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Sally

RESOLUTION NO. R-049-2007**A RESOLUTION OF THE LAFAYETTE CITY-PARISH COUNCIL AUTHORIZING THE LAFAYETTE CITY-PARISH PRESIDENT TO EXECUTE A CONTRACT WITH REDFLEX TRAFFIC SYSTEMS, INC. FOR THE SAFELIGHT LAFAYETTE AND SAFESPEED LAFAYETTE PROGRAMS**

BE IT RESOLVED by the Lafayette City-Parish Council, that:

WHEREAS, the Lafayette City-Parish Council adopted Ordinances No. O-209-2006 and No. O-210-2006 on September 19, 2006 authorizing the use of photographic traffic signal and vehicle speed enforcement systems to reduce red light running and speeding; and

WHEREAS, these traffic signal and speed enforcement programs shall henceforth be known as SafeLight Lafayette and SafeSpeed Lafayette; and

WHEREAS, Requests for Proposals for the SafeLight Lafayette and SafeSpeed Lafayette programs were received on January 4, 2007 with four proposals being submitted; and

WHEREAS, a review of these four proposals resulted in a recommendation to award the SafeLight Lafayette and SafeSpeed Lafayette contract to Redflex Traffic Systems, Inc.; and

WHEREAS, the Traffic and Transportation Director has recommended execution of the attached contract with Redflex Traffic Systems, Inc. to implement, operate and maintain the photographic traffic signal and vehicle speed systems authorized in Ordinances No. O-209-2006 and No. O-210-2006.

NOW, THEREFORE, BE IT FURTHER RESOLVED by the Lafayette City-Parish Council, that:

SECTION 1: All of the aforescribed "Whereas" clauses are adopted as part of this resolution.

SECTION 2: The Lafayette City-Parish President is hereby authorized to execute the contract between Lafayette City-Parish Consolidated Government and Redflex Traffic Systems, Inc. for the SafeLight Lafayette and SafeSpeed Lafayette programs.

SECTION 3: All resolutions, or parts thereof, in conflict herewith are hereby repealed.

This resolution having been submitted to a vote, the results were as follows:

YEAS: Bourgeois, Williams, Benjamin, Conque, Mouton, Stevenson, Menard

NAYS: Badeaux

ABSENT: Broussard

ABSTAIN: None

AND the resolution was declared adopted on the 5th day of June, 2007.

Norma A. Dugas
NORMA A. DUGAS, CLERK
LAFAYETTE CITY-PARISH COUNCIL

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AGREEMENT

THIS AGREEMENT is made and entered this the 8th day of June, 2007, by and between the LAFAYETTE CITY-PARISH CONSOLIDATED GOVERNMENT, LAFAYETTE, LOUISIANA, a political subdivision organized under the laws of the State of Louisiana, ("LCG"), and REDFLEX TRAFFIC SYSTEMS, INC., 6047 Bristol Parkway 1st Floor, Culver City, California 90230 ("Redflex").

WITNESSETH:

WHEREAS, the Lafayette City-Parish Consolidated Government advertised for proposals for services and equipment necessary to provide an automated red light and speed enforcement system to monitor, identify and enforce red light running and speeding violations at certain intersections and on roadway sections located within the corporate limits of the City of Lafayette; and

WHEREAS, Redflex has the knowledge, possession, and ownership of certain equipment, licenses, applications, and citation processes necessary to provide such services and equipment; and

WHEREAS, it is a mutual objective of both Redflex and LCG to reduce the incidence of vehicle collisions at intersections and on streets that will be monitored pursuant to the terms of this Agreement; and

WHEREAS, the City-Parish President, upon the advice of the Traffic and Transportation Department has determined Redflex submitted the proposal that is most responsive and best conforms to the specifications and needs of LCG and is in the best interest and advantage of LCG.

NOW, THEREFORE, LCG and Redflex, for the mutual considerations stated herein, agree as follows:

**ARTICLE 1
BASIC AGREEMENTS**

1.1 CONTRACT DOCUMENTS. The executed contract documents include the following:

- (1) This Agreement
- (2) Listing of Monitored Intersection Approaches, Exhibit A
- (3) Construction and Installation Obligations, Exhibit B
- (4) Maintenance, Exhibit C
- (5) Compensation and Pricing, Exhibit D
- (6) Additional Obligations, Exhibit E

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- (7) Form of Acknowledgment and Consent, Exhibit F
- (8) City's Request for Proposals, Exhibit G
- (9) The Proposal submitted by Redflex, dated January 4, 2007, Exhibit H
- (10) Certificates of Insurance, Exhibit I
- (11) Lafayette City-Parish Ordinance O-209-2006, Exhibit J
- (12) Lafayette City-Parish Ordinance O-210-2006, Exhibit K
- (13) Sample Monthly Reporting Package & Sample Monthly Report, Exhibit L
- (14) Examples of fees for paid citations per intersection, Exhibit M

The contract documents are incorporated herein by reference and made a part of this Agreement as if they were fully set out verbatim. To the extent there is a conflict between the terms of the documents constituting this entire Agreement, the terms that provide the greater benefit to LCG and/or impose the greater obligation on Redflex will control. Any ambiguity shall be construed in favor of LCG.

1.2 DEFINITIONS. In this Agreement, the words and phrases below will have the following meanings:

(A) "Adjudication" means the process utilized to enforce the civil penalties prescribed in Lafayette City-Parish Ordinances O-209-2006, Exhibit J and O-210-2006, Exhibit K.

(B) "Authorized Staff" means any LCG Staff employee designated by the Director of Traffic and Transportation to review Potential Violations and to authorize the issuance of Citations in respect thereto.

(C) "Authorized Violation" means each Potential Violation in the Violations Data for which authorization to issue a Citation in the form of an Electronic Signature is given by the Authorized Staff by using the Redflex Photo Red Light and Speed System.

(D) "Citation" means the notice of a Violation, which is issued by the Authorized Staff and mailed or otherwise delivered by Redflex to the alleged violator on the appropriate Enforcement Documentation for each Authorized Violation.

(E) "LCG" means the Lafayette City-Parish Consolidated Government, Louisiana.

(F) "Confidential or Private Information" means, with respect to any Person, any information, matter or thing of a secret, confidential or private nature, whether or not so labeled, which is connected with such Person's business or methods of operation or concerning such Person's suppliers, licensors, licensees, customers or others with whom such Person has a business relationship, and which has current or potential value to such Person or the unauthorized disclosure of which could be detrimental to such Person, including but not limited to:

- (1) Matters of a business nature, including but not limited to information relating to development plans, costs, finances, marketing plans, data,

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procedures, business opportunities, marketing methods, plans and strategies, the costs of construction, installation, materials or components, the prices such Person obtains or has obtained from its clients or customers, or at which such Person sells or has sold its services; and

(2) Matters of a technical nature, including but not limited to product information, trade secrets, know-how, formulae, innovations, inventions, devices, discoveries, techniques, formats, processes, methods, specifications, designs, patterns, schematics, data, access or security codes, compilations of information, test results and research and development projects. For purposes of this Agreement, the term "trade secrets" will be as defined by Louisiana Revised Statute 51:1431(4).

(3) Notwithstanding the foregoing, Confidential or Private Information will not include information that: (i) was generally available to the public or otherwise part of the public domain at the time of its disclosure, (ii) became generally available to the public or otherwise part of the public domain after its disclosure and other than through an act or omission by any party hereto in breach of this Agreement, (iii) was subsequently lawfully disclosed to the disclosing party by a person other than a party hereto, (iv) was required by a court of competent jurisdiction to be described, or (v) was required by applicable state law to be disclosed, specifically including the Louisiana Public Records Act, or (vi) was not the subject of efforts that were reasonable under the circumstances to maintain its secrecy.

(G) "Electronic Signature" means the method through which the Authorized Staff indicates his or her approval of the issuance of a Citation in respect of a Potential Violation using the Redflex Photo Red Light and Speed System.

