

TSJ Standard Operating Procedures

EXHIBIT B



Providing Exceptionally Managed On-demand Taxi and Door-to-Door Shuttle Service
From Mineta San Jose International Airport Since 2005

TAXI DRIVER POLICIES & PROCEDURES

Asking customer's destination (Rule #1)

A driver may ask the customer's destination only after he has accepted the fare. The driver cannot decline the customer based on his or her destination. To do so is considered 'refusal of fare'.

Cell phone use

It is a violation of California State Motor Vehicle code to operate a vehicle while talking on a cell phone without a hands free device.

Drivers are obligated to provide courteous customer service which includes greeting customers and assisting with luggage. If a driver is talking on a cell phone it is assumed they will not be able to provide the greeting and luggage assistance. The customer will be assigned to the next available taxi in line.

Confrontations

Drivers have the right to question any policy, procedure or rule enforcement as long as it is done in a courteous manner. All disagreements that cannot be resolved in a civil manner should be escalated to the Supervisor or Operations Manager on duty. Any driver or TSJ employee using profanity, verbal abuse, and racial slurs or making threats of any kind will be subject to discipline or regulatory action. Disagreements and conflicts should not be handled curbside; they will be dealt with in staging. Calm courteous behavior is required at all times when curbside.

Credit cards

Drivers are required to accept all major credit cards for payment and they cannot apply a surcharge or establish a minimum charge.

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Customer's choice

Customers have the right to choose or decline any vehicle, company or driver without reason. Drivers are expected to accept the customer's decision and not question the customer's choice.

Customer not ready

When the first customer in line is not ready to leave *and has not yet been assigned to a cab*, the customer will be asked to step aside while the next customer in line is loaded. If the customer has been assigned to a taxi, the driver will have the option to wait for that customer or take the next available customer *unless* the driver has already asked the customer's destination.

Customer Refusal

If a customer refuses a driver because of unacceptable customer service, the incident will be investigated and the driver may be subject to regulatory action on the driver's permit. A full report will be done by the on duty Supervisor and submitted to the TSJ Manager for review.

Drivers near Starters

Drivers are not allowed near the Starter other than to ask a question or request information. Drivers are only allowed inside the booth with consent of the Starter.

Following directions

Drivers are required to follow the directions of TSJ staff. Drivers that do not follow directions may be subject to regulatory action on the driver's permit. All such incidents will be documented by the Supervisor.

Hotel Vouchers

The customer should be informed that the normal procedure is for the customer to pay the driver and the driver will issue a receipt which the customer can exchange for reimbursement at the hotel. If the customer is either unwilling or unable to pay the driver, the Starter will offer to ask if a driver would be willing to accept the voucher and turn it in for reimbursement to the hotel. The customer will be informed that the driver is not obligated to accept the hotel voucher. If the driver refuses, it is not considered 'refusal of fare' because the voucher is a contract between the hotel and the customer.

Infant/Child seats

Drivers cannot legally transport a small child or infant without an appropriate child/infant seat.

Interaction with Starters and/other drivers

- Drivers are not permitted to congregate in the taxi lane or near the Starter.
- All non-fare related conversations must occur when customers are not present.
- The Supervisor will be called to address any issue concerning two or more drivers.
- Profanity, verbal abuse, racial slurs or threats of any kind will not be tolerated. Drivers or staff engaging in any of these activities may be subject to regulatory action on the driver's permit.
- Physical contact involving drivers and/or TSJ employees with the intent to do physical harm will result in automatic suspension to the fullest extent permitted by law. In the case of a TSJ

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employee, such conduct may result in termination, and, in the case of a driver, TSJ will initiate proceedings to suspend or revoke any permit held by the driver.

- Drivers are not allowed in the office or Starter booths without TSJ consent
- Drivers are not allowed to use or access TSJ equipment without consent.

Luggage capacity/loading

Drivers may not use the customer's destination to determine the luggage capacity of the vehicle. If a driver asks a customer's destination then the commitment has been made to accept the fare. The driver cannot claim 'too much luggage' to decline the fare after the destination has been revealed. Failure to accept the fare after the driver has asked the passenger's destination will constitute 'refusal of fare'.

