

AN ORDINANCE 2018-10-11-0817

AUTHORIZING A CONCESSIONS AGREEMENT WITH AC HOLDINGS, INC., ALSO KNOWN AS CNN AIRPORT NETWORK, AT THE SAN ANTONIO INTERNATIONAL AIRPORT FOR AN INITIAL FIVE-YEAR TERM FOR NETWORK PROGRAMMING SERVICES WHICH IS EXPECTED TO GENERATE AT LEAST \$45,000.00 PER YEAR.

* * * * *

WHEREAS, the City wishes to obtain network programming services at the San Antonio International Airport; and

WHEREAS, City and AC Holdings, Inc., also known as CNN Airport Network, have entered into a Concessions Agreement for an initial term of five years with the option to extend for an additional two-year period; and

WHEREAS, this Concessions Agreement is expected to generate at least \$45,000.00 in annual revenue; **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The Concessions Agreement with AC Holdings, Inc. at San Antonio International Airport, attached as **Exhibit 1**, is approved. The City Manager or her designee is authorized to execute the Agreement.

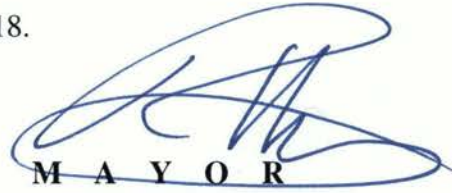
SECTION 2. Funds generated by this ordinance will be deposited into Fund 51001000, Internal Order 233000000169 and General Ledger 4405923.

SECTION 3. The financial allocations in this Ordinance are subject to approval by the Director of Finance, City of San Antonio. The Director of Finance may, subject to concurrence by the City Manager or the City Manager's designee, correct allocations to specific SAP Fund Numbers, SAP Project Definitions, SAP WBS Elements, SAP Internal Orders, SAP Fund Centers, SAP Cost Centers, SAP Functional Areas, SAP Funds Reservation Document Numbers, and SAP GL Accounts as necessary to carry out the purpose of this Ordinance.

SECTION 4. This Ordinance is effective immediately upon the receipt of eight affirmative votes; otherwise, it is effective ten days after passage.

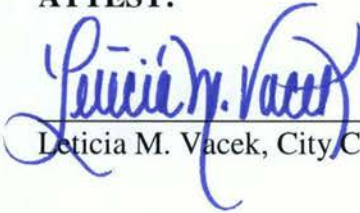
MAT
10/11/18
Item No. 18

PASSED and APPROVED this 11th day of October, 2018.





M A Y O R
Ron Nirenberg

ATTEST:



Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:

Andrew Segovia, City Attorney

Agenda Item:	18 (in consent vote: 6, 7, 8, 9, 10, 11, 12A, 12B, 13A, 13B, 14, 16, 17, 18, 21)						
Date:	10/11/2018						
Time:	09:28:55 AM						
Vote Type:	Motion to Approve						
Description:	Ordinance authorizing a concessions agreement with AC Holdings, Inc., also known as CNN Airport Network, at the San Antonio International Airport for an initial five-year term for network programming services which is expected to generate at least \$45,000.00 per year. [Carlos Contreras, Assistant City Manager; Russell Handy, Director, Aviation]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Ron Nirenberg	Mayor		x				
Roberto C. Treviño	District 1		x			x	
William Cruz Shaw	District 2		x				
Rebecca Viagran	District 3		x				
Rey Saldaña	District 4		x				x
Shirley Gonzales	District 5		x				
Greg Brockhouse	District 6		x				
Ana E. Sandoval	District 7		x				
Manny Pelaez	District 8		x				
John Courage	District 9		x				
Clayton H. Perry	District 10		x				

MAT
10/11/18
Item No. 18

EXHIBIT 1

CONCESSIONS AGREEMENT WITH AC HOLDINGS, INC.

**AGREEMENT
FOR
NETWORK PROGRAMMING SERVICES
AT
SAN ANTONIO INTERNATIONAL AIRPORT**

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CNN AIRPORT NETWORK® PROGRAMMING SERVICE
SAN ANTONIO INTERNATIONAL AIRPORT

This Agreement ("Agreement") is made and entered into between the City of San Antonio ("City" or "Airport System"), a Texas Municipal Corporation acting by and through its City Manager, and AC Holdings, Inc. ("AC Holdings" or "CNN Airport Network"), by and through its designated officer(s) pursuant to its by-laws or a resolution of its Board of Directors, both of which may be referred to herein collectively as the "Parties".

WITNESSETH:

WHEREAS, CNN Airport Network desires to provide its CNN Airport Network® programming service in approved terminal buildings and concourses (including passenger gate areas located therein), and other mutually agreed upon areas at the San Antonio International Airport (the "Airport") by installing and/or maintaining the necessary equipment and delivering the Service; and

WHEREAS, the Airport System desires CNN Airport Network to provide the Service in the Airport according to the terms set forth herein;

NOW, THEREFORE, in consideration of the premises and the mutual promises, representations, covenants and agreements herein contained, the parties hereto, intending to be legally bound, hereby agree as follows:

1. DEFINITIONS. The following words and phrases shall have the respective meanings ascribed to them below when used in this Agreement:

1.1. "Advertising Time" shall have the meaning set forth in Section 7.2.

1.2. "Airport" shall mean the San Antonio International Airport.

1.3. "Airport System" shall mean the San Antonio Airport System.

1.4. "Airport System Encumbrances" shall mean any liens, claims, charges, encumbrances or security interests of any nature whatsoever initiated by or through the Airport System.

1.5. "Airport System Revenue Share Payment" shall mean the amount determined by multiplying a fraction, the numerator of which shall be the viewing audience for the Service at the Airport during a quarter, and the denominator of which shall be the measured viewing audience for the Service at all domestic airports eligible to receive a portion of advertising revenue therefrom during the same calendar quarter, by the Service Revenue Pool.

1.6. "Airport Rules and Regulations" shall mean rules, policies, regulations, directives and orders promulgated by the Airport System as they may be amended from time to time.

1.7. "Approved Installation Areas" shall mean areas of the Airport approved by the City for installation of the Service Equipment, as described in detail in **Exhibit A**.

1.8. "CNN" shall mean Cable News Network, Inc. (formerly, Cable News Network LP, LLLP).

1.9. "CNN Airport Network" shall mean AC Holdings, Inc.

1.10. "CNN Airport Network Encumbrances" shall mean any liens, claims, charges, encumbrances or security interests of any nature whatsoever arising by or through CNN Airport Network.

1.11. "Commencement Date" shall mean the date CNN Airport Network begins to provide CNN Airport Network programming service at the Airport on a regular, production basis in accordance with this Agreement.

1.12. "Distribution Equipment" shall mean that portion of the Service Equipment installed by CNN Airport Network necessary to distribute the Service to various areas located throughout the Airport (i.e., cabling and conduit).

1.13. "Exhibition Equipment" shall mean the speakers and display screens and related components of the Service Equipment installed by CNN Airport Network necessary for actual viewing of the Service within Approved Installation Areas.

1.14. "Guaranteed Amount" shall mean the applicable per annum amount specified in Section 10.1. of this Agreement.

1.15. "Insertion Equipment" shall be defined as that equipment necessary for the Airport System to insert audio/video advertisements and/or promotional announcements into the Service on a local basis as permitted in this Agreement.

1.16. "Programming" shall mean the news, information and entertainment television programming material professionally produced and provided by CNN Airport Network or any entity controlled by, under common control with or controlling CNN Airport Network included in the Service.

1.17. "Quarterly Fee" shall mean the greater of the Guaranteed Amount or the Airport System Revenue Share Payment payable on a quarterly basis during the Term.

1.18. "Reception Equipment" shall mean that portion of the Service Equipment installed by CNN Airport Network necessary to receive the Service.

1.19. "Service" shall mean the Programming and other services related to distribution of the Programming, but shall not include any Service Equipment.

1.20. "Service Equipment" shall mean all Reception, Distribution, Exhibition and Insertion Equipment installed and/or owned by CNN Airport Network at the Airport.

1.21. "Service Revenue" shall mean gross advertising revenue from the sale of national Advertising Time by CNN Airport Network to third parties in a given quarter, less the applicable advertising agency commission fees actually paid or payable by CNN Airport Network (not to exceed fifteen percent (15%)) and any monies refunded or credited by CNN Airport Network to advertisers and/or agencies with respect to Third Party Units.

1.22. "Service Revenue Pool" shall be calculated as follows: (a) 15% of the Service Revenue invoiced by CNN Airport Network for the preceding quarter until such time as CNN Airport Network has invoiced an aggregate amount of Service Revenue equal to \$15,000,000 for the calendar year in which the preceding quarter occurs; (b) 17.5% of the Service Revenue invoiced by CNN Airport Network for the preceding quarter after CNN Airport Network has invoiced an aggregate amount of Service Revenue in excess of \$15,000,000 but less than or equal to \$25,000,000 for the calendar year in which the preceding quarter occurs; (c) 22.5% of the Service Revenue invoiced by CNN Airport Network for the preceding quarter after CNN Airport Network has invoiced an aggregate amount of Service Revenue in excess of \$25,000,000 but less than or equal to \$30,000,000 for the calendar year in which the preceding quarter occurs; and (d) 32.5% of the Service Revenue invoiced by CNN Airport Network for the preceding quarter after CNN Airport Network has invoiced an aggregate amount of Service Revenue in excess of \$30,000,000 for the calendar year in which the preceding quarter occurs.

1.23. "Term" shall have the meaning set forth in Section 3.

2. REPRESENTATIONS; AUTHORIZATION.

2.1 The Airport System. The Airport System represents and warrants to CNN Airport Network that it has all necessary power and authority and has taken all action necessary to enter into this Agreement, to consummate the transactions contemplated hereby and to perform its obligations hereunder. The Airport System further represents and warrants to CNN Airport Network that the execution, delivery and performance of this Agreement and the consummation of any and all transactions contemplated by this Agreement and the fulfillment of and compliance with the terms and conditions of this Agreement do not and will not violate or conflict with, or constitute a breach of or default under, any known existing contracts or commitments to which the Airport System is a party or by which it may be bound. Notwithstanding the foregoing, if any such conflicting contract or commitment is discovered, the Airport System shall use good faith reasonable efforts to resolve any resulting conflict between the Airport System and CNN Airport Network.

