

Process Followed to Develop This Partnership

On May 24, 2011, the CPP program issued a Request for Sponsorship (RFS) for Wireless Communications. The overall objectives of the RFS were to give wireless companies the opportunity to develop a marketing partnership wherein the City would receive cash and/or in-kind services from the vendor in return for marketing opportunities available through the City.

In response to the RFS, three companies indicated interest in a marketing partnership: Sprint Solutions, AT&T and T-Mobile. Verizon declined to participate. CPP identified Sprint Solutions as the most responsive, and negotiated the terms for a marketing partnership after Sprint Solutions was selected for the City's wireless goods and services contract. Sprint Solutions and the City engaged in negotiations upon completion of the selection process for the Wireless Goods and Services Contract.

Sprint Solutions Proposal

Included in Attachment A is the Marketing Partnership Agreement which has been negotiated between the City and Sprint Solutions. The Agreement is based upon a two-year term with the option to renew for three additional one-year terms.

The benefits to the City under this Agreement are as follows:

1. Sprint Solutions will pay the City a marketing rights fee in the amount of \$100,000 per year for each year that Sprint Solutions continues as the City's wireless goods and services provider. If the term of the contract for wireless goods and services is extended for the full five years, the City will receive a total of \$500,000 in marketing rights fees.
2. Sprint Solutions will provide funds to the City from its phone recycling program targeted to City employees at City facilities. Funds are based on the models of devices recycled ranging from \$9.60 to \$92.00 per phone.

In April 2002, Sprint created a wireless recycling program, to help prevent millions of phones from ending up in landfills. Sprint's Recycling program was one of the first nationwide wireless phone recycling programs. Since its inception, Sprint Recycling has raised nearly \$4 million for charitable programs. All makes and models are accepted, regardless of condition or service provider. Phones designated for recycling are handled in an environmentally sound manner in accordance with applicable federal, state, and local environmental laws and regulations. Sprint is a participating member of "Wireless...The New Recyclable" an industry program designed to provide consumers with information about the importance and ease of recycling wireless devices.

Marketing Partnership Agreement

Sprint Solutions will be the Official Wireless Partner of the City and will be afforded specific marketing benefits by the City. However, this is a non-exclusive marketing partnership with the exception of exclusive rights to market to employees. This allows the City to work with other wireless companies on marketing partnerships.

The Marketing Partnership Agreement ensures that the City has the right to review and approve all logos and promotional activities that represent Sprint Solutions efforts to publicize and/or promote their rights and benefits. The marketing rights and benefits agreed to are as follows:

1. The right to be designated and referred to as the "Official Wireless Partner" of the City and the right to promote this designation.
2. The right to have logo presence on the City's website.
3. The right to have a prominent presence in City produced publications.
4. The right to be recognized as the City's partner before City Council.
5. The right to offer its products and services to City employees at preferred rates and to promote these offers to City employees through newsletters, tabling opportunities or other promotional means.
6. The right to place Recycling donation kits, for the purpose of collecting an recycling wireless telephones, at appropriate locations throughout the City. All collected phones will be sent to Sprint Solutions designated vendor at no expense to the City.
7. The right to develop press releases, stories, features and other publicity about the partnership for distribution to local, regional and national newspapers and wire services.
8. The right to have a representative of the CPP to work with Sprint Solutions to fulfill the rights and benefits that are listed in the Agreement.

Conclusion

By utilizing the City's Corporate Partnership Program, the City has negotiated a partnership with the selected provider, Sprint Solutions. The proposed Marketing Partnership Agreement between the City and Sprint Solutions will generate between \$200,000 to \$500,000 in new funding for the City of San Diego over the next two to five years (\$100,000 annually). In addition to the annual payment of a marketing rights fee, Sprint Solutions will provide additional funds to the City of San Diego from their phone

recycling program targeted to City employees at City facilities. Funds are based on the types of devices recycled ranging from \$9.60 to \$92.00 per phone.

The proposed partnership with Sprint Solutions is consistent with the City's Corporate Partnership Program and the City's Marketing Partnership Policy. The proposed Marketing Partnership Agreement includes benefits awarded to Sprint Solutions including the right to be designated and referred to as the "Official Wireless Partner" of the City of San Diego. The benefits do not include naming rights, and the marketing rights fee is not tied to rebates, incentives and any other contingencies in the wireless telephone contract.