Passenger capacity

All cabs are required to have capacity to transport a minimum of four passengers.

Passenger Loading Areas

- The taxi lane is the area from the front of the #1 cab extending to the designated end of the passenger loading area.
- The loading area is the area from the front of the #1 cab extending to the back of the #5 cab.
- Positioning of cabs - the Starter will ensure that all cabs are moved forward to eliminate any gaps before replenishing cabs in the taxi lane.
- Drivers parked in the loading area must remain with their vehicle at all times. Drivers on a cell phone will not be assigned a fare until they are ready to receive passengers.
- Drivers parked in position 6 through 10 may use the protected seating area adjacent to the taxi lane but must be in sight of their vehicle and ready to move as required and may not congregate with the first five drivers.

Physical Abuse

Physical contact involving drivers and/or TSJ employees with the intent to do physical harm will result in automatic suspension to the fullest extent permitted by law. In the case of a TSJ employee, such conduct may result in termination, and, in the case of a driver, TSJ will initiate proceedings to suspend or revoke any permit held by the driver.

Pre-Arranged pickups

Drivers picking up pre-arranged passengers must park in the designated parking spaces and cannot be in line for On-Demand service. An On-Demand driver wishing to pick up a pre-arranged passenger must first move to the pre-arranged lane and gain approval from the Starter indicating the status to "No Fare" before picking up the customer. Drivers may not pick up pre-arranged passengers while in the On-Demand line.

Pre-Staging Backup

If a driver is rejected at the gate or has a pass back violation, the driver is to pull over until the matter is resolved. Drivers blocking the roadway may be cited and subject to regulatory action on the driver's permit.

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Recommending Alternative Transportation

Drivers may not offer or recommend alternative transportation. If a customer refuses to pay the minimum fare, the driver will inform the Starter and request that a new fare be assigned.

Refueling on way to terminal

Drivers stopping to refuel on their way to a terminal will not retain their position in line. Their position in line will be determined by the order they arrive. It is highly recommended that all drivers refuel before entering staging.

Shuttle recommendations and pricing

Taxi drivers may not discuss shuttle pricing with customers or make recommendations regarding shuttles.

Smoking

Smoking is prohibited excepted in designated areas at the Airport.

Solicitation of fares/talking to customers in line

All trips must be discussed with the Starter prior to departing. Drivers will not approach, talk to, signal or communicate in any way with customers unless requested by the Starter. Any driver speaking to a customer, who was not authorized by the Starter, or approached directly by the customer, may be subject to regulatory action on the driver's permit.

Transferring cabs from Terminal A to Terminal B - fare waiting at Terminal B

- If there is no customer *currently* in line at Terminal A, then the first cab(s) in line are transferred to Terminal B
- If customers are in line at Terminal A, then the last cab(s) in line will be sent to Terminal B
- If both terminals are busy, the cabs will be split equally between terminals.

Transferring cabs - flight arriving at Terminal B – no fares waiting

Five minutes before a flight is scheduled to land at Terminal B, the starter at Terminal B is required to maintain a *minimum* of two cabs, if not more. The first five taxis at Terminal A will be given the option to transfer to Terminal B. If they decline to go, the remainder of taxis in line at Terminal A will be required to go.

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Shuttle driver policies & procedures

Additional charges

Drivers are required to provide written documentation outlining their company's PUC policy to support any claims for additional charges they wish to apply.

Cell phone use

It is a violation of California State Motor Vehicle code to operate a vehicle while talking on a cell phone without a hands free device.

Drivers are committed by agreement with Taxi San Jose to provide courteous customer service which includes greeting the customer and assisting with luggage. If the driver is talking on a cell phone, s/he is not able to do this and the customer will be assigned to the next available taxi in line.

Confrontations

Drivers have the right to question any policy, procedure or rule enforcement as long as it is done so in a civil manner. All disagreements that cannot be resolved in a civil manner should be escalated to the supervisor or manager on duty. Any driver or TSJ employee using profanity, verbal abuse, and racial slurs or making threats of any kind will be subject to disciplinary or regulatory action. Disagreements and conflicts will not be handled curbside; they will be dealt with in staging. Calm civil behavior is required at all times when curbside.