(H) "Enforcement Documentation" means the necessary and appropriate documentation related to the SafeLight Lafayette and SafeSpeed Lafayette Program, including but not limited to warning letters, Citation notices (using the specifications of LCG), a numbering sequence for use on Citation notices (in accordance with applicable rules of LCG), instructions to accompany issued Citations (including within instructions a description of basic court/adjudication procedures, payment options, transfer of liability options and information regarding the viewing of images, internet viewing of images, and data collected by the Redflex Photo Red Light and Speed System), chain of custody records, criteria regarding operational policies for processing citations, and technical support documentation for applicable court and judicial officers.

(I) "Equipment" means cameras, sensors, equipment, components, products, software and other tangible and intangible property relating to the Redflex Photo Red Light and Speed System(s), including but not limited to all camera systems, housings, radar units, servers and poles.

(J) "Fine" means a monetary sum assessed for a Citation as authorized by Lafayette City-Parish Ordinances O-209-2006 and O-210-2006.

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(K) "Governmental Authority" means the authority of the United States Federal Government, Louisiana State Government, or the Lafayette City-Parish Consolidated Government, and any subdivision, branch or department of any of the foregoing.

(L) "Installation Date" means the later date on which Redflex completes the construction and installation of at least one (1) Monitored Intersection Approach in accordance with the terms of this Agreement so such Monitored Intersection Approach is operational for the purposes of functioning with the SafeLight Lafayette Program and/or the delivery and operation of vehicles used for the SafeSpeed Lafayette Program.

(M) "Intellectual Property" means, with respect to any Person, any and all now known or hereafter known tangible and intangible (a) rights associated with works of authorship throughout the world, including but not limited to copyrights, moral rights and mask-works, (b) trademark and trade name rights and similar rights, (c) trade secrets rights, (d) patents, designs, algorithms and other industrial property rights, (e) other intellectual and industrial property rights however designated, whether arising by operation of law, contract, license, or otherwise, and (f) registrations, initial applications, renewals, extensions, continuations, divisions or reissues hereof now or hereafter in force (including any rights in any of the foregoing), of such Person.

(N) "Material Breach" means a breach of this Agreement so substantial it defeats the purpose of the parties in entering into this Agreement.

(O) "Monitored Intersection Approaches" means a conduit of travel in one direction with up to three through lanes at some locations, or lanes as follows: dual left turn lanes, right turn lanes, and two through lanes, or other combinations thereof on which at least one (1) system has been installed by Redflex for the purposes of facilitating Photo Red Light and Speed Enforcement by LCG. The Monitored Intersection Approaches are as set forth in Exhibit A attached hereto, and such additional Monitored Intersection Approaches as Redflex and LCG will mutually agree to from time to time.

(P) "Operational Period" means the period of time during the Term, commencing after the Warning Period, during which the Photo Red Light and Speed Enforcement Program is functional in order to permit the identification and adjudication of Violations at the Monitored Intersection Approaches by an Authorized Staff and the issuance of Citations for such Authorized Violations using the Redflex Photo Red Light and Speed System.

(Q) "Person" means a natural individual, company, Governmental Authority, partnership, firm, corporation, legal entity or other business association.

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(R) "Photo Red Light Violation Criteria" means the standards and criteria by which Potential Violations will be evaluated by an Authorized Staff, which standards and criteria will include, but are not limited to, the duration of time a traffic signal must remain red prior to a Violation being deemed to have occurred, and the location(s) in an intersection which a motor vehicle must pass during a red signal prior to being deemed to have committed a Violation, all of which will be in compliance with applicable laws, rules and regulations.

(S) "Photo Speed Violation Criteria" means the standards and criteria by which Potential Violations will be evaluated by an Authorized Staff, which standards and criteria shall include, but are not limited to, the vehicle speed, the location(s) in which a motor vehicle must exceed posted speed limits prior to being deemed to have committed a Violation, the tolerance given over the speed limit, all of which shall be in compliance with applicable laws, rules and regulations.

(T) "Project Manager" means the Traffic and Transportation Department Director or his designee in accordance with this Agreement and the Lafayette City-Parish Consolidated Government Code of Ordinances, who will be responsible for overseeing the installation of the Monitored Intersection Approaches and the implementation of the SafeLight Lafayette and SafeSpeed Lafayette Program, and who will have the power and authority to make management decisions relating to LCG's obligations pursuant to this Agreement, including but not limited to change order authorizations, subject to limitations set forth in the Lafayette City-Parish Consolidated Government Home Rule Charter or the Lafayette City-Parish Consolidated Government Code of Ordinances .

(U) "Potential Violation" means, with respect to any motor vehicle passing through a Monitored Intersection Approach or Roadway Section, the data collected by the Redflex Photo Red Light and Speed System with respect to such motor vehicle, which data will be processed by the Redflex Photo Red Light and Speed System for the purposes of allowing the Authorized Staff to review such data and determine whether a Violation has occurred.

(V) "Proprietary Property" means, with respect to any Person, any written or tangible property owned or used by such Person in connection with such Person's business, whether or not such property is copyrightable or also qualifies as Confidential or Private Information, including without limitation products, samples, equipment, files, lists, books, notebooks, records, documents, memoranda, reports, patterns, schematics, compilations, designs, drawings, data, test results, contracts, agreements, literature, correspondence, spread sheets, computer programs and software, computer print outs, other written and graphic records and the like, whether originals, copies, duplicates or summaries thereof, affecting or relating to the business of such Person, financial statements, budgets, projections and invoices.

(W) "Redflex Marks" means trademarks registered in the name of Redflex or its affiliates, such other trademarks as are used by Redflex or its affiliates on or in relation to Photo Red Light and Speed Enforcement at any time during the Term

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of this Agreement, service marks, trade names, logos, brands and other marks owned by Redflex, and modifications or adaptations of the foregoing. This does not refer to the SafeLight Lafayette and SafeSpeed Lafayette licenses and logos.

(X) "Redflex Project Manager" means the project manager appointed by Redflex in accordance with this Agreement, which project manager will initially be Joe Bernard, or such person as Redflex will designate by providing written notice thereof to LCG from time to time, who will be responsible for overseeing the construction and installation of the Monitored Intersection Approaches and Roadway Sections and the implementation of the SafeLight Lafayette and SafeSpeed Lafayette Program, and who will have the power and authority to make management decisions relating to Redflex's obligations pursuant to this Agreement, including but not limited to change-order authorizations.

(Y) "Redflex Photo Red Light System" means, collectively, the SMARTcam™ System, the SMARTops™ System, and all of the other equipment, applications, back office processes and digital red light traffic enforcement cameras, sensors, components, products, software and other tangible and intangible property relating thereto installed at an Intersection Approach.

(Z) "Redflex Photo Speed System" means, collectively, the SMARTcam™ System, the SMARTops™ System, and all of the other equipment, applications, back office processes and digital speed traffic enforcement cameras, radar units, components, products, software and other tangible and intangible property relating thereto installed at an intersection or in a mobile van.

(AA) "Redflex Photo Red Light and Speed System" supports the SafeLight Lafayette and SafeSpeed Lafayette Program including the Redflex Photo Red Light System and Redflex Photo Speed System (including the Redflex Photo Speed Van System).

(BB) "Redflex Photo Speed Van System" means a fully equipped speed monitoring van outfitted with the Redflex Photo Speed System to be deployed randomly at Roadway Sections and other locations.

(CC) "Roadway Sections" means the predetermined section of roadway a Redflex Photo Speed Van System will occupy and gather citation information.

(DD) "SafeLight Lafayette Program" means the process by which the monitoring, identification and enforcement of Violations is facilitated by the use of certain equipment, applications and back office processes of Redflex, including but not limited to cameras, flashes, central processing units, signal controller interfaces and detectors (whether loop, radar or video loop) which, collectively, are capable of measuring Violations and recording such Violation data in the form of photographic images and video of motor vehicles and drivers in order to improve traffic safety.

