

**FRANCHISE AGREEMENT
JPODS PERSONAL RAPID TRANSIT SYSTEM**

____ City _____

CITY: City of _____

COMPANY: JPods LLC

NETWORK: Addendum A

This Agreement is made and entered into this ____ day of ____ 2018 by and between: City of _____ (CITY) and Georgia Mobility Company LLC (COMPANY), a Georgia company. This agreement establishes the terms and conditions between CITY and JPODS to plan, design, construct, operate, and maintain a JPods solar-powered mobility network in CITY.

WITNESSETH:

Whereas, COMPANY has patented technology (6,810,817, the Physical Internet®) to build grade-separated solar-powered mobility networks; and,

Whereas, JPods Personal Rapid Transit Systems (NETWORK) are lightweight, efficient, convenient, energy efficient, quiet, no emissions, solar-powered, and high capacity; and,

Whereas, COMPANY accepts responsibility to design, engineer, fabricate, procure, construct, install, certify, and operate NETWORK; and,

Whereas, COMPANY accepts responsibility for safety, operation, and certification within the ASTM International F24 standards for theme parks (Maryland safety enforcement for thrill rides); and,

Whereas, COMPANY accepts responsibility for building the NETWORK over roads so the movement of people and cargo flows in an efficient, convenient, comfortable, and safe manner, without unduly disrupting the flow of traffic on those roads; and,

Whereas the CITY, desires to have safe, efficient, and sustainable transportation infrastructure; and,

Whereas the CITY has sovereignty to grant Rights of Way (ROW) access within the jurisdiction of the CITY, and,

Now, therefore, CITY and COMPANY agree to collaborate based on the premise and mutual promises contained herein:

1. **DEFINITIONS** The capitalized terms used but not otherwise defined in this Development Agreement shall have the following meanings and definitions

1.1. **CITY Utility System** - Facilities used for providing related public utility service owned or operated by CITY or agency thereof, including sanitary sewer, storm sewer and water service, but excluding facilities for providing heating, lighting or other forms of energy.

- 1.2. **Environmental Regulations** - The CITY grants environmental approval for deployment of the NETWORK based on:
 - 1.2.1. Average energy efficiency of less than 186 watt-hours/passenger-km (5x).
 - 1.2.2. No continuous disruption of the ground water flows.
 - 1.2.3. No uniform linear barrier to the movement of people, animals or other modes of transportation.
- 1.3. **Notice** - A written notice served by one party on the other party referencing one or more provisions of this Agreement. Notices between the CITY and COMPANY shall be via mutually agreed to Internet Secure Server with archive capabilities.
- 1.4. **Public Ground** - Land owned by the CITY for park, open space, or similar purposes, which is held for use in common by the public.
- 1.5. **Public Way** - The area on, over, or below any street, alley, walkway, bikeway, public utility easement, or other public right-of-way within the CITY in which the CITY has an interest.
- 1.6. **Project** - Initial NETWORK in CITY.
- 1.7. **Safety Regulations** - The ASTM International Technical Committee F24 shall be used to regulate NETWORK. Regulations for theme parks have a well-established tradition of designs tailored to pedestrians, a safety record much better than roadway or light-rail transportation networks, an established commercial insurance, and an existing enforcement inspection industry.
- 1.8. **NETWORK** - Transportation rails, towers, poles, lines, inhaul cable, brackets, conduits, solar-collection units, transportation energy distribution, fixtures, and necessary appurtenances owned or operated by COMPANY for the purpose of providing transportation services for public use.
- 1.9. **"JPODS"** - JPods, LLC, and its assignees, which has sole ownership and management rights to plan, design, construct, own, operate, and maintain NETWORK.
- 1.10. **"Turn-key"** - JPODS, its assignees and those contracted by JPODS/assignees, shall complete all project development and construction activities necessary to achieve a fully completed and operational NETWORK.
- 1.11. **"Engineer"** - The licensed engineer, appointed by JPODS, responsible for the management and supervision of all project development and construction activities for the performance of the contact.
- 1.12. **"NETWORK"** - Solar-powered mobility network and all associated components invented and built by JPods LLC. This is defined in Appendix A.
- 1.13. **"Schedule"** - The schedule for design, build, and certification of service as specified in Appendix B.
- 1.14. **"Local Mobility Company"** - A Local Mobility Company (LMC) is a company formed to own, operate, and maintain a NETWORK.
- 1.15. **"Drawing"** - All the drawings and technical data provided either by JPODS or the CITY.
- 1.16. **"Working Day"** - The legal working days in the CITY.
- 1.17. **"Machinery & Equipment"** - All construction tools, machines and equipment.
- 1.18. **"Instrument"** - Instrument and implement for survey, construction, inspection, material inspection, experiment and so on.

