



1.31

THOMAS V. LEE
DEPUTY CITY MANAGER
DOWNTOWN DEPARTMENT

CITY OF SACRAMENTO
CALIFORNIA

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June 21, 2000

City Council
Sacramento, CA

Honorable Members in Session



SUBJECT: Tickets.com Ticket Agency Services for Sacramento Convention Center.

LOCATION AND COUNCIL DISTRICT: Sacramento Convention Center
Council District One

RECOMMENDATION:

It is recommended that City Council, by resolution, authorize the City Manager to execute an exclusive agreement with Tickets.com (formerly Bay Area Seating Services, Inc., d.b.a.: BASS Tickets) for ticket agency services for the Sacramento Convention Center.

CONTACT PERSON: Michael W. Ross, Convention Center General Manager
264-5291

FOR COUNCIL MEETING OF: June 27, 2000

SUMMARY:

This report recommends that the City Manager be authorized to execute an exclusive five-year agreement with Tickets.com (formally Bay Area Seating Services, Inc., d.b.a.: BASS Tickets) for ticket agency services for the Sacramento Convention Center. The City currently has an agreement with BASS Tickets that expires on June 30, 2000. The proposed agreement continues a successful relationship, offers significant benefits to the City and is supported by local performing arts tenants of the Convention Center.

BACKGROUND:

Purpose

- The Sacramento Convention Center provides patrons with tickets for events held at the Center's Community Center Theater, Memorial Auditorium and Exhibit Hall. The Center maintains a Box Office and charges no fee for tickets purchased in person at that location. In fiscal year 1999-2000, the Center was the venue for 240 ticketed events with a gross income of more than \$11.1 million.
- Tickets.com, based on their merger with BASS, is the most established ticket distribution system in Sacramento, Northern California and Nevada and has the largest number of venues and clients using their ticketing system and over 130 outlets in the market.
- In 1990, the City Council approved an exclusive agreement with BASS to provide box office services. The agreement was approved for another 5-year term in 1995.
- Due to its history and current presence in the region, Tickets.com offers the greatest conveniences to the purchasing public for Center events and, as a result, the greatest potential for revenue to the City. Tickets.com is the only vendor capable of providing uninterrupted service to the Center and its primary tenants, including California Music Theater (formerly Sacramento Light Opera Association), Sacramento Ballet Association, Sacramento Philharmonic, UC Davis Presents and California State University, Sacramento. Tickets.com currently has separate agreements with each of these organizations for ticket services. Exhibits A and B are letters from the California Music Theater and the Sacramento Ballet in support of the Center's continued relationship with Tickets.com.

Significant Changes in the Proposed Agreement

- **Revenue Sharing.** Currently, customers purchasing tickets for Center events at Tickets.com outlets, through their Internet site, or charge-by-phone services must pay a convenience fee as revenue to Tickets.com. Under the proposed agreement, the Sacramento Convention Center will receive a 35% share of revenues from all convenience fees that exceed \$2.00. This provision supplements the current reimbursement to the Center by Tickets.com of 50 cents per account for "Will Call" tickets. The proposed agreement will also increase convenience fees by 25 cents on July 1, 2001 and July 1, 2003.
- **Sponsorship Fee.** The current agreement contains no marketing plan. In the proposed agreement, Tickets.com will provide a cooperative marketing plan, budgeted at \$40,000 annually. They will also pay an annual sponsorship fee to the Convention Center of \$25,000 in return for mutually agreed sponsorships such as ticket stock, Box Office signage, calendars, web site and Center sponsored activities.

- **Agreement Execution Payment.** Under the proposed agreement, Tickets.com will make a one-time payment of \$100,000 to the Sacramento Convention Center upon execution of the new agreement.
- **Ticket printing fee.** Tickets.com currently charges the Center \$.07 per ticket printed from their equipment. Under the proposed agreement, this charge would be eliminated.
- **Term of Agreement.** The proposed agreement will run from July 1, 2000 through June 30, 2005.