Credit cards

Drivers are required to accept all major credit cards for payment and they can not apply a surcharge or establish a minimum charge.

Customer's choice

Customers have the right to choose or decline any vehicle, company or driver without reason. Drivers are expected to accept the customer's decision and not question the customer's choice.

Customer destination

Shuttle drivers are permitted to take multiple fares to multiple destinations as long as all customers are going in the same general direction. If the customers are going in different directions, the shuttle driver is obligated to take the first customer that was accepted and to pass the second customer to the next shuttle in line.

Customer Refusal

If a customer refuses a driver because of unacceptable customer service the driver may be subject to regulatory action on the driver's permit. A full report and investigation will be done by the on duty Supervisor and submitted to the TSJ Manager for review.

Customer wait time

Shuttle drivers may wait up to a maximum of 10 minutes after the driver has accepted the fare before departing. Any disagreements regarding wait times among shuttle drivers will be decided by the Starter.

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Drivers near Starters

Drivers are not allowed near the Starter other than to ask a question or request information. Drivers are only allowed inside the booth with consent of the Starter.

Following directions

Drivers are required to follow the directions of TSJ staff. Drivers that do not follow directions may be subject to regulatory action on the driver's permit. All such incidents will be documented by the Supervisor.

Infant/Child seats

Drivers cannot legally transport a small child or infant without an appropriate child/infant seat.

Interaction with Starters and/other drivers

- Drivers are not permitted to congregate in the taxi lane or near the Starter.
- All non-fare related conversations must occur when customers are not present.
- The supervisor will be called to address any issue concerning two or more drivers.
- Profanity, verbal abuse, racial slurs or threats of any kind will not be tolerated. Drivers or staff engaging in any of these activities may be subject to regulatory action on the driver's permit.
- Physical contact involving drivers and/or TSJ employees with the intent to do physical harm will result in automatic suspension to the fullest extent permitted by law. In the case of a TSJ employee, such conduct may result in termination, and, in the case of a driver, TSJ will initiate proceedings to suspend or revoke any permit held by the driver.
- Drivers are not allowed in the office or Starter booths without TSJ consent
- Drivers are not allowed to use or access TSJ equipment without consent.

Loading luggage

By agreement with Taxi San Jose, drivers are responsible for loading the customer's luggage. They may ask for assistance, but cannot expect the customer or the starter to load luggage.

Luggage capacity

Drivers may not use the customer's destination to determine the luggage capacity of a vehicle. If a driver asks a customer's destination, the commitment has been made to accept the fare. Failure to accept after the driver has asked the destination, even if the luggage won't fit, will constitute "refusal of fare." The only exception is when at least one customer is already loaded and the destination of the additional fares is required before the driver can accept them since they must be going in the same direction.

Negotiation of Fares

All shuttles companies must have their current and complete PUC pricing list on file with TSJ and this fare list must be posted in the vehicle in an area visible to customers.

Shuttle drivers are not allowed to negotiate fares. The Starter will offer the customer an estimate based on the shuttle pricing list provided. The actual fare is to be determined by the shuttle

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driver and that rate agreed upon before the customer enters the van. Once quoted, the price may not be changed. If the driver lowers the price in an attempt to gain a fare it is considered a negotiation that is not permitted under Airport policy.

Physical Abuse

Physical contact involving drivers and/or TSJ employees with the intent to do physical harm will result in automatic suspension to the fullest extent permitted by law. In the case of a TSJ employee, such conduct may result in termination, and, in the case of a driver, TSJ will initiate proceedings to suspend or revoke any permit held by the driver.

Pre-Arranged pickups

Drivers picking up pre-arranged passengers must park in the designated parking spaces and cannot be in line for On-Demand service. An On-Demand driver wishing to pick up a pre-arranged passenger must first move to the pre-arranged lane and gain approval from the Starter and indicate status is "No Fare" before picking up the customer. Drivers picking up pre-arranged passengers while in the On-Demand line will be subject to regulatory action on the driver's permit.