2.2 CNN Airport Network. CNN Airport Network represents and warrants to the Airport System that it has all necessary power and authority and has taken all action necessary to enter into this Agreement, to consummate the transactions contemplated hereby, and to perform its obligations hereunder. CNN Airport Network further represents and warrants to the Airport System that the execution, delivery and performance of this Agreement and the consummation of any and all transactions contemplated by this Agreement and the fulfillment of and compliance with the terms and conditions of this Agreement do not and will not violate or conflict with, or constitute a breach of or default under, any existing contracts or commitments to which CNN Airport Network is a party or by which it may be bound.

3. TERM.

3.1 Initial Term. This Agreement shall be effective upon the signature of both parties hereto and shall continue for a period of five (5) years from the Commencement Date, unless earlier terminated pursuant to any provision of this Agreement ("Initial Term").

3.2 Renewal. The Agreement shall automatically renew for a period of two (2) years immediately upon expiration of the Initial Term ("Renewal Term") without any gap or further action by the parties unless one party gives the other party written notice of its intent not to renew at least ninety (90) days prior to the expiration of the Initial Term.

3.3 Term. The Initial Term together with the Renewal Term, as applicable, shall constitute the term of the Agreement ("Term").

4. USE OF THE AIRPORT.

4.1 Grants and Approvals. Subject to the terms of this Agreement (including without limitation the Airport System's prior approval over specific installation plans for new areas), the Airport System hereby grants CNN Airport Network the right to provide the Service, and the right to install, operate and maintain all Service Equipment during the Term of this Agreement. The exact locations of any and all Service Equipment and other ancillary space requirements shall be selected by CNN Airport Network and approved or denied by the Airport System in its reasonable discretion after review of CNN Airport Network's drawings and plans showing its proposed manner of installation and placement of Service Equipment, it being understood that the Airport System shall have the final determination regarding any locations and/or space requirements. In accordance with the foregoing, CNN Airport Network shall install the Service Equipment and deliver the Service to the selected Display Locations of the Airport listed on Exhibit A attached hereto and by reference made a part hereof during the Term of this Agreement (such Exhibit A to be updated from time to time as mutually agreed by the parties). Additional locations may be added by the parties from time to time during the Term by amending Exhibit A. As indicated below, any expansion plans and the installation schedule applicable thereto shall be subject to the mutual agreement of the parties. As between the parties hereto, CNN Airport Network shall be responsible for obtaining the approval or consent of any third party lessee at the Airport, if necessary, for CNN Airport Network to install Service Equipment within the premises leased to such third party. Unless specifically approved by the Airport System, CNN Airport Network shall not use the Approved Installation Areas without providing the Airport System fourteen (14) days prior notice for any purpose other than to provide the Service and to perform certain services and activities related thereto and expressly contemplated by this Agreement. The rights granted in this Agreement are non-exclusive.

4.2 Exhibition Equipment. As indicated above, and subject to the mutual review and agreement of the parties, CNN Airport Network will begin installation of Exhibition Equipment at the locations identified on Exhibit A in the Airport following the execution of this Agreement on a mutually agreed date, and continue such installation on a mutually agreed schedule until complete. The Airport System agrees to provide reasonable cooperation to CNN Airport Network during its initial installation activities and any mutually agreed expansion activities during the Term. CNN Airport Network will provide for each viewing area an LED display screen, mounting equipment, and a consolidated housing for the display area components. CNN Airport Network will be solely responsible for designing, providing, installing, maintaining and operating, at its sole cost, the Exhibition Equipment. With respect to expansion of approved installation areas, it is understood and agreed that CNN Airport Network shall have no obligation whatsoever to incur any extraordinary installation costs, such as those associated with structural impediments, lengthy cable runs, remote installation sites and the like, and, thus, such proposed installations must be approached on a case by case basis and may be denied. Without limiting the generality of the foregoing, it is expressly understood and agreed that CNN Airport Network shall have no obligation whatsoever to undertake installation in any areas with asbestos or to engage in any abatement activities related thereto. The Airport System understands and agrees that it will be responsible for any and all costs related to surveys and/or abatement activities required in the existing and proposed CNN Airport Network viewing locations if it elects in its discretion to pursue installation in such location; alternatively, the Airport System may elect to eliminate that location as an installation

site. CNN Airport Network reserves the absolute right to reject any proposed additional installation sites on the basis of low gate or other traffic in the exercise of its business judgment.

4.3 Headend Room. CNN Airport Network will coordinate directly with the Airport System regarding its continuing need for space in a secured room (the "CNN Airport Network Headend Room") at the Airport with sufficient space to accommodate the placement, installation and operation of its Reception Equipment used to receive the Service. The Airport System will designate Room BOL-010-01 (MDF) as the necessary CNN Airport Network Headend Room. The signal will be subsequently distributed from this point to the Approved Installation Areas located throughout the Airport via the Airport System's Local Area Network (LAN) cabling (copper and/or single-mode fiber optic cable). The Airport System understands and agrees that CNN Airport Network shall have the right, 24 hours a day, to easily access the CNN Airport Network Headend Room as necessary to operate and maintain the Reception Equipment located therein.

4.4 Security and Other Rules and Regulations. CNN Airport Network's access to and use of the Airport will be conditioned upon compliance with all Airport Rules and Regulations, including all security requirements, instituted by the Airport System and any other governing authority exercising jurisdiction over the Airport. In conducting its operations hereunder, CNN Airport Network agrees to comply with all applicable laws and regulations of the United States of America and the State of Texas and lawful rules and regulations promulgated by authority of law, specifically including, but not limited to, all fire codes and security regulations. If the Airport System is subjected to any liability, including, but not limited to, a fine(s) by the Federal Aviation Administration, Transportation Security Administration or any similar entity directly resulting from a breach of this section solely by CNN Airport Network or any of its subcontractors, as specifically determined by a written determination of one or more of the aforementioned authorities, then in such event CNN Airport Network shall reimburse the Airport System for the full amount of such fine promptly upon receipt of an invoice from the Airport System for such fine.

5. INSTALLATION, MAINTENANCE AND OPERATION OF SERVICE EQUIPMENT.

5.1 Materials and Services. CNN Airport Network shall be solely responsible for providing, installing, maintaining and operating, at its sole cost, all Service Equipment at the Airport, and shall provide all personnel necessary to perform these functions and address all customer complaints and inquiries, if any, during the Term. Any problems concerning the Service that comes to the attention of the Airport System, such as any problems with the Service Equipment or customer inquiries or complaints, shall be promptly directed to CNN Airport Network's designated local representative or communicated to CNN Airport Network through any other communication procedure established and agreed to by CNN Airport Network and the Airport System.

5.2 Mode of Installation. The Airport System shall approve the design and method of installation for all Service Equipment in writing in advance. CNN Airport Network agrees to cause its designated representatives to install such Service Equipment in a proper and workmanlike manner, and shall coordinate such installations with the Airport System's designated representative with as little disruption as reasonably practicable to the normal operations of the Airport and any lessee of the space where the Service Equipment is being installed. CNN Airport Network further represents that none of the Service Equipment shall cause any interference with Airport tower communications or violate any regulation of the Federal Aviation Administration and agrees to immediately discontinue any such interference or violating operation upon receipt of written notice of the same.

5.3 Repair, Replace, Upgrade. During the Term, CNN Airport Network shall repair or replace any Service Equipment installed by it at the Airport that is damaged or otherwise in need of repair as soon as reasonably possible, subject to its ability to obtain any necessary approval from the Airport System and/or third-party tenant. In addition, CNN Airport Network reserves the right, subject to Authority written approval, and at any time during the Term of this Agreement, to replace and/or upgrade any and all Service Equipment installed in the Airport to maintain and/or improve the Service as it deems appropriate. All replacements and upgrades of any and all Service Equipment must consider the aesthetics of the equipment replaced. Whenever possible, replaced and/or upgraded Service Equipment must be the exact model of adjacent Service Equipment or substantially similar.

5.4 Modifications to Service Equipment. Except as expressly provided herein to the contrary, or to address an urgent or emergency situation, once the placement of the Service Equipment is approved by the Airport System and installed, the Airport System shall not tamper with, move, remove, relocate, use or otherwise interfere with any Service Equipment or the audio quality and/or volume of the Service. In the event of an urgent or emergency situation, the Airport System shall give CNN Airport Network prompt written notice of the situation and the opportunity to assist it in addressing the situation. Notwithstanding the foregoing, CNN Airport Network shall remove and/or relocate limited installations of Exhibition Equipment and restore the area in which such Exhibition Equipment was located to its prior condition, normal wear and tear excepted, as soon as reasonably practicable following written notification by the Airport System that it has determined in good faith that such removal or relocation promotes Airport business or as necessitated by planned modifications to an area of the terminal. The foregoing is intended to provide flexibility over the Term with respect to specific installations but is not intended to provide and does not provide any arbitrary right to effectively terminate or limit the rights granted to CNN Airport Network hereunder.

5.5 Sound Levels. CNN Airport Network agrees that the maximum sound level of the audio portion of the Service within each area displaying the Service shall be reasonably acceptable to the Airport System and the lessee or user of the space in which the Service Equipment is located, if applicable, and will not interfere with any public announcements made by the Airport System, any air carrier or others, it being understood that the Airport System shall have the final determination regarding any sound levels or audio specifications and modification of same. Furthermore, CNN Airport Network shall routinely monitor the volume of the audio portion of the Service to ensure that it is appropriate and within acceptable ranges.

5.6 Property of CNN Airport Network. All Service Equipment (but expressly excluding existing Airport Equipment related to the service such as fiber optic and CAT6 LAN wiring and network switches) installed or brought into the Airport by CNN Airport Network and related to the Service shall be deemed to be personal property and shall not be deemed to be fixtures attached to real estate or part of the real estate and shall remain the sole property of CNN Airport Network and may include any identifying logo, trademark or other signage of CNN Airport Network, CNN or its related affiliates.

