The SuperShuttle Transportation System

# Unit Franchise Operations Manual

THE SUPERSHUTTLE TRANSPORTATION SYSTEM

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# Introduction

This Unit Franchise Operations Manual has been developed for you - a SuperShuttle System Unit Franchisee.

his manual contains important guidelines for making your business operations more effective. All of the methods have been developed and evaluated to produce the best and most effective means of operating within the SuperShuttle Transportation System (the "System" or "Transportation System").

A Franchisee will maintain SuperShuttle's uniform standards of quality, appearance and service at all times. As a franchisee, you are obligated to operate in accordance with all of the rules and regulations in this manual and in your Unit Franchise Agreement ("Franchise Agreement"). These procedures have been established to ensure uniformity and consistency within the System, and to uphold the Guest Service Standards of SuperShuttle.

# **Updates & Changes**

This manual is not intended as the only detailed procedural source for service, operational systems or administration. Specific detailed information pertaining to policies and procedures, operational systems and/or administration can also be provided through operational bulletins or memos and should be added to the Amendment and Advisory section of this manual. These are considered as addendum to, or part of, this Operations Manual. Therefore, they have the full weight of this manual and are enforceable under the appropriate sections of the Franchise Agreement.

You should always check the Amendment Section of this manual when checking on a particular requirement or for the most recent requirements and procedures. SuperShuttle reserves the right to make revisions, deletions and additions to this manual.

This Operations Manual will at all times remain SuperShuttle's confidential and exclusive property and will be returned to SuperShuttle promptly upon termination or expiration of your Franchise Agreement for any reason whatsoever.

# The Franchise Concept

The franchise business is basically a licensing system by which the owner (franchisor) licenses others to market the franchisor's product or service within a defined territory following the guidelines established by the franchisor.

A franchise is a legal relationship between you, the Unit Franchisee ("Franchisee"), and the Franchisor, a SuperShuttle Franchise Corporation Licensee ("City Licensee"). This relationship is also a business relationship. Our successful business relationship will insure that our guests will continue to receive the first-class attention they have come to expect from the SuperShuttle Transportation System.

# **Franchisee Rights**

As a Franchisee you have been granted limited rights to utilize the SuperShuttle System, its trade names, trademarks, logos and marketing materials as set forth in your Franchise Agreement, this Operations Manual, and other systems or programs authorized by SuperShuttle for only so long as your Franchise Agreement is in force. In purchasing this franchise you have recognized the importance of the System and of maintaining its integrity. You do not have the right to either change the System or selectively adopt portions of the System unless expressly authorized in writing by an officer of SuperShuttle.

# **SuperShuttle Philosophy**

In 1983, SuperShuttle pioneered the shared ride door-to-door ground transportation concept with its Los Angeles, California operation. Today, the SuperShuttle Transportation System is a nationwide premier shared ride ground transportation provider serving over 14,000 guests each day.

To be the premier shared ride transportation company, nationwide, by taking care of the guest better than anyone else.

rom the beginning, SuperShuttle was established with a tradition of exceptional guest service. The strategy was simple: To be the premier shared ride transportation company, nationwide, by taking care of the guest better than anyone else.

Our SuperShuttle name defines us, and keeps us unique; it is the result of everything we do, and the foundation of our future growth. Quality, Guest service, cleanliness, responsiveness, reliability and friendliness are the standards upon which SuperShuttle was built, and upon which we continue to successfully operate today.

#### **Mission Statement**

"To set the standard of excellence in ground transportation, through our commitment to superior service to our guests and sincere regard for our franchisees and employees, who are critical in delivering high quality service."

SuperShuttle has developed the above goal oriented Mission Statement for the SuperShuttle System. This Mission Statement describes to SuperShuttle's Licensees, franchisees, employees and guests the System's objective.

Taking care of the guest is paramount in the SuperShuttle System. That is the difference between SuperShuttle and its competitors. Only with a strict adherence to guest service can the System realize its mission. The objective is to deliver a special experience for each and every guest.

#### **Standards of Guest Service**

SuperShuttle's Standards of Guest Service carried throughout the System are singularly imperative and, in combination, the keystone of success for SuperShuttle, its City Licensees, and franchisees.

From the first day of business the purpose of the SuperShuttle System has been to consistently provide the best means of ground transportation in its market areas by establishing and adhering to the highest standards of guest service.

SuperShuttle's commitment to excellence is demonstrated by the professional skills of SuperShuttle's corporate management and staff, its city licensees and their management and employees - drivers, reservation agents, dispatch, maintenance, guest service representatives, and support staff, and the franchisees.

Similar to all successful franchise businesses, consistency and dependability in our product delivery is essential. A person in any SuperShuttle city riding a SuperShuttle vehicle should be able to expect and experience the same quality service. As a SuperShuttle franchisee, you owe it to the customer, yourself and your fellow business owners.

As a franchisee, you must be committed to the following "Standards of Guest Service". These standards cannot be compromised. They provide the competitive dominance required to be successful. If these standards are not met, the result is a disappointing experience for the Guest. By always being responsible for achieving and maintaining these standards, you make the Guest's experience a memorable one.

- 1. We recognize that our first responsibility is to our guests, who are the sole support of each and every one of us.
- 2. We are friendly and courteous, no matter what.
- 3. We help our passengers in every possible way.
- 4. We will be on time, every time.
- 5. We make no more than three stops.
- 6. We take pride in the condition of our equipment and in our personal appearance.
- 7. We will respond with urgency to any problem that jeopardizes these standards.

# **Trademarks & Their Use**

The purpose of this chapter defines the proper use of the trade names, trademarks, logos and other corporate symbols (collectively, the "Marks") which you are permitted to use under the terms of your Franchise Agreement.

The SuperShuttle Marks are an integral part of the SuperShuttle System and are the sole and exclusive property of SuperShuttle International, Inc. ('SSI'') and are licensed to SuperShuttle.

he proper use of the Marks is very important. You must use the Marks in accordance with the provisions of the Franchise Agreement and this Manual. Failure to do so may result in penalties while continued misuse may result in the termination of your Franchise Agreement, as well as other penalties as stated in your Franchise Agreement.

#### **Identification of the Marks**

The Marks which you have been granted limited use to consist of the following:

SuperShuttle

Van with Blue & Yellow Color Combination

No More Than Three Stops

SSI and SuperShuttle have the right to amend, add to, delete, or make revisions to the SuperShuttle Marks at their sole discretion. You will be notified by the City Licensee of any these changes by memorandum. Any such memoranda should be added to this Manual.

All of the Marks must be used <u>exactly</u> as they are given to you, without any changes, additions or deletions. Any change in the design structure of a SuperShuttle® logo is expressly forbidden.

#### **Use of the Marks**

#### Franchisee's Business Name

In your Franchise Agreement, you have agreed to operate, advertise and promote your franchise business only under the name of "SuperShuttle<sup>®</sup>" (no addition of any prefix, suffix or any other name(s) is allowed). However, if your business is a corporation, partnership or any other business entity, the name of that corporation, partnership or other business entity **cannot** use the name "SuperShuttle", the Marks, or any part of the Marks, or any name or symbol similar to the Marks, as part of the name of your corporation, partnership or other entity through which you conduct your business.

#### Business License(s) and Fictitious Business Name

When applying for your business license(s), you may be required, under applicable state or local laws, to file or record a document indicating that you are operating your business under a business name, your "Assumed or Fictitious Business Name", often referred to as Doing Business As ("d.b.a.") (i.e., James Smith d.b.a. Smith Transportation, David Jones d.b.a. Jones Airport Shuttle, etc.) Many states and/or local municipalities require that you file and publish a Fictitious Business Name Statement in the county in which your business is located. You should contact your legal advisor(s) or other professional advisors for information on the specific requirements in your area.

Whenever you file or record such a document, you must give a copy of it to the City Licensee.

# Termination of a Franchise Agreement

Upon termination of your Franchise Agreement, for any reason, you must immediately file or record any documents, which are necessary to show that you are no longer using the "SuperShuttle" name. Again, you must provide a copy of these documents to the City Licensee at the same time you are submitting them for filing or recording.

# **Required Use of the Marks**

All signs, business cards, emblems, logos, lettering and pictorial materials, unless provided to you by the City Licensee, which are used by you in or about your SuperShuttle vehicle or elsewhere, will conform to the specifications and standards as to art work, lettering, colors, size, construction and overall appearance as prescribed by SuperShuttle. Such items must be approved by the City Licensee prior to their use.

You may not use or advertise any other trade names, trademarks, service marks or logotypes in connection with or instead of the SuperShuttle Marks.

#### Use of the Marks on Stationery, Business Cards, Etc.

You may use the Marks only on business cards, trip sheets, trip receipts, passenger receipts or other business forms provided to you by the City Licensee or his or her agent. All logoed items used by you must be obtained through the City Licensee.

The above criteria also applies to all materials and advertising purchased for use in your business which use any SuperShuttle trademarks and logos. All advertising materials, flyers, coupons, yellow and white page telephone directory advertisements, and local advertising will be produced and provided to you by the City Licensee.

