



TRANSPORTATION SERVICE AGREEMENT

THIS TRANSPORTATION SERVICE AGREEMENT (the "Agreement")

Dated this _____ day of _____, _____

BETWEEN

Client Name _____

Address _____

City, State, Zip _____
(the "Customer")

- AND -

Sand Dollar Transportation
P.O. BOX 6084, Miramar Beach, Florida, 32550
(the "Service Provider").

BACKGROUND:

The Customer is of the opinion that the Service Provider has the necessary qualifications, experience and abilities to provide services to the Customer. The Service Provider is agreeable to providing such services to the Customer on the terms and conditions set out in this Agreement.

IN CONSIDERATION OF the matters described above and of the mutual benefits and obligations set forth in this Agreement, the receipt and sufficiency of which consideration is hereby acknowledged, the Customer and the Service Provider (individually the "Party" and collectively the "Parties" to this Agreement) agree as follows:

Services Provided

1. The Customer hereby agrees to engage the Service Provider to provide the Customer with services (the "Services") consisting of:

Access to a transportation system, within Sandestin Resort, that is operated under a Licensing Agreement issued to the Service Provider by the Board of Directors of the Sandestin Owners Association.
Please see **Attachment A: Minimum Service Levels and Hours of Operation**.

2. The Services may also include other tasks. Such services will be based upon a separate agreement and mutually agreed upon fee for said service.

Term of Agreement

3. The term of this Agreement (the "Term") will begin on the date of this Agreement and will remain in full force and effect until February 28, 2019, subject to earlier termination as provided in this Agreement. The Term of this Agreement will automatically renew for additional one-year terms, unless canceled by either party in accordance with

the terms of this agreement. Except as otherwise provided in this Agreement, the obligations of the Service Provider will terminate upon the earlier of, the expiration of this agreement or the termination of this agreement by either party.

Early Termination

4. In the event that either Party wishes to terminate this Agreement, said Party will be required to provide 120 days' written notice. Should termination be at the request of the Customer, no refund of any monies paid for that year will be due. Should the termination request be at the request of the Service provider, a pro-rated refund of the unused fees will be refunded to the Customer within 30 days.

Termination by Default

5. If at any time during the term of this agreement, the Sandestin Owners Association provides a funding mechanism to pay the Service Provider for owner participation in the transportation system that is equally funded by all Class A owners, the Service provider and the Customer, by mutual agreement may terminate this Agreement without penalty.

Currency

6. Except as otherwise provided in this Agreement, all monetary amounts referred to in this Agreement are in USD (US Dollars).

Compensation

7. The cost per participating unit is a fixed amount of \$500 per year for each year of the Agreement, payable under the terms listed below. Pro-rated fees may apply to any unit who enrolls mid-year. The pro-rated fees for enrolling mid-year will be under terms listed below in Section 9.

Payment Due Dates

8. Payment per participating unit will be due as follows:

\$500.00 due no later than March 1, 2017

In subsequent years payment will be rendered in the same manner as 2017.

Pro-rated Fees

9. Pro-rated Fees for enrolling mid-year will be:

January 1 – August 31 the Annual Fee for that year will be \$500

September 1 – December 31 the Prorated Fee for that year will be \$250

Pro-rated fees will be due and payable in full upon execution of this agreement.

Signage

10. All vehicles will display the Sandestin Logo on the exterior of the vehicle during the term of this Agreement. The Service Provider must receive approval from the Sandestin Transportation Alliance for the style, size and design of the Sandestin Logo.

Advertising

11. The Service Provider and the Customer agree to a non-exclusive mutual link exchange on each respective website for purposes of cross-promotion and marketing.

Provision of Extras

12. The Customer will not provide any assistance or extras for use by the Service Provider in providing the Services.

Payment Penalties

13. In the event that the Customer does not comply with the rates, amounts, or payment dates provided in this Agreement, a late payment penalty will be charged as follows:

The payment for services is due in accordance with section 7 and section 8 of this Agreement. The customer will be assessed a late payment of 5% of the late amount if not paid by the due date. If Customer fails to make payment in full within 30 calendar days of the date due for any undisputed billing, the Service Provider may, after giving 3 calendar days' written notice to Customer, suspend Services under this Agreement until paid in full, including late fees.