Smoking

Smoking is prohibited excepted in designated areas at the Airport

Solicitation of fares/talking to customers in line

All trips must be discussed with the Starter prior to departing. Drivers will not approach, talk to, signal or communicate in any way with customers unless requested by the Starter. Any driver speaking to a customer, who was not authorized by the Starter, or approached directly by the customer, will be subject to regulatory action on the driver's permit. Should the records show the driver is a repeat offender the driver will be subject to regulatory action on the driver's permit, including but not limited to suspension or revocation of the permit.

Taxi recommendations and pricing

Shuttle drivers may not discuss taxi pricing with customers or make recommendations regarding taxis.

Unattended vehicles

Drivers in staging may leave their vehicle unattended providing they leave a key so that the vehicle may be moved, if needed. Any driver that is not willing to allow another person to move their vehicle within staging will be subject to regulatory action on the driver's permit if the vehicle is unattended and needs to be moved. Drivers may not leave the staging area while their car is in line.

Drivers that are passed over in staging because they were not available when called, will not retain their original position when they return.

Drivers at either terminal are expected to remain at the terminal they are assigned. Anyone leaving the terminal is subject to regulatory action on the driver's permit. If an emergency

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requires the driver to leave the terminal, the Starter must be notified that the vehicle left without a fare.

Permit transfers (vacations)

Permit transfer policy

A personal permit holder is allowed up to 90 vacation days per fiscal year, which is September 1 through August 31. (Note: this policy applies to the transfer of a personal permit and does not affect the transferability of a company held permit.) At the end of the year, any unused days are forfeited and will not carry over to the next fiscal year.

The driver receiving a permit transfer must be affiliated with and in good standing with the same cab company as the driver issuing the transfer.

Both drivers must be on site at the time of transfer and be in possession of valid San Jose City permits (see transfer procedure below.)

The driver may transfer the permit up to two times per year, for a minimum of two weeks per assignment, up to a total of 90 days. Should a vacation period start in one fiscal year and end in the next, all vacation days are applied in the corresponding fiscal year.

Example 1:

Driver A transfers a permit to Driver B from July 4th to July 23th. Driver A has now used 20 days of the 90 days and has 70 days left. Driver A then transfers the permit to driver C from August 1 to August 20th. Driver A has now used a total of 40 days and has transferred the permit twice and cannot transfer the permit again until the beginning the new fiscal year.

Example B:

Driver A transfers a permit to driver B from August 30 until October 2nd. Driver A has used 2 days from the previous year and 32 days from the current year, and now has 58 days left for the current year.

Permit Transfer Procedure

TSJ must receive an email from the transferring company authorizing the transfer and an appointment needs to be made with a supervisor *a very minimum of 24 hours* in advance to set up a time and date to perform the transfer. The names, addresses and phone numbers of both drivers must be provided at this time. The supervisor will draft a Transfer Agreement.

At the time of the transfer, both drivers must be present with copies of their City of San José Taxi Permits. Both drivers must sign the Transfer Agreement, acknowledging that they understand that the permit owner is responsible for any incidents that may occur while the

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transferee is using permit and all regular disciplinary procedures apply. The supervisor will sign the Agreement, and the permit card will be surrendered to the transferring supervisor.

The driver receiving the transfer will be given a copy of the Transfer Agreement and instructed to keep the agreement/letter in the cab at all times when operating at the airport. The driver will not be allowed access at the airport without showing the Transfer Agreement/letter.

The permit card will be secured in an envelope and placed in the owner's file. The original Transfer Agreement will be held by TSJ. The supervisor will enter the end date of the Agreement in the calendar for follow up.

Regulatory Action

Purpose

TSJ is committed to making sure that when it is necessary to take regulatory action against a taxi or shuttle driver, the action is appropriate and fair. All violations will be accompanied by full documentation. Copies of all supporting documentation will be given to the driver and to Airport Operations.

The examples listed below are intended to be for illustration only and show the possible type of event(s) that would be typical for the level of corrective action described. However, TSJ and the Airport have discretion to recommend other corrective action based upon the particular facts. Refer to the driver permit for further description of violations.