Business cards used by you must be produced by the City Licensee. Please remember that you cannot use the "SuperShuttle" name, or any of the Marks, to identify your company name (i.e., corporation, partnership, or sole proprietorship or on printed material not provided to you by the City Licensee.

#### **Acquisition of Equipment**

Additionally, no equipment or services used by you in the performance of your franchise business can be licensed, registered, purchased or leased under the name of "SuperShuttle." Any such equipment must be licensed, registered, purchased or leased under your own name or in the name of your corporation, partnership or other entity's business name.

The above criteria must be adhered to in order to avoid any confusion on the part of your suppliers as to whom they are dealing and contracting with. Suppliers need to clearly understand that they are dealing with you, a franchisee, and not the City Licensee or SuperShuttle.

# **Use of the Marks in Advertising**

The City Licensee will provide all advertising and marketing materials to you. This includes yellow pages listings, flyers, handbills and promotional items as well as newspaper, magazine, the Internet, or broadcast media advertising.

# Use of the Marks in Connection With Other Businesses

It is never permissible to use any of the Marks, or any portion of the Marks, or any similar name or symbol, in connection with any business or activity except the operation of your franchised SuperShuttle transportation business.

No other business or activity conducted by you, whether or not it is conducted through the same corporation, partnership or other business entity through which you conduct you licensed SuperShuttle transportation business, can be identified with or connected with the Marks. For example, if you also operate a car rental business through the same corporation that owns and operates your franchised SuperShuttle business, you must use separate stationery, business cards and other business forms for each of the businesses.

# **Discovery of an Infringing User**

If you become aware of another business using any of the Marks, or any portion of the Marks, or any name or symbol similar to any of the Marks, you should notify the City Licensee in writing as promptly as possible including as much information and detail as is available to you. Do not attempt to contact the infringing user yourself.

# Claim of Infringement From a Third Party

If you receive any claim, demand, lawsuit or notice from any third party claiming that your use of the Marks infringes on their trade names, trademarks, or other proprietary rights, forward this to an officer of the City Licensee as promptly as possible, including as much information and detail as is available to you.

Do not respond to the demand, notice, claim or lawsuit in any manner. In no event should you ever sign or acknowledge any such demand, notice, claim or lawsuit, or any agreement or document relating to it. As provided in your Franchise Agreement, the City Licensee will deal with any such claims, including defending you against any such lawsuit (provided that you have used the Marks as discussed in this Manual and in your Franchise Agreement).

#### NOTES

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# Vehicle Specifications and Standards

One of the critical elements to repeat customer usage of our service is for our customers to readily identify our vehicles color and appearance with the SuperShuttle name and superior service.

We take pride in the condition of our equipment and in our personal appearance. Il SuperShuttle vehicles, whether leased or owned by you, must meet SuperShuttle's design and color specifications, as well as the interior and exterior specifications outlined in this manual. The type, color and model of new or replacement SuperShuttle vehicles and equipment will meet the then current specifications of SuperShuttle as detailed in this manual or in Amendments and/or Advisories to this manual.

Any alteration to the required specifications or the placement of **personal** objects, decals, signs, etc. on or in a System vehicle will not be allowed and will constitute a Quality Assurance Violation necessitating immediate action to rectify the problem. Remember, at no time may items of a personal nature (i.e., personal photographs, hanging objects such as religious objects, tassels, baby shoes, televisions, boom boxes, etc.) be attached or displayed on the interior or exterior of a System's vehicle.

SuperShuttle System vehicles are smoke-free. Smoking is not allowed in a System vehicle by anyone at any time. As detailed in the following section "Required Interior Decals/Signage", a "No Smoking" sign shall be prominently displayed in each SuperShuttle System vehicle. You are expected to incorporate this policy into your personnel policy as a disciplinary offense.

# Van Design

The current acceptable models are the:

Dodge B1500 model, 8 passenger Dodge B2500 model, 8 passenger Ford Econo-line 150 model, 8 passenger Chevrolet 3500, 8 passenger GMC Savanna, 8 passenger

The City Licensee, at its sole discretion, may authorize the use of a vehicle model other than that listed above on a case-by-case basis (i.e. accessible vehicles). Such usage if granted will be conditional upon, but not limited to, such items as the vehicle's age, mechanical condition and configuration.

# **Color Specifications**

Depending on your SuperShuttle market and the requirements of the airport in your franchise area, your SuperShuttle vehicle will meet one of the following color combinations:

Body – SuperShuttle Blue (formula specifications available on request) or White

Decals – SuperShuttle Blue vehicles will have SuperShuttle Yellow decals (formula specifications available on request)

White vehicles will have the SuperShuttle trademarked blue and yellow combination applied in the form of vehicle decals

#### **Interior Colors**

Blue or Gray upholstery

# **Replacement Specifications**

Every five (5) years or 450,000 miles or sooner if required by state and/or local regulatory agencies. The City Licensee, at its sole discretion on a case-by-case basis, may authorize an extension to the replacement criteria.

# **Vehicle Communication Equipment**

SuperShuttle System vehicles must be equipped, at a minimum, with a two-way radio or approved communication system and dispatch equipment, allowing communication between the vehicle and the operations center. Citizen band radios are not permitted in SuperShuttle vehicles.

# **Specialized Equipment**

#### **Required Exterior Equipment & Signage:**

Consistency in the appearance of the exterior of the vehicle is critical and is the key to uniformity within the entire System. The following is a list of the required equipment for the exterior assembly of a SuperShuttle van:

- ⇒ Destination signs (if applicable for your market)
- ⇒ SuperShuttle decals and signage. All exterior letters and numbers decals are 3M 580 Reflective.
- ⇒ Running boards installed on the right side of the vehicle with the left side running board being optional.
- ⇒ Unless bumpers are made of chrome or are painted to match the vehicle, bumpers should be painted black.
- Any antennas, transponders, sending units, etc. as required by local municipalities or as required or as needed in conjunction with the dispatch/radio requirements of this chapter.
- ⇒ Sample tariff rates (if required by your airport or by a regulatory agency)

#### **Required Interior Decals & Signage:**

- ⇒ Van Number decal displayed between sun visors, center front above windshield of van (4" numbers)
- ⇒ The "Credit Card Acceptance, No Smoking and Gratuity" advisory is located above the large passenger windows on the left side of the vehicle (42" long by 2 1/2" wide)
- ⇒ "Look Before Opening" decal is located on the left passenger door below
- ⇒ Red / Yellow warning tape on passenger door way
- ⇒ Sample tariff rates (if applicable in your city)

#### **Required Interior Equipment:**

- ⇒ Full black or dark gray console between driver and passenger front seats, with poster and credit card slip holders (optional at this time)
- ⇒ Communications equipment as specified under Dispatch/Radio requirements detailed in the Franchise Agreement
- ⇒ Credit card processing equipment
- ⇒ Spare tire cover vinvl cover to match seat upholstery
- ⇒ Luggage compartment and passenger compartment lights
- ⇒ Fully functional air conditioner and heater units
- ⇒ Baggage barrier screen in rear luggage compartment of CNG equipped vehicles
- ⇒ Jack and emergency flares and additional safety equipment as dictated by the DOT or any federal, state or local regulatory agency
- From time to time a temporary notice or promotional item may be required to be placed within a vehicle (i.e. Notice of Rate Adjustment or SuperShuttle authorized promotional items). A required notice or promotional item will be identified via a License Bulletin which will specify timing for compliance and duration of placement.

### **Required Exterior Decals**

As detailed in the Franchise Agreement, the City Licensee will decal franchisee vehicles with all required exterior and interior decals. All vehicle decals are 3M 580-71 Reflective material or equivalent, letters and numbers are Serpentine Bold Italic (SuperShuttle type style).

#### **Vehicle Maintenance**

Cleaning of vehicles and equipment takes place prior to the beginning of every shift. Maintenance takes place at regular but less frequent intervals. Both are primary functions of your organization and are essential to fulfilling SuperShuttle's high standards of excellence. Therefore, you are required to maintain your vehicle, at your own expense, in good repair and condition.

The interior and exterior of your vehicle must be clean, free of dents, scratches or other damage which materially and adversely affect its appearance.

The interior of the vehicle must also be free of tears to the upholstery, exposed springs, foodstuff, trash, waster material, or any other substance or object capable of harm, damage or injury to, or interfere with the personal clothing, personal property, comfort or convenience of any passenger, whether upon entering or exiting the vehicle or riding in the vehicle. The vehicle is to also be free of mechanical problems which render the vehicle unsafe, noisy or uncomfortable in which to ride.

The exterior of the vehicle should have an exterior, which is free of any misshapen or deformed condition arising from collision, crash, or other impact. Vehicles shall be free of holes in floorboards, and baggage area shall be empty except for emergency equipment. All vehicle windows and windshields are to be free of broken or cracked glass.

