.

Interpretation. If any provision of these Parking Facility Rules and Regulations is deemed to be ambiguous and a determination as to the meaning and intent of the provision is required, then such matter shall be referred to the HFC President & CEO, whose determination shall be final and shall be deemed incorporated in these Parking Facility Rules and Regulations as though it were fully set forth herein.

Non-Waiver. Failure to insist on strict performance or to exercise any rights or remedies hereunder shall not be considered a waiver of the right to insist on strict compliance with any other obligation or to exercise any right or remedy occurring as a result of any future default or failure of performance.

Severability. If any section, sentence, clause or phrase of these Parking Facility Rules and Regulations or any part thereof is for any reason found to be invalid, void or unenforceable by any court of competent jurisdiction or regulatory agency, then such finding shall not affect the validity or effectiveness of the remaining portions of these Parking Facility Rules and Regulations or any part thereof.

EXHIBIT “2”
OFFICE SPACE
RULES AND REGULATIONS

Contractor agrees to and shall abide by these Office Space Rules and Regulations for the duration of the Term, including any extension thereof. Terms capitalized herein, but not defined herein, shall have the meaning ascribed to them in the foregoing Agreement. In the event of a conflict between such Agreement and any provision of these Office Space Rules and Regulations, the Agreement shall control and prevail.

1. Contractor shall take all reasonable measures to protect the carpet at HFC facilities and shall use Masonite® or Visqueen® when moving equipment or supplies in carpeted areas.
2. Golf carts, Cushman® utility vehicles, Segway® vehicles, bicycles and similar transportation devices are prohibited in carpeted areas of HFC facilities.
3. Sidewalks, halls, passages, exits, entrances, elevators, loading docks, sky bridges, and stairways at HFC facilities shall not be blocked or obstructed by Contractor.
4. Deliveries and the movement of freight/equipment shall be through loading docks, freight doors and freight elevators designated by HFC; the main lobbies, sky bridges, escalators, and passenger elevators shall not be used for such purposes. Additionally, HFC reserves the right to limits or restrict the hours during which such activities may occur.
5. Contractor shall maintain the Premises in a clean and orderly fashion.
6. The Premises shall not be used for lodging. No cooking or meal preparation shall be permitted in the Premises, except for approved microwave ovens and equipment for brewing coffee, tea and hot beverages.
7. No sign, logo, placard, picture, name, advertisement, or notice visible from the exterior of the Premises shall be inscribed, painted, affixed or otherwise displayed by Contractor without the prior written consent of HFC.
8. Contractor shall not use any method of heating or air conditioning in the Premises other than that supplied by HFC.
9. Contractor shall use utilities in the Premises sparingly and efficiently (e.g., turn lights and power off when not in use).
10. Contractor shall ensure that the doors of the Premises are closed and locked and that all water faucets, water apparatus and utilities are shut off before Contractor personnel leave the Premises.
11. Restrooms, toilets, urinals, wash bowls, and other apparatus shall not be used for any purpose other than that for which they were constructed. No foreign substance of any kind whatsoever shall be thrown therein and the expense of any breakage, stoppage, or damage resulting from the violation of this rule shall be borne exclusively by Contractor.

12. Contractor shall not offer, sell or permit the sale of newspapers, magazines, periodicals, drinks, snacks, sundries, theatre/travel tickets, or similar merchandise to the general public in the Premises or HFC facilities.
13. Unless otherwise explicitly provided in the Agreement, Contractor shall not install any radio, television or other data transmission antenna, satellite dish, loudspeaker or other device on the roof or exterior walls of HFC facilities.
14. Contractor shall not use occupy or permit any portion of the Premises to be used or occupied for the storage, manufacture, or sale of alcohol or tobacco.
15. Contractor shall not store any hazardous materials, including biohazards, in the Premises. Contractor shall not store gasoline, propane, kerosene, or other flammable or combustible fluids in the Premises.
16. Contractor agrees to pay HFC a reasonable charge for any keys Contractor may need to access HFC facilities, including the Premises, and shall be liable for the cost of re-keying appropriate locks in the event any such key is lost or stolen.
17. Contractor's personnel shall enter and exit HFC facilities through access locations approved by HFC, except during an emergency.
18. HFC shall have the right, excusable without notice and without liability to any Contractor, to change the name or street address of an HFC facility or any portion thereof.
19. Smoking is prohibited inside HFC facilities, including the Premises, and within 15 feet of any entry/exit door. Contractor shall comply with all City of Houston workplace smoking ordinances and regulations, as may be amended from time to time.
20. Contractor shall not request any HFC employee to perform any work or do anything outside of their regular duties, except as necessary during an emergency, without the prior written consent of HFC.
21. Contractor shall comply with the Parking Facility Rules and Regulations and other restrictions and regulations concerning the use of HFC facilities as HFC may impose from time to time.
22. These Office Space Rules and Regulations are in addition to and shall not be constructed to in any way modify or amend, in whole or in part, the agreements, covenants, conditions and provision of any lease, sublease, or license to use and occupy any portion of HFC facilities.