FISCAL CONSIDERATIONS:

A \$100,000 annual marketing rights fee to be paid by Sprint Solutions to the City for each year that Sprint Solutions has the City's contract for wireless goods and services. The term of the Marketing Partnership Agreement is two years with three one year renewal options.

The overall fiscal impact will range from \$200,000 to \$500,000 depending on the length of the wireless contract. Additional funding could be generated related to the phone recycling program. All funding to be deposited in the General Fund.

PREVIOUS COUNCIL and/or COMMITTEE ACTION: None

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS: None

KEY STAKEHOLDERS AND PROJECTED IMPACTS: General Fund and services for residents paid for by General Fund.

Natasha Collura, Director
Strategic Partnerships

Mary Lewis
Chief Financial Officer

Attachments: 1. Marketing Partnership Agreement with Sprint Solutions

**MARKETING PARTNERSHIP AGREEMENT
BETWEEN THE CITY OF SAN DIEGO
AND SPRINT SOLUTIONS, INC.**

This **Marketing Partnership Agreement** (the "Agreement"), effective upon execution by authorized representatives of both parties ("Effective Date"), is made and entered into by and between the City of San Diego ("City"), with its principal place of business located at the City Administration Building, 202 C Street, San Diego, California 92101, and Sprint Solutions, Inc ("Sprint") with offices located at 9191 Towne Center Drive, San Diego, California 92122, (collectively "Parties").

WHEREAS, the City has developed a Corporate Partnership Program ("CPP") to generate revenue to fund existing and additional facilities, projects, programs and activities; and

WHEREAS, Sprint has demonstrated an interest in the CPP by submitting a proposal to enter into a Marketing Partnership with the City; and

WHEREAS, the City has determined that Sprint's proposal meets the objectives of the CPP and is otherwise in the best interests of the City, and

WHEREAS, the Parties desire to enter into a Marketing Partnership Agreement,

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth herein and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

Section 1. Definitions

The following terms shall have the following meanings whenever used in the Agreement, unless the context requires otherwise:

- 1.1 "Corporate Partnership Program" means the program approved by the City Council to seek opportunities for the City to generate revenue from partnerships with the corporate community in order to enhance municipal services and facilities in the City.
- 1.2 "Marketing Partnership" means a mutually beneficial business arrangement between the City and a corporation or other business entity ("corporation") wherein the corporation provides cash and/or in kind goods and/or services to the City in exchange for access to the commercial marketing potential associated with the City.
- 1.3 "Marketing Rights Fee" means cash and/or in-kind goods and/or services paid to the City by a corporation in exchange for entering into a Marketing Partnership with the City.
- 1.4 "Marketing Rights and Benefits" means those opportunities created by the Marketing Partnership that a corporation can utilize to promote their Marketing Partnership with the City.

- 1.5 "Wireless Agreement" means the written agreement with Sprint to supply the City with wireless telephone services and equipment. The initial term of the Wireless Agreement is for two (2) years with the option to extend for three (3) additional one (1) year terms.

Section 2. Term

- 2.1 The Agreement is expressly conditioned upon the prior execution of the Wireless Agreement. The term of the Agreement shall coincide with the term of the Wireless Agreement entered into by the Parties.
- 2.2 This Agreement may be extended by the City for up to three (3) additional one (1) year terms; however, the City shall not have the right to extend this Agreement unless it also extends the Wireless Agreement for the same time period. In no event shall the Agreement exceed five years in duration. City will provide written notice to Sprint, within 30 days after extension of the Wireless Agreement, in the event that City opts to extend the term of this Agreement as described above.