- 1.19. **“Feasibility Study Contract”** - A contract to cover the scope of the feasibility study phase of the Project.
- 1.20. **“General Development Contract”** - The contract for the final design and construction phases of the NETWORK.
- 1.21. **“General Contractor”** - A construction company, which is experienced in structural construction projects, appointed by JPODS for the performance of any Project related to its experience.
- 1.22. **“Secure Server”** – The mutual agreed to secure server with archive capabilities.

2. PROJECT SCOPE

- 2.1. The NETWORK is specified in Appendix A.
- 2.2. The NETWORK will be put into service as specified in Appendix B.

3. ADOPTION OF FRANCHISE

- 3.1. **Grant of Franchise** - CITY hereby grants COMPANY, for a period of 30 years from the date passed and approved by the CITY, the right to furnish rail-based transportation services for public and private use within and through the limits of the CITY as its boundaries now exist or as they may be extended in the future.
 - 3.1.1. For these purposes, COMPANY may construct, operate, repair, and maintain NETWORK in, on, over, under, and across the Public Grounds and Public Ways of CITY, subject to the provisions of this Agreement.
 - 3.1.2. COMPANY may do all reasonable actions necessary or customary to accomplish these purposes, subject, however, to such reasonable regulations as may be imposed by the CITY pursuant to Agreement and to the further provisions of this franchise agreement.
- 3.2. **Effective Date** - Written Acceptance: This franchise agreement shall be in force and in effect from and after passage of this Agreement, its acceptance by COMPANY, and its publication as required by law. The CITY, by Municipal Government resolution, may revoke this franchise agreement if COMPANY does not file a written acceptance with the CITY within 90 days after publication.
- 3.3. **Service and Rates** - The service to be provided and the rates to be charged by COMPANY are to be low enough to encourage adoption of the transportation services and high enough to assure the profitable operation, maintenance, servicing of capital requirements, and network expansion. Service and rates shall comply with Georgia law and the rights of property.
- 3.4. **Dispute Resolution** - If either party asserts that the other party is in default in the performance of any obligation herein, the complaining party shall notify the other party of the default and the desired remedy. The notification shall be written via SECURE SERVER.
 - 3.4.1. Representatives of the parties must promptly meet and attempt, in good faith, to negotiate a resolution of the dispute.

3.4.2. If the dispute is not resolved within 30 days of the written notice, the parties may jointly select a mediator to facilitate further discussion. The parties will equally share the fees and expenses of this mediator. If a mediator is not used, or if the parties are unable to resolve the dispute within 30 days after first meeting with the selected mediator, either party may commence an action in District Court to interpret and enforce this franchise, or for such other relief as may be permitted by law or equity for breach of contract, or either party may take any other action permitted by law.

4. **LOCATION, OTHER REGULATIONS**

4.1. **Location of Facilities** - NETWORK shall be located, constructed, and maintained so as not to interfere with the safety and convenience of ordinary travel along and over Public Ways and so as not to disrupt normal operation of any CITY Utility System therein. NETWORK shall be located on Public Grounds as determined by joint agreement between the CITY and COMPANY.

4.1.1. COMPANY'S construction, reconstruction, operation, repair, maintenance, power, power distribution, and location of NETWORK shall be subject to permits if required by separate Agreement and to other reasonable regulations of the CITY to the extent consistent with the terms of this franchise agreement.