Participation

14. The Customer will complete **Attachment B: Participating Units**, to this Agreement and submit to the Service Provider. Attachment B provides a list of the physical addresses of the participating units. Payment will be due for each and every participating unit on the list. This list must be resubmitted annually to the Service provider, no later than February 1st of each year. Payment due will be based upon the number of participating units on Attachment B.

Credentials

15. Credentials will be issued by the Service Provider to the Customer for each participating unit. The credential system will be designed for ease of use and administration in a mutually agreeable form and fashion by the Service Provider and the representatives of the Sandestin Transportation Alliance. The Service Provider will incur the cost of production and distribution of said credentials.
16. The credibility of the transportation program is dependent upon participation of paid agencies. If at any time it becomes apparent that non-contracted agencies have gained credentials the transportation services will be revoked until an executed contract between the agency and Sand Dollar Transportation exists.

Routes and Stops

17. Attachment C shows the proposed routes and stops. This is to be considered by all Parties as the Minimum Service level. Exact location of stops will be coordinated with a representative of the Sandestin Owners Association to allow for maximum efficiency, easements and minimum disruption of traffic flows. Stops and routes will be evaluated from time to time for efficiency and use and may be changed or adjusted by mutual consent. Pending commitment and financial consideration from the owners of Grand Boulevard, the route may be expanded to service guests and patrons of Grand Boulevard.

Performance

18. The Parties agree to do everything necessary to ensure the terms of this Agreement take effect. Neither party shall be liable in damages or have the right to terminate this Agreement for any delay or default in performing hereunder if such delay or default is caused by conditions beyond its control including but not limited to acts of God, acts of terrorism, war, government regulation, strikes, civil disorder, curtailment of transportation facilities, or similar emergency.

Performance Penalties

19. If the Service Provider does not perform the Services within the time frame provided by this Agreement, a performance penalty will be charged as follows:

In the event the Service Provider does not perform in accordance with the targeted service delivery times, upon written notice from the Sandestin Transportation Alliance, the Service Provider will be given fourteen calendar days from the date the written notice is received in order to cure said deficiency. Should the deficiencies not be corrected, the Service Provider will be penalized \$3.00 per day per participating unit until all deficiencies are corrected. Payment will be due by the Service Provider to the Customer weekly, no later than Friday – 5:00pm local time, of each and every week that the deficiencies continue.

Confidentiality

20. Confidential information (the "Confidential Information") refers to any data or information relating to the business of the Customer which would reasonably be considered to be proprietary to the Customer including, but not limited to, accounting records, business processes, and client records and that is not generally known in the industry of the Customer and where the release of that Confidential Information could reasonably be expected to cause harm to the Customer.
21. The Service Provider agrees that they will not disclose, divulge, reveal, report or use, for any purpose, any Confidential Information which the Service Provider has obtained, except as authorized by the Customer.
22. All written and oral information and materials disclosed or provided by the Customer to the Service Provider under this Agreement is Confidential Information regardless of whether it was provided before or after the date of this Agreement or how it was provided to the Service Provider.

Ownership of Materials and Intellectual Property

23. All intellectual property and related materials (the "Intellectual Property") including any related work in progress that is developed or produced under this Agreement will be the property of the Service Provider. The Customer is granted a non-exclusive limited-use license of this Intellectual Property.
24. Title, copyright, intellectual property rights and distribution rights of the Intellectual Property remain exclusively with the Service Provider.

Capacity/Independent Contractor

25. In providing the Services under this Agreement it is expressly agreed that the Service Provider is acting as an independent contractor and not as an employee. The Service Provider and the Customer acknowledge that this Agreement does not create a partnership or joint venture between them, and is exclusively a contract for service.