Section 3. Marketing Rights Fee

- 3.1 In consideration of the rights, benefits, and privileges granted to Sprint under the Agreement, Sprint shall pay the City a fee of One Hundred Thousand Dollars (\$100,000) ("Marketing Rights Fee") for each year of the Agreement. If the Agreement is extended for the full five years, pursuant to Section 2 above, then Sprint's Marketing Rights Fees will total Five Hundred Thousand Dollars (\$500,000).
- 3.2 The Marketing Rights Fee shall be paid annually as follows: the first payment of \$100,000 will be paid within forty-five (45) days of execution of the Agreement by both parties; the second payment of \$100,000 will be due one year from Agreement execution. The Marketing Rights Fee for each additional one (1) year term shall be within 45 days after City provides Sprint written notice of the applicable extension under Section 2.2. In any event, City will provide Sprint a written invoice for each applicable payment no less than 45 days prior to the applicable payment due date. . Failure to provide an invoice shall not constitute a waiver of the fee or the obligation to timely pay the fee.
- 3.3 As additional consideration for the rights, benefits, and privileges granted Sprint herein, and in furtherance of Sprint's commitment to support green initiatives for the benefit of the community, Sprint will implement its IL Awareness program to recycle and refurbish cell phones collected from City employees, as described in Exhibit A, attached hereto and incorporated herein. Sprint will offer to collect used mobile devices from City employees and make payments to the City based upon the numbers and types of mobile devices collected, as described in Exhibit A and consistent with the rates in place for the program at that time.
- 3.4 Sprint will place donation receptacles, for the purpose of collecting and recycling wireless telephones, at appropriate employee break areas or locations throughout the City. All collected phones will be sent to Sprint's designated vendor at no expense to the

City through pre-paid postage labels. Relevant literature related to Sprint's recycling program may be displayed at receptacle sites. Locations and literature distribution will be subject to the approval of the CPP.

- 3.5 The City will work with Sprint to develop press releases, stories, features and other publicity about the partnership for distribution to local, regional and national newspapers and wire services.

Section 4. Marketing Rights and Partnership Benefits

In consideration of the Marketing Rights Fee paid to the City and additional consideration as described in Section 3 above, the City shall grant Sprint the following Marketing Rights and Benefits:

4.1 Logo Designation and Usage

- 4.1.1 The exclusive right to be designated and referred to as the "Official Wireless Partner" of the City and to use said designation in promotional and marketing efforts including press releases, stories, features and other publicity initiated by Sprint or the City.
- 4.1.2 The right to have the City arrange for Sprint to be recognized as the City's partner before a meeting of City Council at time of execution of contract and renewals. The meeting will be open to the public, outside print and electronic media and recorded and replayed by the City's cable TV channel 24.
- 4.1.3 The right to have logo presence on the City's internal and external websites including visibility on the Corporate Partnership Program webpage, on the City's intranet, on the main carousel on the City's home page for 1-2 weeks to announce the program, and on other appropriate and relevant locations. Links from these web pages as well as other features of Sprint's logo presence on these web pages are subject to current and future City policies related to City websites and the CPP.

4.2 Marketing to City Business License Holders

- 4.2.1 The right to provide an offer to San Diego business license holders via the business newsletter. Sprint's presence in these publications may take the form of articles by Sprint regarding useful technologies for business people, articles about Sprint and its products and services, or articles about Sprint's community service programs. The form and frequency of Sprint's presence in these publications will be determined in good faith by current and future City policies and by the policies of the individual publication.

4.3 Marketing to City Employees

- 4.3.1 The opportunity to post flyers or posters in employee only areas promoting a program, seminar or employee event where snacks such as ice cream, bagels or hot dogs (or similar items of nominal value which are permissible under City ordinances and/or policies are being offered by Sprint to all employees able to attend on their break. Program materials are subject to the approval of the CPP Director. Cost of flyers and posters will be the responsibility of Sprint.
 - 4.3.2 The right to offer its products and services to City employees at preferred rates that are not available to the general public. City to provide access to City buildings and properties for tabling opportunities to City employees a minimum of two times per month at mutually agreed upon dates and times. This includes the ability to promote Sprint utilizing internal communication. All site visits and promotional and marketing materials are subject to approval of the CPP Director.
 - 4.3.3 City agrees to distribute Sprint promotional offers through City employee e-mail system at least six times per year. All e-mails and other communications with City employees will be consistent with City policies and subject to approval of the CPP Director.
 - 4.3.4 The right to market to City employees during special time periods such as Christmas, Back to School, Mother's Day and Father's Day. Method of marketing may include email distribution to City employees, tabling opportunities or other promotional means. All special promotions are subject to the approval of the CPP Director.
- 4.4 Exclusivity. As the City's exclusive "Official Wireless Partner," Sprint shall have the exclusive right to market wireless telephone products and services to City employees on City property or through City-owned channels of communication during the term of the Agreement. This Agreement does not prevent or prohibit the City from, and the City may, negotiate, contract, and otherwise partner with other providers of wireless products and services for benefits for the City in exchange for marketing rights and benefits from the City that do not include the right to market to employees as a select or targeted group.