5.7 Loss of Business Liability. The Airport System shall not be liable to CNN Airport Network for any loss of business or damages sustained by CNN Airport Network as a result of any change in the operation or configuration of, or any change in any procedure governing the use of the Airport or any terminal therein.

5.8 Encumbrances. The Airport System shall not permit any Airport System Encumbrances to be placed upon the Service Equipment and if the Airport System receives notice

of the placement of any such Airport System Encumbrances, it shall promptly notify CNN Airport Network and shall take or cause to be taken all actions necessary to promptly prevent or clear and remove such Airport System Encumbrances from the Service Equipment as soon as practicable.

CNN Airport Network shall not permit CNN Airport Network Encumbrances to be placed upon any property owned or leased by the Airport System and located at the Airport, and if CNN Airport Network receives notice of the placement of any such CNN Airport Network Encumbrances, it shall promptly notify the Airport System and shall take or cause to be taken all actions necessary to promptly prevent or clear and remove such CNN Airport Network Encumbrances from such property.

6. DELIVERY OF SERVICE.

CNN Airport Network shall deliver the Service to all Display Locations of the Airport seven (7) days per week and twenty-four (24) hours per day, subject to occasional interruptions beyond its control. CNN Airport Network programming would be encoded, encrypted and delivered in the form of an IP stream that would provide secure and reliable delivery of the live broadcast of CNN Airport Network to the Airport. The Airport System shall be required to provide, at no cost to CNN Airport Network throughout the Term of this Agreement, an ISP circuit with a sustained bandwidth of at least 15 Mbps so that it may receive the audio, video and control signals at the Airport. The Airport System will extend the Airport's internet service provider's (ISP) connection to the CNN Airport Network Headend to be located in Room BOL-010-01 (MDF). The Airport System or their ISP would then assign two static public IP addresses to CNN Airport Network. The CNN Airport Network IP feed will then be decoded and output as an HD ASI signal for insertion of local advertising content. The ASI signal will then be encoded back to IP for multicast on a VLAN using CAT6 Ethernet cable on the Airport System's local area network or on existing Airport single-mode fiber that extends to all IDF rooms necessary to distribute on a private IP multicast distribution network managed by CNN Airport Network to all display locations.

At each Display Location, CNN Airport Network will install an IP set top box for output to HDMI and display on the display screens installed by Airport Network. If Airport System provides a VLAN for CNN's multicast distribution, the new Ethernet wiring to each display screen location will be connected to an Airport System network switch and configured by Airport System. If dark single-mode fiber is provided by Airport System for CNN Airport Network's private use, Airport System shall provide adequate rack space within each IDF room to house CNN Airport Network's network switch. With this IPTV deployment, network security and performance are tightly managed to ensure a superior television viewing experience for the Airport's passengers. CNN Airport Network's delivery of the Service shall not interfere with any Airport operations or communications.

The Airport System shall provide dedicated 110V, 20A circuits at each of the display screen locations. Each circuit shall terminate at a duplex receptacle using a standard single-gang electrical handy box mounted inside the cabinet enclosure. Due to the limited depth of the enclosure, a standard single-gang duplex handy box cover must be used.

7. DESCRIPTION OF SERVICE.

7.1 Content of Programming. The Service shall be in the format of continuous audio and video programming packages (the "Packages"), each Package consisting of (i) approximately forty-four (44) minutes of news, information and entertainment television programming material professionally produced and provided by CNN Airport Network or any entity controlled by, under common control with or controlling CNN Airport Network (the

"Programming") and (ii) approximately sixteen (16) minutes of advertising and promotional time (the "Advertising Time") per hour. CNN Airport Network shall also have the ability to interrupt the Service to go "live" to any significant breaking news or special event.

As indicated above, the Programming will be produced by a CNN affiliate, and such CNN affiliate shall have absolute and complete discretion, editorial and otherwise, with respect to the selection, format, content, production, editing and updating of the Programming and the spots for Advertising Time included therein, and the arrangement of the segments and spots; provided, however that CNN Airport Network represents and warrants that the quality and format of the Service shall at all times during the Term meet the general news standards of CNN. It is expressly agreed, however, that any Programming related to any accident involving a commercial passenger airline shall only be included in the Programming without graphic video coverage of the accident site, unless the accident involves a national emergency or threat to security. CNN Airport Network hereby reserves the right to temporarily withdraw the Service, or any portion thereof, at any time as it deems necessary or advisable in the exercise of its sound business judgment, and any such temporary withdrawal, interruption, delay or interference shall not constitute or be deemed a breach of this Agreement; provided, however, that CNN Airport Network agrees to use commercially reasonable efforts to restore the Service as soon as possible. Similarly, the Airport System reserves the right to temporarily suspend or interrupt the Programming by shutting down the Exhibition Equipment (i.e., turning off the televisions) at any time as it deems necessary or advisable in the exercise of its sound business judgments, and any such temporary suspension or interruption shall not constitute or be deemed a breach of this Agreement; provided, however, that the Airport System agrees to use commercially reasonable efforts to resume the Programming (i.e., turning on the televisions) as soon as the event giving rise to the decision has ceased. CNN Airport Network shall be solely responsible for any content liability associated with the Programming provided by it for the Service.

It is expressly agreed that all Programming, advertising and promotional material to be broadcast by CNN Airport Network hereunder shall be in accordance with the generally accepted industry standards, and shall not (i) be sexually explicit, or (ii) include graphic depictions of violence, except to the extent generally shown on national news broadcasts.

7.2 Advertising Time. Subject to the provisions of this Paragraph, as between CNN Airport Network and the Airport System, CNN Airport Network shall retain all Advertising Time included in the Service, and the revenue derived therefrom (subject to the amount payable to airports from the Service Revenue Pool). CNN Airport Network agrees that the Airport System shall have the right to use up to six (6) one (1) minute segments per available hour (which may be used as two (2) thirty (30) second contiguous spots) during the day (the "Local Spots"), which may be used for sale to Local Advertisers (as defined below) or to promote the local area, the Airport System, its concessions or community or region serviced by the Airport. In addition, the Local Spots (i) must be consistent with the production quality standards applied by CNN Airport Network to the Service; (ii) cannot suggest an affiliation with CNN Airport Network or any of its affiliates and any party unrelated to it; and (iii) cannot be offensive in nature. Additionally, the content or provider of such Local Spots may not promote, support or represent any interest competitive to CNN Airport Network or any of its affiliates; CNN Airport Network shall notify the Airport System promptly if it believes that any Local Spot violates this provision and give the Airport System the opportunity to remove such Local Spot as soon as possible without being in breach of this Agreement. The party responsible for providing the content for the Advertising Time hereunder (i.e., the Airport System for Local Spots, and CNN Airport Network for Advertising Time sold by or through it) shall be responsible for any liability related thereto, regardless of the nature of the claim; the Airport System shall be responsible for all Local Spots and will indemnify CNN Airport Network for any claims

relative to such Local Spots to the extent permitted by applicable law. With respect to the Local Spots, the Airport System understands and agrees that its ability to sell the same to Local Advertisers shall be subject to compliance with all applicable laws, rules and regulations. For purposes of this provision, a "Local Advertiser" shall be defined as any local or regional business, company, non-profit group or other organization whose business is confined to the local or regional area serviced by the Airport. CNN Airport Network may, from time to time, permit the sale of the Local Spots to businesses that conduct operations on a national level but who are also involved in some type of specialized local or regional project that makes the area serviced by the Airport of particular interest for the duration of such project. The Airport System understands that the Local Spots will appear on the Service only as it is delivered in the Airport. The Airport System agrees and acknowledges that the advertising for the Local Spots must meet the general advertising policies and practices utilized by CNN Airport Network, a copy of which is attached hereto as Exhibit D.

7.3 Local Insertion Capability. CNN Airport Network will install, maintain, operate and, if necessary, upgrade the Insertion Equipment, as well as provide the distribution and scheduling services ("**Insertion Services**") as described on Exhibit C hereto. The Airport System shall provide to CNN Airport Network an internet connection to allow remote access to the Insertion Equipment and other equipment located in the CNN Airport Network Headend Room at the Airport. This Internet connection can be the same 15Mbps circuit required for the delivery of the Service but requires its own static, public IP address. In addition, notwithstanding anything in the Agreement to the contrary, the Airport System shall be liable, at its sole cost and expense, for any and all licenses that may be required for the public performance rights of any music in the Airport, including without limitation, the right to publicly perform music that may be contained in the content inserted in the Local Spots. The parties acknowledge and agree that the Insertion Equipment shall be deemed to be the personal property of CNN Airport Network and shall not be deemed to be fixtures attached to the real estate and shall, at all times, remain the sole property of CNN Airport Network.

CNN Airport Network shall have no responsibility whatsoever under this Agreement for producing, securing, or selling of the Local Spots and CNN Airport Network hereby disclaims any liability for the content thereof. If the Airport System fails to provide the content for the Local Spots, or if as inserted the content in the Local Spots is not updated regularly in accordance with CNN Airport Network's guidelines to maintain the quality of the Service, CNN Airport Network reserves the right to use the Local Spots as it deems appropriate and deliver its regularly scheduled Programming segments to the Airport. CNN Airport Network expressly disclaims any responsibility or liability to the Airport System for any lost revenue or other damages attributable to any missed Local Spots and the Airport System's sole and exclusive remedy in such event will be to receive any "make goods" credit for such missed Local Spots; provided, however, that if CNN Airport Network goes live to a breaking news event or interrupts its Service to provide coverage of a significant sporting or other event or a full length news program, the Airport System will not be able to utilize the Local Spots and/or preempt the designated CNN Airport Network Programming segments to provide the Local Spots during the duration of such alternative programming. Furthermore, notwithstanding anything to the contrary herein, CNN Airport Network will not be able to reschedule or provide any "make goods" credit for such interrupted or missed Local Spots that were scheduled to air during the time periods of such alternative programming.

7.4 Third Party Rights. CNN Airport Network shall have no responsibility for securing, clearing or making payments related to any consents, licenses or waivers concerning any Local Spots or for the cost or expense of any licenses that may be required for the public

performance of music at the Airport. Such responsibility and liability shall rest with the Airport System.