<u>TERMS</u>	<u>EXISTING</u>	<u>PROPOSED</u>
Length of Contract	5 years	5 years
Equipment Costs	No cost to Center (up to 16 sets)	No cost to Center (up to 23 sets)
Equipment Maintenance	Tickets.com maintains equipment	No change
Ticket printing fee	\$.07 per ticket	None
Revenue sharing	\$0.50 per account (Will Call)	\$0.50 per account (Will Call)
	None	35% of each convenience fee over \$2.00
Agreement Execution Payment	None	\$100,000
Sponsorship Fee	None	\$25,000 annually
Convenience fee	Per schedule	Increase by 25 cents on July 1, 2001 and July 1, 2003

FINANCIAL CONSIDERATIONS:

The Sacramento Convention Center is an enterprise fund and is primarily funded through user fees and the Transient Occupancy Tax. The proposed agreement would generate an estimated \$1,025,000 over the five-year period. This would include the one-time payment of \$100,000 and \$125,000 over five years in sponsorship fees. Approximately \$800,000 over five years would come from revenue sharing. This is based on an average service charge of \$6.00 (increased by 25 cents in 2001 and 2003) on a \$35.00 ticket and total sales by the Convention Center through the Tickets.com

distribution network of nearly 72,000 tickets in 1999.

ENVIRONMENTAL ISSUES:

According to CEQA guidelines, Section 15061(b)(3), it can be seen with certainty that there is no possibility that the approvals of the proposed agreement may have a significant effect on the environment. Therefore, this activity is exempt from CEQA.

POLICY CONSIDERATIONS:

The proposed agreement will allow the Convention Center to continue providing high quality ticketing services with no fees to the public at its Box Office and the convenience and efficiency of the Tickets.com network of ticketing locations throughout the Sacramento community and region.

ESBD CONSIDERATIONS:

Tickets.com is not a ESBD business.

Respectfully submitted,



Michael W. Ross
Convention Center General Manager

RECOMMENDATION APPROVED:



Robert P. Thomas
City Manager

Sacramento Light Opera Association

MUSIC CIRCUS*The* **BROADWAY SERIES**Leland Ball
*Producing Director*Richard Lewis
*Managing Director*Michael W. Ross
General Manager
Sacramento Convention Center
1030 15th Street, Suite 100
Sacramento, CA 95814

February 14, 2000

Dear Mike:

I just wanted to provide you with an update with regards to the arrangement between SLOA and tickets.com (BASS).

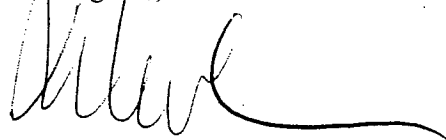
As you know, our contract is not up until January 31, 2001, but since our fiscal year end is June 30, we think it is prudent to being negotiations immediately with tickets.com in order to have complete information for our next budget. To this end, we have opened negotiations on a renewal of our contract. I've received a very favorable preliminary first offer from tickets.com and I am 99% certain that we will reach a successful conclusion.

However, in the course of my discussions with the tickets.com representatives, it has come to my attention that the City's contract comes up for renewal June 30, 2000. We feel it is very important that the city and tickets.com reach a mutually satisfactory agreement, as opposed to a bid process which could result in the city's shifting to a different ticketing system. Frankly, for us this would be disastrous. Tickets.com has proven themselves to be very supportive of our organization and we have no desire to change software packages at this time. If the City were to reach an agreement with a different ticketing system, we would be faced with the issues of split inventory and allocation which would result in a logistical nightmare.

Five years ago, when we reached our initial agreement with BASS, we were motivated by the fact that the city was on the BASS system and therefore would be a much more efficient use of box office resources. Since then we have come to rely upon and enjoy our relationship with tickets.com. Furthermore, our staff is well-trained on this system and the expenses related to shifting to whatever system that the city might choose to go to would be extremely burdensome on any not-for-profit arts organization.

I realize that it is crucial that the City maintain an objective view, but as a major user of the building, we would respectfully request that you make every effort to reach an agreement with tickets.com.

