

ORDINANCE NO. 2023 – 10

AN ORDINANCE AUTHORIZING AND DIRECTING THE ADMINISTRATION TO ENTER INTO AN AGREEMENT FOR A TRAFFIC ENFORCEMENT PROGRAM WITH SENSYS GATSO USA, INC., AND DECLARING AN EMERGENCY

WHEREAS, Sensys Gatso USA, Inc. was responsive to the City’s request for proposals (RFP) to perform personal services to install and operate a traffic enforcement program, in accordance with law, pursuant to an Agreement attached as Exhibit “A”.

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Parma Heights, County of Cuyahoga and State of Ohio:

Section 1: The Administration is authorized and directed to enter into an Agreement between the City of Parma Heights and Sensys Gatso USA, Inc., in the form as identified as Exhibit “A” attached hereto, and made a part hereof as though fully rewritten.

Section 2: This Council finds and determines that all formal actions of this Council concerning and relating to the adoption of this Ordinance were taken in an open meeting of this Council and that all deliberations of the Council and of any of its Committees comprised of a majority of the members of the Council that resulted in those formal actions were in meetings open to the public, in compliance with the law.

Section 3: This Ordinance is declared to be an emergency measure necessary for the public peace, health, and safety of the Municipality, and for the further reason it is necessary for the City to initiate and utilize the technical expertise and resources of Sensys Gatso USA, Inc. to install and operate a traffic enforcement program in order to ensure public safety; wherefore, this Ordinance shall be in full force and effect immediately upon its passage by Council and approval by the Mayor.

PASSED: March 13, '23 Thomas Rounds
PRESIDENT OF COUNCIL

ATTEST: Barbara Allen March 13, 23
CLERK OF COUNCIL APPROVED

FILED WITH THE MAYOR: March 13, '23 Marie Gallo
MAYOR MARIE GALLO

EXHIBIT A

Master Services Agreement

This Master Services Agreement is made on _____, 2023 (the "Execution Date"), between Sensys Gatso USA, Inc., a Delaware corporation with a principal business address at 900 Cummings Center, Suite 316-U, Beverly, MA 01915 ("Sensys Gatso") and the City of Parma Heights, Ohio, an Ohio municipal corporation with a principal business address at 6281 Pearl Road, Parma Heights, OH 44130 (the "Customer" or "City").

WHEREAS, Customer wishes to retain the business and technology services of Sensys Gatso (the "Services") as set forth in this Master Services Agreement (the "Agreement") and in one or more attachments, incorporated herein by reference (each a "Service Attachment") to facilitate the detection, issuance and/or processing of violations of one or more of Customer's traffic law or code enforcement programs (each a "Program"); and

WHEREAS, in connection with each Service, Sensys Gatso agrees to provide the Services and the equipment described in a Service Attachment ("Equipment"); and

WHEREAS, Sensys Gatso also agrees to provide Customer with access to certain proprietary software and technology (the "System") and associated back-end processing of notices issued to registered owner(s) of vehicles determined to be violating a Program (each a "Notice of Violation"), pursuant to the terms of this Agreement;

NOW THEREFORE, the parties mutually agree as follows:

1. AGREEMENT TERM; TERMINATION

- 1.1. Initial Term; Extensions. The Agreement shall commence on the date of the first Notice of Violation (the "Effective Date") captured by the System is mailed and continue for a period of 7 years ("Initial Term"). Upon expiration of the Initial Term, the Agreement will automatically renew annually for an additional year "Extension Term" and, collectively with the Initial Term, the "Term"), unless either party provides a written notice declining to extend not later than sixty (60) days prior to expiration of the then-current Initial Term or an Extension Term. Except as otherwise set forth herein, Extension Terms are subject to extension pricing which shall be mutually agreed upon by the parties no less than sixty (60) days prior to the expiration of the then-current Initial Term or Extension Term.
- 1.2. Termination by Agreement. This Agreement may be terminated at any time by the mutual written agreement of Sensys Gatso and Customer.
- 1.3. Termination for Cause. Either party may terminate this Agreement or any Service Attachment, as applicable, for cause if the other party has breached its obligations under the Agreement or the applicable Service Attachment provided. In the event of a termination under this Section 1.3, the terminating party must provide sixty (60) days advance written notice to the other party of its intent to terminate, which notice must include the reasons for the termination. The notice must provide the other party with an opportunity to cure the breach during the sixty (60) day period following receipt of the notice. However, if the nature of such default is such that it cannot reasonably be cured

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within such period, the party required to cure shall be deemed to have cured such default if within such period such party commences performance thereof and thereafter diligently prosecutes with proof the same to completion.

- 1.4. Termination by the City for Convenience. The City may terminate this Agreement at its convenience by giving Sensys Gatso not less than ninety (90) days prior written notice. If the City terminates this Agreement for convenience at any time within the first three (3) year period following the mailing of the first citation from each fixed or mobile vehicle device, then the City must pay Sensys Gatso a fee of One Thousand Five Hundred (\$1,500.00) per month per fixed location or mobile vehicle unit installed for each month remaining during said first three (3) year period ("Termination Fee"). For clarification, the three (3) year period for the Termination Fee is applicable to each fixed system or mobile speed vehicle. The Termination Fee must be paid within thirty (30) days after the Effective Date of Termination. No Termination Fee shall be imposed upon the City in the event of nonrenewal at the conclusion of the Initial Term nor upon the Extension Term.
- 1.5. Termination by Sensys Gatso due to Change in Law. Either party may terminate this Agreement or any Service Attachment by giving the other party not less than ninety (90) days' prior written notice if (a) applicable law is amended, or a federal or state agency adopts a rule or other requirement, to prohibit or substantially restrict the operation of automated traffic law or code enforcement systems described in a Service Attachment, including the Equipment and System being provided by Sensys Gatso; or (b) any court of competent jurisdiction rules that the System, or other similar systems, violates applicable law or cannot otherwise be used to enforce Notices of Violation (each of (a) and (b) is a "Change in Law"). Notwithstanding the foregoing, Sensys Gatso or Customer may, following Sensys Gatso's notice of termination under this Section 1.4, choose to immediately suspend the Services described in such Service Attachment, upon the effective date of such Change in Law.

Notwithstanding the foregoing, Sensys Gatso shall not terminate this agreement or any service attachment due to Change in Law until (1) legal action involving the customer related to Change in Law has been resolved; or (2) in the case of a Change of Law that substantially restricts the operation of automated traffic law or code enforcement systems, but does not prohibit such systems, until the Parties have had a reasonable opportunity to confer in good faith regarding mutually acceptable amendments to this Agreement or the Services to permit the continued operations of the Services.

- 1.6. Effect of Termination or Expiration. On the termination date or on the first day after any other date of termination or expiration of this Agreement ("Effective Date of Termination"), the Services shall immediately cease. The following Sections of the Agreement shall survive any termination or expiration of the Agreement: 1.6 (Effect of Termination), 1.7 (Removal of Equipment), 2.1 (Service Fees), 3.7 (Storage of Violation Data), 4.2 (Cooperation), 5.3 (Indemnification Obligations), 5.6 (Applicable Law; Jurisdiction and Venue), and 5.17 (Notices). Notwithstanding the foregoing, unless otherwise prohibited by law, Sensys Gatso will continue to provide customer

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service team coverage for ninety (90) days after the “Effective Date of Termination” and shall process Program violations detected or issued pursuant to this Agreement prior to the Effective Date of Termination until such violation is dismissed by Customer, payment is made, or judgment is entered by a court.