8. COPYRIGHT.

The Airport System agrees and acknowledges that the sole right of copyright in, and all rights of copyright with respect to, the Service and the Programming (including, without limitation, the sequence or organization of CNN Airport Network's compilations of programming segments constituting the Service) belong, as between the Airport System and CNN Airport Network, to CNN Airport Network, and that the Airport System shall not acquire, obtain or claim any copyright or other proprietary ownership interests therein or thereto by virtue of this Agreement. Except to the extent expressly limited or prohibited by the terms of this Agreement, CNN Airport Network shall be entitled to, and hereby reserves all rights necessary to, exploit, exercise, dispose of and/or utilize any rights in, to and with respect to the Service and the Programming without limitation and without prior notice or any obligation to the Airport System. The Airport System agrees that CNN Airport Network, upon providing the Airport System with fourteen (14) days prior notice, shall have the right to film and photograph installation areas at the Airport in accordance with the Authority's Policy on Commercial Filming and Photography and use the same for its promotional purposes provided that CNN shall be responsible for any third party consents necessary for such use. CNN Airport Network shall be responsible for the cost or expense of any licenses that may be required to incorporate music into the Programming, excluding the Local Spots or the license required for public performance of music at the Airport, as provided in Section 7.4 above.

CNN Airport Network agrees and acknowledges that the sole right of copyright in, and rights of copyright with respect to, the Local Spots inserted by the Airport System belong, as between the Airport System and CNN Airport Network, to the Airport System, and that CNN Airport Network shall not acquire, obtain or claim any copyright or the proprietary ownership interest therein or thereto by virtue of this Agreement. To the extent of the Airport System's rights, the Airport System shall be entitled to, and hereby reserves all rights necessary to, exploit, exercise, dispose of and/or utilize any rights in, to and with respect to the Local Spots inserted by it without limitation and without prior notice or any obligation to CNN Airport Network whatsoever.

9. SERVICE, MARKETING AND OTHER RELATED RESEARCH.

CNN Airport Network may perform observational studies or analyses and conduct oral and written surveys and polls of Airport patrons within the Approved Installation Areas for the limited purposes of collecting information and other data related to the Service in general and the traffic flow and viewing opportunities within each area where Service Equipment has been installed during the Term of this Agreement, subject to the prior written approval of the Airport System's designated representative in compliance with any applicable rules established by the Airport System or any other governing authority, including the possession of any permit required therefor. CNN Airport Network or its designee shall notify the Airport System in writing prior to conducting or performing such activities. Notwithstanding the foregoing or anything contained in this Agreement to the contrary, CNN Airport Network shall not have any obligation under this Agreement to perform or conduct any such research at the Airport. CNN Airport Network shall present its research conclusions with respect to the Service in general to the extent relevant to its operations at the Airport to the Airport System upon reasonable request, however, CNN Airport Network shall retain all rights of ownership with respect to such research and conclusions related thereto and such information shall be deemed to be confidential to CNN Airport Network to the extent permitted by law. The foregoing obligation of confidentiality shall not apply to information that is in the public

domain; was already known to the Airport System; or was independently acquired by the Airport System from a third party who was not under an obligation of confidentiality to CNN Airport Network. The obligation of confidentiality shall also not apply to a subpoena or court order requesting such information; provided that the Airport System provides CNN Airport Network notice of such subpoena or court order (unless prohibited by law) and the opportunity to determine whether to seek a protective order. Notwithstanding the foregoing, it is expressly agreed that CNN Airport Network shall not be obligated to disclose to the Airport System any research information, conclusions and/or data specifically related to one or more advertisers.

10. REVENUE PARTICIPATION ARRANGEMENT.

10.1 Calculation of Sums Owed by CNN Airport Network. For the privileges granted to CNN Airport Network hereunder, beginning on the Commencement Date CNN Airport Network shall pay to the Airport System the greater of (i) the Guaranteed Amount of Forty-Five Thousand Dollars (\$45,000) per annum (to be prorated for any portion of the calendar year), payable quarterly, or (ii) the Airport System Revenue Share Payment. Such determination of payment shall be in accordance with the following: Within fifteen (15) days of the Commencement Date and each calendar quarter thereafter, CNN Airport Network shall deliver payment of the Guaranteed Amount for the current quarter to the Airport System. In addition, CNN Airport Network shall calculate the Airport System Revenue Share Payment for the immediately preceding calendar quarter. If the Airport System Revenue Share Payment for such prior quarter exceeds the Guaranteed Amount previously paid to the Airport System for that quarter, CNN Airport Network shall pay the Airport System the difference within thirty (30) days following the end of such calendar quarter.

Performance Guarantee. CNN Airport Network shall deliver to the Director on or before the execution of this Agreement and shall keep in force throughout the term hereof either an irrevocable letter of credit in favor of Airport System drawn upon a bank satisfactory to Airport System or a surety bond payable to Airport System. If a letter of credit is delivered it shall be in the form set forth in **Exhibit G** to this Agreement. The foregoing shall be in form and content satisfactory to Airport System, shall be conditioned on satisfactory performance of all terms, conditions and covenants contained herein during the term hereof and shall stand as security for payment by CNN Airport Network of all valid claims by Airport System hereunder. If a bond shall be delivered, it shall be issued by a sound indemnity company authorized to do business in Texas. The amount of the irrevocable letter of credit or surety bond to be delivered by CNN Airport Network to the Director on or before the date of the Lease Agreement shall be **Twenty Two Thousand, Five Hundred U. S. Dollars (\$22,500.00)**. The amount of the irrevocable letter of credit or surety bond shall be adjusted as necessary so that such amount shall at all times equal at least one-half the total annual rental payable by CNN Airport Network to Airport System hereunder

In addition, if the Airport System has paid any amount or has incurred any obligation or expense for which CNN Airport Network has agreed to be responsible hereunder, CNN Airport Network shall reimburse the Airport System for such amounts within thirty (30) days after the Airport System's request for payment.

10.2 Payment. All payments hereunder to the Airport System shall be sent to the following address:

San Antonio Airport System
City of San Antonio

c/o Frost National Bank,
P.O. Box 1958
San Antonio, TX 78297-1958

Or to such other address as the Airport System may from time to time specify in writing to CNN Airport Network.

All rentals and payments that become due and payable by CNN Airport Network shall be made to the City of San Antonio, Office of the Aviation Director, San Antonio International Airport, 9800 Airport Blvd., San Antonio, Bexar County, Texas. All rentals and payments unpaid for ten (10) days after the date due shall bear interest at the rate of eighteen percent (18%) per annum from the date each such payment was due.

10.3 Sales, Use or Other Taxes. CNN Airport Network shall be solely responsible for the payment of all sales, use or other similar taxes levied upon the fees and other charges payable by CNN Airport Network to the Airport System hereunder, whether or not the same shall have been billed or collected by the Airport System, together with any and all interest and penalties levied thereon, and CNN Airport Network hereby agrees to indemnify the Airport System and hold it harmless from and against all claims by any taxing authority that the amounts, if any, collected from CNN Airport Network and remitted to the taxing authority by the Airport System, or the amounts, if any, paid directly by CNN Airport Network to such taxing authority, were less than the total amount of taxes due, and for any sums including interest and penalties payable by the Airport System as a result thereof. The provisions of this Section shall survive the expiration or termination of this Agreement. Each party shall be responsible for any personal property taxes on property it owns or leases, for franchise and privilege taxes on its business, and for taxes based on its net income or gross receipts.

10.4 Reports. Within forty-five (45) days of the end of each quarter after the first full quarter of the Term, CNN Airport Network shall deliver to the Airport System a report which shall include all data, information and calculations used by CNN Airport Network to determine the Airport System Revenue Share Payment payable hereunder for that quarter, including the amount of any payments made to the appropriate entity at each of the other participating airports. Upon written request of the Airport System and reasonable notice, CNN Airport Network shall make certain records available to the Airport System for review during normal business hours as necessary to ascertain that the payments required hereunder have been made to the Airport System in accordance with this Agreement. Notwithstanding the foregoing, the Airport System shall have no right to review any of CNN Airport Network's books and records related to sales projections, or any confidential information related to CNN Airport Network's individual advertisers.

Within one hundred and twenty (120) days after the beginning of each calendar year, CNN Airport Network shall deliver to the Airport System an audited report summarizing CNN Airport Network's Service Revenue, the Service Revenue Pool, the Airport System Revenue Share Payment, and the calculations used to determine those amounts, and the total amount paid to and/or owed to all participating airports (or their designees), including the Airport, for the immediately preceding calendar year. The report shall be prepared and certified by an independent Certified Public Accountant, at CNN Airport Network's sole cost.

CNN Airport Network and its subcontractors, if any, must provide the Airport System, its auditors or any of its duly authorized representatives, with access to all books, documents, papers, and accounting records and other evidence pertaining to all costs and expenses incurred under this Agreement. CNN Airport Network must make such materials

available for inspection at all reasonable times during the Term and for a period of three (3) years thereafter. CNN Airport Network shall provide the documentation requested with forty-five (45) days written notice by the Airport System.

11. PROTECTION OF THE SERVICE

The Airport System shall not have any right to record, duplicate, or redistribute all or any portion of the Service nor shall the Airport System authorize any such recording, duplication, or redistribution of the Service unless specifically and expressly authorized in advance in writing by CNN Airport Network. Notwithstanding the foregoing, incidental capture or copying of the Service by security cameras or by other means in connection with Airport System events such as promotion of new air service shall not be a violation of this Section 11. The Airport System agrees to cooperate fully and in good faith with CNN Airport Network and/or its agent or representative for the purposes of securing and preserving CNN Airport Network's rights herein and in and to the Service.

The Airport System shall not be liable to CNN Airport Network for any loss of business or damages sustained by CNN Airport Network as a result of any change in the operation or configuration of, or any change in any procedure governing the use of, the terminal complex or the Airport or any terminal therein.

