

**AGREEMENT FOR PROJECT SERVICES
BETWEEN THE CITY OF REDONDO BEACH
AND PAYBYPHONE TECHNOLOGIES INC.**

THIS AGREEMENT FOR PROJECT SERVICES (this "Agreement") is made between the City of Redondo Beach, a chartered municipal corporation ("City") and PayByPhone Technologies Inc., a British Columbia corporation ("Contractor" or "Consultant").

The parties hereby agree as follows:

- A. Description of Project or Scope of Services. The project description or scope of services to be provided by Contractor, and any corresponding responsibilities of City or services required to be performed by City are set forth in Exhibit "A".
- B. Term and Time of Completion. Contractor shall commence and complete the project or services described in Exhibit "A" in accordance with the schedule set forth in Exhibit "B".
- C. Compensation. City agrees to pay Contractor for work performed in accordance with Exhibit "C".

GENERAL PROVISIONS

- 1. Independent Contractor. Contractor acknowledges, represents and warrants that Contractor is not a regular or temporary employee, officer, agent, joint venturer or partner of the City, but rather an independent contractor. This Agreement shall not be construed as a contract of employment. Contractor shall have no rights to any benefits which accrue to City employees unless otherwise expressly provided in this Agreement. Due to the independent contractor relationship created by this Agreement, the City shall not withhold state or federal income taxes, the reporting of which shall be Contractor's sole responsibility.
- 2. Brokers. Contractor acknowledges, represents and warrants that Contractor has not hired, retained or agreed to pay any entity or person any fee, commission, percentage, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement.
- 3. City Property. All plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials prepared for or obtained pursuant to this Agreement shall upon request be delivered to the City within a reasonable time. If applicable, Contractor shall prepare check prints upon request. Said plans, drawings, reports, calculations, data, specifications, videos, graphics or other materials shall be specific for the project herein and shall not be used by the City for any other project without Contractor's consent. Contractor shall not be obligated to assign any proprietary software or data developed by or at the

direction of Contractor for Contractor's own use; provided, however, that Contractor shall, pursuant to Paragraph 14 below, indemnify, defend and hold the City harmless from and against any discovery or Public Records Act request seeking the disclosure of any such proprietary software or data.

4. Inspection. If the services set forth in Exhibit "A" shall be performed on City or other public property, the City shall have the right to inspect such work without notice. If such services shall not be performed on City or other public property, the City shall have the right to inspect such work upon reasonable notice. Inspections by the City shall not relieve or minimize the responsibility of Contractor to conduct any inspections Contractor has agreed to perform pursuant to the terms of this Agreement. Contractor shall be solely liable for said inspections performed by Contractor. Contractor shall certify in writing to the City as to the completeness and accuracy of each inspection required to be conducted by Contractor hereunder.
5. Services. The project or services set forth in Exhibit "A" shall be performed to the full satisfaction and approval of the City. In the event that the project or services set forth in Exhibit "A" are itemized by price in Exhibit "C", the City in its sole discretion may, upon notice to Contractor, delete certain items or services set forth in Exhibit "A", in which case there shall be a corresponding reduction in the amount of compensation paid to Contractor. City shall furnish Contractor, to the extent available, with any City standards, details, specifications and regulations applicable to the Project and necessary for the performance of Contractor's services hereunder. Notwithstanding the foregoing, any and all additional data necessary for design shall be the responsibility of Contractor.
6. Records. Contractor, including any of its subcontractors, shall maintain full and complete documents and records, including accounting records, employee time sheets, work papers, and correspondence pertaining to the project or services set forth in Exhibit "A". Contractor, including any of its subcontractors, shall make such documents and records available for City review or audit upon request and reasonable notice, and shall keep such documents and records, for at least four (4) years after Contractor's completion of performance of this Agreement. Copies of all pertinent reports and correspondence shall be furnished to the City for its files.
7. Changes and Extra Work. All changes and/or extra work under this Agreement shall be performed and paid for in accordance with the following:

Only the City Council, City Manager, or the Department Head responsible for the administration of, or supervision of the scope of work under, this Agreement may authorize extra and/or changed work. Contractor expressly recognizes that other City personnel are without authorization to either order extra and/or changed work or waive contract requirements. Failure of Contractor to secure the written authorization for such extra and/or changed work shall constitute a waiver of any and all right to adjustment in contract price due to such unauthorized work and

Contractor thereafter shall be entitled to no compensation whatsoever for performance of such work.

If Contractor is of the opinion that any work which Contractor has been directed to perform is beyond the scope of this Agreement and constitutes extra work, Contractor shall promptly notify the City of the fact. The City shall make a determination as to whether or not such work is, in fact, beyond the scope of this Agreement and constitutes extra work. In the event that the City determines that such work does constitute extra work, City shall provide extra compensation to Contractor on a fair and equitable basis. A written amendment providing for such compensation for extra work shall be executed by Contractor and the City.