4.1.2. COMPANY may abandon underground NETWORK in place, provided at the CITY's request, COMPANY will seal tunnels, remove abandoned metal or concrete encased conduit interfering with a CITY improvement project but only to the extent such NETWORK are uncovered by excavation as part of the CITY improvement project within 4 months of abandonment.

4.2. **Street Openings** - COMPANY shall not open or disturb any Public Ground or Public Way for any purpose without first having obtained a permit from the CITY, if required by a separate Agreement, for which the CITY may impose a reasonable fee.

4.2.1. Permit conditions imposed on COMPANY shall not be more burdensome than those imposed on other utilities for similar facilities or work. COMPANY may, however, open and disturb any Public Ground or Public Way without permission from the CITY where an emergency exists requiring the immediate repair of NETWORK. In such event, COMPANY shall notify the CITY by telephone, email and/or the website deployed to coordinate with the office designated by the CITY as soon as practicable. Not later than the second working day thereafter, COMPANY shall obtain any required permits and pay any required fees.

4.3. **Restoration** - After undertaking any work requiring the opening of any Public Ground or Public Way. COMPANY shall restore the same including paving and its foundation, to as good a condition as formerly existed, and shall maintain any paved surface in good condition for two years thereafter that are a consequence of COMPANY actions, not to include consequences such as extreme weather, vandalism, or other work by the CITY.

4.3.1. The work shall be completed as promptly as weather permits, and if COMPANY shall not promptly perform and complete the work, remove all dirt, rubbish, equipment, and material, and put the Public Ground or Public Way in the said condition, the CITY shall have, after demand to COMPANY to cure and the

passage of a reasonable period of time following the demand, but not to exceed five days, the right to make the restoration at the expense of COMPANY. COMPANY shall pay to the CITY the cost of such work done for or performed by the CITY.

4.3.2. This remedy shall be in addition to any other remedy available to the CITY for noncompliance with this Section 3.2, but the CITY hereby waives any requirement for COMPANY to post a construction performance bond, certificate of insurance, letter of credit, or any other form of security or assurance that may be required, under a separate existing or future Agreement of the CITY, of a person or entity obtaining the CITY's permission to install, replace or maintain facilities in a Public Way.

4.4. **Avoid Damage to NETWORK** - Nothing in this Agreement relieves any person from liability arising out of the failure to exercise reasonable care to avoid damaging NETWORK while performing any activity.

4.4.1. No one except those authorized by the COMPANY may perform work on the NETWORK.

4.4.2. The CITY shall notify the COMPANY in advance of any work being performed under its authority that could potentially destabilize any part of Public Ways and Public Grounds through which NETWORK are deployed.

4.5. **Notice of Improvements** - The CITY must give COMPANY reasonable notice of plans for improvements to Public Grounds or Public Ways where the CITY has reason to believe that NETWORK may affect or be affected by the improvement.

4.5.1. The notice must be given to the COMPANY in a sufficient length of time in advance of the actual commencement of the work to permit the COMPANY to make any necessary additions, alterations, or repairs to its NETWORK.

4.5.2. The COMPANY shall provide the CITY notice of improvements within the CITY permitting process for structures that intersect Public Ways and Public Grounds. COMPANY improvements to electronics, software, mechanics, and components of the NETWORK, which are trade secrets of the COMPANY, need not be disclosed and will be accounted for within the insurance, safety, and operations documents of the COMPANY.

4.6. **Shared Use of NETWORK** - COMPANY shall make space available on its NETWORK for CITY fire, water utility, police, or other CITY facilities upon terms and conditions acceptable to COMPANY whenever such use will not interfere with the use of such NETWORK by COMPANY, at best rates.

4.6.1. The CITY shall pay for any added costs or lost profits incurred by COMPANY because of such use by the CITY. To the extent practical and commercially viable, the COMPANY will allow use of NETWORK by telephone, cable television, and other communication companies at typical commercial rates.

4.6.2. COMPANY is free to implement agreements for non-interference use of its structures with the exception that non-interference use is within CITY codes.