12. DISCLAIMER.

Neither the Airport System, CNN Airport Network, their suppliers nor any person or entity acting for or on behalf of such parties have made or make any warranties, express or implied, including, without limitation, implied warranties of merchantability or fitness for a particular purpose with respect to any product or service to be supplied under this Agreement, all of which warranties are hereby expressly disclaimed. Any remedies of either CNN Airport Network or the Airport System for any breach of this Agreement by the other shall be limited to those expressly provided herein and neither party shall have any liability to the other under any circumstances whatsoever for any incidental, indirect, special or consequential damages.

CNN Airport Network hereby waives any claims for damages arising out of or resulting from failures or interruptions of utility services, including but not limited to, water, plumbing, heat, air conditioning, ventilation telephone or communications.

13. INDEMNITY.

CNN AIRPORT NETWORK covenants and agrees to FULLY INDEMNIFY, DEFEND and HOLD HARMLESS, the CITY and the elected officials, employees, officers, directors, volunteers and representatives of the CITY, individually and collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees, fines, penalties, proceedings, actions, demands, causes of action, liability and suits of any kind and nature, including but not limited to, personal or bodily injury, death and property damage, made upon the CITY directly or indirectly arising out of, resulting from or related to CNN AIRPORT NETWORK' activities under this Agreement, including any acts or omissions of CNN AIRPORT NETWORK, any agent, officer, director, representative, employee, CNN Airport Network or subcontractor of CNN AIRPORT NETWORK, and their respective officers, agents employees, directors

and representatives while in the exercise of the rights or performance of the duties under this Agreement. The indemnity provided for in this paragraph shall not apply to any liability resulting from the negligence of CITY, its officers or employees, in instances where such negligence causes personal injury, death, or property damage. **IN THE EVENT CNN AIRPORT NETWORK AND CITY ARE FOUND JOINTLY LIABLE BY A COURT OF COMPETENT JURISDICTION, LIABILITY SHALL BE APPORTIONED COMPARATIVELY IN ACCORDANCE WITH THE LAWS FOR THE STATE OF TEXAS, WITHOUT, HOWEVER, WAIVING ANY GOVERNMENTAL IMMUNITY AVAILABLE TO THE CITY UNDER TEXAS LAW AND WITHOUT WAIVING ANY DEFENSES OF THE PARTIES UNDER TEXAS LAW.**

The provisions of this INDEMNITY are solely for the benefit of the parties hereto and not intended to create or grant any rights, contractual or otherwise, to any other person or entity. CNN AIRPORT NETWORK shall advise the CITY in writing within a reasonably practical time period of any claim or demand against the CITY or CNN AIRPORT NETWORK known to CNN AIRPORT NETWORK related to or arising out of CNN AIRPORT NETWORK's activities under this AGREEMENT and shall see to the investigation and defense of such claim or demand at CNN AIRPORT NETWORK's cost. The CITY shall have the right, at its option and at its own expense, to participate in such defense without relieving CNN AIRPORT NETWORK of any of its obligations under this paragraph.

13.1 Counsel. In carrying out its obligations under this Section 13, CNN Airport Network shall use counsel reasonably acceptable to the Airport System. The provisions of this Section 13 and Section 15.2. below shall survive the expiration or earlier termination of this Agreement.

13.2 Insurance. During the Term, CNN Airport Network, at its own cost and expense, shall purchase each of the insurance coverages listed in Exhibit E and provide the Airport System with a certificate of insurance and policy endorsements prior to execution of this Agreement and annually thereafter. Such insurance shall be maintained (and not materially decreased) by CNN Airport Network throughout the Term of this Agreement and shall name the Airport System as additional insured as more fully described in Exhibit E.

14. DAMAGE OR DESTRUCTION.

14.1 Relief in Event of Significant Damage. If any portion of the Airport facilities in which CNN Airport Network operates hereunder, or any portion of the cabling network supplied by the Airport System and used in connection with the Service is destroyed or damaged by fire, explosion, the elements, a public enemy, or other casualty related to the Service, and such destruction or damage is insurable under an insurance policy required to be maintained under this Agreement, regardless of whether the affected premises are usable for the purpose for which they were previously used, then CNN Airport Network shall repair such damage as soon as reasonably possible. If the Airport is damaged by any casualty related to the Service not insurable under a policy required to be maintained under this Agreement and the casualty materially interferes with CNN Airport Network's operation of the Service, the Airport System shall provide CNN Airport Network with alternate facilities or cabling reasonably equivalent, in the reasonable discretion of the Airport System, to the damaged or destroyed facilities or cabling sufficient to enable CNN Airport Network to operate the Service or, at the Airport System's option, the Airport System may repair such facilities and cabling network; provided, however, that if in the reasonable discretion of the Airport System there are no such

other suitable facilities or if there is not another suitable cabling system available at the Airport, and if the Airport System does not repair such facilities and cabling network within ninety (90) days after such damage occurs, this Agreement may be terminated by either party hereto by notice to the other party within ten (10) days after the expiration of said ninety (90) day period. Alternatively, CNN Airport Network reserves the right, at its discretion, to adjust the Guaranteed Amount to reflect the decreased operations.

14.2 Damages Caused by CNN Airport Network. Notwithstanding the foregoing, if the damage or destruction referred to above is caused by the negligent act or omission of CNN Airport Network, its officers, agents, servants, employees, contractors or subcontractors, the Airport System shall have no obligation to provide relief to CNN Airport Network hereunder, and the Airport System may, in its discretion, require CNN Airport Network to repair the damaged or destroyed facilities or cabling, or any portion thereof, and pay the costs thereof, or the Airport System may repair and reconstruct said facilities or cabling and CNN Airport Network shall be responsible for reimbursing the Airport System for the costs and expenses incurred in such repair or reconstruction.

15. DEFAULT BY CNN AIRPORT NETWORK.

15.1 Events of Default. Any of the following events shall constitute an Event of Default hereunder:

15.1.1 The failure of CNN Airport Network to make any payment required to be made by CNN Airport Network hereunder when due as herein provided, which failure is not remedied within thirty (30) days after receipt by CNN Airport Network of the Airport System's written demand.

15.1.2 The failure of CNN Airport Network to provide any financial report required to be submitted to the Airport System or any officer or employee thereof by CNN Airport Network when due as herein provided, which failure is not remedied within thirty (30) days after receipt by CNN Airport Network of the Airport System's written demand.

15.1.3 The failure of CNN Airport Network to keep, observe or perform any of the other material covenants or agreements herein required to be kept, observed or performed by CNN Airport Network and continued failure to observe or perform any such covenant or agreement after a period of thirty (30) days after receipt by CNN Airport Network of the Airport System's written demand or in the event such default cannot reasonably be cured and/or performed within the thirty (30) day period, to commence the cure of such default within such thirty (30) day period and pursue such cure diligently to completion.

15.1.4 The discovery by the Airport System that any material statement of fact furnished by CNN Airport Network in connection with its proposal for this Service is false or materially misleading.

15.1.5 Commencement of any insolvency or bankruptcy proceeding (including, without limitation, a proceeding for liquidation, reorganization or for adjustment of indebtedness) against CNN Airport Network, if an order for relief is entered against such party and the same is not stayed or vacated within thirty (30) days after entry thereof, or if such party fails to secure a discharge of the proceedings within sixty (60) days after the filing thereof.

15.2 Remedies Upon CNN Airport Network's Default. Upon the occurrence of any Event of Default, as defined in Section 15.1 above, the Airport System, may pursue the following remedy, and/or such other remedies as may be available to the Airport System at law or in such equity. The Airport System may terminate this Agreement by giving notice thereof to CNN Airport Network. In such event, the Term of this Agreement shall cease as of thirty (30) days after the date of such notice of termination and any and all rights, obligations, title and interest of CNN Airport Network hereunder shall likewise cease without further notice or lapse of time, as fully and with like effect as if the entire Term or any option period of this Agreement had elapsed.

15.3 Further Provisions Regarding Default.

15.3.1 Upon any termination for default, CNN Airport Network shall pay to the Airport System upon demand all of the unpaid fees and other sums due from CNN Airport Network hereunder prior to the date that the Airport System terminates the Agreement. CNN Airport Network shall have the right to access all Equipment installation areas and remove such Equipment for a period of sixty (60) days following the effective date of termination.

15.3.2 No waiver of any covenant or condition or of the breach of any covenant or condition of this Agreement shall be taken to constitute a waiver of any subsequent breach of such covenant or condition or to justify or authorize the non-observance on any other occasion of the same or of any other covenant or condition hereof.

15.3.3 The rights and remedies given to the Airport System by this Agreement shall not be exclusive, and in addition thereto, the Airport System shall have such other rights and may pursue such other remedies as are provided by law or in equity. All such rights and remedies shall be deemed to be cumulative, and the exercise of one such right or remedy by the Airport System shall not impair its standing to exercise any other right or remedy.

16. OTHER TERMINATION RIGHTS.

16.1 CNN Airport Network. In the event that one of the following circumstances should occur, CNN Airport Network may, at its sole option, terminate the Agreement upon giving thirty (30) days written notice to the Airport System:

16.1.1 CNN Airport Network's determination, in its sole discretion, to discontinue providing the Service to airports within the United States of America.

16.1.2 The default by the Airport System in the performance of any material covenant or agreement herein required to be performed by the Airport System, and the failure of the Airport System to remedy such default for a period of thirty (30) days after receipt of written notice by CNN Airport Network to remedy the same.

16.1.3 The inability of CNN Airport Network to deliver the Service or otherwise perform its obligations as contemplated hereunder by reason of any law, regulation or act of any governmental authority or court of competent jurisdiction.

16.2 Airport System. Upon the inability of the Airport System to deliver the Service or otherwise perform its obligations as contemplated hereunder by reason of any law, regulation or act of any governmental authority or court of competent jurisdiction, the Airport

System may, at its sole option, terminate the Agreement upon giving thirty (30) days written notice to CNN Network.

16.3 Effect of Termination. Upon any termination of this Agreement pursuant to the terms of Section 16.1 above, CNN Airport Network shall be relieved of any and all liability for further payment obligations hereunder, except with respect to amounts owing but unpaid to the Airport System by CNN Airport Network for any period prior to the date of termination. CNN Airport Network shall have the right to access all Equipment installation areas and remove such Equipment for a period of sixty (60) days following the effective date of termination.