Best regards,

Richard Lewis
Managing Director



March 6, 2000

Michael Ross
Sacramento Community Convention Center
1030 15th Street, Suite 100
Sacramento, Ca. 95814

Artistic Director

Ron Cunningham

President, Board of Trustees

Shirlee Tully Fong

Greg Chavez

Joseph E. Coomes

Barbara Crockett

Mark Davis

Scotte Doggett, M.D.

Carlene Ellis

Jeff Fekete

Tom Gallagher

Ann Long

Todd Louma

Brett Lovell

Dennis Mangers

Terri McFarland

Susan Parker

Kathy Randlett Payne

Gina Perneti

Anthony Pescetti

David Quigg

Irene Sanz

LTC Fred Shadle

Stacy Smithers

Leslie Templin

Sally Thomas

John Webre

Lisa Wible Wright

Executive Director

Daphne Wood Gawthrop

Dear Mike,

The Sacramento Ballet has signed a five year contract with Ticket.com because of the excellent service they provide. Therefore we are not in the position to re-train and/or adapt to an alternative ticketing system.

We hope the Sacramento Community Center box office will continue the relationship with Ticket.com as well.

Thank you for your consideration,

With best wishes,

Daphne Wood Gawthrop
Executive Director

1631 K Street

Sacramento, California

95814-4019

Telephone 916.522.5800

Facsimile 916.552.5815

APPROVED
JUN 27 2000
OFFICE OF THE
CITY CLERK

RESOLUTION NO. 2000-399

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SACRAMENTO:

That the City Manager is hereby authorized to execute an exclusive Agreement with Tickets.com to provide ticket agency services for the Sacramento Convention Center.

MAYOR

ATTEST:

CITY CLERK

BOX OFFICE SERVICE AGREEMENT

THIS AGREEMENT, made this 27th day of June, 2000, by and between:

SACRAMENTO CONVENTION CENTER
CITY OF SACRAMENTO

referenced herein as **SCC** or **CLIENT**, with offices located at 1030 – 15th Street, Sacramento, California 95814, and **TICKETS.COM**, located at 555 Anton Blvd., 12th Floor, Costa Mesa, California 92626, hereinafter referred to as **TICKETS.COM** or **SERVICE** is made with the following understandings:

A. CLARIFICATION OF TERMINOLOGY

1. ATTRACTION/EVENT: Means the series of like Performances produced by Promoter taken together and for which Tickets are sold. An Attraction/Event means the same as Performance when only one Performance is presented.
2. BASSCHARGE: The service Tickets.com has established which enables the public to call a phone number and charge the purchase of Client's Tickets using a credit card.
3. BOX OFFICE: Client's Box Office at the Sacramento Community Center.
4. CLIENT: Sacramento Convention Center (SCC) when acting in its capacity as a Box Office.
5. EXCLUSIVE: Means Tickets.com shall be the only ticket agency authorized by Client to sell Client's Tickets.
6. FACILITY/VENUE: Means the Sacramento Convention Center complex or other premises where Attraction is to be presented.
7. PERFORMANCE: Means each presentation of a single theatrical production, motion picture, sporting Event, or other entertainment feature produced by the Promoter.
8. PROMOTER: Organization or individual who presents Events and uses Client as its primary Box Office and Tickets.com to sell and distribute Tickets.
9. TICKETS: Means evidence of the right to occupy space or participate in Attractions sold by means of the Ticket System on behalf of Promoter.
10. TICKET SYSTEM: Means Ticket Centers, Box Offices, and BASSCHARGE department established and operated by or contracted by Tickets.com for the purpose of selling and/or printing Tickets; includes the computer system and methods Tickets.com has established for accomplishing this purpose.

B. LICENSE:

SCC grants to Tickets.com as agent the Exclusive privilege and license to sell on behalf of Client and its Promoters, Client's advance Tickets through the Ticket System except those advance Tickets sold at SCC's Box Office to customers in person, by mail or by phone.