Section 5. City's Approval of Promotional Materials

- 5.1 Sprint agrees to submit to the City for its prior written approval, which approval may not be unreasonably withheld, all logos, advertisements, promotional materials, promotional campaigns, product placement and appearance and any and all other materials that represent Sprint's efforts to publicize and/or promote the rights and benefits granted to it under this Agreement. Such material shall be submitted not less than five (5) business days prior to its proposed release to the public.

Section 6. Intellectual Property

- 6.1 The City and Sprint shall each retain ownership of, and all right, title and interest in and to, their respective intellectual property, and no license therein, whether expressed or implied, is granted by this Agreement. To the extent the parties wish to grant to the other rights or interests in intellectual property, separate licensing agreements on mutually acceptable terms shall be executed.
- 6.2 Use of City Name and Logo. Sprint shall use the City's name, seal, logo, and trademarks (collectively, "City's Identifiers") only as set forth in this Agreement, for the purpose of carrying out this Agreement, and not for any other purpose. Any use other than that specifically provided for by this Agreement shall require the prior written consent and approval of City. Sprint shall not make use of the City's name, seal, logo, trademarks, or any other identifiers in any manner that would bring City, or any of its respective agents, representatives, employees or contractors into public disrepute, contempt, scorn or ridicule or tend to shock, insult or offend the community, public morals or decency. Sprint shall not use City's Identifiers to incur any obligation or indebtedness on behalf of City, or to hold itself out as being or representing City. The obligations of Sprint under this paragraph will survive expiration or termination of this Agreement.
- 6.3 Use of Sprint Name and Logo. City shall use Sprint's name, seal, logo, and trademarks (collectively, "Sprint Identifiers") only as set forth in this Agreement and the Wireless Agreement, for the purpose of carrying out this Agreement and the Wireless Agreement, and not for any other purpose. Any use other than that specifically provided for by this Agreement or the Wireless Agreement shall require the prior written consent and approval of Sprint. City shall not make use of Sprint's name, seal, logo, trademarks, or any other identifiers in any manner that would bring Sprint, or any of its respective agents, representatives, employees or contractors into public disrepute, contempt, scorn or ridicule or tend to shock, insult or offend the community, public morals or decency. City shall not use Sprint Identifiers to incur any obligation or indebtedness on behalf of Sprint, or to hold itself out as being or representing Sprint. The obligations of City under this paragraph will survive expiration or termination of this Agreement.

Section 7. Confidentiality

- 7.1 In the event either the City or Sprint determines that it is necessary to provide confidential, proprietary, or trade secret information to the other party with respect to the Services performed under this Agreement, such disclosure shall only be made after advance written notice, and only under the terms of a separate "non-disclosure" agreement. Each Party's consent to enter said "non-disclosure" agreement shall not be unreasonably withheld, conditioned or delayed.

Section 8. Limitation on Liability

- 8.1 Neither Party shall be liable to the other Party for any act or omission to the extent not attributable to its personnel. Notwithstanding anything in the Agreement to the contrary,

in no event shall the cumulative liability for direct damages of either Party to the other Party, whether in contract or in tort, exceed the amount of one hundred thousand dollars (\$100,000.00) per each year of the Term of the Agreement. Furthermore, in no event shall either Party be liable for any indirect, special, consequential, incidental or punitive damages or lost profits, however caused, which are incurred by the other Party, its employees, subcontractors, and/or agents, or any third party, arising out of or in connection with the Agreement or the performance or breach thereof, even if such Party has been advised of the claim or potential claim or of the possibility of such damages. City shall have no liability whatsoever for interruptions or defects in website links from City Websites to the Sprint Website, except if caused by City's willful misconduct and resulting in injury to the Sprint website.