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(EE) "SafeSpeed Lafayette Program" means the process by which the monitoring, identification and enforcement of Violations, and marketing of the program is facilitated by the use of certain equipment, applications and back office processes of Redflex, including but not limited to cameras, flashes, central processing units, interfaces and detectors which, collectively, are capable of measuring Violations and recording such Violation data in the form of photographic images and video of motor vehicles and drivers at Monitored Intersection Approaches and inside mobile vans located on Roadway Sections in order to improve traffic safety.

(FF) "SMARTcam™ System" means the proprietary digital red light photo enforcement system of Redflex used for the SafeLight Lafayette and SafeSpeed Lafayette Program.

(GG) "SMARTops™ System" means the proprietary back-office processes of Redflex used for the SafeLight Lafayette and SafeSpeed Lafayette Program.

(HH) "SMARTscene™ System" means the proprietary digital video camera unit, hardware and software required for providing supplemental violation data.

(II) "Traffic Signal Controller Boxes" means the signal controller interface and detector, including but not limited to the radar or video loop, as the case may be.

(JJ) "Violation" means a traffic violation in accordance with Lafayette City-Parish Ordinances O-209-2006 and O-210-2006.

(KK) "Violations Data" means the images and other Violations data gathered by the Redflex Photo Red Light and Speed System at the Monitored Intersection Approaches or Roadway Sections.

(LL) "Warning Period" means the thirty day period of time which begins upon the activation of the initial Photo Red Light System or Photo Speed System as determined by Resolution of the City-Parish Council, during which period of time the Project Manager or designee will, through press releases to the media, advise the public that the Redflex Photo Red Light and Speed System has been installed and Citations will be issued beginning on a date certain. Redflex will issue warning notices to violators during this period as authorized by LCG. No citations shall be issued during this period.

1.3 Term. The term of this Agreement will commence upon the date first above written and will continue for four (4) years, unless earlier terminated pursuant to the provisions of this Agreement. LCG shall have the right, but not the obligation, to extend the term of this Agreement annually at the option of LCG and acceptance by Redflex following the expiration of the Initial Term.

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1.4 Services. Redflex will provide the SafeLight Lafayette and SafeSpeed Lafayette Program services to LCG, in accordance with the terms and provisions set forth in this Agreement and shall include the following elements:

(A) Installation. With respect to the construction and installation of the Monitored Intersection Approaches and the installation of the Redflex Photo Red Light and Speed System at such Monitored Intersection Approaches and Roadway Sections, LCG and Redflex will have the respective rights and obligations set forth on Exhibit B attached hereto.

(B) Maintenance. With respect to the maintenance of the Redflex Photo Red Light and Speed System at the Monitored Intersection Approaches and Roadway Sections LCG and Redflex will have the respective rights and obligations set forth on Exhibit C attached hereto.

(C) Ownership of Violations Data and Data Regarding Fines. Violations Data and data regarding Fines will become and remain the exclusive property of LCG, and LCG will have access thereto at all times at no cost to LCG. Redflex will not publicly disclose the Violations Data or privately disclose or use the Violations Data for any purposes whatsoever except as specified in this Agreement without the prior written consent of LCG, except for information that:

- (1) is or becomes generally available to the public through no fault of Redflex personnel; or
- (2) is required to be disclosed by law or by a court of competent jurisdiction.

(D) Violation Processing. During the Operational Period, Violations will be processed as follows:

- (1) Violations Data will be stored on the Redflex Photo Red Light and Speed System;
- (2) The Redflex Photo Red Light and Speed System will process Violations Data gathered from the Monitored Intersection Approaches and Roadway Sections into a format capable of review by the Authorized Staff via the Redflex Photo Red Light and Speed System;
- (3) The Redflex Photo Red Light and Speed System will be accessible by the Authorized Staff through a secure and encrypted connection by use of a confidential user account on a computer equipped with high-speed Internet capability and an approved web browser provided by Redflex;
- (4) Redflex will provide the Authorized Staff with access to the Redflex Photo Red Light and Speed System for the purposes of reviewing the pre-processed Violations Data within seven (7) days of the gathering of the Violation Data at the applicable Monitored Intersection Approaches;

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(5) LCG will cause the Authorized Staff to review the Violations Data and to determine whether a Citation will be issued with respect to each Potential Violation captured within such Violation Data, and transmit each such determination in the form of an Electronic Signature to Redflex using the software or other applications or procedures provided by Redflex on the Redflex Photo Red Light and Speed System for such purpose, and REDFLEX HEREBY ACKNOWLEDGES AND AGREES THE DECISION TO ISSUE A CITATION WILL BE THE SOLE, UNILATERAL AND EXCLUSIVE DECISION OF THE AUTHORIZED STAFF (A "CITATION DECISION"), AND IN NO EVENT WILL REDFLEX HAVE THE ABILITY OR AUTHORIZATION TO MAKE A CITATION DECISION OR TO CONTEST OR DISPUTE A CITATION DECISION MADE BY THE AUTHORIZED STAFF;

(6) With respect to each Authorized Violation, Redflex will print and mail a Citation within six (6) days after Redflex's receipt of such authorization; provided, except, during the Warning Period when warning violation notices will be issued in respect of Authorized Violations;

(7) Redflex will provide a customer service office to answer citizen calls Monday through Friday from 8:00 a.m. to 5:00 p.m. with consideration given to adjusting the hours during the week and on weekends to facilitate citizen's schedules;

(8) Redflex will provide a toll-free telephone number for the purposes of answering citizen questions and concerns;

(9) Redflex will permit the Authorized Staff to generate monthly reports using the Redflex Standard Report System;

(10) Redflex will provide in addition to the Standard Reports, reports regarding the processing and issuance of Citations, the maintenance and downtime records of the Monitored Intersection Approaches and the functionality of the Redflex Photo Red Light and Speed System with respect thereto to LCG in such format and for such periods as LCG may reasonably request;

(11) Redflex will provide reports regarding the adjudication of Citations and the collection of fines, fees and other monies with standard revenue and split revenue reports;

(12) During the term of this Agreement, and/or upon Redflex's receipt of a written request from LCG at least seven (7) calendar days in advance of any court proceeding, Redflex will provide expert witnesses for the adjudication of Violations; and

(13) During the term of this Agreement, Redflex will provide such training to

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Authorized Staff and other designees as will be reasonably necessary in order to allow such personnel to act as expert witnesses on behalf of LCG with respect to the Photo Red Light and Speed Enforcement Program.

(14) Redflex will allow the registered owner of the violating vehicle to view citation images and video on the Internet at a secure site provided on the citation.

(15) Redflex shall provide photographic images of the drivers' face as part of the Photo Red Light and Speed Enforcement Program.

(E) Adjudication of Citations; Compensation. The Project Manager will have the right to enforce violations pursuant to Exhibits I and K as may be amended from time to time by the Lafayette City-Parish Council, and when findings of liability are rendered Redflex will have the right to receive, and LCG will be obligated to pay, the compensation set forth on Exhibit D attached hereto; provided Redflex's right to compensation, and LCG's obligation to pay, shall not arise until either 30 days have elapsed after date of entry of the adjudication decision, or the violator's entire course of judicial review has resolved in a finding of liability. Redflex shall have no right to compensation if a civil penalty cannot be imposed for any violation pursuant to Sec. 86-182(b) of the LCG Code of Ordinances.

(F) Other Rights and Obligations. During the Term, in addition to the other rights and obligations set forth in this Agreement, Redflex and LCG will have the respective rights and obligations set forth on Exhibit E attached hereto.

