

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

THIS SECOND AMENDMENT TO THE AGREEMENT FOR PROJECT SERVICES (“Second Amendment”) is made and entered into on April 2, 2024, by and between the City of Redondo Beach, a chartered municipal corporation (“City”), and PayByPhone Technologies, Inc., a British Columbia corporation (“Contractor” or “Consultant”).

WHEREAS, on October 19, 2021, the parties entered into an Agreement for Project Services between the City and Contractor (the “Agreement”); and

WHEREAS, on May 16, 2023, the parties entered into the First Amendment to the Agreement between the City and Contractor (the “First Amendment”); and

WHEREAS, the parties desire to amend the Agreement.

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein, and intending to be legally bound, the parties hereby agree to make the following amendment to the Agreement:

1. **SCOPE OF SERVICES:** Exhibit “A” of the Agreement is hereby amended to add Exhibit “A-1”, which adds Section I.I SMS Services. Exhibit "A-1" is attached hereto and incorporated by reference.
2. **COMPENSATION.** Exhibits “C” to “C-1” of the Agreement are hereby amended to add Exhibit “C-2”, which increases the convenience fee and adds SMS transaction fees. Exhibit “C-2” is attached hereto and incorporated by reference. Contractor shall be compensated for the services described in Exhibit “A” of the Agreement.
3. **NO OTHER AMENDMENTS.** Except as expressly stated herein, the Agreement shall remain unchanged and in full force and effect. The Agreement, First Amendment, and this Second Amendment constitute the entire agreement between the parties and supersede any previous oral or written agreement with respect to the subject matter hereof. In the event of any inconsistency between the terms of the Agreement, First Amendment, and this Second Amendment, the terms of this Second Amendment shall govern.

IN WITNESS WHEREOF, the parties have executed this Second Amendment in Redondo Beach, California, as of this 16<sup>th</sup> day of April, 2024.

CITY OF REDONDO BEACH,  
a chartered municipal corporation

PAYBYPHONE TECHNOLOGIES INC.,  
a British Columbia corporation

\_\_\_\_\_  
James A. Light, Mayor

DocuSigned by:  
*Nick Hamill*  
3BE772FFB4CE433...  
By: \_\_\_\_\_  
Name: Nick Hamill  
Title: CFO

ATTEST:

APPROVED:

\_\_\_\_\_  
Eleanor Manzano, City Clerk

DocuSigned by:  
*Diane Strickfaden*  
ABED8CF35EEF48C...  
\_\_\_\_\_  
Diane Strickfaden, Risk Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael W. Webb, City Attorney

## EXHIBIT "A-1"

### SCOPE OF SERVICES

#### CONTRACTOR'S DUTIES

##### I. SMS SERVICES

###### 1. Contractor's Services to Customers

The parties acknowledge that Contractor's service users hold the Contractor's account and/or use Contractor services under terms of service established by Contractor. Under these Contractor terms of service and any additional terms of use, Contractor, its affiliates, or its partners may offer users various services and products, including, but not limited to, insurance products, services related to electric vehicle charging, and any other product or service that may be developed in the future. However, notwithstanding the foregoing, Contractor must obtain the City's prior written consent before charging a fee to users for any new service or product during the parking transaction (the "Add-on Service"). Contractor shall provide the City with at least thirty (30) days written notice of its intent to introduce any Add-on Service detailing the nature and scope of the proposed offerings. If any Add-on Service is not optional for the user, the City shall have the right to consent to or reject any such new offerings in its sole discretion. In the event that the City rejects any such Add-on Service, either party may terminate the Agreement with at least thirty (30) days written notice to the other. Except as expressly set out in this Agreement, City acknowledges and agrees that nothing in this Agreement shall limit or restrict Contractor's ability to offer users any add-on services and products at Contractor's sole discretion. Except as otherwise expressly set forth in this Agreement, City shall not receive any fees in relation to Contractor's provision of any add-on services and products to the Contractor users.

Contractor may offer users an option to receive service communications by SMS text ("SMS Communications"), including reminders to extend a parking session and confirmations of successful registration for a parking session. City agrees that, at any time during the Term, Contractor may charge any users who opt into these services a fee ("PBP SMS Fee") for each SMS Communication sent by Contractor with respect to an initial parking session or extension of a parking session and may set the amount of the PBP SMS Fee with reference to the cost Contractor incurs in delivering this optional service. At the time of entering into this Agreement, the PBP SMS Fee is equal to \$0.20 inclusive of taxes payable by the user. Contractor will provide notice to the City in writing thirty (30) days prior to any increase in the amount of the PBP SMS Fee, and such an increase will only take effect following an amendment to this Agreement. Contractor shall be responsible for any taxes applicable to the PBP SMS Fees.