8. Additional Assistance. If this Agreement requires Contractor to prepare plans and specifications, Contractor shall provide assistance as necessary to resolve any questions regarding such plans and specifications that may arise during the period of advertising for bids, and Contractor shall issue any necessary addenda to the plans and specifications as requested. In the event Contractor is of the opinion that City's requests for addenda and assistance is outside the scope of normal services, the parties shall proceed in accordance with the changes and extra work provisions of this Agreement.
9. Professional Ability. Contractor acknowledges, represents and warrants that Contractor is skilled and able to competently provide the services hereunder, and possesses all professional licenses, certifications, and approvals necessary to engage in its occupation. City has relied upon the professional ability and training of Contractor as a material inducement to enter into this Agreement. Contractor shall perform in accordance with generally accepted professional practices and standards of Contractor's profession.
10. Business License. Contractor shall obtain a Redondo Beach Business License before performing any services required under this Agreement. The failure to so obtain such license shall be a material breach of this Agreement and grounds for immediate termination by City; provided, however, that City may waive the business license requirement in writing under unusual circumstances without necessitating any modification of this Agreement to reflect such waiver.
11. Termination Without Default. Notwithstanding any provision herein to the contrary, the City may, in its sole and absolute discretion and without cause, terminate this Agreement at any time prior to completion by Contractor of the project or services hereunder, immediately upon written notice to Contractor. In the event of any such termination, Contractor shall be compensated for: (1) all authorized work satisfactorily performed prior to the effective date of termination; and (2) necessary materials or services of others ordered by Contractor for this Agreement prior to Contractor's receipt of notice of termination, irrespective of whether such materials or services of others have actually been delivered, and further provided that Contractor is not able to cancel such orders. Compensation for Contractor in such event shall be determined by the City in accordance with

the percentage of the project or services completed by Contractor. In conjunction with any termination of this Agreement, the City may, at its own expense, make copies or extract information from any notes, sketches, computations, drawings, and specifications or other data, whether complete or not.

12. Termination in the Event of Default. Should City or Contractor fail to perform any of its obligations hereunder, within the time and in the manner provided or otherwise violate any of the terms of this Agreement and fail to remediate such breach within forty-five (45) days after receiving written notice thereof, then the other party may immediately terminate this Agreement by giving written notice of such termination, stating the reasons for such termination. Contractor shall be compensated as provided immediately above, provided, however, there shall be deducted from such amount the amount of damages, if any, sustained by the City by virtue of Contractor's breach of this Agreement.
13. Conflict of Interest. Contractor acknowledges, represents and warrants that Contractor shall avoid all conflicts of interest (as defined under any federal, state or local statute, rule or regulation, or at common law) with respect to this Agreement. Contractor further acknowledges, represents and warrants that Contractor has no business relationship or arrangement of any kind with any City official or employee with respect to this Agreement. Contractor acknowledges that in the event that Contractor shall be found by any judicial or administrative body to have any conflict of interest (as defined above) with respect to this Agreement, all consideration received under this Agreement shall be forfeited and returned to City forthwith. This provision shall survive the termination of this Agreement for one (1) year.
14. Indemnity. To the maximum extent permitted by law, Contractor hereby agrees, at its sole cost and expense, to defend protect, indemnify, and hold harmless the City, its elected and appointed officials, officers, employees, volunteers, attorneys, and agents (collectively "Indemnitees") from and against any and all claims, including, without limitation, claims for bodily injury, death or damage to property, demands, charges, obligations, damages, causes of action, proceedings, suits, losses, stop payment notices, judgments, fines, liens, penalties, liabilities, costs and expenses of every kind and nature whatsoever, in any manner arising out of, incident to, related to, in connection with or arising from any act, failure to act, error or omission of Contractor's performance or work hereunder (including any of its officers, agents, employees, Subcontractors) or its failure to comply with any of its obligations contained in the Agreement, or its failure to comply with any current or prospective law, except for such loss or damage which was caused by the sole negligence or willful misconduct of the City. Notwithstanding the foregoing, nothing in this Section 14 shall be construed to encompass indemnitees' active negligence to the limited extent that this Agreement is subject to Civil Code Section 2782(b). Contractor's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by Contractor or Indemnitees. This indemnification obligation shall survive this

Agreement and shall not be limited by any term of any insurance policy required under this Agreement.

- a. Nonwaiver of Rights. Indemnitees do not and shall not waive any rights that they may possess against Contractor because the acceptance by City, or the deposit with City, of any insurance policy or certificate required pursuant to this Agreement.
 - b. Waiver of Right of Subrogation. Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation and contribution against the Indemnitees.
15. Insurance. Contractor shall comply with the requirements set forth in Exhibit "D." Insurance requirements that are waived by the City's Risk Manager do not require amendments or revisions to this Agreement.
16. Non-Liability of Officials and Employees of the City. No official or employee of the City shall be personally liable for any default or liability under this Agreement.
17. Compliance with Laws. Contractor shall comply with all federal, state and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals, with respect to this Agreement, including without limitation all environmental laws, employment laws, and non-discrimination laws.
- a. Acknowledgement. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. Contractor shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 1/2 times the basic rate of pay. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Labor Code Sections 1810, 1813 and 1815, and Contractor shall include in the written contract between it and each subcontractor copies of Labor Code Sections 1810, 1813 and 1815 and a requirement that each subcontractor shall comply with these aforementioned sections. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the

failure of the subcontractor comply with Labor Code Sections 1810, 1813 and 1815, Contractor shall diligently take corrective action to halt or rectify the failure.

- b. Prevailing Wages. City and Contractor acknowledge that this project is a public work to which prevailing wages apply. Contractor shall comply with the Agreement to Comply with California Labor Law Requirements set forth in Exhibit "E", which is attached hereto and incorporated by reference.