Section 9. Compliance with City Contracting Laws

- 9.1. Americans with Disabilities Act. Sprint agrees to comply with Council Policy 100-04, which establishes that all City contractors, including but not limited to construction contractors, consultants, grantees, and providers of goods and services agree to comply with all applicable titles of the Americans with Disabilities Act. Council Policy 100-04 is by this reference incorporated into this Agreement.
- 9.2. Drug Free Workplace. Sprint agrees to comply with Council Policy 100-17 that requires all City construction contractors, consultants, grantees and providers of services to provide a drug-free workplace for the performance of work done in connection with a contract held by the City. Council Policy 100-17 is by this reference incorporated into this Agreement.
- 9.3. Equal Employment Opportunity Outreach Program. Sprint shall comply with the requirements of the City's Equal Employment Opportunity Outreach Program as described in San Diego Municipal Code (SDMC) sections 22.2701 through 22.2708, and shall not discriminate against any employee or applicant for employment on any basis prohibited by law. Sprint shall provide equal opportunity in all employment practices. Sprint shall ensure that its subcontractors comply with the City's Equal Employment Opportunity Outreach Program requirements. Nothing in this Section shall be interpreted to hold Sprint liable for any discriminatory practice of its subcontractors.
- 9.4. Non-Discrimination in Contracting Ordinance. Sprint shall not discriminate on the basis of race, gender, religion, national origin, ethnicity, sexual orientation, age, or disability in the solicitation, selection, hiring or treatment of subcontractors, vendors or suppliers. Sprint shall provide equal opportunity for subcontractors to participate in subcontracting opportunities. Sprint understands and agrees that violation of this clause shall be considered a material breach of the contract and may result in contract termination, debarment, or other sanctions. Contracts between Sprint and any subcontractors, vendors, and suppliers shall contain this language.
- 9.5. Compliance Investigations. Upon the City's request, Sprint agrees to provide to City, within sixty calendar days, a truthful and complete list of the names of all subcontractors, vendors and suppliers that Contractor has used in the past five years on any of its

contracts that were undertaken within San Diego County, including the total dollar amount paid by Contractor for each subcontract or supply contract. Sprint further agrees to fully cooperate in any investigation conducted by the City pursuant to the City's Nondiscrimination in Contracting Ordinance as described in SDMC sections 22.3501 through 22.3517. Sprint understands and agrees that violation of this clause shall be considered a material breach of the Agreement and may result in remedies being ordered against it up to and including contract termination, debarment, and other sanctions for violation of the provisions of the Nondiscrimination in Contracting Ordinance. Sprint further understands and agrees that the procedures, remedies and sanctions provided for in the Nondiscrimination in Contracting Ordinance apply only to violations of said Nondiscrimination in Contracting Ordinance.

- 9.6. Equal Benefits Ordinance. This Agreement is subject to City's Equal Benefits Ordinance (SDMC §§ 22.4301 -22.4308) requiring that the City contract only with contractors offering the same employment benefits to employees with spouses and employees with domestic partners. Sprint certifies that it will: provide and maintain equal benefits as defined in SDMC § 22.4302 for the duration of the Agreement; notify employees of the availability of equal benefits at the time of hire and during open enrollment periods; post notice of the availability of equal benefits in an area frequented by employees; and provide City access to documents and records demonstrating compliance with the Ordinance. Failure to maintain equal benefits is a breach of this Agreement.

Section 10. Insurance

- 10.1 Each Party shall maintain, at its own expense, the following types of insurance coverage during the Term, including any renewal or extension, of the Agreement:
- 10.1.1 Commercial General Liability Insurance ("CGL") written on an occurrence basis which shall cover liability arising from any and all personal injury or property damage in the amount of at least one million dollars (\$1,000,000) per occurrence and subject to an annual aggregate of two million dollars (\$2,000,000). There shall be no endorsement or modification of the CGL limiting the scope of coverage for either insured vs. insured claims or contractual liability. All defense costs shall be outside the limits of the policy.
- 10.1.2 Commercial Automobile Liability Insurance for all of the Party's automobiles, including owned, hired or non-owned automobiles ["any auto"]. Each Party shall keep in full force and effect, automobile insurance written on an ISO form CA 00 01 12 90 or a later version of this form, or an equivalent form providing coverage at least as broad, for bodily injury and property damage for a combined single limit of one million dollars (\$1,000,000) per occurrence.
- 10.1.3 Worker's Compensation Coverage for all of the Party's employees who are subject to the Agreement and to the extent required by applicable state or federal law, such Party shall keep in full force and effect, a Worker's Compensation

policy. That policy shall provide a minimum of one million dollars (\$1,000,000) of employer's liability coverage, and such Party shall provide an endorsement that the insurer waives the right of subrogation against the other Party and its respective elected officials (if applicable), officers, employees, agents or representatives.