It is understood that Tickets.com does not guarantee that any minimum or fixed number of Tickets will be sold through the Ticket System.

C. TIME PERIOD:

This agreement shall commence on July 1, 2000, and shall continue until June 30, 2005.

D. OBLIGATIONS OF TICKETS.COM:

1. a. Tickets.com shall provide the following at no cost to Client:

- (i) Seventeen (17) sets of equipment. Each set shall consist of one CRT and one ticket printer.
- (ii) Three (3) report printers.

Six (6) sets of additional equipment may be added at request of Client at no additional charge.

Said equipment shall remain with SCC during the term hereof, but title and ownership of same shall be retained by Tickets.com. Such equipment will include a modem and other necessary communication equipment. Tickets.com agrees that equipment furnished shall be of the latest type in Tickets.com' inventory of equipment. Tickets.com agrees to replace such equipment within six months from the time substantially newer models or types of similar equipment are entered into Tickets.com' inventory of equipment.

b, SCC agrees to indemnify or insure Service against loss on all-risk basis for the full replacement value of all equipment furnished by Service on SCC's premises.

c. Tickets.com agrees to maintain its equipment at Client's location in good working order and agrees to replace or repair such equipment within six (6) working hours of reported failure of Box Office equipment. It is understood that Tickets.com has no control over equipment that is not operable due to TELCO failures. Tickets.com agrees however, to use its best efforts to have TELCO repair its lines as soon as possible. Tickets.com further agrees that response time while selling at Client's Box Office is critical to Client's customer relations. Tickets.com therefore agrees that it will maintain its computer system so as to enable Client's personnel to realize a response time of not more than thirty (30) seconds, ninety-five percent (95%) of the available selling time from the equipment.

Response time is defined as time elapsed from depression of the "return" key on an input device until the first character appears on the output device.

- d. Tickets.com shall remit to Client an annual sponsorship fee of twenty-five thousand dollars (\$25,000) in return for mutually agreeable branding of the Tickets.com name and logo. Such branding shall include but shall not be limited to signage produced by Client, and/or Client Tickets. In addition to the foregoing, Tickets.com shall commit to an annual co-operative marketing budget of forty thousand dollars (\$40,000) to be spent in the greater Sacramento Area market to promote Client's Events.
2. Tickets.com agrees that instruction and directions given to SCC's employees shall be reasonable as regards to SCC's policies and employee relations.
3. Tickets.com shall save, defend, and hold SCC harmless from any operating loss, claim, liability, or cost arising from any malfunction or inadequacy or equipment furnished to SCC by Tickets.com.
4.
 - a. Tickets.com shall arrange for the sale of Tickets at Client's established price, plus a customer convenience fee through the Ticket System. Tickets.com and Client agree that customer convenience fees will increase twenty-five cents (\$0.25) on July 1, 2001 and July 1, 2003.
 - b. Tickets.com agrees to continue to take and fill all charge-by-phone single ticket orders up to four (4) hours prior to the start of a Performance. Tickets.com will insure delivery (through the system) of the will-calls for said Performance to Client's Box Office no later than two (2) hours prior to the start of the Performance. Tickets.com will compensate Client \$0.50 for each will-call order handled by Client.
 - c. Service shall begin ticket sales for each Event no earlier than a date and hour specified by Client, but in no event will Client stop sales at Service's locations prior to time of commencement of Event.
 - d. Tickets.com shall remit to Client a revenue share of thirty-five percent (35%) on service charges collected by Tickets.com over two dollars (\$2.00). Tickets.com agrees to remit to Client an annual pre-payment of said Client's revenue share equaling fifty thousand dollars (\$50.00) if Client requests such advancement. In the event that Client does not earn revenue share advanced by Tickets.com in each contract year of the term, Client shall be responsible for full remittance to Tickets.com the balance due under mutually agreeable payment terms.
5. Tickets.com shall collect the proceeds from sales of Tickets, deposit such proceeds in a special account, and remit the portion of such proceeds due to Client no later than Friday of the week (ending Sunday 11:59 PM) following the Performance for which the respective Tickets have been sold, after any and all funds due Tickets.com from Client have been paid. In the event such proceeds earn interest or otherwise benefit the holder of the proceeds, all such interest earnings and benefits belong to Tickets.com. At the time payment is made,