5. RELOCATIONS

- 5.1. **Relocation of NETWORK in Public Ways** - If the CITY determines to vacate a Public Way for a CITY improvement project, or to grade, regrade, change the line of any Public Way, or construct or reconstruct any CITY Utility System in any Public Way at CITY's cost, it may order the COMPANY to relocate its NETWORK located therein if relocation is reasonably necessary to accomplish the CITY's proposed public improvement.
 - 5.1.1. COMPANY is authorized to use removable versions of its NETWORK in initial deployments when ridership is uncertain or in areas where removal is likely.
 - 5.1.2. Except as provided in Section 4.3, the COMPANY shall relocate its NETWORK at its own expense.
 - 5.1.3. The CITY shall give the COMPANY reasonable time frame to relocate for a CITY improvement project, or to grade, regrade, or change the line of any Public Way or to construct or reconstruct any CITY Utility System.
 - 5.1.4. If a relocation is ordered within ten years of a prior relocation of the same NETWORK, which was made at COMPANY expense, the CITY shall reimburse COMPANY for non-betterment costs on a time and material basis, provided that if a subsequent relocation is required because of the extension of a CITY Utility System to a previously unserved area, COMPANY may be required to make the subsequent relocation at its expense.
- 5.2. **Relocation of NETWORK in Public Ground** - CITY may require COMPANY, at CITY's expense, to relocate or remove its NETWORK from Public Ground upon a finding by CITY that the NETWORK have become or will become a substantial impairment to the existing or proposed public use of the Public Ground.
- 5.3. **No Waiver** - The provisions of this franchise apply only to facilities constructed on CITY rights-of-way and shall not be construed as to waive or modify any rights obtained by COMPANY for installations within rights-of-way not owned by CITY.

6. RESPONSIBILITIES

6.1. Responsibilities of the CITY

- 6.1.1. The CITY shall actively assist the COMPANY with project development activities, including providing Project related information, support with stakeholder coordination, participation with public meetings, review/comment of route, feasibility, environmental impact studies, and construction and traffic control plans, assistance with permitting, utility relocations, and construction inspections.

6.2. Responsibilities of the COMPANY

- 6.2.1. COMPANY shall complete all Project development activities, including feasibility studies, environmental studies, site survey, geotechnical engineering, engineering design, plan preparation, and permitting required for project approval.
- 6.2.2. COMPANY shall complete Project construction activities in coordination with CITY and in accordance with an approved schedule designed to minimize impacts to existing surface traffic operations and commercial/residential landowners adjacent to the right-of-way.
- 6.2.3. COMPANY shall actively prepare for the establishment of the NETWORK with the appropriate CITY agency.

- 6.2.3.1. After finished preliminary work, COMPANY may acquire land for construction purposes in accordance with statutory procedures and shall be in accordance with the relevant laws.
- 6.2.3.2. The COMPANY will comply with applicable laws in transferring the NETWORK to a Local Mobility Company (LMC).
- 6.2.3.3. The CITY shall have the right to review the creation of the Local Mobility Company.
- 6.2.3.4. The COMPANY remains accountable for enforcing the standards required for NETWORKs. The COMPANY has all rights defined in its policies and procedures to enforce compliance by the Local Mobility Company.
- 6.2.4. JPODS ensures successful implementation and operation of Project via observation of performance metrics designed to:
 - 6.2.4.1. Guarantee the NETWORK operates in accordance with technical standards.
 - 6.2.4.2. Achieve public transportation needs and sightseeing functions.
 - 6.2.4.3. Maintain safe, quiet, reliable, energy-efficient operations with zero emissions.
- 6.2.5. Facilitate CITY's long-term plans with improved transportation performance, safety metrics, and economic development associated with the successful implementation and operation of the NETWORK.
 - 6.2.5.1. Help CITY promote the application of NETWORKs and sustainable transportation solutions.
 - 6.2.5.2. If any network within the NETWORK ceases to operate for 6 months, the COMPANY shall remove it above ground level within 6 months.
 - 6.2.5.3. Both parties agree to maintain system operations if the system is meeting mobility metrics and is in a safe and reliable condition when it reaches the end of this agreement period.