- 10.2 Insurer Requirements. All insurance required by the express provision of the Agreement shall be carried only by insurers rated at least "A-, VI" or better by the current A.M. Best Key Rating Guide, that are licensed to do business in the State of California, and that have been reasonably approved by the other Party. The Parties may accept insurance provided by non-admitted, "surplus lines" carriers only if the carrier is authorized to do business in the State of California, is shown on the current List of Eligible Surplus Lines Insurers (LESLI list) and otherwise meets the rating requirements.
- 10.3 This insurance shall cover all of each Party's employees engaged in the performance of the Agreement. Each Party shall require that all subcontractors of such Party engaged in the performance of the Agreement maintain similar levels and limits of insurance coverage.
- 10.4 Each Party shall name the other Party as an additional insured on all general and automobile liability policies required herein. The policies shall be primary and non-contributory to any insurance, as it relates to the other Party's operations, that may be carried by the other Party, as reflected in a certificate, which shall be submitted to the other Party.
- 10.5 Each Party shall, within ten (10) days of execution of the Agreement, furnish the other Party with certificates of insurance for coverage as required herein. Companies writing the insurance under this article shall be licensed to do business by the State of California. All certificates for each insurance policy required by this Article shall be signed by a person authorized by that insurer.
- 10.6 The certificates shall provide that thirty (30) days prior written notice of cancellation of the insurance to which the certificates relate shall be given to the other Party.
- 10.7 In the event either Party is self-insured, in lieu of Certificates of Insurance, such Party shall provide to the other Party a letter of self-insurance or such other information as may be reasonably required by the other Party to ensure adequate levels of coverage.

Section 11. Indemnification

- 11.1 To the extent allowable by law, City agrees to indemnify and hold harmless Sprint, its officers, directors, agents, and employees, from and against any and all third party claims, demands, obligations, causes of action and lawsuits and all damages, liabilities, fines, judgments, costs (including settlement costs), and expenses associated therewith (including the payment of reasonable attorney fees and disbursements), arising out of: (1) the failure of City, its employees or agents, to comply with the terms and conditions of the Agreement; (2) the negligent acts or omissions of City, its employees, agents, or

subcontractors; (3) Sprint's use of City's Marks as authorized by the Agreement; or (4) the services performed or actions taken by City, its employees or agents, in connection with the Agreement.

- 11.2 To the extent allowable by law, Sprint agrees to indemnify, defend, and hold harmless City, its officers, directors, agents and employees from and against any and all third party claims, demands, obligations, causes of action and lawsuits and all damages, liabilities, fines, judgments, costs (including settlement costs), and expenses associated therewith (including the payment of reasonable attorney fees and disbursements), arising out of: (1) the failure of Sprint, its employees or agents, to comply with the terms and conditions of the Agreement; (2) the negligent acts or omissions of Sprint, its employees, agents, or subcontractors, (3) City's use of Sprint's Marks as authorized by the Agreement; or (4) the services performed or actions taken by Sprint, its employees or agents, in connection with the Agreement.

Section 12. Dispute Resolution

- 12.1 If a dispute arises out of, or relates to the Agreement, or the breach thereof, and if said dispute cannot be settled through negotiations, the Parties agree to first endeavor to settle the dispute in good faith, using mandatory non-binding mediation administered by a neutral professional mediator affiliated with and under the rules of the National Dispute Resolution Center ("NDRC") or JAMS, before having recourse in a court of law.
- 12.2 Any such mediation shall be held in San Diego, California. The Parties agree to select a mediator from NDRC's or JAM's panel of approved neutrals.
- 12.3 The expenses of witnesses for either side shall be paid by the Party producing such witnesses. All other expenses of the mediation, including required traveling and expenses of the mediator, and the cost of any proofs or expert advice produced at the direct request of the mediator, shall be borne equally by the Parties, unless they agree otherwise.
- 12.4 Any agreements resulting from mediation shall be documented, in writing. All mediation results and documentation, by themselves, shall be "non-binding" and inadmissible for any purpose in any legal proceeding, unless such admission is otherwise agreed upon, in writing, by both Parties. Mediators shall not be subject to any subpoena or liability and their actions shall not be subject to discovery.
- 12.5 In the event that a dispute cannot be resolved in the manner described above, the Parties agree to waive any and all rights to jury trial.