Tickets.com shall furnish Client with a "Final Settlement Report" setting forth the total proceeds collected, the deductions from the total, and the net amount due. Such "Final Settlement" shall be considered correct and final unless Client sends Tickets.com a written statement within ten (10) days, stating in detail the settlement item(s) believed to be incorrect. All payment transactions from Tickets.com to Client shall be in the form of bank checks made payable to the name or entities authorized by Client on signature page of the agreement, to be mailed to SACRAMENTO COMMUNITY CENTER BOX OFFICE, 1301 "L" Street, Sacramento, California 95814.

6. Tickets.com shall hold all receipts in a special account in accordance with the laws applicable to the Performance locality. In case of cancellation of any Event or Performance, Service shall be responsible for refunding all Tickets purchased through Service's Ticket System. Thirty (30) days after the date of cancellation, Service shall remit to Client all unrefunded ticket proceeds Service holds for the canceled Event, less any customer service charges collected. Thereafter, Service will continue to process and pay requests for refunds, including the applicable customer service charge, and submit refunded Tickets to Client monthly with an invoice for reimbursement. Client shall pay such invoice upon receipt.
7. Tickets.com may, at its discretion and in its usual course of business, promote and advertise the Attractions and the availability of Tickets at Tickets.com's contracted Ticket Centers and Box Offices; may use the name of Client, the Attraction, facilities, performers, artists, or other persons connected to the Attractions. Tickets.com agrees that for any other use of Client's name or client's Attractions for advertising or promotional purposes it will seek prior approval from Client for such use. Client agrees that such approval shall not unreasonably be withheld.
8.
 - a. At all times during the term of this agreement, Service shall be an independent contractor and shall not be an employee of Client or the City of Sacramento. Client shall have the right to control Service only insofar as the results of Service's services rendered pursuant to this agreement; however, Client shall not have the right to control the means by which Service accomplishes services rendered pursuant to this agreement.
 - b. Except as Client may specify in writing, Service shall have no authority, expressed or implied, to act on behalf of Client or the City of Sacramento in any capacity whatsoever except as a ticket agent and for the sole purpose of distributing Tickets owned by Client. Service shall have no authority, expressed or implied, pursuant to this agreement to bind Client or the City of Sacramento to any obligation whatsoever.
9. All information, sales or otherwise, is confidential and ONLY available to the parties herein.
10.
 - a. Tickets.com shall remit to Client a one time signing bonus of one hundred thousand (\$100,000) dollars upon execution of this amended Agreement.