(G) Change Orders. LCG may from time to time request changes to the work required to be performed or the addition of products or services to those required pursuant to the terms of this Agreement by providing written notice thereof to Redflex, setting forth in reasonable detail the proposed changes (a "Change Order Notice"). Upon Redflex's receipt of a Change Order Notice, Redflex will deliver a written statement describing the effect, if any, the proposed changes would have on the pricing terms set forth in Exhibit D (the "Change Order Proposal"), which Change Order Proposal will include (i) a detailed breakdown of the charge and schedule effects, (ii) a description of resulting changes to the specifications and obligations of the parties, (iii) a schedule for the delivery and other performance obligations, and (iv) other information relating to the proposed changes reasonably requested by LCG. Following LCG's receipt of the Change Order Proposal, the parties will negotiate in good faith and agree to a plan and schedule for implementation of the proposed changes, the time, manner and amount of payment, or price increases or decreases, as the case may be, and other matters relating to the proposed changes; provided, however, in the event proposed change involves only the addition of equipment or services to the existing Monitored Intersection Approaches/Roadway Sections or the addition of Monitored Intersection Approaches/Roadway Sections to be covered by the terms of this Agreement, to the maximum extent applicable, the pricing terms set forth in Exhibit D will govern. Failure of the parties to reach agreement with

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respect to the foregoing as a result proposed changes will not be deemed to be a breach of this Agreement, and any disagreement will be resolved in accordance with Article 8.

(H) Real Time Intersection Monitoring and Streaming Video. Redflex will enable LCG to view the streaming video from the Monitored Intersection Approaches. Redflex will provide statistics from the Monitored Intersection Approaches such as traffic volume (per hour, per day, etc), traffic speeds (per hour, per day, 85th percentile etc.), red light running and speeding infraction statistics (such as time signal was red prior violation vs. number of violations, violations by time of day and day of the week etc.).

ARTICLE 2 LICENSE; RESERVATION OF RIGHTS

2.1 License. Subject to the terms and conditions of this Agreement, Redflex hereby grants LCG, and LCG hereby accepts from Redflex upon the terms and conditions herein specified, a non-exclusive, non-transferable license during the Term of this Agreement. (a) to, solely within LCG access and use the Redflex Photo Red Light and Speed System for the sole purpose of reviewing Potential Violations and authorizing the issuance of Citations pursuant to the terms of this Agreement, and to print copies of any content posted on the Redflex Photo Red Light and Speed System in connection therewith, (b) to use and display the Redflex Marks if LCG so chooses on or in marketing, public awareness or education, or other publications or materials relating to the SafeLight Lafayette and SafeSpeed Lafayette Program, so long as such publications or materials are approved by Redflex, and (c) if LCG chooses to do so, to disclose to the public (including outside of LCG) Redflex is providing services to LCG in connection with SafeLight Lafayette and SafeSpeed Lafayette Program pursuant to the terms of this Agreement.

Redflex shall use at LCG's direction the SafeLight and SafeSpeed Lafayette license and logos. LCG may choose to only allow SafeLight and SafeSpeed Lafayette on any public relations and/or media campaigns.

2.2 Reservation of Rights. LCG hereby acknowledges and agrees that: (a) Redflex is the sole and exclusive owner of the Redflex Photo Red Light and Speed System, the Redflex Marks, Intellectual Property arising from or relating to the Redflex Photo Red Light and Speed System, and related Equipment, (b) LCG neither has nor makes any claim to any right, title or interest in any of the foregoing, except as specifically granted or authorized under this Agreement, and (c) by reason of the exercise of any such rights or interests of LCG pursuant to this Agreement, LCG will gain no additional right, title or interest therein.

2.3 Restricted Use. LCG hereby covenants and agrees it will not (a) make modifications to the Redflex Photo Red Light and Speed System, including but not limited to any Equipment, (b) alter, remove or tamper with any Redflex Marks, (c) use

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any of the Redflex Marks in any way which might prejudice their distinctiveness, validity or the goodwill of Redflex therein, or (d) disassemble, de-compile or otherwise perform any type of reverse engineering to the Redflex Photo Red Light and Speed System, including but not limited to Equipment, or to Intellectual Property or Proprietary Property of Redflex, or cause any other Person to do any of the foregoing.

2.4 Protection of Rights. Redflex will have the right to take whatever action it deems necessary or desirable to remedy or prevent the infringement of Intellectual Property of Redflex, including without limitation the filing of applications to register as trademarks in any jurisdiction any of the Redflex Marks, the filing of patent applications for any of the Intellectual Property of Redflex, and making other applications or filings with appropriate Governmental Authorities. LCG will not in its own name make any registrations or filings with respect to any of the Redflex Marks or the Intellectual Property of Redflex without the prior written consent of Redflex.

2.5 Infringing Use. LCG will give Redflex prompt written notice of actions or claims, whether threatened or pending, against LCG alleging Redflex Marks, or other Intellectual Property of Redflex, infringes or violates patents, trademarks, copyrights, trade secrets or other Intellectual Property of other Persons. If such a claim is made and Redflex determines, in the exercise of its sole discretion, that an infringement may exist, Redflex will have the right, but not the obligation, to procure for LCG the right to keep using the allegedly infringing items, modify them to avoid the alleged infringement or replace them with non-infringing items. Pursuant to the procedures set forth in Article 6 of this Agreement, Redflex, its agents and employees shall be responsible for and will defend, indemnify and hold LCG, its agents and employees harmless for expenses, including damages and attorney's fees, incurred in reviewing and defending actions or claims, whether threatened or pending, against LCG, its agents and employees alleging the Redflex Marks, or other Intellectual Property of Redflex, infringes or violates patents, trademarks, copyrights, trade secrets or other Intellectual Property of other Persons.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Redflex Representations and Warranties.

(A) Authority. Redflex hereby warrants and represents it has all right, power and authority to execute and deliver this Agreement and perform its obligations hereunder.

(B) Professional Services. Redflex hereby warrants and represents services provided by Redflex pursuant to this Agreement will be performed in a professional and workmanlike manner and, with respect to the installation of the Redflex Photo Red Light and Speed System, subject to applicable law, in compliance with specifications provided to Redflex by LCG including the Request for Proposals.

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3.2 City Representations and Warranties.

(A) Authority. LCG hereby warrants and represents it has all right, power and authority to execute and deliver this Agreement and perform its obligations hereunder.

(B) Professional Services. LCG hereby warrants and represents services provided by LCG pursuant to this Agreement will be performed in a professional and workmanlike manner.

3.3 Limited Warranties. LCG hereby acknowledges the Redflex Photo Red Light and Speed System may malfunction from time to time, and subject to the terms of this Agreement, Redflex will correct such malfunction in a timely manner and in accordance with the provisions specified in Exhibit C to this Agreement.

ARTICLE 4 TERMINATION

4.1 Termination for Cause. Either party will have the right to terminate this Agreement immediately by written notice to the other if (i) a federal or state statute is enacted to prohibit or substantially change the operation of photo red light and speed enforcement systems; (ii) LCG's ordinance authorizing automatic red light and/or speed enforcement is repealed; (iii) any court having jurisdiction over LCG rules, in any case, that results from the Redflex Photo Red Light and Speed System are inadmissible as evidence; or (iv) the other party commits a breach of the provisions of this Agreement which breach is not remedied within sixty (60) calendar days (or within such other time period as LCG and Redflex will mutually agree, which agreement will not be unreasonably withheld or delayed) after written notice from the non-breaching party setting forth in reasonable detail the events which caused the breach.

4.2 Termination Rights are without Prejudice to Other Rights. The rights to terminate this Agreement given in Section 4.1 will be without prejudice to other rights or remedy of either party in respect of the breach concerned or other breach of this Agreement.