- 18. Limitations upon Subcontracting and Assignment. Contractor acknowledges that the services which Contractor shall provide under this Agreement are unique, personal services which, except as otherwise provided herein, Contractor shall not assign or sublet to any other party without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion. In the event that the City, in writing, approves any assignment or subletting of this Agreement or the retention of subcontractors by Contractor, Contractor shall provide to the City upon request copies of each and every subcontract prior to the execution thereof by Contractor and subcontractor. Any attempt by Contractor to assign any or all of its rights under this Agreement without first obtaining the City's prior written consent shall constitute a material default under this Agreement.

The sale, assignment, transfer or other disposition, on a cumulative basis, of twenty-five percent (25%) or more of the ownership interest in Contractor or twenty-five percent (25%) or more the voting control of Contractor (whether Contractor is a corporation, limited liability company, partnership, joint venture or otherwise) shall constitute an assignment for purposes of this Agreement. Further, the involvement of Contractor or its assets in any transaction or series of transactions (by way of merger, sale, acquisition, financing, transfer, leveraged buyout or otherwise), whether or not a formal assignment or hypothecation of this Agreement or Contractor's assets occurs, which reduces Contractor's assets or net worth by twenty-five percent (25%) or more shall also constitute an assignment for purposes of this Agreement.

- 19. Subcontractors. Contractor shall provide properly skilled professional and technical personnel to perform any approved subcontracting duties. Contractor shall not engage the services of any person or persons now employed by the City without the prior written approval of City, which approval may be withheld in the City's sole and absolute discretion.
- 20. Integration. This Agreement constitutes the entire agreement between the parties concerning the subject matter hereof and supersedes any previous oral or written agreement; provided, however, that correspondence or documents exchanged between Contractor and City may be used to assist in the interpretation of the exhibits to this Agreement.

21. Amendment. This Agreement may be amended or modified only by a subsequent written amendment executed by both parties.
22. Conflicting Provisions. In the event of a conflict between the terms and conditions of this Agreement and those of any exhibit or attachment hereto, this Agreement proper shall prevail. In the event of a conflict between the terms and conditions of any two or more exhibits or attachments hereto, those prepared by the City shall prevail over those prepared by Contractor.
23. Non-Exclusivity. Notwithstanding any provision herein to the contrary, the services provided by Contractor hereunder shall be non-exclusive, and City reserves the right to employ other contractors in connection with the project.
24. Exhibits. All exhibits hereto are made a part hereof and incorporated herein by reference; provided, however, that any language in Exhibit "A" which does not pertain to the project description, proposal, or scope of services (as applicable) to be provided by Contractor, or any corresponding responsibilities of City, shall be deemed extraneous to, and not a part of, this Agreement.
25. Time of Essence. Time is of the essence of this Agreement.
26. Confidentiality. Neither party will disclose the other party's confidential or proprietary information, including User Data ("Confidential Information") (including the terms of this Agreement and any information provided by the other party that is confidentially maintained or proprietary or which derives value from not being generally known to persons who can obtain economic value from its disclosure or use or that a reasonable person would consider confidential, given the context) except:
 - i) with the other party's consent; or
 - ii) to employees, agents and contractors who have a need to know in the discharge of their duties and who are subject to a contractual obligation to keep such information confidential that is at least as restrictive as this Agreement.

Each party shall use commercially reasonable security practices and procedures appropriate to the nature of any Personal Information obtained in connection with this Agreement (including as part of the User Data) to safeguard such information. The parties agree to comply with all applicable Law with regard to their use, disclosure, access and maintenance of Personal Information.

Notwithstanding the foregoing, the parties agree that confidential or proprietary information does not include any information that is:

- (a) already known to the receiving party at the time of disclosure hereunder (other than from the other party hereto) as demonstrated by its written records;

- (b) now or hereafter becomes publicly known other than through acts or omissions of the receiving party, or anyone to whom the receiving party disclosed such information;
 - (c) disclosed to the receiving party, by a third party, under no obligation of confidentiality to the disclosing party or any other party;
 - (d) independently developed by the receiving party without reliance on the confidential information of the disclosing party as shown by its written records;
 - (e) disclosed pursuant to law, including without limitation the California Public Records Act;
 - (f) disclosed due to any rule, order, referral, or request, including without limitation any rule, order, referral, or request of City Council;
 - (g) disclosed as part of the City's customary contract approval process; or
 - (f) disclosed as part of any established and customary practices, guidelines and directions of City Council or any directions made by City Council, provided that such disclosure does not contravene any applicable laws, including data protection laws.
27. Third Parties. Nothing herein shall be interpreted as creating any rights or benefits in any third parties. For purposes hereof, transferees or assignees as permitted under this Agreement shall not be considered "third parties."
28. Governing Law and Venue. This Agreement shall be construed in accordance with the laws of the State of California without regard to principles of conflicts of law. Venue for any litigation or other action arising hereunder shall reside exclusively in the Superior Court of the County of Los Angeles, Southwest Judicial District.
29. Attorneys' Fees. In the event either party to this Agreement brings any action to enforce or interpret this Agreement, the prevailing party in such action shall be entitled to reasonable attorneys' fees (including expert witness fees) and costs. This provision shall survive the termination of this Agreement.
30. Claims. Any claim by Contractor against City hereunder shall be subject to Government Code §§ 800 *et seq.* The claims presentation provisions of said Act are hereby modified such that the presentation of all claims hereunder to the City shall be waived if not made within six (6) months after accrual of the cause of action.
31. Interpretation. Contractor acknowledges that it has had ample opportunity to seek legal advice with respect to the negotiation of this Agreement. This Agreement shall be interpreted as if drafted by both parties.
32. Disclaimer and Limitation of Liability. Except as expressly set forth in this Agreement, Contractor does not make, and hereby specifically disclaims, any representations or warranties, express or implied, regarding the Contractor's

