

FRANCHISE AGREEMENT
(“Agreement”)

This Agreement is entered into effective the ____ day of _____, 2014, by and between the City of Hammond (“City”), and represented herein by the Honorable Mayson Foster, Mayor; and Geaux Benches, LLC (“Contractor”), represented herein by Carla Smith or Kristi Smith, its duly authorized representatives as shown by the Resolution of its Board of Directors attached hereto and made part hereof.

Article 1: OBJECT

The City hereby grants unto Contractor the right and authority to construct, erect and maintain within the City of Hammond, benches for the use and accommodation of the patrons of buses and public conveyances (“bus benches”), and to use and employ the backs of said bus benches for advertising purposes.

Article 2: LOCATION

Bus benches must be placed on and service Hammond City bus stops, and may be placed only at official Hammond City bus stops as authorized by the City. Contractor and City may, with mutual consent, add or delete locations.

Contractor will be afforded twenty (20) days notice to remove a bus bench when a route is changed or a bus stop is removed.

Article 3: COMPENSATION

As compensation for the granting of this Agreement, the Contractor shall pay the City ten (10%) percent of its gross advertising revenues upon receipt by the Contractor. Compensation shall be paid to the City by the 10th day of each month for the prior month revenues commencing in the month immediately following the first billing cycle.

If the amount due is not paid by the 10th day of the month, interest upon said unpaid amount shall be assessed at the legal interest rate set by Louisiana law. In addition, there shall also be assessed a penalty equivalent to five (5%) percent per month, or fractional part thereof, not to exceed twenty-five (25%) percent in aggregate, of the amount due, when such amount is not paid by the 10th day of the month. Interest and penalty will be computed from the 11th day of the month for which the amount is due. If the failure to pay such amount when due is explained to the satisfaction of the Mayor, he may waive payment of the whole, or any part, of any penalty which is due.

Article 4 RIGHT TO AUDIT

It shall be the duty of the Contractor to keep and preserve suitable records as to the gross advertising revenues, or other information as may be required by the City, as may be necessary to determine the City’s percentage of gross advertising revenues due in accordance with this

Agreement. These records shall be preserved for a period of three (3) calendar years, in addition to the current year, and all such records shall be open to examination at all reasonable hours by the City or any of its duly authorized agents. Any information required during the conduct of the audit shall be furnished to the City or its duly authorized agents without cost. Such information may include, but is not limited to, specialized reports accumulating data from electronic data processing records.

Article 5: TYPE OF BENCHES

All bus benches shall be constructed of a durable, all weather material with the base to be constructed of concrete or a suitable material.

Contractor will post on each bench the Contractor's logo, bus bench identification number, and a local telephone number for comments, concerns, complaints, or advertising.

Article 6: TERM OF AGREEMENT

This Agreement shall have an initial term of three (3) years, through and including March 1, 2017. Thereafter, this Agreement will renew annually unless one party gives the other party at least ninety (90) days' written notice of an intent to terminate the Agreement.

Article 7: MAINTENANCE OF BENCHES

The Contractor shall maintain the bus benches and the grounds immediately surrounding the benches at all times. The Contractor shall be responsible for regular pick-up of litter and the cutting of grass surrounding any and all benches. It shall be the responsibility of the Contractor to remove all objectionable writings, carvings, printing, painting, stamping or staining that may be caused by vandals as well as any pictures, drawings, or graffiti of any type depicting objectionable scenes, quotes, statements or verse.

Article 8: LICENSES AND/OR PERMITS

The Contractor shall obtain at his expense, all licenses and/or permits required, and the Contractor shall at all times conduct his business in conformity with all applicable City Ordinances and laws.

The Contractor will ensure that all advertising is compliant with local and state law.

Article 9: INSURANCE

It is specifically understood that the Contractor, at his sole cost and expense, shall carry comprehensive Public Liability with limits of \$1,000,000/\$2,000,000 as to Bodily Injury Liability for any one accident, and \$1,000,000 as to Property Damage Liability, the Public Liability Policy should be endorsed to cover Contractual Liability, Products Liability, and completed operations and shall name the City as an additional insured.

A Certificate of Insurance providing a sixty day notification of cancellation or significant change, will be required as proof of coverage. This Certificate of Insurance will be furnished to the City at, or prior to, the execution of the Agreement.

It is further agreed that the Contractor shall hold the City free and harmless from all claims of personal injury damages to person and/or property damage that may arise out of, or by reason of, the performance of said work, or due to the negligence, commission, or omission of any act by Contractor, his employees, agents, or subcontractors.

Article 10: INDEMNIFICATION

Contractor is an independent contractor and no employee of the Contractor shall be considered an employee of the City for any reason. Contractor further agrees to indemnify the City against any claim for damage incurred by a person, firm or other entity by reason of the operation and maintenance of the bus benches on public property in the City of Hammond.

WITNESSES:

CITY OF HAMMOND

BY: _____
MAYSON FOSTER
Mayor

GEAUX BENCHES, LLC

BY: _____
CARLA SMITH
Member

BY: _____
KRISTI SMITH
Member