E. OBLIGATIONS OF SCC:

1. Client agrees and will cause all Promoters for whom it contracts for Box Office services to observe the following:
 - a. If Promoter will be advertising an Event in the public media and expects at least 100 Tickets for the Event to be sold to the general public away from SCC's facilities, then Promoter will make the Event available on the Ticket System except as might be agreed in advance between Client and Tickets.com in writing.
 - b. Single Tickets available on the Ticket System for sale to the general public will be equally available for sale at all Tickets.com Ticket Centers, BASSCHARGE, and Client's Box Office or phone charge. Client shall not be obligated to make an allocation of Tickets to Service when the Promoter of any Event objects to the customer convenience fee imposed by Service and the Promoter and Service fail to agree upon a revised customer convenience fee. In such a case, Service shall have no obligation to allow use of its equipment, facilities, resources or personnel for the sale or distribution of Tickets to such Event.
 - c. Where no Tickets are made available for sale at SCC's Facility prior to the day of the Event, Promoter is not obligated to enter the Event on the Tickets.com system.
2. Client agrees to absorb all internal personnel costs related to operation of its Box Office at its location. The TELCO installation expense for dedicated data lines will be paid by Tickets.com. In the event Client requires a move of the terminal point of the data line, Client will reimburse Tickets.com 100% of the cost assessed by the telephone company.
3. Charges paid by Client:
 - a. Box Office Sales Per Ticket Fee: Waived
 - b. Beginning on July 1, 2001, Tickets.com shall have the right to retain two and one-half percent (2.5%) of the gross ticket price for Ticket purchases utilizing VISA, MasterCard, American Express or Discover card payments processed by Client through the Tickets.com System. Such credit card fees shall be applicable for all purchases processed by Tickets.com and purchases in which Client chooses to utilize Tickets.com on-line authorization and processing facilities, which are part of the Tickets.com System. Client will continue to retain its current credit card processing rate for the first year of this Agreement as amended.
4. Tickets.com will make every effort to process Client's information accurately. To ensure accuracy of information, Tickets.com will not release an Event for sale on the Ticket System until Client verifies the information in writing or by telephone. Once verified by Client, Client accepts responsibility and agrees to hold Tickets.com harmless from errors of information that Client has verified.

If Client or Client's Promoter requests a major change to the initial information entered by Tickets.com into the Ticket System after having been verified, Tickets.com reserves the right to assess an additional processing charge. Such change and subsequent charge will not be assessed by Tickets.com until Tickets.com has notified Client and Client has agreed to accept the charge.

5. Client warrants that the Event put on sale is one that Client or its Promoter has all rights and contracts to promote and undertake. In this regard, Client agrees to hold Tickets.com free and harmless from any losses or claims and to indemnify Tickets.com for any costs or expenses incurred by reason of breach of this paragraph and the warranty herein contained. Tickets.com warrants that all of its agreements with its other clients contain a similar clause, and Tickets.com relies on those warranties and agreements to put Events on sale.
6. Client warrants and agrees that the number of seats put on sale or sold for the Event does not exceed the legal and/or fire and/or other limits or restrictions of capacity at the Facility. In this regard, Client agrees to hold Tickets.com free and harmless from any losses, claims, causes of action, or damages which may occur, and Client further agrees to indemnify Tickets.com for all costs and/or expenses incurred by reason of the breach of this paragraph, including all attorneys' fees, and the warranty herein contained.
7. Client hereby authorizes Tickets.com (and the Ticket Centers acting through Tickets.com' authority) to collect from purchaser of Tickets a customer convenience fee in the amount established by Tickets.com (said customer convenience fee to be in addition to Client's established ticket price) and further authorizes Tickets.com and its contracted ticket center operators to retain, as they may agree, such service convenience fees as service income.
8.
 - a. Client shall pay a merchant discount fee to Tickets.com merchant bank in an amount equal to 2.2 percent from July 1, 2000 through June 30, 2001, and 2.5 percent from July 1, 2001 through June 30, 2005, for all VISA, Master Card and Discover card transactions that are processed by Client.
 - b. Client agrees that Tickets.com shall have the right to subtract its customer convenience fee from sales receipts collected by Tickets.com for each Performance presented before sending balance due to Client at the time and in the manner provided in paragraph D(4) above.
9.
 - a. Client agrees, in the event of the cancellation of any Performance, or closing of any Attraction for which Tickets have been sold through the Tickets.com Ticket System, to pay Tickets.com a cancellation charge equal to fifty cents (\$.50) for each ticket sold by Tickets.com in lieu of Tickets.com retaining the customer service charge. The same will be due and payable upon cancellation of the show.
 - b. Client agrees to be financially responsible to Tickets.com for credit card charge-backs that occur within 180 days after an Event for Tickets originally sold for \$50.00 or more.