7. PERFORMANCE STANDARDS

- 7.1. System design, fabrication, installation, safety, insurance, inspection practices shall comply with the ASTM International Committee F24 on Amusement Rides and Devices, and or like standards within the CITY's jurisdiction for thrill rides.
- 7.2. Environmental approvals are granted based the NETWORK exceeding the efficiency of existing roads by 5 times as measured in passenger-mile per unit of energy consumed (Reference Section 13). NETWORK routes must be approved by the normal CITY economic development and franchise process.
- 7.3. The NETWORK will be configured to collect at least 2 megawatt-hours per typical mile from renewable sources where access to sunshine is reasonably available. The NETWORK will store, transport, and use its collected energy to be carbon-neutral and energy self-reliant.
- 7.4. All taxes and fees assessed on the transport systems providers, passengers and cargo shall be limited to 5% of gross revenues and paid to the aggregate rights-of-way holders by transportation systems provider.

8. TREE TRIMMING

- 8.1. The COMPANY may require trimming all trees and shrubs in the Public Grounds and Public Ways of CITY to the extent COMPANY finds necessary to avoid interference with the proper construction, operation, repair, and maintenance.
- 8.2. The COMPANY shall save the CITY harmless from any liability arising there from, and is subject to permits or other reasonable regulations by the CITY for Tree Trimming tasks.

9. FORCE MAJEURE

- 9.1. None of the parties hereto shall be in breach of its obligations under this Agreement unless it is resulting from occurrence of an Event of Force Majeure. An Event of Force Majeure shall mean an event which is beyond the control or ability of the party affected to prevent, avoid, or remove, and shall include:
 - 9.1.1. War (whether declared or not), hostilities, invasion, armed conflict, act of foreign enemy, insurrection, strike, revolution, or usurped power.
 - 9.1.2. Nuclear explosion, radioactive or chemical contamination or ionizing radiation.
 - 9.1.3. Acts of terrorism, sabotage, or criminal damage.
 - 9.1.4. Natural catastrophes, including but not limited to earthquakes, floods, exceptional inclement weather, and subterranean spontaneous combustion.
 - 9.1.5. Pressure waves caused by aircraft or other aerial devices traveling at sonic or supersonic speeds.

10. INDEMNIFICATION

- 10.1. **Indemnity of CITY** - COMPANY shall indemnify, keep, and hold the CITY free and harmless from any and all liability on account of injury to persons or damage to property occasioned by the construction, maintenance, repair, inspection, the issuance of permits, or the operation of the NETWORK located in the Public Grounds and Public Ways.
 - 10.1.1. The CITY shall not be indemnified for losses or claims occasioned through its own negligence except for losses or claims arising out of or alleging the CITY's negligence as to the issuance of permits for, or inspection of, COMPANY's plans or work.
 - 10.1.2. The CITY shall not be indemnified if the injury or damage results from the performance in a proper manner, or acts reasonably deemed hazardous by COMPANY, and such performance is nevertheless ordered or directed by CITY after notice of COMPANY's determination.
 - 10.1.3. The COMPANY shall maintain commercial insurance in accordance with ASTM International F24 Standards, or like standards as already applied to theme park industry in the general jurisdiction.
- 10.2. **Defense of CITY** - In the event a suit is brought against the CITY under circumstances where this agreement to indemnify applies, COMPANY at its sole cost and expense, shall defend the CITY in such suit if written notice thereof is promptly given to COMPANY within a period wherein COMPANY is not prejudiced by lack of such notice.