- 1.7. Removal of Equipment. Within forty-five (45) days following the Effective Date of Termination, Sensys Gatso shall retrieve all Equipment from Customer. Customer shall not charge any storage fees for the Equipment during this period. Sensys Gatso shall be responsible for obtaining any permits required to remove equipment from appropriate agencies. Customer shall agree to waive any permit fees that would be paid to Customer which Customer is legally permitted to waive. In the event that such Equipment is not removed within forty-five (45) days, the Customer reserves the right to remove the Equipment following notification of Sensys Gatso, with costs of such removal assessed to Sensys Gatso.

2. COMPENSATION

- 2.1. Service Fees. Customer shall pay Sensys Gatso all fees set forth in one or more Service Attachments (the “Service Fees”) within thirty (30) days of a receipt of an invoice therefore.

- 2.2. Service Fees Payment.

- 2.2.1. Invoicing. Sensys Gatso shall invoice the Customer for service fees on or before the 30th day of each month. Payment terms are thirty (30) days net from the date of invoice. Each invoice shall state the total quantity of citations paid or collected and service fees owed to Sensys Gatso. The Customer shall assist in the timely provision of a violator paid disposition file from the Parma Municipal Court to Sensys Gatso in order to properly invoice for the Service Fees.

- 2.2.2. Fees are Sole Compensation. Except as explicitly set forth in a Service Attachment, the Service Fees and any Credit Card Convenience Fees, as defined in Section 3.6, shall be Sensys Gatso’s sole compensation for the Services. Sensys Gatso shall remain responsible for all costs and expenses associated with the supply, installation, commissioning, operation, maintenance, repair, replacement, and removal of the Equipment and maintenance of the System unless otherwise set forth in this Agreement or a Service Attachment.

3. SCOPE OF SERVICES

- 3.1. Sensys Gatso Hotline. Sensys Gatso will provide customer with a dedicated “hotline” number for emergency situations. Phone calls or e-mails shall be returned by a Sensys Gatso hotline support team member within one (1) hour for all equipment and software related issues that have resulted or will result in degraded or cessation of operation. All other phone calls or e-mails shall be returned within one (1) business day.

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- 3.2. Services; System Operation. Sensys Gatso shall perform the Services in accordance with the Business Rules, as defined in Section 4.4. Sensys Gatso shall operate the System on a continuous, 24-hour basis, seven (7) days per week, except for reasonable scheduled and unscheduled downtime, and Force Majeure as set forth in Section 5.11. Sensys Gatso shall notify the Customer two (2) business days prior to any scheduled downtime in writing. The System shall utilize commercially reasonable security protocols and shall be accessible by end-users employed by the Customer, and, to the extent required to provide the Services, the general public, over the internet through supported web browsers.
- 3.3. System Upgrades. In the event Sensys Gatso makes upgrades to the software or related performance capabilities of the System generally available to other customers, Sensys Gatso will provide such upgrades without charge to Customer. This Section 3.3, shall not, however, entitle Customer to receive any additional Services or Equipment other than those described in the Service Attachment.
- 3.4. Customer Personnel Training. On days and at times agreed by the parties, Sensys Gatso will provide training to Customer personnel designated by Customer with respect to accessing and using the System. Sensys Gatso may make available to Customer certain written materials to support Customer personnel use of the System (the "Training Materials").
- 3.5. Notices of Violation. Except for Notices of Violation issued by Customer personnel at the time of violation, Sensys Gatso shall issue a Notice of Violation to the registered owner(s) of each vehicle identified by Customer personnel as described in a Service Attachment, in a form and manner approved by Customer. With respect to any registered owner(s), who has not paid a Notice of Violation in a timely manner, Sensys Gatso shall send additional notices thereafter as further described in a Service Attachment. After the issuance of the Notice of Violation, Sensys Gatso will send a file in a mutually agreed format to the Clerk of the Parma Municipal Court for the processing of these violations.
- 3.6. Payments. The City and Sensys Gatso shall make best efforts to ensure that the Parma Municipal Court ("Court") provides the registered owner or owners of a cited vehicle the following payment methods: "pay by web," "pay by telephone," and "pay by mail" for the payment of invoices issued through the System. The Court may pass through to violators any reasonable credit card convenience fees imposed upon it by its suppliers for violations paid by credit card ("Credit Card Convenience Fee"). Gatso shall have no obligation for collections of payment or payment of any Credit Card Convenience fees.
- 3.7. Storage of Violation Data. Sensys Gatso will store all violation data for five (5) years after payment or final adjudication of such violation or such longer period as required by applicable law. Customer shall have reasonable access to the violation data during the storage period.
- 3.8. NLETS Requirements. All authorized Sensys Gatso or subcontractor personnel reviewing vehicle information database or other program obtained via the National Law Enforcement Telecommunications System ("NLETS") on behalf of Customer shall comply with all applicable

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federal and state laws and all NLETS requirements. Without limiting the foregoing, Sensys Gatso expressly acknowledges the restrictions imposed by Driver Privacy Protection Act and shall comply therewith.

- 3.9. Reports. The System shall include functionality that permits Customer to run reports with regard to the functioning of the System, including but not limited to the number of Notices of Violation issued and paid, the aggregate amounts paid by registered owners or designated violators, the number of contested Notices of Violation, the amount of scheduled and unscheduled downtime of the System, and such other data as set forth in a Service Attachment or reasonably requested by Customer.
- 3.10. System Maintenance. Repairs, Logs. Sensys Gatso shall maintain the System and shall promptly repair or replace any damaged or defective equipment at its own expense except if the damage was caused by the negligence of City personnel. Sensys Gatso will perform annual calibration of the Fixed Location units detecting speed violations on an annual basis and shall provide the City with reports showing the results of the calibration testing, confirming that the calibration is accurate. At least quarterly during the Term, the Parma Heights Police Department (“PHPD”) will verify calibration of the Fixed Location units detecting speed violations using a Sensys Gatso-supplied, GPS-enabled, speed sensor box. Sensys Gatso shall perform preventative maintenance and cleaning of System components on a regularly scheduled basis, including review, cleaning and testing of camera settings and operation, communications, and other System components. Sensys Gatso will use commercially reasonable efforts to notify the City and initiate repairs within seventy-two (72) hours after identification of any damage, defect, or material issue relating to calibration or accuracy of System equipment.
- 3.11. Public Awareness. Sensys Gatso shall, to the extent permitted by law, assist and support Customer’s efforts in public education and awareness programs, by providing information including, but not limited to, violation statistics and violation statistic improvements. Sensys Gatso shall provide Customer with a pamphlet that Customer may reproduce and distribute to Customer residents (each a “Pamphlet”). The Pamphlet, which may be customized to include branding provided by Customer, shall include a description of the operation of the System in non-technical terms.
- 3.12.1 Insurance. Sensys Gatso shall, during the Term of this Agreement, maintain insurance coverage in at least the minimum amounts set forth in this Section 3.12:
- Workers’ Compensation and Employer’s Liability with limits not less than:
 - Workers’ Compensation: statutory
 - Employer’s Liability: \$500,000 ea. accident-injury
 - \$500,000 ea. employee-disease
 - \$500,000 disease-policy
 - Comprehensive General Liability with limits not less than \$2,000,000 Bodily Injury and Property Damage Combined Single Limit.