mobile payment services, including any implied warranties of title, merchantability, fitness for a particular purpose. City acknowledges that the Contractor's mobile payment services and services furnished by Contractor under this Agreement (including, without limitation, any servers or other hardware, software, applications and any other items used or provided by Contractor or any third parties in connection with providing access to or hosting any of the foregoing or the performance of any services by Contractor under this Agreement) are provided by Contractor "as is". In no event shall any party be liable for consequential, special, indirect or incidental damages, including but not limited to any damages resulting from loss of use or profits arising out of or in connection with this agreement, whether in an action based on contract, tort (including negligence) or any other legal theory, even if the party has been advised of the possibility of such damages. In the event of direct damages, Contractor shall not be liable for an amount greater than the amount set forth in Exhibit "C" hereto.

33. Severance. Any provision of this Agreement that is found invalid or unenforceable shall be deemed severed and all remaining provisions of this Agreement shall remain enforceable to the fullest extent permitted by law.
34. Authority. City warrants and represents that upon City Council approval, the Mayor of the City of Redondo Beach is duly authorized to enter into and execute this Agreement on behalf of City. The party signing on behalf of Contractor warrants and represents that he or she is duly authorized to enter into and execute this Agreement on behalf of Contractor, and shall be personally liable to City if he or she is not duly authorized to enter into and execute this Agreement on behalf of Contractor.
35. Waiver. The waiver by the City of any breach of any term or provision of this Agreement shall not be construed as a waiver of any subsequent breach.
36. Force Majeure. Neither party shall be held responsible for any delay or failure to perform any part of this Agreement to the extent such delay or failure results from any cause beyond its reasonable control and without the fault or negligence of the party claiming excusable delay or failure to perform, such as acts of God, acts of war or terrorism, riots, strikes, work stoppages, accidents, civil or military disturbances. However, Contractor shall use commercially reasonable efforts to provide services to the City as soon as practicable under the circumstances.

SIGNATURES FOLLOW ON NEXT PAGE

IN WITNESS WHEREOF, the parties have executed this Agreement in Redondo Beach, California, as of this 19th day of October, 2021.

CITY OF REDONDO BEACH,
a chartered municipal corporation

PAYBYPHONE TECHNOLOGIES INC.,
a British Columbia corporation



William C. Brand, Mayor

By: 

Name: Jules Marshall

Title: VP Finance

ATTEST:



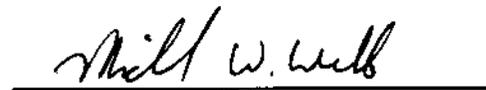
Eleanor Manzano, City Clerk

APPROVED:



Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:



Michael W. Webb, City Attorney

EXHIBIT "A"

PROJECT DESCRIPTION AND/OR SCOPE OF SERVICES

I. CONTRACTOR'S DUTIES

Contractor shall provide wireless applications to enhance the payment process for parking at parking facilities and metered parking stalls owned and/or managed by City. Contractor mobile commerce solutions shall also provide City with a management information system, including real-time operation and transaction reports. The services include the PayByPhone mobile payment platform and applications as follows.

A. PAYBYPHONE MOBILE PAYMENT APPLICATION

Contractor shall roll out the PayByPhone mobile payment service for use at City's managed and owned parking facilities as agreed upon by Contractor and City, to allow for consumers to pay for the use of City's parking facilities through personal wireless devices (e.g., cellular telephones) or other wireless systems.

B. PAYBYPHONE MANAGEMENT INFORMATION SYSTEM

Contractor shall operate and manage a software application for City, which shall provide near real time information and management reports on the transactions conducted utilizing the PayByPhone Parking Payment Application (the "Management Information System"). Contractor shall host the Management Information System on its network. Contractor shall provide City access to parking rate data in order to confirm the parking rates at each location via the PayByPhone BackOffice. Contractor shall make every attempt at ensuring the rates are configured correctly; upon completion of each location setup. However, it is the City's responsibility to verify that all rates are configured correctly. Failing to do so shall exclude Contractor from any liability. City shall provide Contractor with sufficient notice of any rates change during Contractor's standard business hours.

C. COMPUTER, NETWORKING AND TELECOMMUNICATION SYSTEMS

Contractor shall own or possess, and shall operate and maintain, all computer and networking hardware and software and data required to operate the PayByPhone mobile payment services service, other than City's existing computer and telecommunications systems.

D. REPORTS

Contractor shall provide City with a set of standard reports in the self-serve PayByPhone Service Management Interface System. No customization is included in the standard reports.

E. LINK TO CITY'S MERCHANT ACCOUNT

City will set up merchant accounts with City's acquiring banks. Contractor shall cover the cost of linking two (2) City merchant account with Contractor's gateway provider. Any merchant account updates will be subject to all third-

party fees and professional service fees charged by the Contractor as described in Exhibit "C".