Levels of Corrective Action

Minor: Minor violations do not require immediate action, the driver may proceed to the terminal to make the next pick up but must correct the violation before returning to the staging area. This level is not a suspension of a permit and no appeal is available for a minor infraction. Minor rule violations are easily fixable and are the type of things not noticeable to passengers.

Examples of this type of violation include, but are not limited to the following:

- Minor dress code violations (shirt without a collar)
- Exterior of cab is dirty
- Permit not being displayed properly

Mid-level: Mid-level violations must be corrected before providing services. This level is not a suspension of a permit, but TSJ is committed to a fair process. Therefore, the driver may appeal this determination to TSJ, and should the appeal be successful, the driver will be granted additional access days to make up for the lost time that has occurred.

Examples of this type of infraction include, but are not limited to the following:

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- Dress code violations (t-shirts, open-toed or tennis shoes, shorts, graphic printed shirts, camouflage pants, jeans of any color, athletic clothing)
- Missing hub cap
- Trash inside cab
- Offensive odors emanating from cab
- Lack of personal hygiene
- Crack in the windshield
- Broken mirror
- Bald tires
- Non-working head lights or tail lights
- Driver appears impaired
- Vacation transfer agreement that is expired
- A driver that has a permit issued by a cab company inconsistent with the cab that is being driven
- A cab is missing the AVI sticker or an AVI sticker that has been tampered with
- Heavy damage to the cab
- Notification received from the Cab Company that the driver is no longer insured with the affiliated company
- Driver does not have permits or they are expired
- No license plate

Serious: Serious violations are those which may result in a suspension of the permit TSJ will investigate and provide recommendations to Airport staff regarding the grounds for, and the duration of, any suspension. The right to appeal is governed by the San Jose Municipal Code Section 25.10.300 and following. TSJ personnel will assist Airport Operations in presenting evidence to support its recommendation including testifying at hearings if necessary.

TSJ may issue Airport Administrative Citations on behalf of the Airport and will provide background and investigation documents to the Airport. The right to appeal is governed by the San Jose Municipal Code Section 1.15 and following. TSJ personnel will assist Airport Operations in presenting evidence to support the Citation, including testifying at hearings if necessary.

Serious violations are those in the San Jose Municipal Code section 25.10.030 and include but is not limited to conduct such as::

- Driver does not follow the directions of TSJ Staff
- Driver arguing with passenger
- Driver attempts to negotiate a fare
- Driver refuses a credit card
- Driver grossly miss-quotes a fare
- Driver refuses to show permits when requested

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- Disrespectful behavior and/or language toward other drivers, TSJ Staff, SJC/Airport Staff
- Non-compliance with SJC curbside rules regarding smoking

Severe violations: Severe violations are those which may result in a suspension or revocation of the permit TSJ will investigate and provide recommendations to Airport staff regarding the grounds for, and the duration of, any suspension. The right to appeal is governed by the San Jose Municipal Code Section 25.10.300 and following. TSJ personnel will assist Airport Operations in presenting evidence to support its recommendation including testifying at hearings if necessary.

TSJ may issue Airport Administrative Citations on behalf of the Airport and will provide background and investigation documents to the Airport. The right to appeal is governed by the San Jose Municipal Code Section 1.15 and following. TSJ personnel will assist Airport Operations in presenting evidence to support the Citation, including testifying at hearings if necessary.

Severe violations are those in the San Jose Municipal Code section 25.10.030 and include but is not limited to conduct such as;

- Driver uses or gives his or her permission to use any portion of the airport or terminals used by the driver under this permit for any illegal purpose.
- Driver has committed the same violation of the rules and regulations three times or more during a six month period.
- Driver does not possess all current and valid permits and licenses issued by the city of San Jose, State of California or any other agency that has been deemed necessary to operate as an on-demand taxi cab contractor.
- Violent behavior directed at any person, passenger or staff
- Brandishing a weapon in Staging or at any time on SJC property
- Theft of TSJ, SJC or passenger property
- Willful and purposeful destruction of TSJ or SJC property

If a severe violation represents an immediate threat to the public health, safety and welfare, TSJ will immediately contact the San Jose Police Department for response. Additionally, TSJ may request the Airport Staff initiate proceedings to summarily suspend the driver's permit, and the driver will be removed from the premises.