4.3 Procedures upon Termination. The termination of this Agreement will not relieve either party of liability accrued prior to such termination. Except as set forth in this Section 4.3, upon the termination of this Agreement, the provisions of this Agreement will terminate and:

(A) Redflex will (i) immediately cease to provide services, including but not limited to work in connection with the construction or installation activities and services in connection with the SafeLight Lafayette and SafeSpeed Lafayette Program, (ii) promptly deliver to LCG Proprietary Property of LCG provided to Redflex pursuant to this Agreement, (iii) promptly deliver a final report to LCG regarding the collection of data and the issuance of Citations in such format and for such periods as LCG may reasonably request, and which final report Redflex

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will update or supplement from time to time when and if additional data or information becomes available, (iv) promptly deliver to LCG a final invoice stating fees and charges properly owed by LCG to Redflex for Paid Citations issued by Redflex prior to the termination, and (v) provide such assistance as LCG may reasonably request from time to time in connection with adjudicating and enforcing Citations issued prior to the termination of this Agreement.

(B) LCG will (i) immediately cease using the Redflex Photo Red Light and Speed System and using other Intellectual Property of Redflex, (ii) promptly deliver to Redflex Proprietary Property of Redflex provided to LCG pursuant to this Agreement, and (iii) promptly pay paid citation fees properly owed by LCG to Redflex for work performed prior to the termination.

4.4 Equipment to be Removed by Redflex upon Termination of Agreement. Unless LCG and Redflex enter into a new written agreement relating to the SafeLight Lafayette and SafeSpeed Lafayette Program or have agreed in writing to extend the Term of this Agreement, Redflex will, within 60 days of the effective termination date of this Agreement, and at Redflex's sole expense, remove any and all Equipment or other materials of Redflex installed in connection with Redflex's performance of its obligations under this Agreement, including but not limited to housings, poles and camera systems, and Redflex will restore the Monitored Intersection Approaches to the same or better condition such Monitored Intersection Approaches and Roadway Sections were in immediately prior to this Agreement. If Redflex fails to remove the Equipment or other materials of Redflex within 60 days of the effective termination date of this Agreement, the Equipment will immediately become the property of LCG and shall be removed by LCG forces and/or the Redflex's. Said removal costs shall be billed to Redflex who shall promptly pay LCG for these costs. If LCG chooses to dispose of this material it shall be in accordance with current legislation.

ARTICLE 5 CONFIDENTIALITY

During the term of this Agreement and for a period of three (3) years thereafter, neither party will disclose to a third person, or use for itself for pecuniary gain, Confidential or Private Information learned from the other party during the course of the negotiations for this Agreement or during the Term of this Agreement. Upon termination of this Agreement, each party will return to the other tangible Confidential or Private Information of such party. Each party will retain in confidence and not disclose to a third party Confidential or Private Information without the other party's express written consent, except (a) to its employees who are reasonably required to have the Confidential or Private Information, (b) to its agents, representatives, attorneys and other professional advisors that have a need to know such Confidential or Private Information, provided such parties undertake in writing (or are otherwise bound by rules of professional conduct) to keep such information strictly confidential, and (c) pursuant to, and to the extent of, a request or order by any Governmental Authority, including laws relating to public records, and specifically including the provisions of the Louisiana Public Records Act, Louisiana Revised Statute 44:1 et seq.

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ARTICLE 6 INDEMNIFICATION AND LIABILITY

6.1 Indemnification See LCG's Request for Proposals, General Conditions for Proposals, Article 8 included in this agreement as Exhibit G and referenced herein.

6.2 Liability. Any liability of Redflex to LCG and third parties for any claims, damages, losses, or costs arising out of, or related to acts performed by the Redflex under this Agreement shall be addressed and administered according to the laws and courts of the State of Louisiana.

6.3 Indemnification Procedures. In the event a claim, action or demand (a "Claim") in respect of which a party hereto seeks indemnification from the other, the party seeking indemnification (the "Indemnified Party") will give the party from whom indemnification is sought (the "Indemnifying Party") written notice of such Claim promptly after the Indemnified Party first becomes aware thereof. Provided, however, failure so to give such notice will not preclude indemnification with respect to such Claim except to the extent of any additional or increased Losses or other actual prejudice directly caused by such failure. The Indemnifying Party will have the right to choose counsel to defend such Claim (subject to the approval of such counsel by the Indemnified Party, which approval will not be unreasonably withheld, conditioned or delayed), and to control, compromise and settle such Claim, and the Indemnified Party will have the right to participate in the defense at its sole expense; provided, however, the Indemnified Party will have the right to take over the control of the defense or settlement of such Claim at any time if the Indemnified Party irrevocably waives rights to indemnification from and by the Indemnifying Party. The Indemnifying Party and the Indemnified Party will cooperate in the defense or settlement of any Claim, and no party will have the right to enter into any settlement agreement that materially affects the other party's material rights or material interests without such party's prior written consent, which consent will not be unreasonably withheld or delayed.

ARTICLE 7 NOTICES

7.1 Notices. Notices to be given hereunder will be in writing, and will be deemed to have been given (a) upon delivery, if delivered by hand, (b) three (3) days after being mailed first class, certified mail, return receipt requested, postage and registry fees prepaid, or (c) one business day after being delivered to a reputable overnight courier service, excluding the U.S. Postal Service, prepaid, marked for next day delivery, if the courier service obtains a signature acknowledging receipt, in each case addressed or sent to such party as follows:

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Notices to Redflex:

Redflex Traffic Systems, Inc.
15020 North 74th Street
Scottsdale, Arizona 85260
Attention: Ms. Karen Finley

Notices to LCG:

Director of Traffic and Transportation
1515 E. University Ave. Bldg. A
Lafayette, LA 70501
Attention: Tony Tramel, PE, PTOE

Modifications of these parties/addresses to be notified may be made by either party upon written notice to the other.

ARTICLE 8 DISPUTE RESOLUTION

Upon the occurrence of a dispute or disagreement between the parties hereto arising out of or in connection with terms or provision of this Agreement, the subject matter hereof, or the interpretation or enforcement hereof (the "Dispute"), the parties will engage in informal, good faith discussions and attempt to resolve the Dispute. In connection therewith, upon written notice of either party, each of the parties will appoint a designated officer whose task it will be to meet for the purpose of attempting to resolve such Dispute. The designated officers will meet as often as the parties will deem to be reasonably necessary. Such officers will discuss the Dispute. If the parties are unable to resolve the Dispute in accordance with this Article 8, and in the event either of the parties concludes in good faith amicable resolution through continued negotiation with respect to the Dispute is not reasonably likely, then the parties may mutually agree to submit to arbitration, mediation, and/or other legal means necessary to resolve said dispute. Nothing in this provision shall be construed to limit either party the right of redress in the courts.

ARTICLE 9 MISCELLANEOUS

9.1 Assignment. Neither party may assign any portion of this Agreement.

9.2 Relationship Between Redflex and LCG. Nothing in this Agreement shall create, or be deemed to create, a partnership, joint venture or the relationship of principal and agent or employer and employee between the parties. Redflex is and shall be an independent contractor of LCG, and nothing contained in this Agreement will create the relationship of principal and agent or otherwise permit either party to incur any debts or liabilities or obligations on behalf of the other party (except as specifically provided herein).

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9.3 Audit Rights. Each of parties hereto will have the right to audit the books and records of the other party hereto (the "Audited Party") for the purpose of verifying payments, if any, payable pursuant to this Agreement. Such audit will be acted upon not less than forty-eight (48) hours after receipt of notice to the Audited Party, at mutually convenient times and during the Audited Party's normal business hours. Except as otherwise provided in this Agreement, the cost of such audit will be borne by the non-Audited Party. In the event such audit establishes any underpayment of funds due to either party the owed party shall be promptly paid the amounts due after the audit is completed. In the event such audit establishes overpayment by either party reimbursement payments shall be made to the other party pursuant to this Agreement.