F. THIRD PARTY INTEGRATION

In the event that system changes (such as upgrades) by a third party impact the Contractor integration with City sub-systems such as enforcement, City will pay for Contractor development costs required to maintain such integration; provided, however, that City caused the third party impact. Contractor shall notify City, in advance, of any such integration costs that could be added.

G. SIGNAGE

In its sole discretion, City may provide space for Contractor signage at the parking facilities at which the PayByPhone mobile payment service is to be available. City shall have control over sign size and placement.

Contractor shall provide the first round of signage for the initial implementation at City's locations offering Contractor's mobile payment service. Contractor shall provide one sign to be located at each pay station, plus one at each level of the parking structure without a pay station. Further, Contractor shall provide one decal for placement on each pay station and/or meter. Any changes or customizations to the standard Contractor's signage template will be subject to professional service fees charged by the Contractor as described in Exhibit "C". All signage must comply with both the Contractor consumer branding standards and City practices and standards.

The parties expressly acknowledge that City currently engages, and may in the future, at its option, add, other providers of mobile parking payment applications ("Third Party Providers"), through contracts for the same parking facilities and metered stalls covered by this Agreement. If instead of Contractor's standard signage template, City chooses to install signage that includes reference to both Contractor and the Third Party Providers, Contractor will bear a share of the reasonable cost of the first round of signage, in proportion to the total number of providers listed on the signage. For greater clarity, if at the time of signage placement, only Contractor and one Third Party Provider are listed, Contractor will bear 50% of the signage cost. All subsequent rounds of signage reflecting addition of Third Party Providers are at City's expense and City, working with Third Party Providers, will provide all decals and signs required for implementation.

H. TRAINING

Contractor shall provide initial training to City using a "Train the Trainer" model on the self-served PayByPhone Service Management Interface (SMI).

II. CITY'S DUTIES

City will perform the following duties.

A. PAYBYPHONE MANAGEMENT INFORMATION SYSTEM

City will ensure all rates are provided correctly for configuration. City will provide Contractor with sufficient notice of any rates change during Contractor's standard business hours. City will access the Management Information System through a browser-based program installed by the City on City's computer hardware

B. TRAINING

The City will, at its own expense, train its staff and employees, including patrollers, to operate the mobile payment services and related applications and technology. No additional training sessions are available as part of the initial training.

City will be responsible for installation of all decals and signs required for implementation. In its discretion, City may supply future decals and signage, replacement signs and decals, which may be required in the future. City may use Contractor's standard signage template for locations offering Contractor's mobile payment service.

After Contractor's first round of signage reflecting addition of Third Party Providers, subsequent signage shall be at City's expense. City working with Third Party Providers will provide all decals and signs required for implementation.

C. MOBILE PAYMENT SERVICE ENFORCEMENT

Because the City has chosen to use real-time data to confirm the validity of vehicle parking sessions, the City will be responsible for supplying wireless devices to employees in the field.

EXHIBIT "B"

SCHEDULE FOR COMPLETION

TERM. This Agreement shall commence on October 19, 2021 and shall continue until October 18, 2023, unless otherwise terminated as herein provided. Upon the expiration of the initial term, the Agreement will automatically renew for up to three (3) additional terms of one (1) year each, unless each party gives the other party at least thirty (30) days prior written notice of its intent to not renew this Agreement .

EXHIBIT "C"
COMPENSATION

Provided Contractor is not in default under this Agreement, Contractor shall be compensated as provided below.

- I. **AMOUNT.** All amounts are exclusive of any and all taxes, including taxes applicable on fees paid by driver. City is responsible for payment of any such taxes. All prices are stated, and City shall pay, in US dollars.
- A. **STANDARD FEES.** The setup, transaction and optional fees are set forth in the following table.

Item	Cost
ONE-TIME SETUP FEES	
Signage – first round of signage production at service launch (installation not included)	Included
Training, consulting, marketing, and customer support as described in the Agreement	Included
Mobile payment services setup fee for locations in initial deployment	Included ¹
Integration with enforcement solution software - DataTicket	Included
Standard PayByPhone dynamic label	Included
TRANSACTION FEES	
City pays to Contractor per transaction (City will charge driver a non-embedded, on-top of price of parking convenience fee of \$0.18)	\$0.18 ²
Monthly minimum of total transaction charges	Waived
OPTIONAL FEES	
Each additional custom dynamic label	\$1,000
Mobile payment service setup fee for additional locations after initial deployment	\$250 per location

NOTES:

1. Mobile payment services setup fee includes configuration, testing and implementation of a dedicated client account within the PayByPhone system; merchant account integration and testing; set up and training on reporting, customer service and other elements of the PayByPhone Service Management Interface. One-time setup fees are invoiced at contract signing.
2. Where convenience fee is added to driver's cost of parking, any change in the convenience fee will not affect the price City will pay to Contractor per transaction. The convenience fee may only be increased by mutual agreement of both parties.
3. City is responsible for paying its own credit card processing and merchant banking fees, if City is MOR.

- B. **PROFESSIONAL SERVICE FEES.** Contractor's professional fees are set forth in the table set forth below.