#### **Preventative Maintenance Procedures**

Routine preventive maintenance is essential and is a requirement for all vehicles in the System. Your vehicle must meet and comply with the safety requirements of all applicable federal, state or local agencies, as well as comply with the vehicle and administrative codes for your state. The determination of whether the vehicle meets the standards set forth in this Manual shall be at the discretion of the City Licensee, or its designee, or the regulatory agency. All vehicles and Operators may be inspected, at any time, for compliance of these standards by the City Licensee, or as required by a regulatory agency.

Routine preventive maintenance is essential for all vehicles in the System. You should maintain and have readily available a list of the service and/or repair personnel you contract with so immediate action can be taken if a problem occurs. In addition to the routine preventive maintenance performed on your vehicles, it is a good idea to review your vehicles' warranty information and any additional maintenance contracts on a regular basis.

For your convenience, a suggested Preventive Maintenance Schedule has been included in at the end of this chapter. The items listed on this form are not all-inclusive, and should therefore be reviewed and amended as necessary in order to comply with the operating authority requirements for your operation. As some regulatory agencies can require documentation of your maintenance records, make sure to keep detailed records and copies of all inspections reports and receipts for work performed on your vehicles and equipment. Additionally, the City Licensee may, on occasion, inspect your vehicle to verify your maintenance and the proper documentation of such maintenance.

# **Daily/Shift Maintenance Standards**

Your vehicles must be kept clean at all times. The following Daily/Shift cleaning responsibilities have been specifically itemized for your convenience along with the necessary supplies. It is your responsibility to see to the completion of the following procedures before each shift:

- ✓ Cleaning of the vehicle inside by vacuum
- ✓ Complete wash and dry of the vehicle exterior
- ✓ Free of all trash and discarded newspapers and magazines
- ✓ Removal of any foreign material from the headsign and headsign lens
- ✓ Use of tire dressing on each tire (i.e., Crystal Air Rubber Dressing from Car Aroma Inc., 3:1 mixture, or equivalent tire dressing product)
- ✓ All exterior and interior lighting must be operational and covered
- ✓ Windshield wipers must be operational and in good working order. Washer fluid level must be full.
- ✓ Replenish and/or replace all rack card and customer materials

# **Vehicle Inspections**

As public safety and customer service are two of the most important aspects of our business the City Licensee will conduct an inspection of each unit franchise vehicle at a minimum every two months. These inspections will take place in the holding lot, airport loading zone, or on-site at the SuperShuttle administration facility. Unless you desire, you do not have to be present for the actual inspection of your vehicle, but you do need to make your vehicle and maintenance records available for inspection.

After inspecting your vehicle, the City Licensee will follow up with you for clarification and recommendations. If during the inspection your vehicle is found to be out of compliance with the UFOC or this Operations Manual you may have to rectify the failure prior to being dispatched business. Should the inspection identify non-compliance with state, city or safety regulations, you may not be dispatched work until those are rectified and proof of repair is provided.

Should the City Licensee City Licensee receive a complaint from customers or the airport about the condition of your vehicle, more frequent vehicle inspections might be required which may also result in the withholding of dispatch services until the vehicle repairs have been completed and documentation of the repairs have been provided to City Licensee.

Included in this chapter is a copy of the vehicle inspection form so you are aware of what will be inspected. Included in the form is a city specific section. Please see the Unit Franchise manager or General Manager for clarification of this section.

#### **SuperShuttle Vehicle Inspection Form**

Vehicle Number: Franchisee:		Franchisee:	Inspector:		
Da	ate:	Mileage:	<del></del>		
A)	Vehicle Exterior:		<u>Pass</u>	Work Needed	<u>Pull</u>
	<ul><li>5. Check all doors for pro</li><li>6. All decals present and</li></ul>	dy and bumper Damage nction, damage and spotted mirrors per functioning			
B)		•	-		
	<ol> <li>Seatbelts fully operatio</li> <li>Rearview mirror function</li> <li>Dashboard, floor and sometime</li> <li>All correct interior signate</li> <li>Spare tire and jack presented</li> <li>Complete, functional state</li> </ol>	lean seats, no visible damage nal and available and free from hanging objects eats free from personal/any objects age present and undamaged sent and functional afety road kit d, registration and accident report k			
C)	With Ignition Started				
**	<ul><li>8. Check driver maintenau</li><li>*9. Every 6 months- Inspect</li></ul>	ing I in good working order	re		
D)	City Specific Inspection I	Points			
	1. 2. 3. 4.				
E)	Additional Safety Checks		LF / RF	LR/RR	
		ront tires & 2/32" for back tires sure with pressure gauge so of wear punctures nt, rear and brake lights			

Page 2			
Vehicle Number: Date:	Franchisee: Mileage:	Inspector:	
Work to be done:			

(Use reference code, i.e. B 2=Seatbelt to be repaired or replaced-due by 00/00/00)

Reference Code	Work to Be Done	Due Date	Date Completed

#### Please Note:

- 1. Drivers are to produce copies of all work done outside of SuperShuttle Maintenance Shops
- 2. Drivers may not be dispatched if safety items require immediate attention or work items are not completed by due date.

# Operating Policies and Procedures

The quality of the SuperShuttle System depends on the priority and enforcement given by SuperShuttle and its licensees to **all** of the System's operating procedures and policies.

Prior to beginning your SuperShuttle business, you will be required to obtain and provide copies of all necessary authorizations, licenses and operating permits from the appropriate governmental agencies having jurisdiction in the territory of your Franchisee Agreement. These may include authorizations obtained from state and local transportation authorities, airports, and other agencies.

To maintain uniformity in the System, you are required to use SuperShuttle's and/or the City Licensee's:

Trademarks and service marks

Methods of operation

Marketing criteria

Identification criteria

Reservation and dispatch system

The following information provides you with the framework in which to operate your franchise business.

# **Compliance With Laws**

STATUTES, LAWS & ORDINANCES

As a SuperShuttle System franchisee, you are required to comply with all federal, state, county, municipal or other governing statutes, laws and/or ordinances, along with any regulations, rules or ordinances of any governmental or quasi-governmental entity, body, agency, commission board or official applicable to your franchise business, employee(s), and/or vehicle.

Your franchise business is expected to comply with all federal and state Department of Transportation regulations relating to:

Working hours

Employee safety

Driver qualifications

Information about permit requirements and other regulations pertaining to the items discussed in this section and others that might affect your franchise business can be obtained from local state and federal offices, the airport, and legal advisors.

You must notify the City Licensee in writing immediately of any legal, administrative, regulatory or other proceeding instituted by or against you or your business.

# Required Licenses, Permits and Registrations

All aspects of your franchisee business must be conducted with the proper regulatory agencies' operating permits and certificates. You must obtain and maintain in full force and effect, at your own expense, all required and applicable federal, state and local regulatory agency permits, licenses and registrations necessary to operate a SuperShuttle transportation system business.

In addition to all governing federal, state and local agencies' required operating permits and certificates, and your city/county and state business licenses:

- ⇒ Each driver of your vehicle must meet the driver qualifications as detailed in this manual and must be licensed as required under your state's Vehicle Code and must have successfully completed the City Licensee's driver training program;
- A number of states require that licensed transportation carriers enroll in special motor vehicle reporting and enforcement programs. If your state's Department of Motor Vehicles or other regulatory agencies require the City Licensee to participate in such a program,

the cost of any reports for your franchise business will be passed along to you for reimbursement.

- ⇒ Your vehicle and driver(s) must have all operating permits, airport identification badges, decals or stickers required by the airport(s) you service;
- ⇒ Current vehicle registration must be kept in your vehicle at all times
- ⇒ Proof of insurance must be kept in your vehicle at all times.

# Franchisee's Liability and Insurance Requirements

#### INSURNACE

- Comprehensive
  Automobile
  Liability
- Primary Bodily Injury
- Comprehensive General Liability

Throughout the term of your Unit Franchise Agreement, you are required, at your own expense, to obtain and keep in continuous force the forms of insurance specified below at a minimum.

Any insurance policies not obtained through the City Licensee shall be written by a responsible insurance company or companies licensed to do business in your state with an Insurance Company Rating by Best of "A+" or better. Additionally, any policies obtained by you are required to include the City Licensee, SuperShuttle International, Inc., its affiliates and their current and past officers, directors, employees and agents, in their respective capacities as such, as additional insureds.

If you obtain automobile insurance on your own for your franchise business the following minimum liability requirements and limits for a business automobile policy are:

- The insurance policy must be written by an A+ rated carrier
- Must have a \$4,000,000 combined single occurrence coverage (can combine primary auto limits with excess coverage)
- Must carry Comprehensive/Collision if we own vehicle or lease our vehicle out to driver
- General Liability of \$1M single occurrence and \$2M general aggregate

- Automobile Liability for any vehicle leased or owned by you for bodily injury and property damage, including uninsured/underinsured coverage on a per occurrence basis in an amount to meet and satisfy federal, state or local statutory limits.
- Comprehensive General Liability for bodily injury and property damage (including personal injury, fire, legal and contractual) on a per occurrence basis in an amount to meet and satisfy federal, state or local statutory limits.