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This insurance shall provide that coverage applies to the state in which Customer is located.

3.12.2 Customer Vehicle Insurance. If Customer is provided a Sensys Gatso vehicle under Exhibit C to the Service Attachment (“Exhibit C”), Customer shall be responsible for motor vehicle insurance coverage for the vehicle and all installed equipment on any such vehicles driven by Customer employees or contractors. Coverage will include liability and collision damage and shall provide 100% coverage. Customer shall provide Sensys Gatso with certificates of insurance meeting the requirements in this section and in Exhibit C.

4. CUSTOMER RESPONSIBILITIES

4.1. Customer Project Manager. Customer will designate one Customer employee as Sensys Gatso’s principal contact (“Customer Project Manager”). Customer reserves the right to replace the employee designated as the Customer Project Manager at its discretion. In the case Customer designates a new employee as the Customer Project Manager, it will give Sensys Gatso written notice of the new employee’s name and contact information.

4.2. Cooperation. Customer will cooperate with Sensys Gatso during all aspects of the planning, installation, implementation, and operation of the Equipment and the System and to perform any other Customer obligations set forth in this Agreement and in any Service Attachments attached hereto. Customer will provide Sensys Gatso, at no cost, all Customer permits necessary for the System. Customer will also reasonably assist Sensys Gatso in securing necessary permits from other governmental agencies.

Customer shall: (a) keep all Equipment and Systems in its possession free of all security interests of any kind whatsoever, including liens, encumbrances and claims; (b) take reasonable measures to protect the Equipment and Systems from theft, unauthorized use or vandalism; (c) not remove or have removed any identification marks applied to the Equipment by Sensys Gatso or the manufacturer; (d) use the Equipment and the System with due care and in conformity with all applicable laws; and (e) not modify the Equipment or the System in any way.

4.3. Access to Information Services. To the extent required by NLETS or other data provider agreed by the parties, Customer will provide written authorization (in a form reasonably acceptable to Customer) for Sensys Gatso to perform motor vehicle ownership inquiries on behalf of Customer.

4.4. Business Rules. Customer will establish and document certain Program parameters as reasonably requested by Sensys Gatso (the “Business Rules”). Customer will provide Sensys Gatso with at least sixty (60) days’ written notice of any proposed change to the Business Rules unless the changes requested are required by a Change in Law impacting the operation of the program. Business Rules shall be deemed Program Data, as defined in Section 5.2.1.

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- 4.5. Collection of Unpaid Fines. For any Services for which Sensys Gatso is compensated based on Notices of Violation fines or other fees paid by violators, Customer agrees and authorizes that Sensys Gatso may take collections action against those registered owners or designated violators that fail to pay or contest a Notice of Violation as set forth in Section 3.5 and 3.6. Customer may further authorize Sensys Gatso to retain a third-party collections agency or law firm to recover the fines, including collections costs and expenses, or retain Sensys Gatso to perform such collections activities pursuant to a Collections Service Attachment. Any amounts collected through the collections process described in this Section 4.5 will be included in total Notice of Violation fines collected for the purposes of calculating Service Fees, if applicable.
- 4.6 Additional Collection Efforts. If a violator has not paid a citation fee within 120 days of the date of violation, Sensys Gatso shall upon direction of the City perform the additional Collections Services described in Exhibit B. In addition, upon prior written consent from the City, Sensys Gatso may also pursue one or more of the following additional collections efforts, as applicable and lawful: filing with OH DMV documentation required for registration non-renewal; and filing with DMVs of other states with which the OH DMV has reciprocal agreements, documentation required for registration non-renewal.

5. GENERAL PROVISIONS

5.1. Representations and Warranties.

5.1.1. Sensys Gatso represents and warrants that at all times during the Term:

- a) It has the independent legal authority to enter into the Agreement and any Service Attachment;
- b) The Equipment will conform with all written specifications provided by Sensys Gatso to Customer;
- c) The Equipment will conform with the intended purpose and use it was designed for;
- d) The Services described herein will be performed in a professional manner with due care and skill;
- e) It will perform the Services in compliance with all applicable federal, state, and local laws including without limitation the Fair Labor Standards Act; any statutes regarding qualification to do business; any statutes prohibiting discrimination because of, or requiring affirmative action based on, race, creed, color, national origin, age, sex, or other prohibited classification including without limitation the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 *et seq*;
- f) It is not barred by law from contracting with Customer or with any other unit of state or local government as a result of (i) a delinquency in the payment of any tax administered

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by the Department of Taxation in the state in which Customer is located unless Sensys Gatso is contesting, in accordance with the procedures established by the appropriate revenue act, its liability for the tax or the amount of the tax or (ii) any finding of recovery made against Sensys Gatso by the Auditor of such state;

g) The only persons, firms, or corporations interested in this Agreement as principals are those disclosed to Customer prior to the execution of this Agreement and that this Agreement is made without collusion with any other person, firm, or corporation; and

h) Neither it nor any of its principals, shareholders, members, partners, or affiliates, as applicable, is a person or entity named as a Specifically Designated National and Blocked Person (as defined in Presidential Executive Order 13224) and that it is not acting, directly or indirectly, for or on behalf of a Specifically Designated National and Blocked Person. Sensys Gatso further represents and warrants to Customer that Sensys Gatso and its principals, shareholders, members, partners, or affiliates, as applicable, are not, directly or indirectly, engaged in, and are not facilitating, the transactions contemplated by this Agreement on behalf of any person or entity named as a Specifically Designated National and Blocked Person; and

i) EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION 5.1:

A. THE PARTIES EXPRESSLY DISCLAIM ALL WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE AND NON-INFRINGEMENT AS WELL AS ALL WARRANTIES ARISING BY USAGE OF TRADE, COURSE OF DEALING OR COURSE OF PERFORMANCE.

B. SENSYS GATSO MAKES NO WARRANTY THAT THE SERVICES, THE EQUIPMENT OR THE SYSTEM WILL MEET CUSTOMER'S REQUIREMENTS, OR THAT THE SERVICES AND SYSTEMS WILL BE UNINTERRUPTED, TIMELY, SECURE, OR ERROR FREE; NOR DOES SENSYS GATSO MAKE ANY WARRANTY AS TO THE RESULTS THAT MAY BE OBTAINED FROM THE USE OF THE SERVICES, THE EQUIPMENT OR THE SYSTEM. THE PROGRAM DATA AND PROGRAM MATERIALS ARE PROVIDED "AS IS" WITHOUT WARRANTIES OF ANY KIND.

5.1.2. Customer represents and warrants that at all times during the Term:

- a) It has the independent legal authority to enter into the Agreement and that it has complied with any and all applicable federal, state, and local procurement requirements in connection therewith;
- b) It has the legal right to grant the licenses set forth in Section 5.2.3; and
- c) It will establish Business Rules, and utilize the Services and the System, in compliance

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with all applicable federal, state and local laws.