Notices

26. All notices, requests, demands or other communications required or permitted by the terms of this Agreement will be given in writing and delivered to the Parties of this Agreement as follows:

Client Name

Attention:
Client Address:
City, State, Zip
Fax:
Email:
Website: [Http://www](http://www).
Office Phone:
Cell Phone:

Sand Dollar Transportation Attention: Michael Williamson

P.O. BOX 6084
Miramar Beach, Florida, 32550
Email: Michael@sanddollartransportation.com
Website: www.sanddollartransportation.com
Office Phone: 850-687-9650

Or to such other address as any Party may from time to time notify the other. Written notices may be delivered in person, by certified mail, by facsimile or by courier. All notices shall be effective upon the date of receipt by the party. Notices shall be delivered or sent to the designated representative of the other party at the address given on the last page of this Agreement. An address may only be changed with written notice.

Indemnification

27. The Service Provider to the fullest extent provided by the law, shall indemnify and hold harmless the Customer, its agents, servants, employers, officers, directors, subsidiaries and affiliates, for any claims, damages, losses, and costs, including, but not limited to, reasonable attorney's fees and litigation costs, arising out of claims by third parties for property damage or bodily injury, including death, to the proportionate extent caused by the negligence or willful misconduct of Service Provider, Service provider employees, affiliates, and subcontractors arising in any manner, directly or indirectly, out of, in connection with, in the course of, or incidental to any of Service Provider's work or operations under this Agreement. This indemnification will survive the termination of this Agreement.

Insurance

28. The Service Provider shall procure and maintain, until all of their obligations under this Agreement are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Service Provider, his agents, representatives, employees or subcontractors. The minimum required coverage for General Liability will be \$1,000,000 per occurrence and \$2,000,000 in the aggregate. In addition, minimum required coverage for Automobile Liability will be \$1,000,000 per accident. Proof of insurance will be provided upon request 30 days prior to the commencement of service.

Dispute Resolution

29. In the event a dispute arises out of or in connection with this Agreement, the Parties will attempt to resolve the dispute through friendly consultation.
30. If the dispute is not resolved within ten business days, either party may commence mediation by providing the other party a written request for mediation. The parties shall attempt to agree upon the appointment of a mediator. Should the parties fail to agree within ten business days on the appointment of a mediator, a mediator will be appointed by the American Arbitration Association under its Commercial Mediation Procedures. Either party may initiate arbitration with respect to the matters submitted to mediation by filing a written demand for binding arbitration at any time following the initial mediation session or at any time following 45 days from the date of filing the written request for mediation, whichever occurs first ("Earliest Initiation Date"). The mediation may continue after the commencement of arbitration if the parties so desire. Upon receipt of written notice by either party calling for arbitration with respect to any dispute arising out of or in relation to the terms of this Agreement, the matter shall be submitted to binding arbitration under the commercial rules of the American Arbitration Association in Walton County Florida, by a single arbitrator appointed by the American Arbitration Association. A decision of the arbitrator shall be final and binding on the parties and may be entered and enforced in any court of competent jurisdiction by either party. The prevailing party in any arbitration shall be awarded reasonable attorneys' fees.

Costs and Legal Expenses

31. In the event that legal action is brought to enforce or interpret any term of this Agreement, the prevailing Party will be entitled to recover, in addition to any other damages or award, all reasonable legal costs and fees associated with the action.
32. In the event the cost of fuel, either gasoline (89) or diesel, rises above \$4.00 per gallon, a fuel surcharge totaling 3% of the Customer's equivalent monthly fee will be charged for each 25 cent increment that fuel rises. The fuel surcharge will be billed monthly and payable upon receipt. Fuel pricing information will be obtained from AAA's Fuel Gage Report and based on the monthly average for the Pensacola, Florida Market.

Modification of Agreement

33. Any amendment or modification of this Agreement or additional obligation assumed by either Party in connection with this Agreement will only be binding if evidenced in writing signed by each Party or an authorized representative of each Party. Nothing in this Agreement shall be interpreted or construed to give any rights or benefits to anyone other than the Service Provider, and the Customer. Therefore, there are no third party beneficiaries of this Agreement.