- 10.2.1. If COMPANY is required to indemnify and defend, it will thereafter have control of such litigation, but COMPANY may not settle such litigation without the consent of the CITY, which consent shall not be unreasonably withheld.
- 10.2.2. This section is not, as to third parties, a waiver of any defense or immunity otherwise available to the CITY and COMPANY, in defending any action on behalf of the CITY, shall be entitled to assert in any action every defense or immunity that the CITY could assert in its own behalf.
- 10.2.3. This franchise agreement shall not be interpreted to constitute a waiver by the CITY of any of its defenses of immunity or limitations on liability under other applicable statutes.
- 10.3. **Indemnities** - Each of the parties hereto shall indemnify and hold harmless each of the other parties against any injury, damage, loss, or expense which is attributable to:
 - 10.3.1. Any breach or non-performance by the indemnifying party of the provision of this Agreement.
 - 10.3.2. Negligence, default, or other act of omission giving rise to a cause of action by any third party under any relevant law on the part of the indemnifying party or its employees or agents in the course of or arising out of the implementation of the project.
- 10.4. **Third party claims** - Each of the parties hereto agree that, if and to the extent that any third-party claim is accepted as valid but cannot expeditiously be determined to be attributable to any particular party to this contract, all the parties shall pay claim hereto in respect of which liability cannot clearly be excluded, in their Proportionate Ratio, until it is finally determined which of the parties hereto (and to what extent) are responsible for the payment of such damages.
- 10.5. **Consequential Loses** - None of the parties hereto shall be liable to any other party under this Agreement for any claim of loss of profits, or any other consequential or indirect damages, suffered by that other party provided that this exclusion shall not apply to any damages payable by a party under a liability to any third party in respect to which that party has a right of indemnity under the provisions of this Section 9.
- 10.6. **Patent Claim** - None of the parties hereto shall lodge any claim against another party on grounds of the infringement by that other party upon any patent right, copyright, or other similar right relating to the use of technical information where such use arises from the implementation of the NETWORK.

11. CONFIDENTIAL INFORMATION

- 11.1. Each of the parties hereto shall use its best endeavor to keep in strict confidence and shall bind all of its staffs, employees to keep in strict confidence, all commercials and technical information in whatever form acquired by it (whether directly or indirectly) from or concerning any other party under this Agreement or in connection with the Implementation of the project (Confidential Information), none of the parties, hereto shall utilize such Confidential Information for any purposes other than those contemplated in this Agreement.

- 11.2. Further, none of the parties hereto shall, at any time, disclose any Confidential Information to any person who is not a party to this Agreement for any purposes other than those contemplated in this Agreement without the prior approval of all the relevant parties hereto.
- 11.3. The following information shall be excluded from the forgoing scope of Confidential Information:
 - 11.3.1. Information which at the time of disclosure is generally available to the public.
 - 11.3.2. Information which after disclosure becomes generally available to the public through no fault of the receiving party.
 - 11.3.3. Information which the receiving party can show was in its possession prior to disclosure and which was not acquired directly or indirectly from any other party hereto.
 - 11.3.4. Information which the receiving party can show, was received by it after the time of disclosure without any obligation of confidentiality and which was not acquired directly or indirectly from either of the other parties hereto.
 - 11.3.5. Information directly related to public safety under this agreement.
- 11.4. The Confidentiality obligations set out in Section 11 above shall survive the termination of this Agreement and the COMPANY shall impose the same confidentiality obligations as afore said upon any qualified contractors which may have access to any confidential information during the implementation of the projects.
- 11.5. To the extent practical Confidential Information shall be stored in a SECURE SERVER.

12. VACATION OF PUBLIC WAYS

- 12.1. The CITY shall give COMPANY at least six months prior written notice of a proposed vacation of a Public Way.
- 12.2. The COMPANY shall have a reasonable opportunity to purchase the vacated Public Way at fair market price. If the vacated Public Way is involved with the demolition resettlement of these major facilities, such as energy related public utility service, communication cables, transformer facilities and underground construction, the COMPANY shall pay for the reasonable resettlement fees in accordance with the provisions of a separate Demolition Agreement passed by CITY.
- 12.3. Except where required for a CITY improvement project, the vacation of any Public Way, after the installation of NETWORK, shall not operate to deprive COMPANY of its rights to operate and maintain such NETWORK until the reasonable cost of relocating the same and the loss and expense resulting from such relocation are first paid to COMPANY. In no case, however, shall CITY be liable to COMPANY for failure to specifically preserve the rights of way.

13. COMPLIANCE WITH ENVIRONMENTAL REGULATION

- 13.1. Both parties hereto agree that they shall take all feasible measures to ensure that the provisions of this Agreement shall be carried out with due regard to ecological and environmental factors and in compliance with all applicable government environmental regulations.