Resource	Office Hours (9:00-17:00 PST Monday-Friday except statutory holidays)	After Hours Rate Per Hour
	Rate Per Hour	
Senior Architect	\$250	\$315
Senior Product Manager	\$250	\$315
Creative Services	\$200	\$250
Project Manager	\$200	\$250
Programmer / Developer	\$200	\$250
Implementation Manager	\$175	\$225
Consumer Adoption Strategist	\$150	\$200
Application Trainer	\$125	\$150
Support Agent	\$125	\$150
Tester	\$125	\$150

- II. **METHOD OF PAYMENT.** Contractor shall provide monthly invoices to City for approval and payment. Invoices shall provide dates of service, service fees, applicable hourly rates, and services performed. Invoices must be adequately detailed, based on accurate records, and in a form reasonably satisfactory to City. Contractor may be required to provide back-up material upon request.
- III. **SCHEDULE FOR PAYMENT.** City agrees to pay Contractor within thirty (30) days after City's receipt of Contractor's monthly invoice; provided however, services are completed to the City's reasonable satisfaction.
- IV. **NOTICE.** Written notices to City and Consultant shall be given by any national overnight courier or other service providing evidence of delivery; by registered or certified mail, postage prepaid and addressed to the party; by email; or personally served on the following parties.

Contractor: PayByPhone Technologies Inc.
 #403 – 1168 Hamilton St.
 Vancouver, British Columbia
 V6B 2S2 Canada
 Attention: Legal Department
 Email: legal@paybyphone.com

City: City of Redondo Beach
 Police Department
 401 Diamond Street
 Redondo Beach, CA 90277

Attention: Andrea Delap
Email: andrea.delap@redondo.org

All notices, including notices of address changes, provided under this Agreement are deemed received on the third day after mailing if sent by registered or certified mail and the next business day by email. Changes in the respective address set forth above may be made from time to time by any party upon written notice to the other party.

EXHIBIT "D"

INSURANCE REQUIREMENTS FOR CONTRACTORS

Without limiting Contractor's indemnification obligations under this Agreement, Contractor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, or employees.

Minimum Scope of Insurance

Coverage shall be at least as broad as:

Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001).

In recognition that Consultant does not own any vehicles in the United States, evidence of Non-Owned Auto Coverage under the Commercial General Liability policy.

Workers' Compensation insurance as required by the State of California.

Professional Liability Insurance.

Minimum Limits of Insurance

Contractor shall maintain limits no less than:

General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. The general aggregate limit shall apply separately to this project.

Non-owned Auto: \$1,000,000 per accident for bodily injury and property damage.

Professional Liability: \$1,000,000 per accident for bodily injury or disease.

Deductibles and Self-Insured Retentions

Any deductibles or self-insured retentions must be declared to and approved by the City. At the option of the City, either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the City, its officers, officials, employees and volunteers or (2) the Contractor shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration and defense expenses.

Other Insurance Provisions

The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Endorsement:

General Liability: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of work performed by or on behalf of the Contractor. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance, or as a separate owner's policy.

Non-owned Auto: The City, its officers, elected and appointed officials, employees, and volunteers shall be covered as insureds with respect to liability arising out of automobiles hired or borrowed by or on behalf of the Contractor.

For any claims related to this project, the Contractor's insurance coverage shall be primary insurance as respects the City, its officers, elected and appointed officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the Contractor's insurance and shall not contribute with it.

Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.

Each insurance policy shall be endorsed to state that the inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverages afforded shall apply as though separate policies had been issued to each insured.

Each insurance policy shall be in effect prior to awarding the contract and each insurance policy or a successor policy shall be in effect for the duration of the project. The maintenance of proper insurance coverage is a material element of the contract and failure to maintain or renew coverage or to provide evidence of renewal may be treated by the City as a material breach of contract on the Contractor's part.

Acceptability of Insurers

Insurance shall be placed with insurers with a current A.M. Best's rating of no less than A:VII and which are authorized to transact insurance business in the State of California by the Department of Insurance.

Verification of Coverage

Contractor shall furnish the City with original certificates and amendatory endorsements effecting coverage required by this clause. The endorsements should be on the City authorized forms provided with the contract specifications. Standard ISO forms which shall be subject to City approval and amended to conform to the City's requirements may be acceptable in lieu of City authorized forms. All certificates and endorsements shall be received and approved by the City before the contract is awarded. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

Risk Management

Contractor acknowledges that insurance underwriting standards and practices are subject to change, and the City reserves the right to make changes to these provisions in the reasonable discretion of its Risk Manager.

EXHIBIT "E"

AGREEMENT TO COMPLY WITH CALIFORNIA LABOR LAW REQUIREMENTS

1. Contractor acknowledges that the project as defined in this Agreement between Contractor and the City, to which this Agreement to Comply with California Labor Law Requirements is attached and incorporated by reference, is a "public work" as defined in Division 2, Part 7, Chapter 1 (commencing with Section 1720) of the California Labor Code ("Chapter 1"), and that this Agreement is subject to (a) Chapter 1, including without limitation Labor Code Section 1771 and (b) the rules and regulations established by the Director of Industrial Relations ("DIR") implementing such statutes. Contractor shall perform all work on the project as a public work. Contractor shall comply with and be bound by all the terms, rules and regulations described in 1(a) and 1(b) as though set forth in full herein.

2. California law requires the inclusion of specific Labor Code provisions in certain contracts. The inclusion of such specific provisions below, whether or not required by California law, does not alter the meaning or scope of Section 1 above.

3. Pursuant to Labor Code Section 1771.4, Contractor shall post job site notices, as prescribed by regulation.

4. Pursuant to Labor Code Section 1773.2, copies of the prevailing rate of per diem wages for each craft, classification, or type of worker needed to perform the Agreement are on file at City Hall and will be made available to any interested party on request. Contractor acknowledges receipt of a copy of the DIR determination of such prevailing rate of per diem wages, and Contractor shall post such rates at each job site covered by this Agreement.

5. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1774 and 1775 concerning the payment of prevailing rates of wages to workers and the penalties for failure to pay prevailing wages. The Contractor shall, as a penalty to the City, forfeit the maximum amount allowable by law for each calendar day, or portion thereof, for each worker paid less than the prevailing rates as determined by the DIR for the work or craft in which the worker is employed for any public work done pursuant to this Agreement by Contractor or by any subcontractor.

6. Contractor shall comply with and be bound by the provisions of Labor Code Section 1776, which requires Contractor and each subcontractor to (1) keep accurate payroll records and verify such records in writing under penalty of perjury, as specified in Section 1776, (2) certify and make such payroll records available for inspection as provided by Section 1776, and (3) inform the City of the location of the records.

7. Contractor shall comply with and be bound by the provisions of Labor Code Sections 1777.5, 1777.6 and 1777.7 and California Administrative Code title 8, section 200 *et seq.* concerning the employment of apprentices on public works projects. Contractor shall be responsible for compliance with these aforementioned Sections for all apprenticeable occupations. Prior to commencing work under this Agreement, Contractor shall provide City with a copy of the information submitted to any applicable apprenticeship program. Within sixty (60) days after concluding work pursuant to this Agreement, Contractor and each of its subcontractors shall submit to the City a verified statement of the journeyman and apprentice hours performed under this Agreement.

8. Contractor acknowledges that eight (8) hours labor constitutes a legal day's work. Contractor shall comply with and be bound by Labor Code Section 1810. Contractor shall comply with and be bound by the provisions of Labor Code Section 1813 concerning penalties for workers who work excess hours. The Contractor shall, as a penalty to the City, forfeit twenty-five dollars (\$25) for each worker employed in the performance of this Agreement by the Contractor or by any subcontractor for each calendar day during which such worker is required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one calendar week in violation of the provisions of Division 2, Part 7, Chapter 1, Article 3 of the Labor Code. Pursuant to Labor Code section 1815, work performed by employees of Contractor in excess of 8 hours per day, and 40 hours during any one week shall be permitted upon public work upon compensation for all hours worked in excess of 8 hours per day at not less than 1 and 1/2 times the basic rate of pay.

9. California Labor Code Sections 1860 and 3700 provide that every employer will be required to secure the payment of compensation to its employees. In accordance with the provisions of California Labor Code Section 1861, Contractor hereby certifies as follows:

"I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."

10. For every subcontractor who will perform work on the project, Contractor shall be responsible for such subcontractor's compliance with Chapter 1 and Labor Code Sections 1860 and 3700, and Contractor shall include in the written contract between it and each subcontractor a copy of those statutory provisions and a requirement that each subcontractor shall comply with those statutory provisions. Contractor shall be required to take all actions necessary to enforce such contractual provisions and ensure subcontractor's compliance, including without limitation, conducting a periodic review of the certified payroll records of the subcontractor and upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages. Contractor shall diligently take corrective action to halt or rectify any failure.

11. To the maximum extent permitted by law, Contractor shall indemnify, hold harmless and defend (at Contractor's expense with counsel acceptable to the City) the City, its officials, officers, employees, agents, independent contractors, and volunteers from and against any demand or claim for damages, compensation, fines, penalties or other amounts arising out of or incidental to any acts or omissions listed above by any person or entity (including Contractor, its subcontractors, and each of their officials, officers, employees and agents) in connection with any work undertaken or in connection with the Agreement, including without limitation the payment of all consequential damages, attorneys' fees, and other related costs and expenses. All duties of Contractor under this Section shall survive termination of the Agreement.

EXHIBIT "F"

INTELLECTUAL PROPERTY RIGHTS AND CUSTOMER INFORMATION

I. INTELLECTUAL PROPERTY RIGHTS

- A. The parties acknowledge and agree that any trademarks, patents, trade names, logos, trade dress, domain names, copyrights or licenses therein, or other enforceable intellectual property rights and whether in hard or electronic copy (collectively "Intellectual Property") belonging to the other party, given to them under this Agreement is and shall remain the property of that party for the duration of the Term of this Agreement.
- B. Except as expressly stated, nothing in this Agreement shall be deemed or interpreted to convey, transfer or assign any Intellectual Property rights to the other party.
- C. Each party reserves the right to approve in advance the use of its Intellectual Property by the other party in each and every instance.
- D. The parties undertake that they have all necessary permissions, licenses and rights to use the Intellectual Property of third parties for the purposes of this Agreement.

II. CUSTOMER INFORMATION

- A. The parties will share information and data directly relating to drivers' parking sessions through the PayByPhone service at parking spaces owned and/or managed by the City and as may be required by the City for parking enforcement, fines, and proceedings ("Transaction Data"). Transaction Data may include vehicle license plate, parking session date, time, duration, zone number and amount paid, details of parking fines/violation notices, and parking session details obtained through customer service center, and does not include User Profile Data (defined below).
- B. In using, sharing, or otherwise processing Transaction Data, Contractor and City must comply with applicable data protection laws, contractual obligations and any other applicable requirements. Each party is responsible to the PayByPhone service users and other third parties for its respective use, sharing and processing of Transaction Data, whether it performs such use, sharing and processing directly or through third parties. Each party acts as a "data controller" with respect to Transaction Data for the purposes of the European Union legislation (if applicable to the party's activities) and each party agrees to provide such assistance as is reasonably required to enable the other party to comply with the applicable data protection laws.