5.2. Ownership; Licenses.

5.2.1. Program Data. Customer shall retain all right, title and interest in and to any information, data, study findings, or report content created by Sensys Gatso related specifically to the Program or its operation (“Program Data”). Customer grants to Sensys Gatso: (a) a non-exclusive, worldwide, royalty-free, fully paid up, sub licensable, non-transferrable right and license during the Term to copy, distribute, display and create derivative works of and use Program Data solely to perform the Services; and (b) a perpetual, irrevocable, non-exclusive, worldwide, royalty-free, fully paid up, right and license to use Program Data solely in an aggregated, de-identified or anonymized format such that Customer, its personnel and violators are not identified, in order to evaluate and enhance Sensys Gatso’s systems and services. Sensys Gatso and its affiliates may identify Customer as an entity utilizing the Services and the System in its marketing materials, including but not limited to its website and proposals to perform the same or similar Services for others, without the prior written consent of Customer.

5.2.2. Program Materials. Sensys Gatso shall retain all right, title and interest in and to any information, data, software (including with respect to any System integration performed by or on behalf of Sensys Gatso), templates, studies, reports or other documents, including Training Materials, Pamphlets, and other materials used generally by Sensys Gatso in performing services for its clients (“Program Materials”). Sensys Gatso grants to Customer a non-exclusive, royalty-free, fully paid up, non-sub licensable, non-transferrable right and license during the Term to create a limited number of copies, distribute, display and create derivative works of and use, Program Materials solely by its authorized personnel for Customer’s internal use in connection with the Services.

5.2.3. Customer Marks. Customer hereby grants to Sensys Gatso and its affiliates a non-exclusive, non-transferable, sub licensable, license during the Term to use, reproduce, display, and distribute the Customer name, seal, logo, domain name and other marks owned or controlled by Customer (“Customer Marks”) solely in connection with the Program Materials and as otherwise required in connection with the performance of the Services. Sensys Gatso will provide Customer the opportunity to review and approve all uses of the Customer Marks. Notwithstanding the foregoing, Sensys Gatso and its affiliates may identify the Customer as an entity utilizing the Services in its marketing materials, including but not limited to its website and proposals to perform the same or similar services for others, without the prior written consent of Customer. Nothing in this Agreement grants the Customer any right to use the name, logo or other marks of Sensys Gatso or its affiliates except as incorporated in Program Data and Program Materials, or otherwise with the prior written consent of Sensys Gatso.

5.3. Indemnification Obligations.

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- 5.3.1. Sensys Gatso shall indemnify, defend, and hold harmless the Customer and its elected officials, officers, employees, agents, attorneys, representatives, and permitted assignees and all persons acting by, through, under, or in concert with them (the Customer Indemnitees) from and against any and all losses that may be imposed on or incurred by the Customer Indemnitees arising out of or in any way related to:
- a) Any material representation, inaccuracy, or breach of any covenant, warranty, or representation of Sensys Gatso contained in this Agreement.
 - b) Negligence or misconduct of Sensys Gatso or its employees, contractors, or agents that results in bodily injury to any natural person (including third parties) or any damage to any real or tangible personal property (including the personal property of third parties), except to the extent caused by the negligence or misconduct of any Customer Indemnitee; or
 - c) Any claim, action, or demand not caused by the Customer's failure to perform its obligations under this Agreement.
- 5.3.2. Notwithstanding anything to the contrary in this Agreement, neither Sensys Gatso nor the Customer will be liable to the other, by reason or any representation or express or implied warranty, condition, or other term or any duty at common or civil law, for any lost profits or any indirect, incidental, or consequential damages however caused.
- 5.3.3. In the event any claim, action, or demand (collectively a "Claim") in respect of which the Customer seeks indemnification from Sensys Gatso, the Customer must give Sensys Gatso written notice of such Claim promptly after the Customer first becomes aware of it. Sensys Gatso will have the right to choose counsel to defend against the Claim (subject to approval of such counsel by the Customer, which approval may not be unreasonably withheld, conditioned, or delayed) and to control and settle the Claim. The Customer will have the right to participate in the defense at no additional expense to Sensys Gatso.
- 5.4. Relationship between Sensys Gatso and Customer. Sensys Gatso is an independent contractor. This Agreement does not create, and nothing in this Agreement may be deemed, construed, or applied to create a partnership, joint venture or the relationship of principal and agent or employer and employee between the parties. Further, This Agreement does not permit either Party to incur any debts or liabilities or obligations on behalf of the other Party, except only as specifically provided herein.
- 5.5. Assignment; Successors and Assigns. Neither party may assign this Agreement, in whole or in part, without the prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. Sensys Gatso further reserves the right to use third party contractors to fulfill its obligations to provide certain Services provided that Sensys Gatso shall notify the City of such contractors, provide the City with contact information of same, and that Sensys Gatso shall be responsible for the performance of such subcontractors in accordance with the terms of this Agreement. The Agreement shall bind and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

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- 5.6. Applicable Law; Jurisdiction and Venue. This Agreement is governed by and construed in all respects in accordance with the laws of the state in which Customer is located, without regard to any conflicts of laws rules. Any lawsuit arising out of or in connection with this Agreement must be filed in a state or federal court of competent jurisdiction and venue in the state in which Customer is located, and both parties specifically agree to be bound by the jurisdiction and venue of such courts.
- 5.7. Compliance with Laws. Sensys Gatso must provide and perform all services under this Agreement in compliance with, and Sensys Gatso agrees to be bound by, all applicable federal, State of Ohio, and local laws including without limitation the Fair Labor Standards Act; any statutes regarding affirmative action based on, race, creed, color, national origin, age, sex, or other prohibited classification including without limitation the Americans with Disabilities Act of 1990, 42 U.S.C. 12101 *et seq.*
- 5.8. Not Barred; No Collusion. Sensys Gatso hereby represents that it is not barred by law from contracting with the Customer or with any other unit of the state or local government as a result of a delinquency in the payment of any tax administered by the Ohio Department of Taxation unless Sensys Gatso is contesting, in accordance with the procedures established by the appropriate revenue act, its liability for the tax or amount of the tax.
- 5.9. Disclosure of Interested Persons. Sensys Gatso hereby represents that the only persons, firms, or corporations interested in this Agreement as principals are those disclosed to the Customer prior to the execution of this Agreement and that this Agreement is made without collusion with any other person, firm, or corporation. If at any time it shall be found that Sensys Gatso, in procuring this Agreement, has colluded with any other person, firm, or corporation, then Sensys Gatso will be liable to the Customer for all loss or damage that the Customer may suffer thereby, and this Agreement will be null and void, at the Customer's option.
- 5.10. Patriot Act Compliance. Sensys Gatso represents and warrants that to the Customer that neither it nor any of its principals, shareholders, members, partners, or affiliates, as applicable is a person or entity named as a Specially Designated National and Blocked Person (as defined in Presidential Executive Order 13224) and that it is not acting, directly or indirectly, for or on behalf of a Specially Designated National and Blocked Person. Sensys Gatso further represents and warrants to the Customer that Sensys Gatso and its principals, shareholders, members, partners, or affiliates, as applicable, are not directly or indirectly, engaged in, and are not facilitating the transactions contemplated by this Agreement on behalf of any person or entity name as a Specially Designated National and Blocked Person. Sensys Gatso hereby agrees to defend, indemnify, and hold harmless the Customer, its corporate authorities, and all Customer appointed officials, officers, employees, agents, representatives, engineers, and attorneys, from and against any and all claims, damages, losses, risks, liabilities, and expenses, including reasonable attorneys' fees and costs arising from or related to any breach of the foregoing representations and warranties.
- 5.11. Force Majeure. Neither party shall be liable for delays in the performance of its obligations hereunder to the extent due to a Force Majeure Event or the negligence or misconduct of a third party. "Force