As soon as practicable following the earlier of (i) the expiration of the Term, or (ii) the earlier termination of this Agreement, CNN Airport Network shall discontinue the Service and, at no cost to the Airport System (unless such termination is caused by a breach of this Agreement by the Airport System, in which case CNN Airport Network reserves all legal and equitable remedies available to it against the Airport System), shall peaceably and quietly remove all Service Equipment previously installed by CNN Airport Network from the Airport and restore the areas in which the Service Equipment was located to the condition existing immediately prior to such installation, normal wear and tear excepted, unless otherwise agreed in writing ("Deinstallation Activities"). CNN Airport Network shall complete its Deinstallation Activities at the Airport within sixty (60) days following approval of its plan for deinstallation of Service Equipment by the Airport System. If after such sixty (60) day period, CNN Airport Network has not completed its Deinstallation Activities, the Airport System may, at CNN Airport Network's expense, deinstall and store the Service Equipment on behalf of CNN Airport Network. If after ninety (90) days following approval of the plan for deinstallation of Service Equipment, CNN Airport Network has not made a good faith effort to remove the Service Equipment from the Airport, the Service Equipment will be deemed abandoned.

17. SUBCONTRACTORS; ASSIGNMENT.

17.1 Subcontractors. Notwithstanding the foregoing, the Airport System expressly acknowledges CNN Airport Network's right to engage the services of one or more third parties to assist CNN Airport Network in the performance of its obligations and responsibilities hereunder; provided, however, that any such third parties performing functions at the Airport meet any requirements imposed by the Airport System on contractors providing similar services to the Airport, and by engaging any such third party, CNN Airport Network shall not be relieved of any obligation or representation hereunder.

17.2 Assignment. Upon written consent of the Airport System, not to be unreasonably withheld or delayed, CNN Airport Network shall have the right to assign this Agreement and its rights and obligations hereunder to any CNN affiliates or upon a change of control pursuant to which substantially all of CNN Airport Network's assets or stock is transferred in connection with a merger, acquisition, sale or similar transaction.

18. THE AIRPORT SYSTEM'S RIGHT TO REPAIR OR ALTER FACILITIES.

Notwithstanding any other provisions herein contained, the Airport System shall have the absolute right to make any repairs, alterations and additions to the Airport and to make inspections, free from any and all liability to CNN Airport Network for disruption to CNN Airport Network's activities during the completion of any such repairs, alterations or additions or for any loss of business. Notwithstanding the foregoing, the Airport System agrees to use reasonable efforts to notify CNN Airport Network of the need to make such repairs, alterations and/or

additions in advance in an effort to minimize any disruption to CNN Airport Network's operations. Additionally, the Airport System shall have the absolute right to relocate or remove any of the Service Equipment to accommodate any existing or future tenant agreement to which the Airport System is party or if such relocation or removal is based on the interests of passengers or guests. In the event the Airport System desires to relocate any Service Equipment, it shall make reasonable efforts to provide a comparable location as approved by CNN Airport Network. If such Service Equipment is removed, either by decision of the Airport System or by CNN Airport Network's disapproval of the relocation, CNN Airport Network shall have the right to apply a pro rata discount to the fees payable to the Airport System for the Service, as applicable.

19. REQUIRED, GENERAL AND MISCELLANEOUS PROVISIONS.

19.1 Agreements with the United States, State of Texas, County of Bexar, and City of San Antonio. This Agreement shall be subject to all restrictions of record affecting the Airport and the use thereof, all federal, state, county and Airport System laws, and regulations affecting the same, and shall be subject and subordinate to the provisions of any and all existing agreements between Airport and the City of San Antonio, and those between Airport or the City of San Antonio and the United States of America, the State of Texas, or the County of Bexar, or their boards, agencies or commissions, and to any future agreements between or among the foregoing relative to the operation or maintenance of the Airport, the execution of which may be required as a condition precedent to the expenditure of federal, state, county or city funds for the development of the Airport, or any part thereof. All provisions hereof shall be subordinate to the right of the United States to occupy or use the Airport, or any part thereof, during time of war or national emergency.

19.2 Right to Amend. In the event that the Federal Aviation Administration or its successors require modifications or changes in this Agreement as a condition precedent to the granting of its approval or to the obtaining of funds for improvements at the Airport, CNN Airport Network hereby consents to any and all such modifications and changes as may be reasonably required except that, if any such modifications and/or changes have a material adverse effect on CNN Airport Network's operations, CNN Airport Network may, in lieu of consenting to such changes, elect to terminate this Agreement by written notice to the Airport System within thirty (30) days after the date that CNN Airport Network is requested and/or required to consent to such changes.

19.3 Compliance with Law. CNN Airport Network shall comply with laws of the State of Texas, prohibiting discrimination because of race, color, religion, sex, national origin, age, handicap or marital status. In addition, CNN Airport Network shall comply with all federal and state laws, rules and regulations applicable to its activities under this Agreement, including, but not limited to, those enumerated in **Exhibit F**, attached hereto.

19.4 Nondiscrimination and Other Assurances. Pursuant to IC § 22-9-1-10 and the Civil Rights Act of 1964, CNN Airport Network, its agents and subcontractors, shall not discriminate against any employee or applicant for employment in the performance of this Agreement. CNN Airport Network shall not discriminate with respect to the hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, sex, disability, national origin or ancestry. Breach of this covenant may be regarded as material breach of this Agreement. Acceptance of this Agreement also signifies compliance with applicable federal laws, rules, regulations, and

executive orders prohibiting discrimination in the provision of services based on race, color, national origin, age, sex, disability, or status as a veteran.

19.5 Employment Eligibility Verification. CNN Airport Network does not knowingly employ an unauthorized alien. CNN Airport Network further agrees that:

19.5.1 CNN Airport Network shall enroll in and verify the work eligibility status of all newly hired employees of CNN Airport Network through the E-Verify program. CNN Airport Network is not required to participate should the E-Verify program cease to exist. Additionally, CNN Airport Network is not required to participate if CNN Airport Network is self-employed and does not employ any employees.

19.5.2 CNN Airport Network shall not knowingly employ or contract with an unauthorized alien. CNN Airport Network shall not retain an employee or contract with a person that CNN Airport Network subsequently learns is an unauthorized alien.

19.5.3 CNN Airport Network shall require its subcontractors, who perform work under this Agreement, to certify to CNN Airport Network that the subcontractor does not knowingly employ or contract with an unauthorized alien and that the subcontractor has enrolled and is participating in the E-Verify program. CNN Airport Network agrees to maintain this certification throughout the duration of the term of a contract with a subcontractor.

19.5.4 The Airport System may terminate for default if CNN Airport Network fails to cure a breach of this provision no later than thirty (30) days after being notified in writing by the Airport System.

19.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas (without regard to the principles of conflict of laws thereof).

19.7 FAA Nondiscrimination Clause.

19.7.1 CNN Airport Network, for itself, its heirs, personal representatives, successors in interest, and assignees, as a part of the consideration hereof, hereby covenants and agrees to comply with all requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

19.7.2 CNN Airport Network, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, hereby covenants and agrees that:

a. no person on the grounds of sex, creed, race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the provision of the Service to the Airport;

b. in the construction of any improvements on, over, or under the Approved Installation Areas and the furnishing of services thereon, no person on the grounds of sex, creed, race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and

c. CNN Airport Network shall use the Approved Installation Areas in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said regulations may be amended.

19.7.3 In the event of a breach of any of the nondiscriminatory covenants pursuant to Part 21 of the Regulations of the Office of the Secretary of Transportation, as amended, the Airport System shall have the right to terminate this Agreement.

19.8 FAA Subordination Clause. This Agreement shall be subordinate to the provisions of any existing or future agreements between Airport System and the United States Government, or its boards, agencies or commissions, and any applicable federal laws or regulations relative to the operation, security or maintenance of Airport, the execution of or compliance with which is, or will be required as a condition precedent to the granting of federal funds for the development of the Airport to the extent that the provisions of any such existing or future agreements are generally required by the foregoing entities. The Airport System agrees to endeavor to make reasonable effort to give CNN written notice in advance of the execution of such agreements (and in any case, written notice within a reasonable time after execution of such agreement) of any provisions that will modify the terms of this Agreement.

19.9 FAA Airport Protection Clause. CNN understands and agrees that the Airport System reserves the right of flight for the passage of aircraft above the surface of leased premises hereunder in accordance with Federal Aviation Administration criteria, and such right of flight shall include the right to cause in such airspace such noises as may be inherent to the operation of aircraft now known or hereafter used for navigation of or flight in the air; and that Airport System reserves the right to use said airspace for landing at, taking off from or operating aircraft on or over said Airport.

19.10 Public Announcements. The parties agree to use their respective best efforts to cooperate with each other regarding the timing and the content of any public releases, promotional materials, or other announcements related to this Agreement or the Service (to the extent the other party is referenced in such materials) prior to the issuance thereof; provided, however, that the Airport System shall obtain CNN Airport Network's prior written consent if any such release or public announcement includes the trade name, trademark or service mark of CNN Airport Network or one of its affiliated entities.

19.11 Regulations of the Airport System. The rights and privileges granted to CNN Airport Network hereunder shall at all times be subject to the reasonable rules and regulations of the Airport System as the same are now or may hereafter be prescribed through the lawful exercise of its power, including, but not limited to, all applicable provisions of the Airport Rules and Regulations as the same may be amended from time to time and provided to CNN Airport Network in writing upon request.

19.12 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given on the date delivered if delivered in person or by facsimile or telex (where written confirmation is provided and receipt is verbally confirmed) or by electronic mail (provided that notices of a legal nature will not be deemed effective if given by electronic mail), or by overnight courier (so long as the courier issues a receipt), or on the third (3rd) business day after it is mailed if mailed by registered or certified mail,

postage prepaid, return receipt requested, and mailed in the United States to the respective parties as follows:

If to CNN Airport Network: AC Holdings, Inc.
One CNN Center, SE 7
Atlanta, Georgia 30303-2762
Attn: President
Fax No.: (404) 827-4434
Email: deborah.cooper@turner.com

With a copy to: Turner Broadcasting System, Inc.
1050 Techwood Drive, N.W.
Atlanta, Georgia 30318
Attn: General Counsel
Fax No.: (404) 827-1995

If to the Airport System: The City of San Antonio, Department of Aviation
9800 Airport Blvd., Suite # 185
San Antonio, Texas 78216
Attn: Tania Sanchez
Fax No.: 210-207-1679
Email: tania.sanchez@sanantonio.gov

or to such other person's attention or to such other address as either party may have furnished to the other in writing in accordance herewith, except that notices of change of address shall be effective only upon actual receipt.