Contractor records will be conclusive evidence with respect to the amount of PBP SMS Fees collected during a billing period. The PBP SMS Fees will be added to

the total charged to the user in respect of a parking session or extension of a parking session. Unless under the terms of the Agreement Contractor is designated as the merchant of record for parking fees paid using Contractor mobile payment service, Contractor and Client agree to designate Client as the merchant of record for any PBP SMS Fees only. In that case, Client will collect Contractor's PBP SMS Fees and remit to Contractor. Remittance will be made via electronic payment or cheque and may be included in the amount that also includes fees payable by Client to Contractor under this Agreement.

**EXHIBIT "C-2"**

**COMPENSATION**

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

1. **AMOUNT.** Effective April 16, 2024, the transaction fees shall be amended as follows.

<b>TRANSACTION FEES</b>	
<b>Convenience Fee<sup>1</sup></b> City pays to Contractor per transaction (City will charge driver a non-embedded, on-top of price of parking convenience fee)	
<b>Effective Date</b>	<b>Fee</b>
04/16/2024 - 04/01/2025	\$0.30
04/16/2025 - 04/01/2026	\$0.32
04/16/2026 - 04/01/2027	\$0.45
Monthly minimum of total transaction charges	Waived
<b>SMS Transaction Fee<sup>2</sup></b>	
<b>Effective Date</b>	<b>Fee</b>
04/16/24	\$0.20

Contractor shall be paid in accordance with the table. All amounts indicated in the table are exclusive of any and all taxes, including those applicable on fees paid by the driver. City will pay such taxes. All prices are stated, and City shall pay, in US dollars.

**NOTES:**

1. The convenience fees refer to the charges applied by the Contractor for customers using the app to pay the parking meter. Where convenience fee is added to customer'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 written agreement of both parties.
2. The SMS transaction fee is an optional charge incurred if the customer opts to use the app's feature to send a text message reminder about the impending expiration of their parking meter time, in forming the customer that they must either pay for additional time or vacate the parking spot.

**CERTIFICATE OF LIABILITY INSURANCE**

DATE (MM/DD/YYYY)

12/7/2023

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).

<b>PRODUCER</b> Commercial Lines - (404) 923-3700 USI Insurance Services LLC 1 Concourse Parkway NE, Suite 700 Atlanta, GA 30328	<b>CONTACT NAME:</b> Jack Holder <b>PHONE (A/C, No, Ext):</b> 470-875-0359 <b>E-MAIL ADDRESS:</b> Jack.holder@usi.com	<b>FAX (A/C, No):</b> 610-537-1929
	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> PaybyPhone Technologies Inc. 600-1290 Homer St. Vancouver, BC V6B 2Y5	<b>INSURER A:</b> ACE American Insurance Company	<b>NAIC #</b> 22667
	<b>INSURER B:</b> Federal Insurance Company	20281
	<b>INSURER C:</b> Beazley Insurance Company	37540
	<b>INSURER D:</b> Munich Reinsurance America	10227
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

**COVERAGES****CERTIFICATE NUMBER:** 15790846**REVISION NUMBER:** See below

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
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:			CXC D67243882 003 Foreign General Liability	07/10/2023	07/10/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 50,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
A	<input type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY			CXC D67243882 003 Foreign Automobile	07/10/2023	07/10/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
B	<input checked="" type="checkbox"/> <b>UMBRELLA LIAB</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			7818-85-91	07/10/2023	07/10/2024	EACH OCCURRENCE \$ 2,000,000 AGGREGATE \$ 2,000,000
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below						<input type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
C	Crime			V23BD5230601	07/10/2023	07/10/2024	\$1,000,000

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**

Local Canada General Liability  
 Policy#: CGL 327350  
 Period: 7/10/23-24  
 Insurer: Chubb Insurance Company of Canada  
 Limits:  
 - \$2M Agg./\$1M Occ. for Bodily Injury & Property Damage;  
 - \$2M Products & Completed Operations;

**CERTIFICATE HOLDER**

City of Redondo Beach  
 401 Diamond Street Police Department  
 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 (Con't)

## OTHER Coverage

INSR LTR	TYPE OF INSURANCE	ADDL INSR	WVD SUBR	POLICY NUMBER	EFFECTIVE DATE (MM/DD/YY)	EXPIRATION DATE (MM/DD/YY)	LIMIT
D	Professional Liability/Cyber			FN2303987	7/10/2023	7/10/2024	\$2,000,000

## Additional Remarks Schedule (Continued from Page 1)

- \$1M Personal & Advertising Injury
- \$500K Tenants Legal Liability
- \$1M Non-Owned Autos
- Employers Liability & Cross Liability Included

PaybyPhone was acquired by FleetCor and is included in the FleetCor's insurance program effective 9/15/2023. The City of Redondo Beach, its officers, elected and appointed officials, employees and volunteers are included as Additional Insureds on the Commercial General Liability policy, when required by written contract.