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Majeure Event” means conditions or other circumstances, such as acts of God that: (a) were not foreseen, and could not have been reasonably foreseen, but the party obligated to perform, (b) are beyond the control of the party obligated to perform, and (c) materially hinder or interfere with the ability of the party obligated to perform to complete performance; provided, however, that no such condition or circumstance will be a Force Majeure Event if it is the result of the fault, negligence, or material breach of this Agreement by the party obligated to perform. Examples of Force Majeure events include wars, floods, strikes and labor disputes, unusual delays in transportation, epidemics, earthquakes, severe adverse weather conditions not reasonably anticipated, and delays in permitting.

- 5.12. Escalation Procedure. The following procedure will be followed if resolution of a conflict arising during the performance of this Agreement is required:
- 5.12.1. When a conflict arises between Customer and Sensys Gatso, the project team members will first strive to work out the problem internally.
 - 5.12.2. If the project team cannot resolve the conflict within five (5) business days, the Customer Project Manager identified pursuant to Section 4.1 and a designated representative of Sensys Gatso will confer to resolve the issue.
 - 5.12.3. If the conflict is not resolved within five (5) business days after being escalated to the Project Manager and Sensys Gatso representative, a senior executive of Sensys Gatso will confer with a senior level administrator for Customer within five (5) days to resolve the issue.
 - 5.12.4. If no resolution is reached pursuant to Section 5.12.3, the parties may mutually agree to terminate the Agreement pursuant to Section 1.2 or seek any available legal or equitable remedies.
 - 5.12.5. During any conflict resolution as described in this Section 5.12, Sensys Gatso agrees to provide the Services relating to items not in dispute, to the extent practicable, pending resolution of the conflict. Customer agrees to reasonably cooperate with Sensys Gatso’s provision of such services and shall pay invoices per the Agreement.
- 5.13. Entire Agreement; Amendment. This Agreement and its Service Attachments constitutes the entire agreement between the parties about the Services and supersedes all prior and contemporaneous agreements or communications except with respect to those provisions that survive the termination or expiration thereof. This Agreement and any Service Attachment may only be amended by a writing specifically referencing the section of the Agreement or Service Attachment to be amended and which has been signed by authorized representatives of the parties.
- 5.14. Counterparts; Electronic Signature. This Agreement may be signed in one or more counterparts, each of which will be deemed to be an original and all of which when taken together will constitute the same Agreement. Any signature or copy of this Agreement made by reliable means (for example, photocopy, electronic signature or electronic mail) shall be considered an original.
- 5.15. Enforceability. If any term in this Agreement is found by competent judicial authority

EXHIBIT A

to be unenforceable in any respect, the validity of the remainder of this Agreement will be unaffected, provided that such unenforceability does not materially affect the parties' rights under this Agreement.

- 5.16. Waiver. An effective waiver under this Agreement must be in writing signed by the party waiving its right. A waiver by either party of any instance of the other party's noncompliance with any obligation or responsibility under this Agreement, whether or not made in writing, will not be deemed a waiver of any subsequent instances.
- 5.17. Notices. Any notices provided pursuant to this Agreement shall be effective three days after deposit in the U.S. Mail if sent by Certified Mail Return Receipt Requested, or immediately if by in-person delivery or confirmed electronic mail, to the parties at the addresses first set forth herein.
- 5.18. LIMITATION OF LIABILITY. EXCEPT FOR AMOUNTS PAYABLE WITH RESPECT TO THE INDEMNIFICATION OBLIGATIONS SET FORTH IN SECTION 5.3: (A) NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR LOST PROFITS OR FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES IN CONNECTION WITH THE AGREEMENT, THE SERVICES, OR THE SYSTEMS, HOWEVER CAUSED, UNDER ANY THEORY OF LIABILITY; AND (B) THE AGGREGATE LIABILITY OF EITHER PARTY FOR DIRECT DAMAGES ARISING OUT OF THE AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY SHALL BE LIMITED TO THE SERVICE FEES PAID OR PAYABLE BY CUSTOMER UNDER THE APPLICABLE SERVICE ATTACHMENT DURING THE TWELVE (12) MONTHS PRIOR TO THE EVENT GIVING RISE TO SUCH CLAIM.

IN WITNESS WHEREOF, Sensys Gatso and Customer have caused this Agreement to be executed by their properly authorized representatives as of the Execution Date.

Agreed to:

Sensys Gatso USA, Inc.

Agreed to:

The City of Parma Heights, Ohio

By: _____
Authorized Signature

William Braden
President
b.braden@sensysgatso.com

By: _____
Authorized Signature

Name: Marie Gallo
Title: Mayor
Email: mgallo@parmaheights.us

EXHIBIT A

Date: _____

Date: _____

Attested to:

Attested to:

By: _____
Authorized Signature

By: _____
Authorized Signature

Name (type or print): _____

Name (type or print): _____

Date: _____

Date: _____

SERVICE ATTACHMENTS

School Zone Traffic and Speed Enforcement

This School Zone Traffic and Speed Enforcement Service Attachment (this "Service Attachment") is made pursuant and subject to the terms of the Master Services Agreement between Sensys Gatso USA, Inc. ("Sensys Gatso") and the City of Parma Heights, Ohio ("Customer") dated _____ (the "Agreement").

1. SERVICE FEES

Customer shall pay to Sensys Gatso a "Per Paid Citation Fee" of thirty-six (\$36) dollars per paid citation for automated speed enforcement violations detected by a School Zone Enforcement system.

2. SCOPE OF SERVICES

- 2.1. Equipment. Sensys Gatso shall operate, and maintain, and where necessary install or replace, fixed location speed enforcement cameras (each a "Camera") at locations mutually agreed upon by the Customer and Sensys Gatso.
- 2.2. Sensys Gatso shall provide and maintain up to two portable photo-laser speed enforcement systems (each a "Handheld Speed Enforcement Unit") in accordance with Sensys Gatso's standard maintenance procedures. In the event that Customer does not deploy a Handheld Speed Enforcement Unit for a period equal or greater than sixty (60) consecutive days during the school year, Sensys Gatso shall have the right, but not the obligation, to request that the Customer return that Speed Enforcement Unit to Sensys Gatso. The customer shall be obligated to deploy at least 40 hours per month.
- 2.3. Camera Installation; Camera Poles. Sensys Gatso will install up to 8 Cameras on Customer owned or controlled poles at enforcement locations mutually agreed by Sensys Gatso and Customer based upon community safety considerations. In the event that there is no feasible pole located at an identified location, Customer may, alternatively, elect to install a pole as described in Section 2.3 of this Service Attachment, or Sensys Gatso will install a pole at such location subject to the additional terms and conditions set forth in Exhibit A to this Service Attachment (each a "Camera Pole").
- 2.4. Relocation. Customer may request to relocate a Camera during the Initial Term or any Extension Term at no cost to Customer as long as such relocation does not require the installation of a Camera Pole. If Customer requests that an installed Camera be relocated to a location that requires the installation of a Camera Pole at any time, Sensys Gatso may charge Customer a Service Fee based on the actual cost of the installation for Sensys Gatso in accordance with Section 2.2.1 of the Agreement. Upon ten (10) days prior written notice from Customer, Sensys Gatso will move a Camera to a new location identified by Customer.