Section 13. Miscellaneous

13.1 Termination

- 13.1.1 Either Party shall have the right to terminate the Agreement if: (1) the other Party fails to comply with any material term, condition, or obligation of this Agreement and fails to cure such failure within thirty (30) days of receipt of written notice

specifying the failure; or (2) either party should commit an act, which brings its name into disrepute, or otherwise substantially diminishes the value of the partnership association for the other party, or (iii) the Wireless Agreement has been terminated or expires (provided that if the Wireless Agreement has been terminated by a Party for cause, then the Party that has breached the Wireless Agreement also shall be deemed to have breached this Agreement). In the event that the Wireless Agreement is terminated without cause and subsequently this Agreement is terminated without cause prior to the end of the applicable term, then, with respect to this Agreement only, the parties will negotiate in good faith a pro rata reduction or refund of the Marketing Rights Fee to Sprint that fairly reflects the value of Marketing Rights and Benefits paid for by Sprint but not yet received as of the date of termination.

13.1.2 Either Party may terminate the Agreement immediately upon written notice to the other Party in the event that: (a) either Party makes an assignment for the benefit of creditors, or admits in writing its inability to pay its debts as they mature, (b) a trustee or receiver of any substantial part of either Party's assets is appointed by any court, or (c) a proceeding is instituted under any provision of the Federal Bankruptcy Laws by or against either Party, and such proceeding is acquiesced in or is not dismissed within 60 days or results in an adjudication in bankruptcy.

13.2 Notices

In all cases where written notice is required under the Agreement, such notice shall be given at the respective addresses of the parties as set forth below, unless notification of a change of address is given in writing. Notice shall be sent by registered or certified mail, by a nationally recognized courier service, or by personal service, and shall be effective upon receipt. The addresses for notice and agents for service of process are:

City: Corporate Partnership Program
The City of San Diego
202 C Street, 9th Floor
San Diego, CA 92101
Attn: Natasha Collura, Director
Phone: 619-236-7002

And to: Office of the City Attorney
The City of San Diego
1200 Third Avenue, Suite 1620
San Diego, CA 92101
Attn: Carrie Gleeson
Phone: 619-236-6220

Sprint: Sprint Nextel Corporation
9191 Towne Center Drive
San Diego, CA 92122
Attn: Tracy Cooper
Business Account Manager
Email: Tracy.cooper@sprint.com

And to: Sprint Legal Department (Sales & Marketing)
12502 Sunrise Valley Drive
Reston, VA 20196
Attn: Michaela Clairmonte, Counsel
Email: Michaela.clairmonte@sprint.com

13.3 Headings

All article headings are for convenience only and shall not affect the interpretation of the Agreement.

13.4 Non-Assignment

Neither Party may assign its rights or delegate its duties under the Agreement to any other party without the prior written consent of the other Party, which consent shall not be unreasonably withheld, delayed or conditioned, except that Sprint may assign the Agreement to: (a) any parent, subsidiary or Affiliate entity; or (b) a successor in interest of all or substantially all of the assets, stocks or business of a Party to which the Agreement pertains, so long as such assignee possesses the financial and operational capabilities to perform the Agreement and agrees to assume and fully discharge all of the duties and further obligations of the assignor arising under the Agreement. Subject to the provisions of this section, the Agreement shall inure to the benefit of and be binding upon the respective successors and assigns, if any, of the Parties hereto. However, any assignment in violation of this paragraph shall constitute a default and is grounds for immediate termination of the Agreement. In no event shall any putative assignment create a contractual relationship with the putative assignee.

13.5 Independent Contractors

Sprint and any subcontractors employed by Sprint shall be deemed to be independent contractors and not agents of the City. Any provisions of the Agreement that may appear to give the City any right to direct Sprint concerning the details of operating the Marketing Partnership, or to exercise any control over such performance, shall mean only that Sprint shall follow the direction of the City concerning the end results of the performance.

13.6 Covenants and Conditions

All provisions of the Agreement expressed as either covenants or conditions on the part of the City or Sprint shall be deemed to be both covenants and conditions.

13.7 Compliance with Controlling Law

Both parties shall comply with all laws, ordinances, regulations, and policies of the federal, state, and local governments applicable to the Agreement. In addition, Sprint shall comply immediately with all directives issued by the City or its authorized representatives under authority of any laws, statutes, ordinances, rules, or regulations. The laws of the State of California shall govern and control the terms and conditions of this Agreement.