Depending on current business conditions, airport contracts and/or requirements by local, state and federal government, and regulatory agency regulations, these minimum limits are subject to change by the City Licensee.

The City Licensee is to be given a copy of the certificate of insurance issued by your carrier. All insurance policies must:

- Name City Licensee, SuperShuttle Franchise Corporation, SuperShuttle International, Inc. and their officers, directors, employees and agents as an additional insured for liability;
- In addition, if City Licensee or one of its affiliates owns or is leasing your vehicle to you, the company must be named as a loss payee for Comprehensive/Collision;
- The certificate of insurance should have the Cancellation Clause altered to include a maximum 10 days written notice to City Licensee; and
- Contain provisions that require the insurance policies not be canceled, limited, or non-renewed until thirty (30) days prior to cancellation or material change in insurance coverage that written notice <u>has been</u> given to City Licensee by certified mail

In addition to automobile insurance, you are required to carry Workers Compensation in an amount to meet and satisfy federal, state or local statutory limits for your employees.

Please check with your insurance advisor or your state's appropriate agency to obtain the additional insurance requirements necessary for your franchise business.

Any lapse of insurance coverage immediately prevents you from operating your franchise business and subjects you to any fines, penalties or other actions deemed necessary by City Licensee as described in this manual and the Unit Franchise Agreement, which may include termination of your franchise agreement.

Any liability resulting from an incident, in which you do not have sufficient insurance coverage or the required amount of insurance, will be your sole responsibility. Claims in excess of your insurance limits are also your sole responsibility.

# **Reporting Accidents**

A consistent approach to accident reporting is necessary to ensure that all motor vehicle accidents are documented and processed in accordance with state law, insurance carrier and City Licensee requirements.

The following guidelines are for the purpose of achieving necessary, timely and accurate reporting of accidents:

- Follow these steps immediately after an accident:
  - Check with guests for injuries
  - Call Dispatch immediately to report a vehicle accident or injuries of any kind, and to request help
  - Make no statements of any kind except to the proper authorities (the police)
  - Cooperate with the police in the event of a police investigation. Provide City Licensee with any police report or file number.

Give information about the accident only to a police officer or an official representative of the City Licensee when requested to do so.

The only information that you should give to the other party involved in the accident is:

- Driver's Name and license number
- Name of the insurance company

You are required to complete the necessary company accident-report forms promptly (within 24 hours).

- All vehicle accidents must be reported to City Licensee as soon as possible after the accident occurs. Notify Dispatch immediately of any accident and injuries.
- All accidents and injuries are to be reported regardless of the dollar amount of damage.

#### **Tariffs**

Tariffs are for the information and use of the general public and in most cases are mandated, controlled and approved for use by such regulatory agencies as your state's Public Utilities Commission, if applicable, or by the airport in your franchise territory. Tariffs are published in a manner that ensures that they are readable and that their terms and conditions are easy to understand and apply.

The City Licensee has published a tariff that your franchise business and employee(s) shall observe and conform to all the rules, regulations and rates as outlined in the tariff. Your franchise business may not alter or charge fares contrary to the City Licensee's tariff.

In addition to posting requirements set forth by your state's operating authorities, many airport authorities require ground transportation service providers servicing their airports to conspicuously display tariff and timetable information in each vehicle used in airport service, at each location where airport service tickets are sold, and to have copies available for public distribution.

Please check with your City Licensee for posting requirements pertaining to the tariff.

#### **Tickets**

Payment of city and/or airport parking tickets or moving traffic violations, regardless of whether your vehicle is in- or out-of-service, are your sole responsibility and must be paid promptly. If City Licensee is charged a fine as a result of your vehicle being ticketed, the dispatching of business to your vehicle may be withheld until the fine is paid.

# **Payment of Fees**

The License Fees, System Fee, Reimbursed Fees, and any Airport Expenses detailed in your Unit Franchise Agreement are due and payable in full to the City Licensee according to the schedule established in the Unit Franchise Agreement.

Any payment shortfall or missed payment must be rectified immediately. If a short or missed payment occurs, you will be assessed a late fee and interest at the maximum rate permitted by law on the missed or short payment until such time as the amount is paid in full.

Failure to pay any of the fees when due constitutes a material default of your obligations under the Unit Franchise Agreement. During any period of default due to shortfalls or missed payments, City Licensee at its discretion may withhold dispatching of trip to your Vehicle until such time that all fees have been paid to City Licensee.

In addition to potential late fees and interest penalties, such material defaults can result possible termination of your Unit Franchise Agreement.

# Franchisee's Statement, Books and Records

As part of your obligations under the Unit Franchise Agreement, you agree to keep accurate records and books of account. As detailed in this section, as part of your record keeping, you will keep detailed trip sheet records in the form and with the detail specified by the City Licensee, with an accounting of your franchise business gross receipts and the number of passengers picked up and delivered to and from the airport, and the number and fares of any charter business for each day you are dispatched or perform SuperShuttle business. You will make these records available to City Licensee upon request. The City Licensee shall have the right through its representatives, and at all reasonable times, to inspect franchisee's books and records.

# **Your Unit Franchise Operation**

Each of the operating policies and procedures specified in this Manual may be delegated in part or in whole by you to other Operators of your vehicle. However, it is ultimately your responsibility to make sure that the policies and

procedures of the System as outlined in this Operations Manual, your Unit Franchise Agreement, in any auxiliary Training Manuals, System memos, bulletins and announcements are carried out effectively and efficiently.

As a franchisee of the SuperShuttle System, you and your partners or employees are expected to operate your franchise business according to the System's Quality, Guest Service, Cleanliness, and Operating Standards. In keeping with these standards, you and your employees are expected, at all times, to provide prompt, courteous, and efficient service to your passengers. Such service is to be rendered professionally with honesty, integrity, fair dealing and ethical conduct.

#### **Hours of Operation**

The City Licensee's SuperShuttle System operates 365 days per year, 24 hours per day, including holidays, and needs to have adequate shuttle coverage during all hours of operation.

Your Unit Franchise Agreement details the hours during which you can operate your unit franchise business. In order for the City Licensee to maintain adequate vehicle coverage during its operating hours, by Wednesday of each week you will provide your proposed work schedule for the following week to City Licensee for scheduling purposes. A SuperShuttle week is defined as Sunday through Saturday.

In order to be most productive, most franchisees make themselves available for service five (5) days per week and provide at least forty (40) hours of shuttle service. The more hours you work, the more potential income you can derive, but ultimately the decision is yours. However, once you have submitted a schedule for the upcoming week you will be expected to keep to it. During your operating hours, you will be expected to provide quality service as needed so as to minimize the customer's wait time.

#### **Licensed Market Area**

Your Unit Franchise Agreement defines the airport(s) and territorial boundaries of the City Licensee's "Market Area" and is the territory you are allowed to service as part of your Unit Franchise Agreement. Unless otherwise defined in your Unit Franchise Agreement, you may only provide transportation services to those passengers whose original pick-up location is within your pre-defined market area, and whose drop-off destination is to the airport(s) defined in your Unit Franchise Agreement or other locations within your market area except as detailed below.

Your vehicle may only pick-up outbound passengers at the airport(s) within your market area or those additional airports, if any, that are identified in your Unit Franchise Agreement with the City Licensee.

Any passengers picked-up at the airport(s) within your market area may be dropped-off at airports not within your territorial boundaries; unless your Unit Franchise Agreement specifies that you may not drop-off at an airport not within your market area. However, unless there is such a stipulation, and unless licensed to operate at that airport, you may not pick-up outbound passengers from an airport outside City Licensee's Market Area. Under certain circumstances, the right to transfer passengers to an airport outside of your territory will not be allowed and will be so stated in the Market Area description detailed in your Unit Franchise Agreement.

In providing transportation services to your passengers, please also remember that as part of our Guest Service Standards there is a maximum number of passenger stops that are scheduled or boarded for each van run. The only times when this service policy is allowed to be altered are:

- ⇒ When a City Licensee has previously designated certain high density/population areas as express areas (i.e., concentrated hotels or businesses in a given area);
- ⇒ For travel emergencies (i.e., earthquakes, emergency evacuations, floods, severe weather conditions, major freeway or road closures due to accidents or road collapse); and
- ⇒ During certain major holiday travel periods. The suspension of the "3 Stop Rule" will be solely for those holiday travel periods specified by SuperShuttle and for which the public has been given advance notice.

#### **Driver's Qualifications**

Every SuperShuttle vehicle Operator must be licensed as required under the Vehicle Code for your state. While performing SuperShuttle service, any driver of your vehicle must either be the permit/certificate holder, a partner in your franchise or under your supervision, direction and control as the operating carrier in your franchise territory, and must be authorized to drive your vehicle. You must also provide written notice to the City Licensee with your backup/relief driver's name, address and phone number and explain the relationship of the new driver to your. Prior to operating your vehicle, your

backup/relief driver must successfully complete City Licensee's driver training program.