- 2.5. 24-Hour Operation. Sensys Gatso shall operate the Equipment on a continuous, 24-hour basis, seven (7) days per week, except for reasonable scheduled and unscheduled maintenance and repairs, as set forth in Section 2.8 of this Service Attachment. For the first thirty (30) days after the first Equipment components are activated, Customer may elect to issue warning notices rather than Notices of Violation (“Warning Period”). Customer may elect to issue warning notices rather than Notices of Violation for fifteen (15) days at any location that has discontinued issuing citations due to technical performance issues for more than seventy two (72) consecutive hours.
- 2.6. Images and Data Processing. Sensys Gatso will upload encrypted violation images and embedded violation data from the Cameras and Mobile Traffic Enforcement unit to a secure Sensys Gatso server in a timely manner that ensures the System remain in proper operation at all times. Sensys Gatso will correlate images and data with motor vehicle records, and will assemble the images and data into an electronic Violation Package. Sensys Gatso shall ensure that all Violation Packages are processed through a web-based program that provides the Customer with access sufficient to enable it to review, and approve or reject, each violation before a citation is issued for any such violation. Sensys Gatso will ensure that all violation images are processed and violation package is sent to the Customer for review within four days after the violation has occurred (subject to any turn-around delay by NLETS). Sensys Gatso will ensure that the programs and software utilized are compatible with the Customer’s current computer system. Sensys Gatso will provide, and warrant, the Customer with all licenses and permissions necessary for the Customer to utilize the necessary software and any other intellectual property for the System. Sensys Gatso agrees to maintain connection with and access to the NLETS systems during the term of the Agreement including any extensions.
- 2.7. Notices of Violation. Sensys Gatso shall send a Notice of Violation by Customer pursuant to Section 3.1 of this Service Attachment, Sensys Gatso shall issue, by first class mail, a first Notice of Violation, including images and data of the violation, to registered owners of vehicles identified in the Violation Package. The System shall allow the registered owner(s) to review the images and data related to the Notice of Violation, through the web-portal by using a unique identifier code included in the Notice of Violation. If a registered owner disputes responsibility for a violation, information on how to contest shall be printed on the Notice of Violation. Sensys Gatso shall provide reasonable aid and assistance in the prosecution of Notices of Violation issued hereunder, including the provision of fact witnesses familiar with the operation of the System and the Equipment, as may be required in a court or quasi-judicial panel of competent jurisdiction, at no additional charge to Customer, as well as facilitation of filings and interactions with such courts or quasi-judicial panels.
- 2.8. Equipment Maintenance and Repair. Sensys Gatso shall maintain the Equipment for all Fixed and Mobile Speed Enforcement units and shall promptly repair or replace any damaged or defective components at its own expense. Sensys Gatso shall perform preventative maintenance and cleaning of Equipment components on a regular basis and at the request of the Customer, including review and testing. Sensys Gatso will notify Customer in writing of any repairs within forty-eight (48) hours after Sensys Gatso identifies any material damage, defect, or other issue with respect to the Equipment. If any material damage, defect, or other issue with respect to the Equipment are reported by the Customer, Sensys Gatso will begin repairs within twenty-four (24) hours and will immediately change the status of the location to quiet mode. Sensys Gatso shall assist Customer

with quarterly verification of equipment. Customer will provide Sensys Gatso four (4) business days' notice of scheduled verification. Customer may require additional verifications of equipment at any time and shall provide Sensys Gatso with seven (7) days' notice of additional verifications. Sensys Gatso shall be responsible for providing annual calibration reports for all equipment forty-eight (48) hours prior to expiration of current calibration reports.

- 2.9. Signage. If required by State legislation or local governing ordinance, Sensys Gatso will provide and install necessary signage at no cost to Customer informing inbound traffic that Customer utilizes traffic law photo-enforcement devices to enforce traffic laws. Sensys Gatso shall be responsible for obtaining all State, County, and City permits associated with the installation of signs. Customer may elect to provide signage at the cost of the Customer without prior authorization from Sensys Gatso. If Customer elects to install additional unrequired signage, Customer will be responsible for obtaining all State, County, and City permits associated with installation.
- 2.10. Traffic Studies. If agreed in writing by Sensys Gatso and Customer, Sensys Gatso will conduct an informal traffic study for proposed enforcement locations or other purposes agreed to by the parties (each a "Traffic Study"). Any reports resulting from a Traffic Study will be considered Program Data. The Traffic Study and any resulting reports are provided "as-is" with no warranties of any kind.

3. CUSTOMER RESPONSIBILITIES

- 3.1. Review of Violations. Customer will provide sworn police officers to carefully review each Violation Package to determine whether: (a) the violation is approved, and a Notice of Violation can be mailed; or (b) the violation is rejected. During any time Customer is utilizing emergency staffing, Customer shall have the right, in its discretion, to suspend the processing of Violation Packages without consequence to Customer. During those times, Customer will make a good faith effort to resume processing as promptly as possible under the circumstances giving rise to emergency staffing. Customer is solely responsible for determining which violations identified by Sensys Gatso are issued as Notices of Violation. Customer shall provide Sensys Gatso written notice within twenty four (24) hours of implementing such emergency staffing. Sensys Gatso may cease processing Notices of Violation during such period of emergency staffing.
- 3.2. Customer Infrastructure. For Customer owned or controlled poles, Customer will provide Sensys Gatso with access to such poles, and electricity for operation of the Cameras on such poles, at no charge to Sensys Gatso. Customer shall make reasonable efforts to notify Sensys Gatso of any damaged or destroyed Customer owned or controlled poles within twenty-four (24) hours of discovery of such damages or destruction.

SERVICE ATTACHMENTS

Mobile Speed Enforcement Vehicle

Portable Handheld Speed Enforcement Unit

This Mobile Traffic Enforcement Vehicle Service Attachment (this "Service Attachment") is made pursuant and subject to the terms of the Master Services Agreement between Sensys Gatso USA, Inc. ("Sensys Gatso") and the City of Parma Heights, Ohio ("Customer") dated _____, 2023 (the "Agreement"). This Service Attachment is incorporated into, and governed by the terms of, the Agreement. In the event of a conflict between the terms of the Agreement and this Service Attachment, the terms of this Service Attachment shall prevail solely with respect to the Services described herein. All capitalized terms not otherwise defined herein shall have the meaning given such terms in the Agreement.