10. Client shall have the right, at all reasonable times during normal business hours, to examine and audit the books and records of Tickets.com insofar as they relate to Client's Events. Tickets.com shall keep such records and use such forms reflecting ticket transactions of the Client's Events as mutually agreed by the parties, and shall provide Client with copies thereof.
11. Client shall honor or cause to be honored by its Promoters all Tickets properly issued by Tickets.com for its Client's Events.
12. Client agrees to comply with Tickets.com's reasonable business practice concerning the return or exchange of Tickets.
13. Client shall maintain, to the best of its ability, good working relationships with all labor unions respecting business conducted under this agreement.
14. Client agrees that Tickets.com shall provide one copy of all names, addresses, and other information obtained through BASSCHARGE (whether credit card sales or otherwise) of Client's Events. Such information may be used by Tickets.com and by Client without payment to the other of any charge or fee.
15. Client agrees in all advertising or other promotional material which it creates, cause to be produced, or controls, to list Tickets.com as the only off-site source for Tickets except in the case of the California Musical Theater, and to include the approved Tickets.com logo and the following wording:

I: For Print, Outdoor or Display Advertising

The BASSCHARGE phone number will be of equal size and comparable placement to any non-Tickets.com charge-by-phone number. The Tickets.com logo, including the identification of the primary ticket center locations, will be displayed equally to any other Box Office location or identification.

II: For Radio or Television Advertising

If time or space permits only one number to be used in each announcement, the primary BASSCHARGE number for the area code will be used on a rotating schedule with any other charge-by-phone number. If two numbers can be given in an announcement, Tickets.com's number will be given equal significance as the other number. In addition, copy will include, "TICKETS AVAILABLE AT ALL TICKETS.COM TICKET CENTERS AND THE WHEREHOUSE". If more than two numbers are to be used Client will consult with Tickets.com concerning the manner in which the numbers shall be advertised and a decision will be made by mutual agreement. Tickets.com's agreement shall not be unreasonably withheld.

Whenever possible, Client will add the following: "TICKETS SOLD THROUGH TICKETS.COM ARE SUBJECT TO CONVENIENCE FEE." or "TICKET AVAILABLE AT BOX OFFICE WITHOUT A CONVENIENCE FEE".

Client is obligated to include phone numbers for the appropriate market(s) only. The primary numbers for SCC are:

(916) 766-2277 (Sacramento)
(916) 530-2277 (east of Sacramento)
(800) 225-2277 (Central Valley and outside California)
(707) 546-2277

Should Client not adhere to these advertising provisions, and has received notice by telephone, fax, mail, or in person, from Tickets.com of such default, Tickets.com reserves the right to take Client's Event off sale within 24 hours from time of notice. Should Client's Event be taken off sale for such violation, Tickets.com will put Client's Event back on sale as soon as operationally possible, once Tickets.com is satisfied that advertising has been or will be corrected in a timely manner to Tickets.com's specifications as called for above. Tickets.com accepts no responsibility and User waives all claims thereof for loss of ticket sales during such time that Client's Event is off sale.

F. TERMINATION AND LIMITATIONS OF AGREEMENT

1. Either party to this agreement may immediately terminate the agreement (through written notice sent to the other party by certified mail or telegram to the above address) in the event that the other party:
 - a. Goes into liquidation; declares or is declared insolvent or bankrupt; or causes a receiver to be appointed over a portion of or all of its assets.
 - b. Fails to account for or make payments called for in the agreement within two (2) days after written notice of such delinquency is given, or fails to perform any other obligation required by the agreement within five (5) business days after written notice of deficiency is given.
2. Each and all of the provisions, agreement, covenants, conditions, and terms of this agreement shall extend to and shall bind and be an obligation upon inure to the benefit of not only the parties hereto but also to the successors, legal representatives, and assign of each of the parties hereto. It is understood and agreed that in the event of a possible transfer or assignment, Tickets.com must approve of the same.
3. This Agreement may be terminated by Client by giving Tickets.com a 90-day written notice of Client's intent to solicit formal competitive bids for an Exclusive agent to sell, on behalf of Client and its Promoters, Client's advance Tickets through the agent's Ticket System other than those sold at Client's location through the Ticket System.
4. If any city, county, municipality, district, state, or federal statute subsequently enacted imposes a sale, excise, use, or other tax or assessment or charge which is placed upon the admission, ticket, or right to occupy a seat at a Performance, Event, or game, it is understood and agreed that such tax will be imprinted on the ticket and be Exclusive of the ticket price or convenience charge and shall be collected by Tickets.com as a portion of the price of admission. Tickets.com shall remit the same to the entity involved and make, execute, and complete any and