- 13.2. The COMPANY will document to the CITY's satisfaction that the NETWORKs exceed by 5 times (5X) the efficiency of transport modes currently operating in the Rights of Way measured in passenger-mile per unit of energy consumed. Environmental approvals are granted based on exceeding this 5X metric (Reference Section 7).

14. CHANGE IN FORM OF GOVERNMENT

- 14.1. Any change in the form of government of the CITY shall not affect the validity of this Agreement.
- 14.2. Any governmental unit succeeding the CITY shall, without the consent of COMPANY, succeed to all of the rights and obligations of the CITY provided in this Agreement.

15. FRANCHISE FEE

- 15.1. **Fee Schedule** - During the term of the franchise hereby granted, and in lieu of any permit or other fees to be imposed on COMPANY, the CITY may impose on COMPANY a franchise fee not to exceed five percent (5%) of the COMPANY's Gross Revenues from transportation provided within the CITY Rights of Way.
 - 15.1.1. So long as 50% of the Transport Facilities are solar-powered (sun, wind, tides) and/or other renewable sources, customers of the Transport Facilities will not be taxed for fares.
 - 15.1.2. The COMPANY will provide an energy audit with fee payments. Customers may be taxed by the CITY only at rates comparable with local sales taxes for that portion of the fare that is not solar-powered.
- 15.2. **Terms Defined** - For the purpose of this Section XV, the following definitions apply:
 - 15.2.1. **"Gross Revenue"** means all sums received by the COMPANY from fare box sale of transportation services to its customers traveling via the NETWORK located within the CITY's Public Grounds and Ways.
 - 15.2.2. **Collection of the Fee** - The franchise fee shall be paid quarterly and shall be based on the amount collected by COMPANY during the period for which payment is to be made.
 - 15.2.2.1. The payment shall be due the last business day of the month following the period for which the payment is made.
 - 15.2.2.2. The franchise fee may not be changed for the period of the franchise.
 - 15.2.2.3. The time and manner of collecting the franchise fee may be subject to reasonable changes by the CITY.
 - 15.2.2.4. Additionally, the COMPANY agrees to provide at the time of each payment a statement summarizing how the franchise fee payment was determined, including information showing fare box receipts in the period for which the payment is being made to account for any uncollectables, refunds, error corrections, and solar-energy proportion of transport power.

16. PROVISIONS OF AGREEMENT

- 16.1. **Severability** - Every section, provision, or part of this Agreement is declared separate from every other section, provision, or part, and if any section, provision, or part shall be held invalid, it shall not affect any other section, provision, or part.

- 16.2. Where a provision of any other CITY Agreement conflicts with the provisions of this Agreement, the provisions of this Agreement shall prevail.
- 16.3. **Limitation on Applicability** - This Agreement constitutes a franchise agreement between the CITY and COMPANY as the only parties, and any clause in this franchise agreement shall not benefit any third party (including the majority of the public) in any way any third person (including the public at large) so as to constitute any such person as a third party beneficiary of the agreement or of any one or more of the terms hereof, or otherwise give rise to any cause of action in any person not a party hereto.

17. AMENDMENT PROCEDURE

- 17.1. This Agreement may at any time propose that the Agreement be amended to address a subject of concern and the other party will consider whether it agrees that the amendment is mutually appropriate.
- 17.2. If an amendment is agreed upon, the Agreement may be amended at any time by the CITY passing a subsequent Agreement declaring the provisions of the amendment, which amendatory Agreement shall become effective upon the filing of COMPANY's written consent thereto with the CITY Clerk after the date of final passage by the CITY of the amendatory Agreement.
- 17.3. All amendments will be registered and acknowledged.

18. PREVIOUS FRANCHISES SUPERSEDED

- 18.1. This franchise supersedes any previous transportation franchise granted to COMPANY or its predecessor.

19. ARBITRATION and LEGAL DISPUTES

- 19.1. To be governed by ICC Regulation (Rules of Conciliation and Arbitration of the International Chamber of Commerce, latest Edition).
- 19.2. Legal disputes shall be resolved in the US State of Georgia.

IN WITNESS HEREOF, the parties have executed this agreement and set their hands and seals on the date set forth:

Mayor, City of _____

Mr. William James
CEO, JPods LLC