The following driver standards and qualifications must be complied with and met by all Operators:

- ⇒ Must be a minimum of 21 years of age and have been a licensed driver for a minimum of 2 years;
- ⇒ Must possess a valid driver's license for your State;
- ⇒ Must possess a Social Security Card;
- ⇒ If applicable, must have a current and valid Green Card
- ⇒ Must have a clean, current driving record. Not more than two (2) moving violations in any twelve month period, initial and continuing requirements, no suspensions, no D.W.I., no D.U.I., no reckless driving convictions and no accidents with citations;
- ⇒ Must be free from and/or test negative from drugs and alcohol at all times while performing SuperShuttle transportation services;
- ⇒ Possess proficiency in the English language, fluently speaking and writing the language;
- ⇒ Be proficiently knowledgeable of the territory service area as defined in the Unit Franchise Agreement;
- ⇒ Must be well groomed and personable and comply with the SuperShuttle System dress code as detailed later in this Manual. And in general be neat and clean, be neatly shaven, and free from offending body odor;
- ⇒ Shall display a City Licensee issued photo 1.D. badge that identifies the Operator by name and photo, and which also identifies the City Licensee. Such 1.D. shall be worn at all times that the Operator is on duty (1.D. should be positioned at or near breast pocket area of outer garment); and
- ⇒ Must successfully complete the Operator/Driver Training program and pass all required tests and the evaluation of the instructor(s).

# **Driver Training**

All Operators are required to complete the operator/driver training program. The training program includes such items as:

- The "SuperShuttle Way";
- Applicable laws and regulations (PUC, DOT, etc.);
- Airport Rules and Regulations;
- Safe vehicle operations;
- SuperShuttle System policies and procedures;
- Map reading;
- Fare collection and trip sheet reporting;
- Safe lifting practices;
- Driving tests
- Defensive Driving Course Training ("DDC")
- Accessible service (ADA) training
- Customer service
- Smith System Orientation; and
- The correct operation and usage of two-way radios in accordance with company policies and federal regulations.

Additionally, City Licensee may also require you and anyone else who is authorized to operate your vehicle to attend recurrent training or additional training programs if a new service or methods of operation are introduced in the SuperShuttle system or if City Licensee requires additional training in certain aspects of its business, such as accessible service.

It is your responsibility to make sure that each of your Operators are properly trained and that your SuperShuttle System vehicle is not operated by any driver who you have reason to believe is a negligent operator. And, as defined by the Code of Federal Regulations Part 49, you are also responsible for not allowing any of your drivers to consume or to be under the influence of a drug or alcoholic beverage while on duty.

You are also solely responsible, as an employer, to provide any and all necessary insurance, licensing, bonding, etc. required for your employees. Additionally, you are also solely responsible for securing, accruing and paying all premiums or obligations associated with: Worker's Compensation insurance; unemployment insurance; disability insurance; Social Security; state, federal and/or local income taxes; and for any medical/dental benefits along with any other optional benefits for yourself and your employees.

For proper determination of the requirements with which you must comply as an independent businessperson and employer, and for proper reporting procedures, you are encouraged to consult with your independent legal advisors and accountants, etc.

#### **Guest Service**

You and your employees will, at all times, provide prompt, courteous, and efficient service to your passengers. Such service will be rendered professionally with honesty, integrity, fair dealing and ethical conduct. No matter what the circumstance, SuperShuttle Operators shall not engage in the use of profanity or obscenity directed at or within hearing of any member of the public, display any rudeness or discourtesy to any member of the public or, while in a shuttle vehicle loading or unloading zone, sleep or recline in or on any motor vehicle, or sit on the exterior of a motor vehicle.

"On Time, Every Time" is one of the SuperShuttle System's Guest Service Standards and while certain events beyond our control can affect our on time performance, our goal is to do everything possible to be on time. Any pick-up more than 5 minutes after the scheduled pick-up time is considered late. Any guest whose pick-up will be late must be called and notified of this fact, and given an estimated time of arrival ("ETA") of actual pick-up time.

Although you or your driver may be on time, the guest may not be ready due to any number of reasons. Therefore, a driver must allow **at least** a 5-minute standby period before calling a reservation a "no-show" and departing the designated pick-up area.

All passengers, regardless of the form of payment (cash, coupon, direct bill, voucher or credit card) will be given the same high level of service guaranteed by the SuperShuttle System "Standards of Guest Service". Operators may not refuse to accept credit cards, SuperShuttle coupons, direct bills or vouchers. Additionally, Operators shall not refuse to provide any authorized service to any passenger who requests such service, solely on the basis of the passenger's age, handicap, disability, sex, race, or national origin, or any combination of any of the above, including Customer's traveling with a seeing eye dog or wheelchair devices.

Operators may not interfere or attempt to interfere, in any manner whatsoever, with a passenger's selection of ground transportation. All

We are friendly and courteous, no matter what

We help our passengers in every possible way

We will be on time, every time

Operators shall abide by the City Licensee's and/or airport's rules and regulations relating to solicitation of passengers.

For guest safety, loading and unloading of passengers is permitted only in designated areas. Absolutely no double parking is permitted at the curb for loading and unloading of passengers.

Operators shall not allow any other person, except individuals using the shuttle service, to occupy or ride in the shuttle vehicle, with the exception of a driver trainee who is in possession of the necessary permits required under the Unit Franchise Agreement. Additionally, Operators shall not allow any pets or animals, other than pets or animals of individuals employing the shuttle service, to occupy or ride in the shuttle vehicle.

## **Operator Appearance and Demeanor**

As mentioned earlier, all Operators shall be clean, courteous, efficient, and neat in appearance at all times and shall refrain from using improper language or act in a loud, boisterous, or otherwise improper manner. Upon written notification by the City Licensee to you that you and/or your employee has been disorderly, unsanitary, or otherwise unsatisfactory, that person shall be removed from service immediately, if necessary, or within twenty-four (24) hours of the receipt of such notice by the Company to the Franchisee. Once removed from service that person shall not be utilized by the Franchisee without the consent of the City Licensee.

You as the Franchisee shall at all times be responsible for the conduct and all actions and activities of your Operator and/or employee. Any action by you or your Operator/employee that is a violation of the Unit Franchise Agreement shall be deemed at default by the Franchisee in the performance of the covenants contained in the Unit Franchise Agreement, and subject to the remedies contained in the Unit Franchise Agreement.

As the Franchisee you acknowledge that it is your responsibility to ensure that no Operator of your Vehicle during any hours of SuperShuttle System service hours drinks intoxicating beverages, is intoxicated or in a drugged condition, or commits any disorderly, obscene or indecent act, commits sexual or discriminatory harassment of any nature, or commits any act of nuisance, nor conduct or engage in any form of gambling or violate any federal, state or local laws on Airport, hotel, business, or City Licensee property.

## **Driver Appearance**

The way in which each SuperShuttle van driver or representative appears when conducting business reflects the professionalism of your service. The better a driver looks, the better your service appears when compared to your competition. At no time are SuperShuttle drivers allowed to be out of uniform while on duty. All drivers will adhere to the following approved Appearance Standards of SuperShuttle:

We take pride in the condition of our equipment and in our personal appearance

#### **Standard Uniform**

There are two standard uniforms for SuperShuttle drivers. The following uniform items represent the basic black and white driver uniform and can be worn by all drivers, even if your City Licensee allows the optional blue and khaki uniform. Not all SuperShuttle cities use the blue and khaki uniform so you will need to check with your City Licensee to see if this is a uniform option for you.

#### Black & White Uniform:

- ⇒ WHITE COLLAR SHIRT with either short or long sleeves. The shirt is to be worn tucked in and buttoned at the neck.
- ⇒ BLACK TIE OR BOW TIE or WOMEN'S BLACK FLOPPY TIE.
- ⇒ BLACK DRESS STYLE SLACKS or BLACK SKIRT. If slacks have belt loops, a belt is required. No mini skirts are permitted.
- ⇒ BLACK SHOES. Shoes must be of solid black with closed toes and heels. Solid black leather athletic shoes or boots are also acceptable. For safety reasons, high heels are not acceptable.
- ⇒ SOLID BLACK SOCKS OR SHEER BLACK STOCKINGS
- ⇒ SuperShuttle SWEATER (optional)
- ⇒ SuperShuttle JACKET (optional)
- ⇒ SuperShuttle BASEBALL CAP (optional)

- ⇒ A SUPERSHUTTLE NAME BADGE is required to be visible and to be worn at all times while on duty.
- ⇒ As required by your local regulatory agencies, an additional IDENTIFICATION BADGE may also be required.

This uniform standard requires that drivers at all times attire himself or herself in a white dress shirt with collar, black tie, black dress slacks or shorts (no jeans or denim pants), and black shoes.

The SuperShuttle jacket, sweater, or baseball cap are optional. However, Operators are not permitted to wear any other form of jacket, sweater or baseball cap while providing SuperShuttle transportation service.