all reports or returns required by any such law, ordinance, or regulation, with copies to Client, and shall have no further liability or obligation. Any other or additional charges or costs shall be borne by Client. In the event Tickets.com is to be held responsible for any such taxes or assessments, Tickets.com, at its sole option, may cancel and terminate this Agreement on ten (10) days written notice unless Client shall, in writing, agree to reimburse Tickets.com for the amount of such taxes.

5. This agreement may be terminated by Tickets.com by giving Client a 90-day written notice if Tickets.com had previously given Client 30-days notice that in Tickets.com' sole opinion Client has not fulfilled the intent of paragraph E(15) of this agreement and subsequently Client has not satisfied Tickets.com requirements as set forth in this agreement.
6. This agreement contains all the terms agreed to between the parties. No statement or representation not included in this agreement shall be binding upon the parties and no modification or amendments of any of its terms shall be valid or binding unless agreed to in writing by each of its parties.
7. Any notice required or desired to be sent pursuant to this agreement shall be deemed served two days after mailing by first class mail, postage prepaid or upon personal delivery or facsimile transmittal to the other party at the address written above, or the facsimile number below the party's signature or to such other address as may be provided by either party in a notice served as required herein.
8. The signing bonus described in Section D.10 of this Agreement shall not be fully or partially refundable in the event this Agreement is terminated by either party prior to June 30, 2002.

SACRAMENTO CONVENTION CENTER

TICKETS.COM

By: _____
Robert P. Thomas
City Manager

By: _____
Douglas Levinson
Vice President/General Manager

Date: _____

Date: _____

APPROVED AS TO FORM:

ATTEST:

Deputy City Attorney

City Clerk

EXHIBIT A (1)
STANDARD CUSTOMER SERVICE CHARGES

Effective July 1, 2000

Ticket Range	Ticket Center Cash Discount	Ticket Center Credit Card	Phones / Internet
\$0.00 - \$3.50	\$0.50	\$0.75	\$1.00
\$3.51 - \$5.00	\$1.00	\$1.25	\$1.50
\$5.01 - \$10.00	\$1.50	\$2.00	\$2.25
\$10.01 - \$14.99	\$2.75	\$3.10	\$3.50
\$15.00 - \$19.99	\$3.40	\$3.75	\$4.00
\$20.00 - \$24.99	\$4.00	\$4.35	\$4.50
\$25.00 - \$29.99	\$4.25	\$4.60	\$5.00
\$30.00 - \$34.99	\$4.75	\$5.10	\$5.50
\$35.00 - \$39.99	\$5.25	\$5.60	\$6.00
\$40.00 - \$44.99	\$5.50	\$5.85	\$6.25
\$45.00 - \$49.99	\$6.00	\$6.35	\$6.75
\$50.00 - \$54.99	\$6.75	\$7.25	\$7.25
\$55.00 - \$64.99	\$7.25	\$7.75	\$7.75
\$65.00 - \$69.00	\$7.75	\$8.25	\$8.25
\$70.00 - \$99.99	\$8.25	\$8.75	\$8.75
\$100.00 - \$124.99	\$9.00	\$10.00	\$10.00
\$125.00 - \$150.00	\$9.50	\$11.00	\$11.00
\$150.01 - \$200.00	\$10.00	\$12.00	\$12.00
\$200.01 - \$300.00	\$11.00	\$13.00	\$13.00
\$300.01 - \$400.00	\$13.00	\$13.00	\$13.00
\$400.01 - \$500.00	\$15.00	\$15.00	\$15.00

A three-dollar (\$3.00) per order handling charge shall apply to all phone and Internet sales.