13.8 Jurisdiction, Venue, and Attorney's Fees

The venue for any suit or proceeding concerning the Agreement, the interpretation or application of any of its terms, or any related disputes shall be in the County of San Diego, State of California.

13.9 Successors in Interest

The Agreement and all rights and obligations created by the Agreement shall be in force and effect whether or not any Parties to the Agreement have been succeeded by another entity, and all rights and obligations created by the Agreement shall be vested and binding on any Party's successor in interest.

13.10 Integration

The Agreement and the exhibits and references incorporated into the Agreement fully express all understandings of the Parties concerning the matters covered in the Agreement. No change, alteration, or modification of the terms or conditions of the Agreement, and no verbal understanding of the Parties, their officers, agents, or employees shall be valid unless made in the form of a written change agreed to in writing by both Parties and an amendment to the Agreement agreed to by both Parties. All prior negotiations and agreements concerning the subject matter hereof are merged into the Agreement.

13.11 Counterparts

The Agreement may be executed in counterparts, which when taken together shall constitute a single signed original as though all Parties had executed the same page.

13.12 No Waiver

No failure of either the City or Sprint to insist upon the strict performance by the other of any covenant, term or condition of the Agreement, nor any failure to exercise any right or remedy upon a breach of any covenant, term, or condition of the Agreement, shall constitute a waiver of any such breach or of such covenant, term or condition. No waiver of any breach shall affect or alter the Agreement, and each and every covenant, condition, and term hereof shall continue in full force and effect to any existing or subsequent breach.

13.13 Severability

The unenforceability, invalidity, or illegality of any provision of the Agreement shall not render any other provision of the Agreement unenforceable, invalid, or illegal.

13.14 Drafting Ambiguities

The Parties agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms and conditions of the Agreement, and the decision of whether or not to seek advice of counsel with respect to the Agreement is a decision which is the sole responsibility of each Party. The Agreement shall not be construed in favor of or against either Party by reason of the extent to which each Party participated in the drafting of the Agreement.

13.15 Signing Authority

The representative for each Party signing on behalf of a corporation, partnership, joint venture or governmental entity hereby declares that authority has been obtained to sign on behalf of the corporation, partnership, joint venture, or entity and agrees to hold the other Party or Parties hereto harmless if it is later determined that such authority does not exist.

IN WITNESS WHEREOF, the Agreement is executed by the City of San Diego, acting by and through the Director of its Corporate Partnership Program, pursuant to City Council Resolution _____, and by Sprint.

THE CITY OF SAN DIEGO

By: _____
Natasha Collura
Director, Strategic Partnerships and Corporate Partnership Program

Date: _____

SPRINT SOLUTIONS, INC.

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT A

[See Attached]

Green Initiative

Technology Recycling Program



- > *Promote a green environment by keeping phones out of the landfills and helping your company!*
- > *Collect used mobile devices from your employees or customers at a one time event or over a period of time.*
- > *The proceeds from collections of used mobile devices will be given back to your company so that it can be used for City programs.*

Step 1 - Custom Pre-Paid Mailing Label

Sprint will provide postage paid labels for you to handout to your employees or customers. The label will have a bar code that will be tied exclusively to the City of San Diego

Step 2 - Arrival at the Warehouse

The special bar coded label will be scanned and the phone upon arrival

Any accessories and batteries sent will be recycled responsibly

Step 3 – Reporting

Sprint will provide a monthly report to your organization that details your collection efforts

Proceeds will be returned to your organization, in the form of a check.

Green Initiative: Sprint Recycling

Example: Sprint Nextel will provide the below funding to the City or employees based on the types of devices recycled through Sprint's Recycling program.

Top Verizon Traded Models

Motorola MB810 Droid X	\$92.00
Samsung SCH-i500 Fascinate	\$80.00
HTC PB31200 Droid Incredible	\$72.00
BlackBerry 9550 Storm 2	\$46.00
Motorola Droid	\$25.02
LG VS740 Ally	\$20.00
BlackBerry 9530 Storm	\$18.00
Samsung SCH-U640 Convoy	\$12.00
LG VX11000 enV Touch	\$12.00
LG VX9200 enV3	\$9.60

*Prices as of 7-12-11, prices will change over time depending on when equipment is shipped