In addition, all (a) communications concerning disputes about debts that are owed or may be owed pursuant to this Agreement, and (b) instruments in less than the full amount claimed by the Airport System and tendered as full satisfaction of a disputed debt or other amount owed, shall be sent by overnight courier to the following:

AC Holdings, Inc.
Attn: Controller
One CNN Center
SE 07
Atlanta, Georgia 30303-2762

Notwithstanding the foregoing, failure to comply with this notification concerning disputes about debts or instruments in less than full amount shall not result in any waiver of diminution of any claim by Airport System.

The Airport System's Agreement administrator shall be [Tania Sanchez], who shall communicate and coordinate all matters related to this Agreement through and with CNN Airport Network's designated point of contact. The [Agreement Administrator can be reached at the office of the San Antonio Airport System, [9800 Airport Blvd., Suite # 185, San Antonio, TX 78216], or by email at [tania.sanchez@sanantonio.gov], or by telephone at [210-207-3419] or to such other place or manner as the Airport System may designate by notice to the CNN Airport Network in writing.

Initially, the CNN Airport Network's Agreement administrator shall be the President, who shall communicate and coordinate all matters related to this Agreement through and with the Authority's designated point of contact. The President can be reached at AC Holdings, Inc., One CNN Center, SE 07, Atlanta, Georgia 30303-2762, or by email at deborah.cooper@turner.com, or by telephone at (404) 827-4820, or to such other place as CNN Airport Network may designate by notice to the Airport System in writing. In the event of a change to CNN Airport Network's Agreement administrator, CNN Airport Network shall provide notice to the Airport System of the new Agreement administrator with contact information within 30 days of the change.

19.13 No Third-Party Beneficiaries. Except as specifically provided, nothing contained in this Agreement shall be construed to confer upon or give to any person or entity other than the parties hereto, any rights or benefits or remedies under or by reason of this Agreement. Further, no party to this Agreement shall have any rights hereunder not expressly granted to such party herein.

19.14 Miscellaneous Provisions.

19.14.1 CNN Airport Network and its employees shall promptly observe and comply with applicable provisions of all municipal, county, state or federal laws, ordinances, regulations or rules which govern or apply to CNN Airport Network or to its operations hereunder.

19.14.2 CNN Airport Network shall, at its own cost and expense, procure and keep in force during the Term of this Agreement, all necessary licenses, registrations, certificates, bonds, permits, and other authorizations as are required by law in order for CNN Airport Network to operate from the premises granted hereunder, and shall pay all taxes (including sales and use taxes), assessments (including, without limitation, stormwater utility fees), excises, license, certification, permit and examination fees and impact fees which may be assessed, levied, exacted or imposed by all governmental authorities having jurisdiction, on CNN Airport Network's property, on its operations, on its gross receipts, on its income, on this Agreement and the fees payable to the Airport System hereunder, on the rights and privileges granted to CNN Airport Network herein, on the premises and on any and all improvements on the premises, and CNN Airport Network shall make and file all applications, reports, and returns required in connection therewith.

19.14.3 CNN Airport Network agrees to repair promptly, at its sole cost and expense and in a manner acceptable to the Airport System, any damage caused by CNN Airport Network or any of its officers, agents, employees, contractors, subcontractors, licensees or invitees to the Airport or any improvements or property located thereon.

19.14.4 CNN Airport Network is not authorized to act as the Airport System's agent hereunder and shall have no obligation to the Airport System, express or implied, to act for or bind Airport System hereunder and nothing contained in this Agreement shall be deemed or construed by the Airport System or CNN Airport Network or by any third party to create the relationship of partnership or of joint venture. No provision of this Agreement shall be deemed to make the Airport System the joint employer of any employee of CNN Airport Network.

19.14.5 The Airport System, through its designated agents, shall have the right during CNN Airport Network's normal business hours (and at any time during an

emergency) to inspect the premises and the property of CNN Airport Network located at the Airport, in order to enforce this Agreement, to enforce applicable laws and regulations, and to protect persons and property.

19.14.6 The headings herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of any provision of this Agreement.

19.14.7 This Agreement will inure to the benefit of and shall be binding upon the parties hereto and their authorized successors and assigns.

19.14.8 If any covenant, condition or provision of this Agreement is held to be invalid by any court of competent jurisdiction, such holding shall not affect the validity of any other covenant, condition or provision contained herein.

19.14.9 CNN Airport Network understands that the premises are located within or adjacent to the air operations area of the Airport. CNN Airport Network shall comply with all applicable regulations of the Federal Aviation Administration and Transportation Security Administration relating to Airport security and shall control the premises and adjoining elevators so as to prevent unauthorized persons from obtaining access to the air operations area of the Airport. Any fines or other penalties incurred by the Airport System as a result of CNN Airport Network's (or its contractors') breach of this Section 19.14.9 shall be included in the indemnification provided to the Airport System pursuant to Section 13.1 hereof.

19.15 Entire Agreement. This Agreement, together with the Exhibits attached hereto, constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and any prior agreements, representations or statements made with respect to such subject matter, whether oral or written, and any contemporaneous oral agreements, representations or statements with respect to such subject matter, are merged herein.

19.16 Force Majeure. Neither party shall be considered in breach of this Agreement to the extent that performance of their respective obligations (excluding payment obligations) is prevented by fire, earthquake, explosion, flood, strike or labor troubles, unavailability of materials or utilities, riots, rebellion, terrorist attack, invasion, war, acts of God, or any other cause which is reasonably beyond the control of the parties (collectively, "Force Majeure") If either party claims the occurrence of a Force Majeure, such party shall promptly give notice to the other party of the existence of the Force Majeure, obligations affected, and plans to minimize or terminate such event.

19.17 Execution by Electronic Means. The Airport System and CNN Airport Network agree that the parties may execute this Agreement by manual signatures or by any form of electronic signature that is permitted under the Uniform Electronic Transaction Act as enacted and codified in Chapter 322 of the Texas Business and Commerce Code.

19.18 PROHIBITION ON CONTRACTS WITH COMPANIES BOYCOTTING ISRAEL.

19.18.1 Texas Government Code §2270.002 provides that a governmental entity may not enter into a contract with a company for goods or services, unless the contract contains a written verification from the company that it:

- (1) does not boycott Israel; and

(2) will not boycott Israel during the term of the contract.

19.18.2 "Boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes.

19.18.3 "Company" means a for-profit sole proprietorship, organization, association, corporation, partnership, joint venture, limited partnership, limited liability partnership, or limited liability company, including a wholly owned subsidiary, majority-owned subsidiary, parent company, or affiliate of those entities or business associations that exists to make a profit.

19.18.4 By submitting an offer to or executing contract documents with the City of San Antonio, Company hereby verifies that it does not boycott Israel, and will not boycott Israel during the term of the contract. City's hereby relies on Company's verification. If found to be false, City may terminate the contract for material breach.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized officers to execute this Agreement.

EXECUTED and **AGREED** to this the _____ day of _____ 2018.

CITY OF SAN ANTONIO, TEXAS

AC Holdings, Inc.

Sheryl Sculley
City Manager

By: _____
Signature

APPROVED AS TO FORM:

Printed Name

By: _____

Title

City Attorney

Federal Tax ID#: _____

Exhibit A

**SAN ANTONIO INTERNATIONAL AIRPORT
PROPOSED DISPLAY LOCATIONS**

<u>Gate</u>	<u>Gate(s) Served</u>	<u>LED's/Mount Type</u>	<u>Speakers</u>
A2	A1 and A3	1 Ceiling	2 Ceiling
A4	A5	1 Ceiling	2 Ceiling
A6	A7	1 Ceiling	2 Ceiling
A8	A9	1 Ceiling	2 Ceiling
A10		1 Ceiling	2 Ceiling
A11		1 Ceiling	2 Ceiling
A12		1 Ceiling	2 Ceiling
A13		1 Ceiling	2 Ceiling
A14		1 Ceiling	2 Ceiling
A15	A17	1 Ceiling	2 Ceiling
B3	B1	1 Wall	2 Ceiling
B4	B2	1 Wall	2 Ceiling
B6	B8	1 Articulating Wall	2 Ceiling
B7	B5	1 Articulating Wall	2 Ceiling

Exhibit B

**SAN ANTONIO INTERNATIONAL AIRPORT
SERVICE EQUIPMENT**

Reception Equipment

NetInsight VA210 IP Decoder

VPN Router SonicWall TZ300

Cisco Switch SG-300-20

Flat Panel monitor 16" Viewsonic VT1602L

APC Smart UPS APSMT1500RM2

Switched PDU AP7900

Exterity AvediaPlayer r9310 IPTV Set-top Box (for headend monitoring)

Insertion Equipment

Thomson FUZE-1

Display Location Equipment

LG electronics, USA 49SM5KD-B 49" LED High Definition Digital Display Monitor

Exterity AvediaPlayer r9310 IPTV Set-Top Box with remote

Dayton Audio BS36 36" LCR Speaker Bar (for audio delivery)

RDL EZ-PA20 Stereo Audio Amplifier

Exhibit C

INSERTION SERVICES

CNN Airport Network will provide the following content distribution and scheduling services in connection with the Insertion Equipment at the Airport:

- Encoding of Local Spots utilizing professional encoding software and equipment
- Distribution of Local Spots to the local content insertion server via the Insertion Equipment through the high speed data line service provided by the Airport System
- Creation of play lists and management of the scheduling for Local Spots
- Web screening: Local Spots made available for review by authorized Airport personnel
- Repair and maintenance of the Insertion Equipment: Includes telephone support, technical troubleshooting, routine maintenance, remote monitoring, repair and replacement, annual on-site inspection, software updates.