If City Licensee allows for the use of the SuperShuttle System optional blue and khaki logoed uniform or the blue and black logoed uniform, you can purchase the SuperShuttle System's logoed uniform items from the Systems uniform provider. City Licensee has order forms available. You are responsible for the ordering and paying for the uniform items you order or that may be ordered on your behalf.

The Blue and Khaki or Blue and Black uniform items are:

- ⇒ BLUE KHAKI "SUPERSHUTTLE" logoed short sleeve golf style shirt. The shirt is to be worn tucked in and buttoned at the neck.
- ⇒ KHAKL or BLACK DRESS STYLE SLACKS or KHAKL or BLACK SHORTS. If slacks have belt loops, a belt is required. No mini skirts are permitted.
- ⇒ WHITE OR BLACK SHOES. Shoes must be of solid white or black with closed toes and heels. Solid leather athletic shoes are acceptable. For safety reasons, high heels are not acceptable.
- ⇒ SOLID WHITE or BLACK SOCKS
- ⇒ SuperShuttle SWEATER (optional)
- ⇒ SuperShuttle JACKET (optional)
- ⇒ SuperShurtle BASEBALL CAP (optional)

- ⇒ A SUPERSHUTTLE NAME BADGE is required to be visible and to be worn at all times while on duty.
- As required by your local regulatory agencies, an additional IDENTIFICATION BADGE may also be required.

Once again, the SuperShuttle jacket, sweater, or baseball cap are optional. However, Operators are not permitted to wear any other form of jacket, sweater or baseball cap while providing SuperShuttle transportation service.

## **Franchise Communications**

SuperShuttle believes that nothing is more important for the success of the SuperShuttle franchise system than having all of the people in it supporting it and working to achieve its success.

nit Franchise Owners are part of a community. The community consists of unit franchise owners, local management and personnel, corporate management, and most importantly, the customer that uses our service.

Communication is critical for a community to thrive. To be able to communicate, express ideas, give suggestions, and discuss issues is a critical element in everyone's success. Acting on communication is equally important.

The art of communication comes in a number of forms. Information, like knowledge, is power and therefore is a two-sided responsibility. The SuperShuttle System has established a number of communication media for franchisees and the City Licensee to share information with each other. The following pages detail various communication options available to you.

#### **Franchise Action Form**

During the course of your franchise, you will no doubt have occasions where you want to ask a question, make a suggestion or raise a concern about your franchise agreement or the operation of your business. Many times this is not so easy. With everyone's respective schedules, finding a time that is good for everyone is sometimes very challenging. Waiting around for a convenient time is not the answer.

Your time is every bit as important as the next person's. Therefore, we have developed the Franchise Action Form to help expedite communication. A copy of this form is located at the end of this chapter.

## **Local Support**

Depending on the size of your operation, there will be several people on staff to assist with the questions you have about your business. It is important to keep in close contact with these people, as they understand the market and your environment very clearly.

The Unit Franchise Manager is normally the person that has explained the franchise program, supplied you with all the legal and operational materials, put together your paperwork, and initiated the training process. He or she will follow up with you on compliments and concerns. He or she should also be the first person you see should you need clarification on how the program works. This is also your first person you should speak with should you have a question or concern with the program.

The Chief Accountant is in charge of the cash out procedures of the operation. The Chief Accountant, with the help of the unit franchise manager and staff will input all your receivables, cash you out, audit trip sheets for accuracy, and monitor balances. They are also the individuals that handle all charge back inquiries from the customers and process all overage/reimbursement checks. Should you have a question regarding fees, charge backs, or in accuracy in your reimbursement checks, the Chief Accountant is the first person to contact for assistance.

The Operations Manager is in charge of SuperShuttle's day-to-day operations of dispatch and airport personnel. With the help of the entire management staff, he or she sets dispatching policy and is directly responsible that all employees and unit franchisees adhere to that policy. Should you have any suggestions or concerns with dispatch/airport operations and personnel, the operations manager is the first person to see.

The General Manager oversees the entire operation and is responsible for all the individuals listed above. At times, this individual may step into the role of one of the other managers to assist in expediting communication and initiatives. Should there be any issue that you feel is not getting the dedication it deserves, the general manager is a great resource to use. This individual's main objective is to assist in the communication process and the satisfaction of all unit franchises and customers.

## The Franchisee Helpline

As part of our communication system, SuperShuttle has installed a Franchisee Helpline to give franchisees the ability to speak directly with the SuperShuttle corporate office.

The Helpline telephone number is 1-800-544-5808. When you call, you will be asked for your name, city location, van number, and a contact phone number. You will also be asked if you filled out and turned into City Licensee a Franchise Action Form.

The corporate office will respond to all calls coming into this line within 24 hours. Telephone calls received after hours on Friday or over the weekend or a holiday will be returned within 48 hours following the next business day.

Corporate management is available to discuss any comments or concerns you may have and will follow up with the appropriate individuals. As many items are city specific, corporate may need to contact your city to clarify its understanding of the issue raised by you.

This purpose of this help line is to assist in the overall communication and satisfaction for all of our customers and to help you, the operation, and the corporate office gain an understanding of what is working and what is not.

## The SuperShuttle Franchise Owner Advisory Committee

Your City Licensee has formed a SuperShuttle Franchise Owner Advisory Committee ("FAC") to bring together franchisees and management to work together toward a common goal.

The purpose of the FAC is to promote constructive, open and two-way communications between the City Licensee and its franchisees and to serve as a forum for the City Licensee to provide group instruction or disseminate information that is important for all franchisees. Additionally, both the City Licensee and its franchisees should strive to properly service the customer. In recognizing that a group of this type can be instrumental in addressing and resolving concerns of general interest before they develop into major issues, franchisee owner

representatives will be an integral part of the growth and development of the franchise program.

In fulfilling the objectives of FAC, the Advisory Committee members will, among other things:

- Promote the exchange of ideas among franchisees and relay ideas and information to all franchisees
- Improve communication between the City Licensee and its franchisees
- Promote teamwork and understanding between City Licensee and its franchisees in the importance of our customer service delivery
- Assist City Licensee in correlating franchise owner suggestions, reviewing recommendations on system operations and services
- Promote franchisee involvement in understanding the marketing and sales efforts designed to grow our business

## The SuperShuttle TIMES Newsletter

The SuperShuttle corporate office produces *The SuperShuttle TIMES* newsletter twice annually. This publication is the company's newsletter and has valuable information that is important to all franchise owners. Among items included in *The TIMES* are such matters as: system wide updates, new partnership programs, vehicle insurance updates, sales, marketing promotions, and other information necessary in running your business. Other items it may contain include such things as: safety tips, driving techniques, vehicle maintenance tips, regulatory updates, and general help tips and information.

## **GM City Progress Report**

At the end of every month, the General Manager will issue a short news bulletin on performance for that specific month. It will address such topics as passenger counts, on-time performance, customer complaints, and market conditions. Additionally, it will also provide information and outline details for you of: items to look forward to in the next couple of months like upcoming conventions and events; sales efforts; upcoming hotel business; information on new technology on the horizon. Please feel free to make suggestions should you have any on items that will benefit the entire fleet.

## **City Visitations**

Periodically throughout the term of your franchise agreement, a member of the corporate office will come to your city to speak individually and privately with each franchisee. This is your meeting and is not mandatory. You will receive a letter approximately 3 weeks prior to the visit with a phone number to call to set an appointment should you wish to do so. Each meeting will be approximately 30 minutes in length and any and all issues can be discussed.

At the conclusion of the meetings, the corporate representative will meet with local management and develop an action plan based on the comments and suggestions made by the unit franchise owners. They will then follow up to make sure the action plan is being completed.

## SuperShuttle Van No. \_\_\_\_\_ FRANCHISEE ACTION FORM **DEPARTMENT / ACTION** FRANCHISEE INFORMATION: ADDRESS CHANGE ADDRESS: STATUS CHANGE OF AM / PM WEEKLY FEES TELEPHONE ( ) \_\_\_\_\_ ALTERNATE PHONE NO. ( ) \_\_\_\_ ACCOUNTING DISPATCH CASHIERING FAC STATUS CHANGE EFFECTIVE DATE OF CHANGE \_\_\_\_\_\_ REASON\_\_\_\_\_ FROM TO INQUIRY / COMMENTS / CAUSE OF ACTION \_\_\_\_\_\_ FRANCHISEE SIGNATURE DATE \_\_\_\_\_ CITY LICENSEE DEPARTMENT HEAD SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_ ACTION TAKEN: \_\_\_\_\_ PREPARED BY \_\_\_\_\_\_ DATE \_\_\_\_\_ DATE \_\_\_\_\_

## **Quality Assurance**

From the beginning, SuperShuttle was established with a tradition of exceptional guest service. The strategy was simple: To be the premier airport transportation company, nationwide, by taking care of the guest better than anyone else.

he foundation of SuperShuttle's growth has been in its ability to consistently provide excellent guest service. SuperShuttle has promised to take care of its guests better than anyone else. For the growth of the SuperShuttle System to continue, the quality of guest service cannot be compromised.

