

Exhibit B  
Central Oregon Intergovernmental Council  
Sponsorship Policy

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1. Purposes; Intent.

1.1 General Purpose. The primary purpose of the transit system of Central Oregon Intergovernmental Council (“COIC”) is to provide safe and efficient public transportation within its service area. Consistent with this purpose, COIC places great importance on maintaining secure, safe, comfortable, and convenient transit vehicles to, among other things, retain existing riders and attract new users of public transit services. To generate additional revenue while accomplishing the primary objectives of the transit operations, COIC may create sponsorship opportunities for COIC members and eligible community partners.

1.2 Policy Purpose. In accepting a sponsorship, COIC is acting in its proprietary capacity, and not as a regulator, the primary purpose of which is generating revenue. The purpose of sponsorship is to (a) enhance COIC’s relationship with community partners, (b) increase COIC’s ability to deliver services to the community, and (c) provide enhanced levels of service beyond core levels. In appreciation of such support, COIC’s policy is to provide sponsors with suitable acknowledgement and recognition of their contributions. However, any acknowledgement and recognition must adhere to COIC’s aesthetic and community values and comply with this policy and applicable laws.

1.3 Intent. In addition to the above-stated purposes, this policy is intended to enhance transit operations by fulfilling the following objectives: (a) maximizing revenues to COIC operations; (b) promoting and maintaining orderly administration and operation of the transit system, including, without limitation, attracting and maintaining the patronage of passengers; (c) maintaining the safety of employees, passengers, and the general public; and (d) protecting minors who travel on COIC’s transportation system. Notwithstanding anything contained in this policy to the contrary, this policy does not create a public forum.

2. Sponsorship Eligibility.

2.1 Criteria. To be an eligible sponsor, the potential sponsor must demonstrate compliance with the following criteria: (a) financially and organizationally prepared to enter into an agreement with COIC concerning sponsorship duties, which sponsorship duties include, without limitation, the provision of in-kind services; and (b) a positive record of responsible stewardship in the community. In addition to the criteria set forth in this Section 2.1, a potential sponsor must demonstrate that its business is not substantially derived from any of the following products and/or activities: (x) the sale of alcohol, tobacco, firearms, intoxicants, and/or pornography; (y) products and/or business that appear in conflict with COIC’s mission and/or policies and/or create a conflict of interest with COIC; and/or (z) products, activities, and/or practices that are illegal.

2.2. Sponsor Evaluation. Evaluation of a potential sponsor will include, without limitation, consideration of the following: (a) the products and/or services offered by the potential sponsor; (b) the potential sponsor’s record of community involvement; (c) principles of the potential sponsor; (d) the potential sponsor’s rationale for its interest in COIC; (e) the potential sponsor’s compliance with this policy; (f) the potential sponsor’s timeliness and/or readiness to enter into the sponsorship agreement; and/or (g) the potential sponsor’s commitment to fulfilling sponsorship duties, as designated by COIC.

3. Sponsorship and Advertising Coordinator. COIC may delegate the duties and responsibilities contained in this policy to a sponsorship and advertising Coordinator (as defined below). For purposes

of this policy, the term “Coordinator” means COIC’s marketing and outreach administrator (or his or her designee) or the individual or company under contract with COIC to (a) sell, install, maintain, and remove advertisements on and in COIC buses, and (b) administer sponsorship in accordance with this policy.

4. Sponsorship and Advertising Opportunities. In exchange for support of COIC through sponsorship and fulfilling all sponsorship duties, a sponsor may submit a written request on COIC’s application form to advertise on COIC buses. Any advertising must adhere to COIC’s aesthetic and community values and this policy. Each sponsor desiring to use COIC property for advertising and/or promotional purposes must first enter into COIC’s then-current sponsorship agreement. All sponsorship agreements will be in form and content satisfactory to COIC.

5. Advertisement Policies.

5.1 Evaluation. Advertising requests will be evaluated in accordance with this policy and applicable laws. The following classes of advertising are authorized on or in COIC buses: (a) advertising that does not include any material that constitutes and/or includes Prohibited Advertising (as defined below); and (b) advertising sponsored by COIC, COIC member organizations and/or sponsors, the State of Oregon, and/or the federal government to promote COIC’s transit system and/or the functions carried out by COIC.

5.2 Prohibited Advertising Content. Subject to Article I, section 8 of the Oregon Constitution, the First Amendment the United States Constitution, and other applicable laws, COIC prohibits any advertising on or in COIC buses that includes any of the following material (collectively, “Prohibited Advertising”):

a. Tobacco. Any material that promotes the sale and/or use of tobacco and/or tobacco-related products, including, without limitation, cigars, cigarettes, and smokeless tobacco.

b. Obscene or Nudity. Any nudity, obscene matter, sexual conduct, sexual excitement, and/or sadomasochistic abuse as those terms are now, or may hereafter be, defined in Oregon Revised Statutes (ORS) 167.051 to ORS 167.100. The intent is to restrict any proposed advertisement which violates any provision of the statutory scheme set forth in ORS 167.051 to ORS 167.100, and as such law may be amended, modified, or supplemented.

