

SAN MATEO COUNTY TRANSIT DISTRICT
ADVERTISING POLICY

The San Mateo County Transit District (“District”) provides public transportation services (“SamTrans”) within San Mateo County, San Francisco County and Santa Clara County, California. The District is also the Managing Agency of the Peninsula Corridor Joint Powers Board (“Caltrain”), a joint powers agency whose membership is comprised of the San Mateo County Transit District, the City and County of San Francisco and the Santa Clara Valley Transportation Authority. Caltrain provides passenger rail service between San Francisco and Gilroy. The District and Caltrain are referred to collectively as the “Agencies.”

The District is engaged in the sale of advertising in and upon the property and rolling stock of the Agencies (“Transit Facilities”), consisting of: (1) print advertising on the exterior of the District’s buses; (2) print advertising displayed on bus shelters in the District’s service area; (3) print advertising on the interior of the District’s buses; (4) advertising on the exterior of Caltrain’s rail cars in the form of a “wrap;” (5) advertising displayed in Caltrain train stations; and (6) print advertising on the interior of Caltrain’s rail cars. This Advertising Policy (“Policy”) shall apply to the sale of all forms of advertising on all Transit Facilities owned and/or managed by the District.

I. PURPOSE

The District will make space on its Transit Facilities available for limited types of advertising (“Permitted Advertising”). By allowing limited types of advertising on or within the Transit Facilities, the District does not intend to create a public forum for public discourse or expressive activity or to provide a forum for all types of advertisements. All advertising shall be subject to this uniform, viewpoint-neutral Policy.

The District will not permit the types of advertising defined as Excluded Advertising in Section III below. By not allowing Excluded Advertising, the Agencies can: (a) maintain a professional advertising environment that maximizes advertising revenues and minimizes interference with or disruption of their transit systems; (b) maintain an image of neutrality on political, religious or other issues that are not the subject of Commercial Advertising and are the subject of public debate and concern; and (c) continue to build and retain transit ridership.

II. PERMITTED ADVERTISING

A. Exterior Advertising

The display of Permitted Advertising on the exterior of the Transit Facilities (“Exterior Advertising”) is intended only to supplement fare revenue, tax proceeds and other income that fund the Agencies’ operations and to promote the Agencies’ transit operations. In order to realize the maximum benefit from the sale of space, the advertising program must be managed in a manner that will procure as much revenue as practicable, while ensuring that the advertising is of a type that does not discourage the use of the transit systems, does not diminish

the Agencies' reputations in the communities they serve or the good will of their patrons, and is consistent with the principal purpose of providing safe and efficient public transportation. To attain these objectives, the District's Board of Directors has established the following regulations governing Exterior Advertising. Exterior Advertising permitted under this section cannot contain displays or messages that qualify as Excluded Advertising, as defined below under Section III.

Exterior Advertising includes advertising in the following categories:

1. **Commercial Advertising.** Commercial Advertising is advertising the sole purpose of which is to sell products, goods or services for profit. It does not include advertising that both offers to sell products, goods or services and also conveys a political or religious message, or issue advocacy, and/or expresses or advocates opinions or positions related to any of the foregoing.

2. **Transit Operations of SamTrans or Caltrain.** Transit Operations Advertising is advertising that promotes SamTrans or Caltrain.

B. Interior Advertising

The District recognizes that passengers are a captive audience to any advertisements posted on the interior of the District's buses and Caltrain's rail cars ("Interior Advertising"). The District desires that such passengers not be subject to advertisements containing material relating to political, religious, or issue advocacy about which public opinion can be widely divergent and which some passengers may, therefore, find offensive. If passengers are so offended, it could adversely affect the ridership and revenue of the Agencies. The District's Board of Directors has, therefore, established the following regulations governing Interior Advertising. Like Exterior Advertising, Interior Advertising permitted under this section cannot contain displays or messages that qualify as Excluded Advertising, as defined below under Section III.

Interior Advertising includes advertising in the following categories:

1. **Public Service Advertising.** Public Service Advertising is advertising proposed by governmental entities, academic institutions or tax-exempt nonprofit organizations that relates to community, art, cultural, educational, health, or safety events, programs and/or messages and does not include Commercial Advertising or contain any direct or indirect reference to religious, political or issue advocacy. Upon the District's request, nonprofit entities must document their tax-exempt status. Unless the source of the public service advertising is obvious from the content or copy, the advertisement must specifically identify the sponsor of the advertisement or the message.