Exhibit D

SUMMARY OF TURNER BROADCASTING SYSTEM, INC.'S POLICIES AND PRACTICES REGARDING THE ACCEPTANCE OF ADVERTISING AND PROMOTIONS ON TURNER NETWORKS AND WEB SITES

This summary is not a statement, representation or warranty that these policies and practices are in compliance with the applicable codes or laws governing advertising in any of the countries or territories covered by the transmission of Turner's networks and/or web sites.

Turner reserves the right to review all advertising and to accept, reject or require editing of any advertisement or promotional message for any reason whatsoever, including but not limited to, those it deems false, misleading, deceptive, offensive, in poor taste, and/or inconsistent with the editorial content of the programming, network or web site. All advertisements must comply with the applicable laws, rules and regulations of the countries or territories covered by the transmission of the services. Without limiting the generality of the foregoing, certain categories of advertisements will not be accepted without Turner's prior consent, which such consent may be withheld by Turner for any reason whatsoever. These categories include the following:

1. Advocacy - An advocacy advertisement is any advertisement that advocates a political, religious or controversial public position. Advocacy advertisements do not include political advertisements from a qualified candidate for political office, which the Operator may accept subject to applicable laws, rules and regulations.
2. Cigarettes, Tobacco, and Marijuana - Advertising for cigarettes, tobacco, and marijuana, whether for medical or recreational use, including retail outlets featuring such products (e.g., marijuana dispensaries or tobacco shops).
3. Betting or Gambling - Only advertising for lotteries or contests that are consistent with applicable federal, state and local regulation are acceptable. All other gambling or betting services, including but not limited to gambling tutorial sites, may not be accepted.
4. Weapons, Ammunition, and Fireworks
5. Competitive Advertisements - A competitive advertisement is any advertisement that promotes or features a television network or program not owned by Turner Broadcasting System, Inc., as well as all merchandise related thereto.
6. 900 Phone Numbers
7. Contraceptives and Birth Control - Ads for contraceptive products and birth control services.
8. "NC-17" Rated Movies
9. Adult Entertainment, Pornography or Adult Novelty Products
10. Alcohol Advertisements

- a. Advertisements for alcoholic beverages (including beer, malt beverages, wine and hard liquor) may be permitted on TruTV, TNT, TBS, provided that they do not air in programming that attracts an audience where less than 71.6% of the audience is aged 21 or over.
- b. Hard liquor advertisements are not allowed during NCAA programming on any Turner Network.

All such alcohol advertisements (including beer, malt beverages, wine and hard liquor) must be in good taste, compliant with industry guidelines and contain an acceptable social responsibility statement.

- 11. "High Risk" Investments (e.g., commodities, options, foreign exchange)
- 12. "High Risk" Business Opportunities (e.g., "get rich quick" schemes and business opportunities)
- 13. Herbal Supplements or Weight Loss Products Advertisements with sensational claims
- 14. Tattoo Parlors and Body Piercing Studios
- 15. Unlawful and/or Illegal Goods (e.g., Counterfeit Goods)
- 16. Psychic Services and Other Pseudo-Sciences (e.g., Fortune Tellers and the Occult)
- 17. Dating/Single Services - Advertising for chat lines or web sites that are overtly sexual in nature.
- 18. Foreign Language Advertisements - Foreign language advertisements include all advertising primarily in a language other than the language of the programming for each Network.
- 19. Medical Devices & Services.
- 20. Obscenity. Advertisements should not include profanity, obscene language, images or offensive terms.
- 21. Newsy Ads. Advertisements must not resemble our news editorial content; ads that mimic a real news presentation will be reviewed on a case-by-case basis. Exceptions may be made when those ads are overtly satirical or comical.
- 22. Public Symbols, Figures, etc. Turner may request proof of the advertiser's right to use a public figure's image in an advertisement. The use of the image of the U.S. president or member of his family is not acceptable. The use of public symbols such as flags is heavily regulated in several regions, please consult Standards & Practices.

The above is not intended to be comprehensive and is provided only as summary guidance with respect to Turner's advertising policies and practices. Turner reserves all rights necessary to amend, modify and/or supplement this summary at any time.

Exhibit E

INSURANCE REQUIREMENTS

CNN Airport Network shall procure and maintain in full force and effect at all times during the term of this Agreement, at its sole cost and expense, the following insurance coverages with the minimum limits set forth, and shall add the Authority as an Additional Insured in each of the listed policies, except Workers Compensation. CNN Airport Network shall provide the Airport System with policy endorsements and other documentation as may be reasonably required by the Airport System, including without limitation certificate(s) of insurance evidencing insurance coverage of the following types and within the minimum limits specified below for the Airport System's review and acceptance:

A. Commercial General Liability and Property Damage

\$1 million per occurrence

\$2 million aggregate

Including Damage to Premises Rented to 'You' of not less than \$1 million

B. Commercial Auto Liability

\$1 million combined single limit

C. Umbrella Excess Liability

Excess coverage on insurance required in (A) and (B) above in the amount of \$5,000,000.

D. Workers Compensation Employers Liability

\$500,000/\$500,000/\$500,000 bodily injury by accident or disease

E. Workers Compensation

Such coverage as is required by law.

F. Contractual Liability

\$500,000 per occurrence

If CNN Airport Network satisfies the financial requirements set forth at 40 C.F.R. § 280.95, as adopted at 15A NCAC § 2N.0300, CNN Airport Network shall be exempted from the requirements of Items "F" (Contractual Liability).

Notice of Cancellation. Each insurance policy and certificate, except Workers Compensation, shall be endorsed with the following provision:

"This policy cannot be cancelled, reduced in amount or any coverage eliminated in less than thirty (30) days after mailing written notice to the insured and the Airport System of such alteration or cancellation, sent by certified mail."

All required liability overages shall be primary and non-contributory and shall include a waiver of subrogation.

EXHIBIT F
MANDATORY FEDERAL CONTRACT PROVISIONS

As used in this Exhibit, the terms "contractor" or "Contractor" shall refer to "AC Holdings, Inc." and/or "CNN Airport Network".

I. GENERAL CIVIL RIGHTS PROVISIONS

The contractor agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision binds the contractor and subtier contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

II. TITLE VI CLAUSES COMPLIANCE WITH NONDISCRIMINATION REQUIREMENTS

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts And Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor's obligations under this contract and the Nondiscrimination Acts And Authorities on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts And Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a contractor's noncompliance with the Non-discrimination provisions of this contract, the sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

- a. Withholding payments to the contractor under the contract until the contractor complies; and/or
 - b. Cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the sponsor or the Federal Aviation Administration may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

III. TITLE VI LIST OF PERTINENT NONDISCRIMINATION ACTS AND AUTHORITIES

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "contractor") agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

IV. FEDERAL FAIR LABOR STANDARDS ACT

All contracts and subcontracts that result from this solicitation incorporate by reference the provisions of 29 CFR part 201, the Federal Fair Labor Standards Act (FLSA), with the same force and effect as if given in full text. The FLSA sets minimum wage, overtime pay, recordkeeping, and child labor standards for full and part time workers.

The contractor has full responsibility to monitor compliance to the referenced statute or regulation. The contractor must address any claims or disputes that arise from this requirement directly with the U.S. Department of Labor – Wage and Hour Division.

V. OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970

All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. Contractor must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The contractor retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (20 CFR Part 1910). Contractor must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

EXHIBIT G—SAMPLE LETTER OF CREDIT

City of San Antonio
9800 Airport Blvd.
San Antonio, Texas 78216
ATTN: Aviation Director

Date: _____

IRREVOCABLE STANDBY LETTER OF CREDIT NO. _____

To the Addressee:

At the request of _____ A _____, we _____ B _____, hereby open this IRREVOCABLE STANDBY LETTER OF CREDIT NO. _____ C _____ in your favor up to an aggregate of \$ _____ D _____ U.S. Dollars, available by your draft(s) on us at sight.

We warrant to you that all of your drafts under this CLEAN IRREVOCABLE LETTER OF CREDIT WILL BE DULY HONORED UPON PRESENTATION OF YOUR DRAFT(S) drawn on us and presented to us at the office of our Texas Branch, now located at _____ E _____, _____ E _____ on or before the expiration set forth below or future expiration date as indicated below. Our obligation under this Letter of Credit is the individual obligation of the Bank, in no way contingent upon reimbursement with respect thereto, or upon our ability to perfect any lien or security interest.

All drafts must be marked "Drawn Under _____ B _____ Letter of Credit No. _____ C _____ dated _____, 200__." Partial drawings under this Letter of Credit are permitted.

Drafts must be accompanied by a statement from the City Manager of the City of San Antonio, or his designee, that _____ A _____ has not performed certain terms, conditions or covenants contained in Concession Agreement No. _____ by and between the City of San Antonio and _____ A _____.

This CLEAN IRREVOCABLE LETTER OF CREDIT expires at the close of business on _____ F _____, 200_. This CLEAN IRREVOCABLE LETTER OF CREDIT shall be automatically extended without amendment for additional periods of one (1) year from the present or each future expiration date unless we have notified you in writing not less than sixty (60) days before such date that we elect not to extend the Letter of Credit for such additional period, such notice to be sent by registered or certified mail to you at the address herein. Upon receipt by you of such notice you may draw on us at sight for the balance remaining in this Letter of Credit within the then applicable expiration date, no statement required.

EXCEPT AS OTHERWISE EXPRESSLY PROVIDED HEREIN, THIS LETTER OF CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS (1993 REVISION) INTERNATIONAL CHAMBER OF COMMERCE PUBLICATION NO. 500.

Bank Officer/Representative

LEGEND:

- A-INSERT APPLICANT NAME, I.E. CONCESSIONAIRE NAME.
- B-INSERT NAME OF ISSUING BANK.
- C-INSERT L/C IDENTIFICATION NUMBER.
- D-INSERT DOLLAR VALUE OF INSTRUMENT.
- E-INSERT EXACT ADDRESS OF LOCAL BANK BRANCH.
- F-INSERT EXPIRATION DATE OF AGREEMENT PLUS SIXTY DAYS.