9.4 Force Majeure. Redflex or LCG shall be exempted from performance under the contract for any period Redflex or LCG is prevented from performing any services in whole or in part as a result of an act of God, strike, war, civil disturbance, epidemic, or court order, provided Redflex or LCG has prudently and promptly acted to take corrective steps Redflex or LCG can promptly perform. Subject to this provision, such nonperformance shall not be considered cause or grounds for termination for the Agreement.

9.5 Entire Agreement. This Agreement including Exhibits A, B, C, D, E, F, G, H, I, J, K, L and M represents the entire Agreement between the parties, and there are no other agreements, whether written or oral, which affect its terms. This Agreement may be amended by subsequent written agreement signed by both parties.

9.6 Severability. If any provision of this Agreement is held by any court or other competent authority to be void or unenforceable in whole or part, this Agreement will continue to be valid as to the other provisions thereof and the remainder of the affected provision.

9.7 Waiver. Any waiver by either party of a breach of any provision of this Agreement will not be considered as a waiver of any subsequent breach of the same or any other provision thereof.

9.8 Headings. The headings of the sections contained in this Agreement are included herein for reference purposes only, solely for the convenience of the parties hereto, and will not in any way be deemed to affect the meaning, interpretation or applicability of this Agreement or any term, condition or provision hereof.

9.9 Covenant of Further Assurances. Parties to this Agreement will, upon request, perform any and all acts and execute and deliver any and all certificates, instruments and other documents that may be necessary or appropriate to carry out any of the terms, conditions and provisions hereof or to carry out the intent of this Agreement.

9.10 Binding Effect. This Agreement will inure to the benefit of and be binding upon the parties hereto and their respective executors, administrators, and successors.

9.11 Compliance with Laws. Nothing contained in this Agreement will be construed to require LCG or its City-Parish President, City-Parish Council, or City-Parish Employees to perform any act contrary to law, and whenever there is a conflict between any term, condition or provision of this Agreement and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter will prevail, but in such event the term, condition or provision of this Agreement affected will be curtailed and limited only to the extent necessary to bring it within the requirement of the law, provided such construction is consistent with the intent of the Parties as expressed in this Agreement.

9.12 No Third Party Benefit. Nothing contained in this Agreement will be deemed to confer any right or benefit on any Person who is not a party to this Agreement.

9.13 Applicable Law. This Agreement will be governed by and construed in all respects solely in accordance with the laws of the State of Louisiana.

9.14 Jurisdiction and Venue. Any dispute arising out of or in connection with this Agreement will be submitted to the exclusive jurisdiction and venue of a court of competent jurisdiction located in Lafayette, Lafayette Parish, Louisiana, and both parties specifically agree to be bound by the jurisdiction and venue thereof.

IN WITNESS WHEREOF, the parties have affixed their respective signatures in duplicate originals as of the day and year first above written.

LAFAYETTE CITY-PARISH CONSOLIDATED
GOVERNMENT
LAFAYETTE, SATE OF LOUISIANA

WITNESSES:

Debra Bouts
Gail Debert

BY: [Signature]
L.L. Durel, JR.
CITY-PARISH PRESIDENT

REFLEX TRAFFIC SYSTEMS, INC

WITNESSES:

[Signature]
Executive ASST.
[Signature]
HR manager

BY: Karen Finley
(Signature)

NAME: Karen Finley
(Please type or print)

TITLE: President & CEO.
(Please type or print)

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EXHIBIT A
LIST OF MONITORED INTERSECTION APPROACHES

The contract is for the implementation of 25 Monitored Intersection Approaches. Redflex shall provide at these Monitored Intersection Approaches red light running enforcement, speeding enforcement, and streaming video. Identification of enforced intersections will be based on mutual agreement between Redflex and LCG as warranted by community safety and traffic needs and are as follows:

1. Gloria Switch @ NE Frontage Road
2. University Ave @ I-10 Ramp
3. Evangeline Thruway @ Mudd Ave
4. Evangeline Thruway @ Willow St
5. Moss St @ Simcoe St
6. Evangeline Thruway @ Louisiana Ave
7. Evangeline Thruway @ Pinhook Rd
8. Moss St @ Pont Des Mouton Rd
9. Evangeline Thruway @ Simcoe St
10. Johnston St @ Vermillion St
11. Moss St @ Mudd Ave
12. Johnston St @ Foreman Dr
13. Pinhook Rd @ Kaliste Saloom Rd
14. Ambassador Caffery Pkwy @ W Willow St
15. Simcoe St @ Pinhook Rd
16. Evangeline Thruway @ Second St
17. Bertrand Dr @ Dulles Dr
18. Johnston St @ S College Rd
19. Johnston St @ University Ave
20. Ambassador Caffery Pkwy @ Dulles Dr
21. University Ave @ Simcoe St
22. Louisiana Ave @ Simcoe St
23. Johnston St @ Guilbeau Rd
24. Johnston St @ St Mary Blvd
25. Johnston St @ Bertrand Dr

Additional intersections and/or substitution of other intersections may occur and would be operated on the same per paid citation fee identified elsewhere in this agreement.

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EXHIBIT B CONSTRUCTION AND INSTALLATION OBLIGATIONS

Timeframe for Installation: Fixed Photo Red Light and Speed System.

Redflex will have each specified intersection installed and activated in phases in accordance with an implementation plan to be mutually agreed to by Redflex and LCG. Redflex will submit its intersection drawings for Monitored Intersection Approaches to LCG's Traffic and Transportation Department within forty-five (45) days of the date of this Agreement and Redflex will cause the first 5 intersections to be complete and fully operational within thirty days of the approval of the intersection drawings and approval of business rules documentation by LCG. The remaining twenty (20) intersections/approaches will be completed and fully operational within ninety (90) days after the approval of the intersection drawings by LCG's Engineering Department.

In order to provide LCG with timely completion of the photo enforcement project Redflex requires LCG assist with providing timely approval of permits.

Timeframe for Installation: Photo Speed Van System.

Redflex will work with LCG to determine 20 site specific locations for SafeSpeed enforcement and have two (2) fully operational speed vans deployed within 60 days of the approval of business rules documentation by LCG.

1.1 Redflex Obligations. Redflex will do or cause to be done each of the following (in each case at Redflex's sole expense):

- (A) Appoint the Redflex Project Manager and a project implementation team consisting of between one (1) and four (4) people to assist the Redflex Project Manager;
- (B) Request current "as-built" electronic engineering drawings for the Monitored Intersection Approaches from LCG;
- (C) Develop and submit to LCG for approval construction and installation specifications in reasonable detail for the Monitored Intersection Approaches and Roadway Sections, including but not limited to specifications for radar sensors, pavement loops, video detection, electrical connections, power supply details, communication network details, and traffic controller connections, as required;
- (D) Seek approval from the relevant Governmental Authorities having authority or jurisdiction over the construction and installation specifications for the Monitored Intersection Approaches (collectively, the "Approvals"), which will include compliance with LCG and/or Louisiana Department of Transportation and Development (LADOTD) permit applications;
- (E) Finalize the acquisition of the Approvals;

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- (F) Submit to LCG a public awareness strategy in accordance with LCG's Request for Proposals for LCG's consideration and approval, which strategy will include media and educational materials for LCG's approval or amendment (the "Awareness Strategy");
- (G) Develop the Photo Red Light and Speed Violation Criteria in consultation with LCG;
- (H) Develop the Enforcement Documentation for approval by LCG, which approval will not be unreasonably withheld;
- (I) Complete the installation and testing of necessary equipment, including hardware and software, at the Monitored Intersection Approaches and Roadway Sections in strict compliance with State and local laws and regulations and subject to the approval of applicable Governmental Authorities);
- (J) Cause an electrical sub-contractor to complete necessary electrical work at the Monitored Intersection Approaches, including but not limited to the installation of all related Equipment and other detection sensors, poles, cabling, telecommunications equipment and wiring, which work will be performed in compliance with applicable local, state and federal laws and regulations;
- (K) Install and test the functionality of the Monitored Intersection Approaches and Roadway Sections with the Redflex Photo Red Light and Speed System and establish fully operational Violation processing capability with the Redflex Photo Red Light and Speed System;
- (L) Implement and continue the use of the Redflex Photo Red Light and Speed System at each of the Monitored Intersection Approaches and Roadway Sections;
- (M) Deliver the Materials, as hereafter defined, to LCG;
- (N) Issue Citation notices for Authorized Violations;
- (O) Redflex will provide training (i) for up to ten (10) personnel of LCG, including but not limited to the persons who LCG will appoint as Authorized Staff and other persons involved in the administration of the SafeLight Lafayette and SafeSpeed Lafayette Program, (ii) for at least sixteen (16) hours in the aggregate, (iii) regarding the operation of the Redflex Photo Red Light and Speed System, which will include training with respect to the Redflex Photo Red Light and Speed System and its operations, strategies for presenting Violations Data in court/adjudication and judicial proceedings and a review of the Enforcement Documentation;