Procedure for Appeal

Chapter 25.10 of Title 25 of the San José Municipal Code sets forth the rights of any person whose Airport permit has been suspended or revoked.

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When the TSJ Operations Manager determines the need to recommend to Airport Operations revocation or suspension of an access permit, written notice will be given to the driver of the intent to take action.

Liquidated Damages

Liquidated damages from the Airport to Taxi San Jose will be passed on to the permit hold if the permit holder is found to be responsible for the damages. An example might be if a driver holds up the line at the Staging Area preventing TSJ from dispatching taxis to the terminals in a timely way.

Conflict Resolution

Drivers are encouraged to communicate when/if there are concerns about the working conditions or with the treatment that they are receiving. Drivers are encouraged to discuss the concern directly with the individual involved. If the conflict cannot be resolved at this level, a discussion with the TSJ Operations Supervisor and/or Manager is the next step. If a resolution cannot be obtained at this level, a TSJ Board Officer should be contacted for review of the situation. Drivers should feel free to raise issues of concern, in good faith, without the fear of retaliation.

PERMIT CREATION & MANAGEMENT

Permit process

City will attempt to fill vacant permits as soon as possible. When a new driver receives a permit, TSJ will provide the driver a copy of the Airport Rules & Regulations and TSJ will provide training regarding policies and procedures.

ID Badges

TSJ Staff will issue ID badges to permit holders.

Reallocation of company-held permits

The Airport will notify Taxi San Jose of the annual allocation of the 105 company-held permits using the appropriate formula.

The Airport will notify the affiliated companies of the upcoming permit reallocation by the second week in March with redistribution being effective on April 1st.

Reallocation of personal permits

Allocation of permits is governed by San Jose Municipal Code Section 25.08.750, and following. **Replacement permits** – If an access permit is lost or stolen, the fee for the first replacement will be \$10.00. A second replacement will be \$15.00. The fee for a replacement proxy card will be \$20.00.

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BILLING

TSJ will assume responsibility for fee collection. This function will be overseen by the TSJ Accounting Manger. The current system of billing and collection will be maintained for the contract period. The following process will be followed:

- Two months security deposit will be required for each permit. The deposits will be collected by TSJ from the permit holder and paid to the City of San Jose to be held in a separate bank account designated for deposits only. TSJ can access the deposits by making a request to the City in the case of non-payment of the permit fee and/or to collect liquidated damages assessed to a permit holder. The initial deposits will be billed to the permit holder on 11/15/2012 and they will be due on 12/15/2012.
- An invoice for permit fees will be issued monthly to the permit holder 30 days in advance. (For example, January permits will be billed November 30th and they will be due December 31st) TSJ will inform Airport Administration to take action on any permit not paid by the due date.
- An invoice is considered past due on the 1st day of the month. As an example, January permits are due on December 31st and past due on January 1st. Permit holders who have not paid their fee by the 1st of the month will be assessed a late fee up to one percent (1%) per month of the amount that is late, calculated from the date that payment is deemed to be delinquent until the date payment is received, and the amount and late fee will be charged against the deposit. If the deposit is insufficient to cover the fees, interest shall accrue at the rate of one percent (1%) per month. Non-payment of fees when due will be grounds for regulatory action on the driver's permit.
- Permit fee payments may be made by check, PayPal, debit or credit card. Checks can be mailed to the TSJ PO Box 90548, San Jose, Ca. 95109 (postmarked by the due date) or placed in a Locked Box in the TSJ office at the staging area.
- The permit fees will be:
 - Taxi
 - Year 1: \$270.00
 - Year 2: \$270.00, plus any Adjustment to Compensation Rates as set forth in the agreement between CSJ and the City of San Jose
 - Shuttles:
 - Year 1: \$121.00
 - Year 2: \$121.00, plus any Adjustment to Compensation Rates as set forth in the agreement between CSJ and the City of San Jose