c. False or Misleading. Material that is, or that the sponsor reasonably should have known is, false, fraudulent, misleading, deceptive, and/or would constitute a tort of defamation or invasion of privacy, or is libelous.

d. Intellectual Property. Any material that is an infringement of a copyright, trademark, and/or service mark.

e. Controlled Substances. Advertising, and/or any material contained therein, that promotes or encourages, or appears to promote or encourage, the sale and/or use of controlled substances.

f. Illegal Conduct. Advertising, and/or any material contained therein, that promotes or encourages, or appears to promote or encourage, illegal activities and/or conduct.

g. Offensive Material. Advertising that contains or portrays material that is so insulting, degrading, and/or offensive as to be reasonably foreseeable that it will incite and/or produce imminent lawless action in the form of retaliation, vandalism, and/or other breach of public safety, peace, and order.

h. Safety. Advertising that is reasonably foreseeable to have an adverse effect and/or impact on the health, safety, and/or welfare of, or create an unreasonable risk of harm to, COIC customers, vulnerable citizens, children, COIC employees, and/or the general public.

i. Transit Interference. Advertising that unduly interferes with COIC's operations and includes, without limitation, (a) material that is so objectionable under contemporary community standards as to be reasonably foreseeable that it will result in harm to, disruption of, and/or interference with COIC's transportation system, and/or (b) special effects that interfere with the safe operation of the bus or safety of bus riders, drivers of other vehicles, and/or the public at large.

j. Ineligible Criteria. Advertising that promotes and/or depicts any products and/or activities identified under Section 2.1(x)-(z) of this policy.

5.3 Attribution; Disclaimer. The placement of an advertisement on or in a COIC bus does not constitute COIC's endorsement of any product, service, organization, opinion, viewpoint, and/or activity. This endorsement disclaimer extends to and includes content that may be found via internet addresses, quick response (QR) codes, and/or telephone numbers that may appear in posted ads and that direct viewers to external sources of information. Advertisements that imply and/or declare an endorsement by COIC of a product, service, organization, opinion, viewpoint, and/or activity are prohibited. All advertisement on COIC buses will clearly and unambiguously identify the party responsible for sponsoring, paying for, and/or causing the ad to be placed on COIC buses. Without otherwise limiting the generality of the immediately preceding sentence, any advertising in which the identity of the sponsor is not clearly and unambiguously identifiable must include the following phrase to identify the sponsor in clearly visible letters (no smaller than 72-point type for exteriors and 24-point type for interiors): "PAID FOR BY [Name of Sponsor]." Each advertisement will include a disclaimer, which has received COIC's prior written approval, indicating that the advertisement is not sponsored by and does not necessarily reflect the views of COIC; provided, however, this provision does not apply to COIC sponsored advertisements.

## 6. Review Procedures.

6.1 Submissions; Disclaimer. All advertising requests must be made in writing to the Coordinator. The Coordinator will evaluate any advertising request in accordance with this policy and applicable laws. Upon submission of an advertising request, each advertising party (and/or sponsoring entity) expressly agrees that COIC will not be liable for any damages, whether direct or indirect, arising out of delays in posting the advertisement due to the review process.

6.2 Compliance Review. All proposed transit advertising must be submitted to the Coordinator for initial compliance review. The Coordinator will perform a preliminary evaluation of the submission to assess its compliance with this policy and applicable laws. If, during its preliminary review of a proposed advertisement, the Coordinator is unable to make a compliance determination, the Coordinator will forward the submission to COIC's executive director (if applicable) for further

evaluation. At any time during the initial compliance review, the Coordinator may discuss with the sponsoring entity one or more revisions to an advertisement which, if undertaken, would bring the advertisement into compliance with this policy. The Coordinator may solicit input from COIC's legal counsel, if necessary.

6.3 Executive Director Review. If applicable and requested by the Coordinator, COIC's executive director will review the proposed advertisement for compliance with this policy and will direct the Coordinator as to whether the proposed advertisement will be accepted. The executive director may solicit input from COIC's legal counsel, if necessary. In the executive director's discretion, any proposed advertising may be submitted to the COIC board for review.

6.4 Board Review. At the request of COIC's executive director, the COIC board may conduct a final review of the proposed advertising to determine compliance with this policy. The decision of the board to approve or reject the proposed advertising will be final, binding, and conclusive.

7. Application. This policy applies to the posting of all new advertisements on COIC buses on or after the effective date of this policy. As of the effective date, advertisements which may otherwise be prohibited under this policy, but were posted pursuant to the terms of an advertising agreement with COIC, are permitted to remain until the earlier termination or expiration of such agreement. This policy will be incorporated by reference into any contract between COIC and a Coordinator (if the Coordinator is a third-party consultant or contractor). To the extent this policy conflicts with any federal, state, and/or local laws, regulations, and/or ordinances, COIC will comply with the applicable federal, state, and/or local laws, regulations, and/or ordinances. When COIC is exercising any consent, approval, determination, and/or similar discretionary action under this policy, the standard will be COIC's sole discretion.

ADOPTED: February 2, 2018

EFFECTIVE DATE: February 2, 2018