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(P) Interact with adjudicators, court, and judicial personnel to address issues regarding the implementation of the Redflex Photo Red Light and Speed System, the development of a subpoena processing timeline that will permit the offering of Violations Data in adjudication and related proceedings, and coordination between Redflex, LCG and City-Parish Adjudication personnel; and

(Q) Provide public relations resources and media materials in accordance with LCG's Request for Proposals.

2. LCG Obligations. LCG will do or cause to be done each of the following (in each case, unless otherwise stated below, at City's sole expense):

(A) Appoint the Project Manager;

(B) Assist Redflex in obtaining the Drawings from the relevant Governmental Authorities;

(C) Through the normal permitting process provide reasonable access to LCG's properties and facilities in order to permit Redflex to install and test the functionality of the Monitored Intersection Approaches, Roadway Sections, and the Photo Red Light and Speed Enforcement System;

(D) Provide reasonable access to the personnel of LCG and reasonable information about the specific operational requirements of such personnel for the purposes of performing training;

(E) Assist Redflex in developing the Photo Red Light Violation Criteria; and

(F) Review, and if appropriate, approve the Enforcement Documentation.

(G) Provide comments and/or drawing approvals within five business days of initial submittal by Redflex.

(H) Provide revision comments within three business days from final submittal.

(I) Pay for electrical consumption used by the Photo Red Light and Speed Systems via the Traffic Signal City Controller cabinet. The cost to provide conduit, cable, trenching, etc is not an LCG obligation.

(J) Produce and install photo enforcement signage as determined by LCG.

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EXHIBIT C MAINTENANCE

1. Repair and maintenance of Redflex Photo Red Light and Speed Enforcement System including Redflex Photo Speed Van System and related equipment will be the sole responsibility of Redflex.
2. Redflex will not open the Traffic Signal Controller Boxes without a representative of LCG present.
3. The provision of necessary communication, broadband, and/or telephone services to the Monitored Intersection Approaches and Redflex Photo Speed Van System will be the sole responsibility of Redflex.
4. In the event images of a quality suitable for the Authorized Staff to identify Violations cannot be reasonably obtained without the use of flash units, Redflex will provide and install such flash units.
5. The Redflex Project Manager (or a reasonable alternate) will be available to the Project Manager each day.
6. Redflex will repair or replace defective cameras or other Equipment within forty-eight (48) hours upon discovery by or notice to Redflex. For repairs that cannot be accomplished within seventy-two (72) hours of notice will be subject to a \$100 penalty per day per location from the date of notice until said defective camera systems are deemed to be properly operational by LCG.
7. Redflex will review the operation of all cameras and equipment daily and will perform a routine schedule of preventive maintenance and cleaning, as required in Exhibit H.
8. Redflex will maintain maintenance logs which will include the information specified in the Contract Documents, including but not limited to preemptive maintenance, information obtained from remote status checks of each installed camera, information obtained from remote software maintenance and support, inspections, dates and times when inspections are conducted, the name of the Redflex technician performing the inspection, results of the inspection, the date of the next scheduled inspection, reason for the inspection, and repair activities.

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EXHIBIT "D"
COMPENSATION & PRICING

Commencing at the expiration of the Warning Period (i.e. the "Commencement Date"), Lafayette City-Parish Consolidated Government (LCG) shall be charged by Redflex a fee as full remuneration for Redflex performing all services contemplated in this Agreement. Fees payable to Redflex shall be in accordance with the following identified SafeLight and SafeSpeed Lafayette tables and detail of same in this section:

SafeSpeed Lafayette Program

Recorded Speed Violation For Monitored Intersection Approach and Mobile Speed Vans	Fee per Paid Citation
Citations paid for >10 mph over limit, per calendar month	\$29.75
Citations paid for 5-10 mph over limit, per calendar month	\$15.50

SafeLight Lafayette Program

Tier	Citations Paid (Actual per Calendar Month at Each Monitored Intersection Approach for Red Light Running)	Fee per Paid Citation at Each Monitored Intersection Approach for Red Light Running
Tier 1	1-150 citations equivalent fully paid per calendar month	\$39.00
Tier 2	151 to 300 citations equivalent fully paid per calendar month	\$28.00
Tier 3	301 Plus citations equivalent fully paid per calendar month	\$15.50

Fees due to Redflex for paid red light running citations for each month at each Monitored Intersection Approach will be calculated in accordance with the following details:

- 1.) The number of paid citations from 1 to 150 for each month at each Monitored Intersection Approach will be paid at \$39 each.
- 2.) The number of paid citations per Monitored Intersection Approach per month exceeding 150 and below 300 will be paid at \$28 each.
- 3.) The number of paid citations per Monitored Intersection Approach per month exceeding 300, Redflex will be paid at \$15.50 each.

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1. For the purposes of this Exhibit D, "Paid Citation" will mean the Citation payment is collected and deposited into the SafeLight and/or SafeSpeed Lockbox Account (as described below). Failed transactions will be reported gross and will be credited to the invoiced amount.
2. The tiers above for Red Light Running Citations are additive and are applied separately for each Monitored Intersection Approach. An example calculation follows to clarify the fee calculation payable to Redflex:
 - If one Monitored Intersection Approach has 300 fully paid citations in month one Redflex's fee will be:

$$(150 \text{ citations} \times \$39 / \text{citation}) + (150 \text{ citations} \times \$28 / \text{citation}) = \$10,050$$
 Total Fee.
 - If a second Monitored Intersection Approach has 302 fully paid citations in month one Redflex's fee will be:

$$(150 \text{ citations} \times \$39 / \text{citation}) + (150 \text{ citations} \times \$28 / \text{citation}) + (2 \text{ citations} \times \$15.50 / \text{citation}) = \$10,081$$
 Total Fee.

Exhibit M provides examples of fees for paid citations per Monitored Intersection Approach. Exhibit M is available in MS Excel.

3. Fees applied and paid by violators to cover costs of checks returned NSF, convenience charges and failed credit card transactions shall be revenues of Redflex and do not contribute to gross receipt tiers stated above.
4. Redflex agrees to provide to LCG all paid late fees and additional fines associated with multiple violations in accordance with Ordinances O-209-2006 and O-210-2006 except as provided in paragraph 6 of this Exhibit. Complete and detailed accounting reports of these late fees and additional fines shall be provided to LCG by Redflex in a monthly report described herein.
5. Refunds, defined as adjudicated citations where the hearing officer enters a finding of no liability, paid from the Lockbox Account (as described below) at the instruction of LCG will be deducted from the payment to LCG at the original rate they were previously paid to LCG.
6. Twenty-five percent (25%) of the fines collected by a third party collection agent will be deducted from the payment to LCG by Redflex at the instruction of LCG. A third party collection agent shall only be used after 90 days from the issuance of the citation where no payment has been received. Fees payable to third party agents in the collection of delinquent violation fines will be borne by Redflex.
7. Fees shall increase and decrease in the same proportion as an increase or decrease in the underlying fine amounts created by amendments to Ordinances O-209-2006 and O-210-2006.