To meet and exceed our guest's expectations for the service they receive, we must know what those expectations are and have a way to monitor the service level provided. Quality Assurance programs are one way of gaining this information.

In addition to the following Quality Assurance programs which have been designed to monitor the on-going quality of guest service provided to our guests, a major function of Quality Assurance is to solicit feedback from our guests so that we may improve upon the service provided to them.

#### **Measurement Standards**

We recognize that our first responsibility is to our guests, who are the sole support of each and every one of us SuperShuttle has developed a Quality Assurance department that will monitor the overall System for compliance with its guest service standards. The measurement standards under which a Licensee's operation will be evaluated will include, but will not be limited to, such areas as:

- Random phone surveys of guest service utilizing the reservation database
- Guest surveys and Guest Comment Cards
- Guest complaint calls and letters
- A Mystery Rider/Quality Observer program

- SuperShuttle Franchise Corporation inspections
- Individual territory analyses compared to the System as a whole

## Guest Service and Complaint Resolution

Guest satisfaction in all areas of our service is of paramount importance to the SuperShuttle System. The public sees our System as being a single business entity, not as a number of separate businesses doing business under the same name. In a System such as ours, guest complaints don't just affect one driver or one territory; rather they can affect the System as a whole with such negative consequences as lost future guests and business, perceived poor service in all areas, regulatory agency investigations, etc.

It is therefore extremely important for each and every one of us to realize that for each complaint that is registered, a dissatisfied guest has taken the time to call or write and has given us the opportunity to rectify a situation and to retain their patronage in the future.

However, not all dissatisfied guests call, instead they simply don't use our services again while at the same time telling their friends, family and acquaintances of their bad experience. We not only lose the dissatisfied guest, but we also lose the guests he/she tells of his/her SuperShuttle experience. It has been said that one dissatisfied customer results in potentially many more future customers being lost as a result of "a snowball effect". The one dissatisfied customers tells ten of his/her friends about the poor service they received, and each of those friends tells a number of their friends about what "lousy" service a company provides. You have probably experienced such a snowball effect yourself, so you can see where this of dissatisfaction on one person's part can lead.

For these reasons, and numerous others, SuperShuttle is committed to ensuring that our guests receive quality service by each SuperShuttle representative in the entire system, and that any complaints brought to our attention are attended to immediately. It is SuperShuttle's policy to respond to all complaints within 24 hours. The same policy is required for complaints received directly by the City Licensee's and franchisees.

To provide
100% guest
satisfaction
with every
SuperShuttle
experience.

## The Mystery Rider Program

You never know who might be on your vehicle. It could be the president or a vice president of City Licensee's parent company, or it could be a friend or family member of a SuperShuttle manager. It could also be a Mystery Rider. When utilized, Mystery Riders will ride as normal guests evaluating all aspects of a City Licensee and franchisees' adherence to the operational procedures of the System. Each Mystery Rider will be asked to pay particular attention to the appearances of the vehicle and the driver, and to the guest service skills exhibited by the City Licensee or its Franchisees and their employees.

The thing to remember is that all anyone is a potential rider in your vehicle and each of these people will come away with an impression of the service you provided – both good and/or the bad. This information will be shared and your adherence to the SuperShuttle Standards will be measured.

## SuperShuttle's Right to Inspect

In addition to the bi-monthly inspections of your vehicle, City Licensee's parent, with twelve (12) hours either written or verbal notice, has the right at all times to visit a City Licensee operation center for the purpose of:

- Inspecting vehicles, specialized equipment, dispatch radios, or any other equipment used in the operation of the transportation system;
- Inspecting the nature and quality of services rendered;
- Observing how services and/or maintenance are rendered;
- Observing the manner and method of operating the business.
- Inspecting unit franchise files and records.

Aside from the above, without notice or announcement, SuperShuttle may at any time visit airports and other trip generators in the your territory to ascertain levels of service and general compliance with the City Licensee's License Agreement and Unit Franchise Agreements.

## **Training Programs**

Training is a top priority. An on-going commitment to state-of-the-art training is a fundamental part of SuperShuttle's success.

To ensure the quality and consistency of the System, SuperShuttle has developed a comprehensive Training Program. While this program is provided as part of the Franchisee Agreement to you at the on-set of your operation as a SuperShuttle Licensee, the training program can be repeated at a nominal charge during the term of your Unit Franchise Agreement. Contact the City Licensee for the cost involved, if any, the times the program is to be offered, and the location of the training program.



The Training Program includes classroom courses, videotapes, programmed materials and hands-on training. Topics covered in the Training Programs may include, but are not limited to:

- SuperShuttle's history and our experience in rideshare
- The rideshare industry
- How to build your SuperShuttle business
- How we serve you Orientation, Marketing, Training
- Purchasing or leasing of appropriate, approved transportation vehicles
- Insurance requirements
- Operator qualifications, training, equipment (i.e., uniforms, map book, tariff copy, accurate time piece, etc.)
- Guest Complaints / Quality Assurance
- General bookkeeping Trip Sheets and Record retention requirements
- Accident procedures
- Payment and reporting procedures to City Licensee
- Radio and dispatch equipment
- New and recurrent training
- Customer Service
- Defensive Driving Class ("DDC")
- Accessible service (ADA) training
- Smith System Defense driving class

## Marketing

I sfective marketing that enhances the goodwill and public image of a company is one of the cornerstones of every successful company. Recognizing the significance of a well thought out and concise marketing program is of enhancement and development of the Super-Shuttle marketing program is of paramount importance to Super-Shuttle.

he SuperShuttle Marketing and Sales Plan promotes the company as a professional extension to airline travel. The plan is designed to convince the travel industry and consumers to take an interest in the convenience of traveling to and from the airport by using shared ride. Corporate travel managers, meeting planners, association executives and travel agents are the focus of an informational campaign about SuperShuttle.

#### FOCUS

- Product
- Price
- Promotion

Marketing materials are produced that professionally describe the advantages of using SuperShuttle. Leads are generated on a national basis through word of mouth referrals, SuperShuttle's Internet site, direct selling, Yellow Page advertising, newspaper, travel and association magazines and articles, TV, and radio. While each of these medias has advertising impact, SuperShuttle's product is best described visually; therefore, SuperShuttle's focus is the development of collateral pieces, print ads, the SuperShuttle website, and various other publishing pieces that project the scope of the SuperShuttle system and specifically describe SuperShuttle's ability to handle large and small groups, meetings and conventions.

#### **Marketing Focus**

SuperShuttle's marketing approach focuses on three things:

**Product** SuperShuttle is a nationally recognized, high quality, high

value service providing efficient, cost-effective

transportation.

**Price** SuperShuttle is value priced reflecting shared ride economies

and quality service.

**Promotion** SuperShuttle is a unique concept. It offers the convenience of chauffeured transportation with the economics of shared ride.

SuperShuttle's Marketing and Sales Plan is aggressive and ambitious. SuperShuttle's residential market includes both personal and business travel. All non-hotel business is considered residential business. From the appearance of its vehicles, to its uniformed drivers and Guest Service Representatives, to media and print advertising, SuperShuttle constantly strives to project a consistent and professional image.

On a national level, the utilization of the SuperShuttle logo on such items as: uniforms (i.e., shirts, jackets, sweaters, hats, name tags); vehicles; and brochure distribution directly benefit each SuperShuttle city and its franchisees.

City Licensees participate in the SuperShuttle System marketing program. City Licensees with the assistance of SuperShuttle create and implement local advertising for the market place. Local marketing projects include such advertising as White and Yellow Page advertising, Val-Pak mailings to residential customers, Convention and Visitors Bureau publications, local radio and newspaper advertising. City Licensees also actively support and join such organizations as the local Chamber of Commerce, the Business and Convention Bureaus.

Not only does City Licensee participate in local civic activities such as its participation with the Chamber of Commerce, and other organizations to promote additional growth and opportunities for the community, your SuperShuttle city is represented by SuperShuttle on a national level. As part of SuperShuttle's overall nationwide marketing strategy and in support of each of its SuperShuttle cities, SuperShuttle attends a number of national tradeshows These tradeshows generate tremendous interest among travel professionals in the SuperShuttle system as a national provider of ground Tradeshows such as POW WOW, the National Business transportation. Traveler's Association ("NBTA"), National Travel Exchange Tradeshows, Hospitality Sales & Marketing Association International ("HSMAI"), Meeting Professionals International ("MPI"), and the American Society of Travel Agents ("ASTA") are just some of the tradeshows SuperShuttle attends and exhibits its product. These shows are geared towards meeting planners, corporate travel managers, travel agents, and convention planners. In addition to the tradeshows listed previously, SuperShuttle also actively interacts with airport agencies and personnel through one-on-one meeting and attendance at such conferences as the American Association of Airport Executives ("AAAE") and the Airports Council International ("ACI"). Participation and

attendance at these events result in contracts with wholesale tour groups, convention bureaus, meeting planners, and association groups for SuperShuttle cities nationwide as the preferred provider of ground transportation for their customers and members.