2. **Transit Operations of SamTrans or Caltrain.** Transit Operations Advertising is advertising that promotes SamTrans or Caltrain.

3. **Cross-promotional Advertising.** Cross-promotional Advertising is advertising in which the Agencies collaborate with for-profit entities to promote using SamTrans

or Caltrain as a conveyance to a specific event; such advertising may not contain any direct or indirect reference to religious, political or issue advocacy.

III. EXCLUDED ADVERTISING APPLICABLE TO EXTERIOR AND INTERIOR ADVERTISING

Exterior and Interior Advertising cannot be displayed or maintained on Transit Facilities if information contained in the advertisement falls within one or more of the following categories of Excluded Advertising:

1. False, misleading, or deceptive.
2. Clearly defamatory or likely to hold up to scorn or ridicule a person or group of persons.
3. Obscene or pornographic.
4. In advocacy of imminent lawlessness or violent action.
5. Promoting alcohol or tobacco products or their use.
6. Religious.
7. Political.
8. Intellectual property infringement, including piracy or infringement of copyright, trade dress, service mark, title or slogan.
9. Unauthorized Endorsement.

For purposes of this Policy, the following definitions apply:

Religious Advertisements are defined as advertisements that contain any direct or indirect reference to religion, or to any religion, or to any deity or deities, or which includes the existence, nonexistence or other characteristics of any deity or deities, or to any religious creed, denomination, belief, tenet, cause or issue relating to (including opposing or questioning) any religion. This prohibition shall include the depiction of text, symbols, or images commonly associated with any religion or with any deity or deities, or any religious creed, denomination, belief, tenet, cause or issue relating to (including opposing or questioning) any religion.

Political Advertisements are defined as advertisements that contain political speech referring to a particular ballot question, initiative, petition, referendum, candidate, or political party or viewpoint or expresses or advocates opinions or positions upon any of the foregoing. This prohibition includes any advertisement referring to or depicting a candidate for public office in any context.

Unauthorized Endorsement Advertising is advertising that implies or declares that the District or Caltrain endorses a product, service, point-of-view, event or program. The

prohibition against endorsements does not apply to advertising for a service, event or program for which the District or Caltrain is an official sponsor, cosponsor or participant.

IV. ADMINISTRATION AND ENFORCEMENT OF POLICY

A. Review by Contractor

The District shall incorporate this Policy into its advertising management contracts. The District's Contractor shall submit for display on or in the Transit Facilities only advertisements that comply with the standards set forth in this Policy. If the Contractor is in doubt whether an advertisement complies with the standards set forth in this Policy, then the Contractor shall notify the District's Executive Officer, Customer Service and Marketing, or designee, of the specific standard or standards of this Policy with which the Contractor believes the advertisement may not comply.

B. Review by Executive Officer, Customer Service and Marketing

If the Contractor determines that an advertisement may not comply with the Policy in Section A, the Contractor shall send the advertisement and supporting information (the name of the advertiser, the size and number of the proposed advertisements, the dates and locations of proposed display, and notation of standards of concern) to the Executive Officer, Customer Service and Marketing, or designee, for review. The Executive Officer, Customer Service and Marketing, shall review the advertisement and supporting information to determine whether or not the advertisement complies with this Policy. If the Executive Officer, Customer Service and Marketing, determines that the advertisement does not comply with this Policy, he or she shall, in writing, specify the standard or standards with which the advertisement does not comply, and shall so notify the Contractor.

C. Notification to Advertiser

The Contractor will send prompt, written notification to the advertiser of the rejection of the advertisement and will include in that notification a copy of this Policy and written specification of which standard or standards the advertisement fails to comply with.

D. Appeal to General Manager/CEO

Rejection of an advertisement may be appealed to the District's General Manager/CEO, or designee, by written notification to the Executive Officer, Customer Service and Marketing. The General Manager/CEO will allow the advertiser and the Executive Officer, Customer Service and Marketing to present any argument or evidence they wish to offer. The General Manager/CEO's decision shall be final.