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Payments related to Citations issued pursuant to this agreement and in compliance with the applicable Ordinances shall be deposited into an account ("Lockbox Account") operated by a Bank which is a FDIC member bank ("The Bank"). LCG shall be provided with controlled (read-only) access to the account. Redflex shall be responsible for the complete accounting of these funds including but not limited to the following:

1. On or before the fifteenth day of each month, Redflex shall prepare a statement to be sent to LCG which shall include, but is not limited to,
 - (a) an itemized list of the amount of fines collected (including paid late fees and additional fines as indicated in number 4 above) in the Lockbox Account for the preceding calendar month (Sample Report RR in Exhibit L);
 - (b) A reconciliation of the Lockbox Account, itemizing transactions for the account of Redflex and transactions for the account of LCG (Sample Report MR in Exhibit L) and culminating in support to the payment made to LCG;
 - (c) Supporting third party documentation provided by the Bank (Statement (BS), Merchant Account Statement (MAS), Internet Merchant Account Statement (IMAS)); and,
 - (d) Calendar month end Accounts Receivable Report (AR) (Sample Report AR in Exhibit L).

2. Redflex shall bear all transactional costs in connection with the operation of the SafeLight Program and SafeSpeed Program including, but not limited to, Lockbox Account service fees, Account Maintenance fees, Merchant Account fees, Internet Merchant Account fees, Credit Card discounts, Returned Check fees, Redeposit fees, Third Party Processor fees for payment by phone or payment by internet, Third Party Collection Agent fees, etc.

The transactional costs associated with the SafeLight Program and SafeSpeed Program (as noted above), shall be paid to The Bank, Merchant, Internet Merchant, Credit Card Company, Third Party Processor, Third Party Collection Agents, etc., via a separate account established and funded by Redflex at The Bank.

3. Redflex shall offer the following payment methods:

By Mail: When paying a Citation by mail, the individual will be requested to enclose the Citation and personal check, money order, credit card number or cashier's check for the fine amount indicated on the front of the Citation (the violator shall be responsible for postage on mailed payments). Payments by mail will be submitted to a specified address for deposit into the Lockbox Account.

By Phone: Credit card payments shall be accepted over the telephone by the Redflex local customer service office. Redflex shall direct the third party processor who will be processing said payments, initiated via telephone to deposit the funds directly into the Lockbox Account. A convenience fee of not

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more than 5% shall be collected and retained by Redflex for this type of payment method.

Pay-by-Web: Credit card payments shall be accepted by Redflex via the internet. Redflex shall direct the third party processor who is processing said payments, initiated via the internet to deposit the funds directly into the Lockbox Account. A convenience fee of not more than 5% shall be collected and retained by Redflex for this type of payment method.

4. Redflex shall include within the statement and reports as described in number 1 above, a check for the net proceeds calculated as due to LCG. Redflex shall report and withdraw from the Lockbox Account amounts due to Redflex in full remuneration for Redflex performing all services identified in this Agreement.
5. Redflex shall maintain all necessary books, records, maps, plans, and other documents, including financial documents as required in order for LCG to (a) assess Redflex's compliance with this contract, (b) assess compliance with the Lafayette Consolidated Government's ordinance governing this program, (c) allow reconciliation of Redflex's monthly reports and subsequent payments to LCG to the internal records of Redflex, and (d) as may be required in connection with any proceeding LCG may or must conduct under applicable law.

Upon request from the Lafayette Consolidated Government, Redflex shall make available, at reasonable times during normal business hours, all of its records with respect to all matters covered by this agreement. All material shall be produced at Redflex's local office in the City-Parish unless both parties agree to an inspection elsewhere.

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Exhibit E
ADDITIONAL RIGHTS AND OBLIGATIONS

Redflex and LCG will respectively have the additional rights and obligations set forth below:

1. Redflex will assist LCG in public information and education efforts, including but not limited to the development of artwork for utility bill inserts, press releases and schedules for the Photo Red Light and Speed Enforcement Program.
2. LCG will be solely responsible for the fabrication of signage pursuant to law, rule or regulation of Governmental Authority ("Signage"), and will install such Signage..
3. The Redflex Project Manager and the Project Manager will meet on a weekly basis during the period commencing as of the date of execution hereof and ending on the Installation Date, and on a monthly basis for the remainder of the Term, at such times and places as the Redflex Manager and the Project Manager will mutually agree.
4. LCG will not access the Reflex Photo Red Light and Speed System or use it in a manner other than prescribed by law or this Agreement, or which could damage, disable, impair or overburden the Redflex Photo Red Light and Speed System, and LCG will not attempt to gain unauthorized access to (i) an account of another Person, (ii) computer systems or networks connected to the Redflex Photo Red Light and Speed System, or (iii) materials or information not intentionally made available by Redflex to LCG by means of hacking, password mining or another method whatsoever, nor will LCG cause another Person to do the foregoing.
5. LCG will maintain the confidentiality of any username, password or other process or device for accessing the Redflex Photo Red Light and Speed System.
6. LCG will promptly reimburse Redflex for the cost of repairing or replacing any portion of the Redflex Photo Red Light and Speed System, or property or equipment related thereto, damaged by LCG, or its employees, contractors or agents.

Insurance. During the Term, Redflex will procure and maintain at Redflex's sole cost and expense the insurance coverage as specified in LCG's Request for Proposals, General Conditions for Proposals, Articles 2 through 4 included in this agreement as Exhibit G and referenced herein, including an Errors and Omissions Policy for \$1,000,000 naming LCG as an additional insured party.

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Exhibit F
FORM OF ACKNOWLEDGMENT AND CONSENT

This Acknowledgement and Consent, dated as of the 8th day of June 2007, is entered into by and between the Lafayette Consolidated Government (LCG) and Redflex Traffic Systems, Inc., ("Redflex"), with reference to the Agreement for Automated Photo Red Light and Speed Enforcement Cameras, dated as of the ___ day of February, 2007 by and between LCG and Redflex.

1. Redflex has entered into a Credit Agreement, dated as of August 3, 2003 (the "Harris-Redflex Credit Agreement"), with Harris Trust and Savings Bank (the "Bank"), pursuant to which the Bank has provided certain working capital credit facilities to Redflex. Such credit facilities will provide Redflex the working capital it needs to perform its obligations to LCG under the Agreement.

2. Pursuant to the Harris-Redflex Credit Agreement, Redflex has granted Harris a security interest in all of Redflex's personal property as collateral for the payment and performance of Redflex's obligations to the Bank under the Harris-Redflex Credit Agreement. Such security interest applies to and covers all of Redflex's contract rights, including, without limitation, all of Redflex's rights and interests under the Agreement.


3. Redflex will not, by virtue of the Harris-Redflex Credit Agreement, be relieved of liability or obligation under the Agreement, and the Bank has not assumed liability or obligation of Redflex under the Agreement.

4. LCG hereby acknowledges notice of, and consents to, Redflex's grant of such security interest in favor of the Bank in all of Redflex's rights and interests under the Agreement pursuant to the Harris-Redflex Credit Agreement.


5. LCG further acknowledges and agrees this Acknowledgement and Consent will be binding upon LCG and will inure to the benefit of the successors and assigns of the Bank and to a replacement lender which refinances Redflex's obligations to the Bank under the Harris-Redflex Credit Agreement.

IN WITNESS WHEREOF, LCG and Redflex have caused this Acknowledgement and Consent to be executed by their respective duly authorized and elected officers as of the date first above written.

LAFAYETTE CONSOLIDATED
GOVERNMENT

By: 
Name: L. J. Durel, Jr.
Title: City-Parish President

REFLEX TRAFFIC SYSTEMS, INC.,
a Delaware Corporation

By: 
Name: Karen Finley
Title: President & CEO