- C. Any information about or with respect to PayByPhone service users that is not related to parking sessions at parking spaces owned or managed by the City, including without limitation, information provided by users upon registration for a PayByPhone account and data about the user's activity in the PayByPhone account or the PayByPhone applications ("User Profile Data") shall be exclusively owned by Contractor provided, however, that Contractor discloses the terms and conditions of the data ownership to Customer and Customer agrees to those terms and conditions. In no event shall City be responsible for providing any of the foregoing information described in this section to the Contractor. Contractor shall retain exclusive ownership of all rights in any derivative data it develops based on Transaction Data and User Profile Data, unless expressly agreed by the parties in writing.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
09/29/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER AUTOMATIC DATA PROCESSING INSURANCE AGCY INC 1 ADP BLVD MS 625 ROSELAND, NJ 07068 (877) 677-0428	CONTACT NAME: PHONE (A/C, No, Ext): (877) 677-0428		FAX (A/C, No): (877) 677-0430
	E-MAIL ADDRESS: apcbicadp@travelers.com		
INSURER(S) AFFORDING COVERAGE			NAIC #
INSURER A : THE TRAVELERS INDEMNITY COMPANY OF AMERICA			
INSURER B :			
INSURER C :			
INSURER D :			
INSURER E :			
INSURER F :			

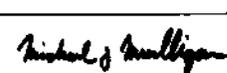
COVERAGES **CERTIFICATE NUMBER:** 46063355501272 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
	<input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER:						EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
	<input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident)	\$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE	\$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		UB-3P435465-21	10/05/2021	10/05/2022	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER	E.L. EACH ACCIDENT \$500,000 E.L. DISEASE - EA EMPLOYEE \$500,000 E.L. DISEASE - POLICY LIMIT \$500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 AN ENDORSEMENT HAS BEEN ADDED TO THE POLICY (OR POLICIES) THAT PROVIDES (30) DAY EARLIER NOTICE OF CANCELLATION, SUBJECT TO THE TERMS OF THAT ENDORSEMENT.

 RE: AGREEMENT FOR PROJECT SERVICES

CERTIFICATE HOLDER CITY OF REDONDO BEACH POLICE DEPARTMENT ATTENTION: ANDREA DELAP 401 DIAMOND STREET REDONDO BEACH, CA 90277	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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Certificate of Insurance

No.: 2021-41

Dated: September 30, 2021

This document supersedes any certificate previously issued under this number

This is to certify that the Policy(ies) of insurance listed below ("Policy" or "Policies") have been issued to the Named Insured identified below for the policy period(s) indicated. This certificate is issued as a matter of information only and confers no rights upon the Certificate Holder named below other than those provided by the Policy(ies).

Notwithstanding any requirement, term, or condition of any contract or any other document with respect to which this certificate may be issued or may pertain, the insurance afforded by the Policy(ies) is subject to all the terms, conditions, and exclusions of such Policy(ies). This certificate does not amend, extend, or alter the coverage afforded by the Policy(ies). Limits shown are intended to address contractual obligations of the Named Insured.

Limits may have been reduced since Policy effective date(s) as a result of a claim or claims.

Certificate Holder:

City of Redondo Beach
401 Diamond Street
Police Department
Redondo Beach, CA 90277

Attn.: Andrea Delap, andrea.delap@redondo.org

Named Insured and Address:

PayByPhone Technologies Inc.
1168 Hamilton Street
Suite 403
Vancouver, BC V6B 2S2

This certificate is issued regarding:

Agreement for Project Services

Type(s) of Insurance	Insurer(s)	Policy Number(s)	Effective/Expiry Dates	Sums Insured Or Limits of Liability	
COMMERCIAL GENERAL LIABILITY • Waiver of subrogation (only when required by contract) • Primary and Non-Contributory Clause	HDI Global Specialty SE	01860980-14014	Jan 01, 2021 to Jan 01, 2022	Each Occurrence	CDN 1,000,000
				Products & Completed Operations Aggregate	CDN 1,000,000
				General Aggregate	CDN 1,000,000
				Non - Owned Auto	CDN 1,000,000
PROFESSIONAL LIABILITY	HDI Global Specialty SE	01860980-14003	Jan 01, 2021 to Jan 01, 2022	Any One Claim	CDN 1,000,000
				Annual Aggregate	CDN 1,000,000
				Deductible	CDN 25,000 Per Claim

Additional Information:

The City of Redondo Beach, its officers, elected and appointed officials, employees and volunteers are added as Additional Insureds on the Commercial General Liability policy, but only with respect to the liability arising out of operations of the Named Insured.

Notice of cancellation:

Should any of the policies described herein be cancelled before the expiration date thereof, the insurer(s) affording coverage will endeavour to mail 30 days written notice to the certificate holder named herein, but failure to mail such notice shall impose no obligation or liability of any kind upon the insurer(s) affording coverage, their agents or representatives, or the issuer of this certificate.

Marsh Canada Limited

120 Bremner Boulevard
Suite 800
Toronto, ON M5J 0A8
Telephone: 1-844-990-2378
Fax: -
figs.ccert@marsh.com

Marsh Canada Limited

By: _____

Scott Withers