Time of the Essence

34. Time is of the essence in this Agreement. No extension or variation of this Agreement will operate as a waiver of this provision.

Assignment

35. The Service Provider will not voluntarily or by operation of law assign or otherwise transfer its obligations under this Agreement without the prior written consent of the Customer.

Entire Agreement

36. It is agreed that there is no representation, warranty, collateral agreement or condition affecting this Agreement except as expressly provided in this Agreement. This Agreement, including its attachments and schedules, constitutes the entire Agreement, supersedes all prior written or oral understandings, and may only be changed by a written amendment executed by both parties. Attachments included are: Schedule A: Hours of Operation and Service.

Successors

37. This Agreement will take effect to the benefit of and be binding on the Parties and their respective heirs, executors, administrators, successors and permitted assigns.

Titles/Headings

38. Headings are inserted for the convenience of the Parties only and are not to be considered when interpreting this Agreement.

Gender

39. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.

Governing Law

40. It is the intention of the Parties to this Agreement that this Agreement and the performance under this Agreement, and all suits and special proceedings under this Agreement, be construed in accordance with and governed, to the exclusion of the law of any other forum, by the laws of the State of Florida, without regard to the jurisdiction in which any action or special proceeding may be instituted.

Severability

41. In the event that any of the provisions of this Agreement are held to be invalid or unenforceable in whole or in part, all other provisions will nevertheless continue to be valid and enforceable with the invalid or unenforceable parts severed from the remainder of this Agreement.

Waiver

42. The waiver by either Party of a breach, default, delay or omission of any of the provisions of this Agreement by the other Party will not be construed as a waiver of any subsequent breach of the same or other provisions.

IN WITNESS WHEREOF the Parties have duly affixed their signatures on this

_____ Day of _____, _____.

Sand Dollar Transportation (Service Provider)

Signature: _____ Position: _____

Printed Name: _____

Witness: _____

Printed Name: _____

Customer (Customer)

Signature: _____ Position: _____

Printed Name: _____

Witness: _____

Printed Name: _____

ATTACHMENT A

Minimum Service Levels and Hours of Operation

- A. The Service Provider will operate year-round service, 365 days a year.
- B. The Service Provider will operate the service on an established 2-route system servicing all districts of the Resort.
- C. The Service Provider will operate consistent and reliable service without variation in routes and pick-up points, unless agreed to by the Sandestin Transportation Alliance. It is understood that secondary level neighborhood stops will operate “on demand”. “On demand” is defined, as a vehicle will not be required to actually stop if there is no demand for embarkation or disembarkation on any particular run.
- D. The Service Provider will operate service level targets of every 40 minutes at each stop, but in season will be scheduled to provide a service level target of 30 minutes.
- E. Additional capacity may be scheduled in-season if needed to minimize overcrowding. The additional cost that may incur as a result of the addition of capacity to meet the Minimum Service Levels will be paid, in full, by SDI. Contingent upon agreement by the Sandestin Transportation Alliance, the Service Provider may be allowed to shift some duplicate operating hours from the off-season to improve efficiency.
- F. The Service Provider will provide equipment that will be in good working order, clean and commercially appropriate for its intended service.
- G. In-Season* (Spring Break/Easter, Memorial Weekend through Mid-August, Holiday Periods) Minimum Hours of Operation will be:
 - A. 8:30AM – 2:30AM; Friday and Saturday, Holidays and Peak Periods as needed
 - B. 8:30AM – 12:00 Midnight; Sunday – Thursday
- H. Exact Dates for In-Season service will vary year-to-year based upon scheduled Spring Breaks, Easter, back-to-school dates and high occupancy levels. Service Provider will set these dates annually, in cooperation with the Sandestin Transportation Alliance.
- I. Shoulder and Off-Seasons Minimum Hours of Operation will be:
 - A. 10:00AM – 10:00PM; Daily, subject to revision if additional in-season hours are required per Attachment A, Section E.

ATTACHMENT B

Participating Units

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Add additional numbers sheets as required

Attachement C