From time to time, the City Licensee has the opportunity and/or obligation to participate in promotional campaigns that SuperShuttle has implemented on a national or regional basis. Such promotional campaigns van back and/or topsign advertising, and in some cases, whole van decal advertising which may involve applying an advertising wrap to a franchisee's vehicle.

The City Licensee has the sole and exclusive right to place advertising on the exterior and interior of a franchisee's vehicle. Franchisees may not advertise services or products or display or affix signs or decals to the exterior or interior of their vehicles other than those approved or required by the City Licensee.

If requested by the City Licensee, it is understood and agreed to that the Franchisee will make his/her vehicle available to participate in the promotional campaigns. Every attempt will be made by the City Licensee to have the Franchisee's vehicle prepared in an expeditious manner and at a time that is mutually convenient to the decal installer and the Franchisee.

#### NOTES

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## **The Unit Franchise Agreement**

Franchising is a symbiotic relationship between a franchisor and its franchisees involving mutual interdependence and reliance. The City Vicensee and its franchisees are bound together by their common goals and mutual interests.

very business has at its core a set of procedures, standards and rules to which everyone associated with the operation of the business is expected to adhere to. The SuperShuttle System procedures and standards established in the Unit Franchise Agreement and this Manual are the backbone of its franchise business. When you became a franchisee, you agreed to abide by the SuperShuttle service standards and procedures. When the standards are not upheld, the SuperShuttle System is adversely affected.

## Default of the Unit Franchise Agreement

Your Unit Franchise Agreement provides that defaults by you of your obligations can result in termination of the Agreement and your right to operate as a SuperShuttle franchisee. Some defaults can result in immediate termination. You should refer to your Unit Franchise Agreement for more details.

Your failure to comply with the service standards and operating requirements set forth in this Manual and the Unit Franchise Agreement can also result in the termination of your right to operate as a SuperShuttle franchisee. In some cases, the City Licensee may establish procedures short of termination for these types of violations. However, repeated violations are likely to result in termination.

## **Non-Performance of Service Standards**

#### **Operating Requirement Failures**

One of your obligations under the Unit Franchise Agreement is to provide City Licensee with a schedule of availability. Another is to accept trips assigned to you while logged into the Dispatch System. If you or your backup/relief driver choose

to alter your availability and to refuse a trip, there is a cost to the City Licensee. The City Licensee has to find an alternate means of providing transportation to the guest(s) you are refusing to service (e.g. subcontracting the work out to a taxi, etc.).

Therefore, the City Licensee may impose the following consequences on you:

- If you or your driver refuse a dispatched trip without having given the appropriate, advance 2-hour notice that your vehicle will be out of service (and, therefore out of the Dispatch System), a \$50.00 per occurrence handling charge will be assessed to your account. This handling charge will apply to dispatch trips in the field and to sector assignments in the Airport.
- If you or your driver do not log into the Dispatch System within 30 minutes
  of your scheduled availability, a \$50.00 per occurrence handling charge will
  be assessed your account.

#### **Service Standard Defaults**

Following is a nonexhaustive list of service standard defaults that are likely to result in a Notice of Default from the City Licensee and a suspension of dispatch services until the default is cured:

- Failure to wear proper uniform
- Failure to keep vehicle in proper operating condition or failure to keep your vehicle's interior equipment (e.g., seatbelts, lights, heater, air conditioning, door handles, etc.) in proper working condition.
- Unauthorized personal items in your vehicle (e.g., personal photographs, television, boom box, hanging objects such as religious objects, tassels, or baby shoes, etc.)
- Refusing to leave airport when dispatched

Following is a nonexhaustive list of service standard defaults that are likely to result in your receiving a Notice of Default:

- Soliciting in the Airport
- Unauthorized loading of guests at the Airport
- Unauthorized off-loading passengers once boarded
- Complaints from customers, airport personnel, guest service coordinators (including without limitation, complaints that you or your driver were eating when driving, playing radio excessively loud, using a cell phone for personal conversation with guests on board, smoking in the van, litter in the van, reckless driving, etc.)
- Overcharging customers, failure to honor City Licensee's tariff or failure to accept approved payment types from customers (e.g. credit card, direct bill, voucher)

# **Termination of the Unit Franchise Agreement**

There are occasions, for whatever reason, that a Franchisee may wish to end his or her relationship as a Franchisee, or that a Unit Franchise Agreement is expiring or heing terminated.

he following information provides you with the information and with the criteria used by the City Licensee in processing the expiration or termination of a Unit Franchise Agreement.

## **Transfer or Assignment of the Franchise Agreement**

As detailed in <u>Article 7. Transfers and Assignments</u> of your Franchise Agreement, any proposed sale of your Franchise Agreement, or a fifty percent change in ownership in your partnership or corporation, requires approval by City Licensee of the new principals.

Upon your notifying City Licensee of a proposed change in ownership of your SuperShuttle business, or of your intent to sell or assign your franchise to another party, you are required to provide SuperShuttle a first right of refusal to purchase the franchise. If SuperShuttle elects not to purchase the franchise, you should request a Transfer Package from the Franchising Department. The Transfer Package will include information and instructions for the transfer of the Franchise Agreement to take place.

SuperShuttle reserves the right in its sole discretion to approve or deny the transfer if the prospective buyer does not meet the standards established for SuperShuttle franchisees (i.e. character, financial and operational ability, experience, aptitude and attitude, no involvement in a prohibited competitive business and satisfactory completion of the training program).

## **Termination of Agreement**

In the event that the Franchise Agreement, for whatever reason, is being terminated the following de-identification procedures must be adhered to. You are required, at your own expense, to:

- ⇒ Immediately discontinue the use of any and all SuperShuttle trademarks and logos
- ⇒ Immediately file for and cancel all assumed or fictitious business names, business licenses, operating permits and registrations that show a d.b.a. using the SuperShuttle name. Immediately provide evidence of cancellations to City Licensee
- ⇒ Immediately cease and refrain from all future reference to your business as a current or former SuperShuttle franchisee
- ⇒ Return all proprietary material to City Licensee (i.e., manuals, disclosure documents, sales and marketing materials, business cards, promotional materials, etc.)
- ⇒ De-identify all vehicles by providing your vehicle to City Licensee for the removal of all specialized equipment and SuperShuttle decals
- ⇒ Permanently repainting your vehicle to a color other than SuperShuttle blue
- ⇒ Pay any and all moneys due to City Licensee
- ⇒ Provide satisfactory evidence of compliance with all de-identification criteria within 30 days



## **Appearance Standards**

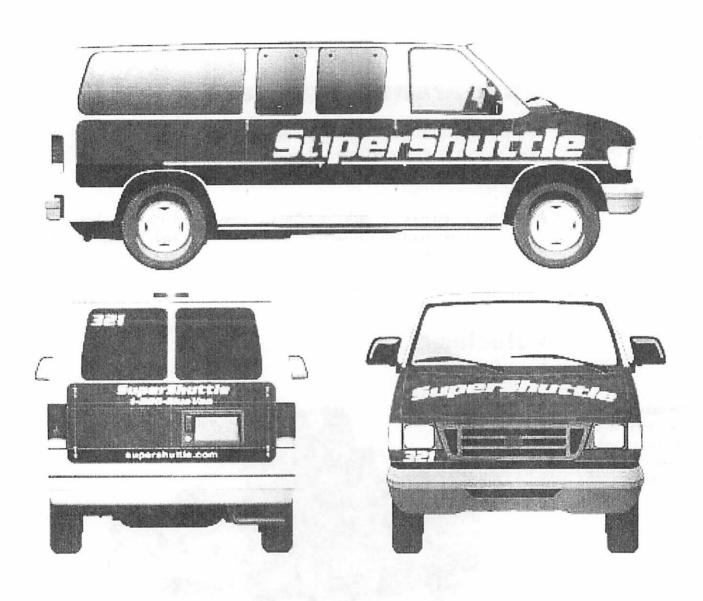
SuperShuttle believes that nothing is more important for the success of the SuperShuttle franchise system than having all of the people in it supporting it and working to achieve its success.

he appearance of each SuperShuttle vehicle and driver reflects the professionalism of our service. The better a van and driver looks, the better your service appears when compared to your competition. All franchisees and alternate drivers will adhere to the following approved Appearance Standards of SuperShuttle:

#### **Vehicles**

We take pride in the condition of our equipment and in our personal appearance





## **Driver Appearance Standards**







#### NOTES

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# **Amendments and Franchise Bulletins**

Periodically SuperShuttle may issues amendments and/or bulletins that announce a modification to something contained in this Manual, or an addition to the information contained in this Manual. Such amendments and bulletins become part of this Manual. Please insert any amendments or bulletins within the covers of this Manual for your future reference.

#### NOTES

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