

Term Sheet
Metropolitan Council – Intersection Amendment 3
May 26, 2020
FOR DISCUSSION PURPOSES ONLY

The terms set forth below represent Intersection Media LLC’s (“Intersection’s”) proposal to amend the existing Contract No. 14R038 between the Metropolitan Council (“the Council”) and Intersection. This term sheet is not intended to create any legally binding obligations, and no such obligations shall be created unless and until Intersection and Metro Transit enter into a definitive Agreement containing such terms.

Category	Proposal
2019-2020 Contract Year	<ul style="list-style-type: none"> ● The 2019-2020 contract will be shortened to an 11-month term (May 1, 2019 - March 31, 2020) ● Contract terms remain in place for current year with the following two amendments to allow for the remaining true-up payments to be made over time: <ul style="list-style-type: none"> ○ Intersection will true-up to 11 months of MAG, based on net billings through March 2020. Revenue Share of sixty-five (65%) of net billings for May 2019-March 2020 amounts to \$4,142,223 compared to the MAG of \$4,629,167. The remaining payment to true-up to 11 months of the MAG amounts to \$486,944 and will be paid in six (6) monthly installments of \$81,157 on the 20th of each month starting on June 20th. ○ As of the end of the 2019-2020 contract year, \$635,410 is the balance of revenue share payments owed to the Council that has yet to be collected. Intersection will continue to pay this amount as accounts receivable cash is collected by Intersection.
April 2019-2020 Contract Year	<ul style="list-style-type: none"> ● For the month of April (2019-2020 contract year), Intersection will pay revenue share on collections only. There will be no MAG for April 2020. Intersection will make the regularly scheduled payment based on sixty-five (65%) percent of the net billings actually collected, going forward, on the 20th of each month.
2020-2021 Contract Year: Revenue Share	<ul style="list-style-type: none"> ● Starting May 1, 2020, Intersection will pay revenue share on collections only (as per the contract) for the months of May through December 2020. Intersection will make the regularly scheduled payment based on sixty-five (65%) percent of the net billings actually collected on the 20th of each month. The MAG will be forgiven during this period.

<p>2020-2021 Contract Year: Timing</p>	<ul style="list-style-type: none">● As of January 1, 2021, the originally contracted MAG of \$429,167 per month will be reinstated.● Given the uncertainties of the economic recovery following the Covid-19 crisis, the parties agree to convene in Q4 2020 to mutually determine whether further relief will be required for the remainder of the 2020-2021 contract year.
<p>2020-2021 Contract Year: True-up</p>	<ul style="list-style-type: none">● The Annual True-Up calculation will only be based on the months when the MAG is reinstated. Therefore, for the 2020-2021 contract year, assuming that the MAG is reinstated, the true-up will be based on 4/12ths of the annual MAG, which is \$1,716,668.