1. SERVICE FEES

1.1 Mobile Speed Vehicle. For all mobile speed vehicle systems the Sensys Gatso fees for services under this Agreement will be invoiced based upon the number of paid violations. Sensys Gatso scope of services as provided will be calculated as follows:

- \$36 per paid violation from those captured by the mobile speed vehicle

1.2 Portable Handheld Speed Enforcement Unit. For all portable handheld speed enforcement systems, the Sensys Gatso fees for services under this Agreement will be invoiced based upon the number of paid violations. Sensys Gatso scope of services as provided will be calculated as follows:

- \$36 per paid violation from those captured by the portable handheld speed enforcement unit

2. SCOPE of SERVICES MOBILE SPEED VEHICLE

2.1 Equipment. Sensys Gatso shall provide one Mobile Speed Vehicle (the "Vehicle") as agreed to in Exhibit C of this Service Attachment, installed with a speed enforcement unit (each a "Mobile Speed Vehicle") in accordance with Sensys Gatso's standard installation and maintenance practices.

2.2 Images and Data Processing. Sensys Gatso will: (a) upload encrypted violation images and embedded violation data from the Cameras to the System; (b) correlate images and data with motor vehicle records, and (c) assemble the images and data for each violation detected by a Mobile Unit that meets the business rules provided by Customer into an electronic package accessible through the System (each a "Violation Package"). Sensys Gatso will use commercially reasonable efforts to complete these activities within twenty (20) days of the date of violation.

2.3 Notices of Violation. Within fifteen (15) days of approval of a Notice of Violation by Customer pursuant to Section 3.1 of this Service Attachment, Sensys Gatso shall issue a Notice of Violation, including images and data of the violation, to registered owners of vehicles identified in the Violation Package by first class mail. The System shall allow the registered owner(s) to review the images and data related to the notice of violation, through the web-portal by using a unique identifier code included in the Notice of Violation. If a registered owner disputes responsibility for a violation and identifies a different violator in a manner agreed by Customer, then Sensys Gatso will reissue the Notice of Violation to that different violator within ten (10) days

after such identification. With respect to any Notice of Violation that is not paid or contested within forty-five (45) days of mailing of the Notice of Violation, Sensys Gatso may send additional notices thereafter, in a form mutually agreed upon by the parties (each a "Subsequent Notice"). Sensys Gatso shall provide reasonable aid and assistance in the prosecution of Notices of Violation issued hereunder, including the provision of fact witnesses, as may be required in a court or quasi-judicial panel of competent jurisdiction, at no additional charge to Customer. The Customer will grant Gatso access to those records necessary in order to meet notification requirements in issuing notices.

2.4 Equipment Maintenance. Customer agrees to transport and store the Vehicle with care and at the end of the contract return to Sensys Gatso in reasonably the same condition in which it was received, except for routine wear and tear. Customer will be responsible for the charging of the batteries that power the Vehicle system.

2.5 Mobile Speed Vehicle Maintenance. Customer shall be responsible for the "normal maintenance" of the vehicle including fueling, tire pressure, oil changes and fluid levels. Sensys Gatso shall be responsible for any mechanical repairs or damage associated with the vehicle as long as it is determined not to be caused by the Customer or its agents.

2.6 Signage. If required by State legislation or local governing ordinance, Sensys Gatso will provide and install necessary signage at no cost to Customer informing inbound traffic that Customer utilizes mobile traffic law photo-enforcement devices to enforce traffic laws. Sensys Gatso shall provide and install additional signage as requested by Customer and agreed by Sensys Gatso at Customer's expense.

3. CUSTOMER RESPONSIBILITIES

3.1 Deployment of Mobile Speed Vehicle. Customer agrees to use commercially reasonable efforts to utilize the Mobile Speed Vehicle for at least forty hours per month during the Term. In addition, Customer will download all violations detected by Mobile Speed Vehicle in a timely manner which shall in no event exceed four (4) business days following the date of violation. In the event Customer fails to comply with the provisions of this Section 3.1 with respect to the Mobile Speed Vehicle, Sensys Gatso may, at its option, remove such Mobile Speed Vehicle from the Equipment provided pursuant to this Service Attachment. If, during any two (2) consecutive months during the school year, Customer fails to utilize each Mobile Speed Vehicle for at least forty (40) hours per month, in addition to any other remedies it may have hereunder, Sensys Gatso may, at its sole discretion remove any such Mobile Speed Vehicle that has been underutilized from the Service. This shall be applicable to the school year.

3.2 Review of Violations. Customer will provide sworn police officers, community service officers or other designated Customer personnel to carefully review each Violation Package to determine whether: (a) the violation is approved, and a Notice of Violation can be mailed; or (b) the violation is rejected. If the violation is rejected, the Customer Project Manager, identified pursuant to Section 4.1 of the Agreement, will report to Sensys Gatso the basis for the rejection. Customer is solely responsible for determining which violations identified by Sensys Gatso are issued as Notices of Violation.

4. SCOPE OF SERVICES PORTABLE HANDHELD SPEED ENFORCEMENT UNIT

4.1 Operation of Portable Speed Enforcement Units. In order to promote community safety, if the City requests that Sensys Gatso provide one or more Portable Handheld Speed Enforcement units to the City, the City agrees to: (a) utilize each Portable Handheld Speed Enforcement unit for at least forty (40) hours per month during the school year; (b) follow reasonable industry practices in the usage of Portable Speed Enforcement units; and (c) download all violations detected by the Portable Handheld Speed Enforcement units in a timely manner which

shall in no event exceed forty-eight (48) hours following detection.

4.1 If, during any two (2) consecutive months during the Term, the City fails to utilize one (1) or more Portable Handheld Speed Enforcement units for at least forty (40) hours per month, in addition to any other remedies it may have hereunder, Sensys Gatso may, at its sole discretion, remove any such Portable Handheld Speed Enforcement unit that has been underutilized from the Service. This shall be applicable to the school year

4.2 In addition, the City shall: (a) keep the Portable Handheld Speed Enforcement units free of all security interests of any kind whatsoever, including liens, encumbrances and other claims; (b) take reasonable measures to protect the Portable Handheld Speed Enforcement units from theft, unauthorized use or vandalism; (c) not remove or have removed any identification marks applied to the Portable Handheld Speed Enforcement units by Sensys Gatso; (d) maintain the Portable Handheld Speed Enforcement units in good condition and repair, reasonable wear and tear excepted; (e) use the Portable Handheld Speed Enforcement units with due care to prevent injury thereto and to any person or property and in conformity with all applicable laws; and (f) not to modify the Portable Speed Enforcement units in any way. The City shall be responsible for any damage to a Portable Handheld Speed Enforcement unit incurred during the Term, other than reasonable wear and tear

EXHIBIT A
TO SERVICE ATTACHMENT
Additional Terms and Conditions
for
Installation of Camera
Poles

In the event that Sensys Gatso is required to install one (1) or more Camera Poles pursuant to Section 2.2 or 2.3 of this Service Attachment, the following additional terms and conditions shall apply:

- A. Obtaining Permits. Sensys Gatso shall prepare all permit applications, design drawings and other documents as may be reasonably required by Customer or any other governmental entity for the installation and operation of any applicable Camera Poles. Customer will reasonably assist Sensys Gatso in securing necessary permits for the installation of Camera Poles, provided Sensys Gatso meets the minimum requirements for such permits. Sensys Gatso will use commercially reasonable efforts to obtain any other necessary permits for the Camera Poles from applicable agencies and shall pay all permit or other fees charged by such governmental entities in connection with the installation and operation of the Camera Poles. Customer shall agree to waive any permit fees that would be paid to Customer which Customer is legally permitted to waiver.
- B. Installation. Sensys Gatso will commence installation of the Camera Poles within ten (10) business days after any and all necessary state, county or other permit applications have been approved and such permits have been received. Sensys Gatso shall not be responsible for any delays associated with the failure of any state or local government to promptly provide applicable permits. If Customer requests that an installed Camera be relocated to a location that requires the installation of a Camera Pole, Sensys Gatso may charge Customer a Service Fee based on the actual cost of the installation for Sensys Gatso.
- C. Restoration of Locations. Upon any expiration or termination of this Service Attachment, Sensys Gatso shall remove any Camera Poles installed pursuant to this Service Attachment and restore such locations to substantially the same condition as existed prior to such installation. Notwithstanding the foregoing, Sensys Gatso will not remove any pole foundation, which shall be left approximately flush with grade with no exposed bolts or other hazards. Installed underground conduit and other equipment shall not be required to be removed. Sensys Gatso shall use commercially reasonable efforts such that removal and restoration activities occur within forty-five (45) days after the Effective Date of Termination and do not unreasonably interfere with or adversely affect traffic flow.

EXHIBIT B

Additional Terms and Conditions for Collections Services

In consideration for the Collections Fees set forth in Section 4.5 and 4.6 of the Agreement, Sensys Gatso will perform the following Collections Services at no additional expense to the City subject to the terms of the Agreement.

1. SCOPE OF SERVICES

With respect to any registered owner who has not paid a citation within 120 days of the violation date (each a "Debt"), Sensys Gatso will perform the following Collection Services subject to the terms of this Exhibit B: (a) notice generation, (b) target population analysis, (c) effectiveness reports, (d) skip-tracing; (e) no name and address research, and (f) outbound calling.

- 1.1. Ownership; Authorization to Investigate and Collect Debts. The City shall maintain all right, title and ownership of the Debts. The City authorizes and appoints Sensys Gatso and its subcontractors to collect and receive for the City all sums of money due or payable to the City for the Debts and perform the services described herein. The City expressly authorizes Sensys Gatso to perform investigatory and skip tracing services in connection with the Collection Services and to use any legal means to collect the Debts. Sensys Gatso and its subcontractors shall have authority to receive payment electronically or by cash, check or money order, and shall have authority to endorse checks, drafts, money orders and other negotiable instruments which may be received in payment of the Debts.
- 1.2. Prior Collection Efforts. In the event the City attempted to collect any Debt incurred prior to the Collection Services Start Date, the City agrees to provide to Sensys Gatso all reasonable and necessary information and records it has in its control regarding each such Debt and efforts undertaken by or on behalf of the City to collect the same.
- 1.3. Notice of Debt Dispute. If the City receives notice, either orally or in writing, or otherwise becomes aware that the recipient of a citation is disputing a Debt, the City shall promptly notify Sensys Gatso in writing. If the notice of dispute is made in writing, the City shall provide Sensys Gatso with a copy thereof.

2. LEGAL PROCESS, ATTORNEYS, AND LITIGATION

The parties agree that filing legal process or initiating litigation is not required in connection with the Collection Services, unless the parties mutually agree to take such steps in writing. In such instances where the City authorizes litigation or legal process, the following additional terms shall apply:

- 2.1. Decision Making Authority. The parties agree that the City reserves the right to decide whether Debts shall be placed in litigation. In keeping with this authority, the City may authorize Sensys Gatso in writing to retain an attorney for the City on prescribed terms and to commence litigation in the name of the City.
- 2.2. Authority and Role of Attorney. An attorney selected by Sensys Gatso pursuant to the Agreement shall be considered the City's attorney and the conduct of the attorney shall be under the City's control. Any such attorney will not be deemed a subcontractor of Sensys Gatso. The City will provide written authorization for Sensys Gatso or its subcontractor to conduct correspondence with any such attorney and to receive Debt proceeds from the attorney on the City's behalf. The City shall make all decisions regarding litigation, garnishment, or other legal process, including but not limited to any issues pertaining to the statute of limitations. Sensys Gatso and its subcontractors shall not be responsible, or liable in any respect, for the performance of such attorney.
- 2.3. Attorneys' Fees and Costs. The attorney described in Section 2.2 of this Exhibit B shall charge a fee agreed by such attorney and the City. Either the City or Sensys Gatso may advance necessary legal costs as

allowed by law, but the City agrees to reimburse the appropriate party for any disbursements thus made to the extent that money is not recovered in an amount sufficient to cover these disbursements. When the attorney collects a Debt, in whole or in part, the attorney may deduct the agreed fee and remit the balance to Sensys Gatso. The City authorizes Sensys Gatso to deduct the agreed fee and disbursements before remitting the balance to the City.

EXHIBIT C

Transfer of Mobile Speed Vehicle Title

1. Within sixty (60) days from the City's request for a Mobile Speed Enforcement Unit pursuant to this Agreement, Sensys Gatso shall transfer title for the following Mobile Speed Vehicle(s) to the City for the Term of this Agreement:

- Make, Model, Vehicle Identification
- Number ("VIN")
- Gatso Identified
- Retail Value

2. During the Term of this Agreement, the Mobile Speed Vehicle(s) shall be owned and operated by the City. Certificates of Title for the Mobile Speed Vehicle(s) shall be transferred to and held by the City for the Term of the Agreement. Title to the Mobile Speed Vehicle(s) shall vest with the City upon delivery of the Certificates of Title and similar documentation.

3. Sensys Gatso shall retain title to and solely own the speed enforcement unit in the Mobile Speed Vehicle(s).

4. The City shall clearly and conspicuously mark on the outside of each Mobile Speed Vehicle(s) that the Mobile Speed Vehicle(s) contains a traffic law photo-monitoring device and that the Mobile Speed Vehicle(s) is the property of the City.

5. Upon the conclusion or termination of the Agreement, title in the Mobile Speed Vehicle(s) shall automatically revert back to Sensys Gatso. Within fifteen (15) days of completion or termination of the Agreement, the City shall take all reasonable and necessary steps to facilitate and complete reversion of title to Sensys Gatso, including the transfer of any Certificates of Title or similar documentation for the Mobile Speed Vehicle(s).

6. The City shall be responsible for the regular periodic maintenance of the Mobile Speed Vehicle(s) and agrees to perform such repairs and maintenance as may be reasonable and necessary from time to time.

7. Sensys Gatso shall be responsible for the mechanical repair of the speed enforcement unit that is not related to the misuse of the vehicle by the city.

8. The City shall insure the Mobile Speed Vehicle(s) under an insurance policy controlled by the City and name Sensys Gatso as an additional insured party on those policies.