BOOTING (PAYLOCK)

BACKGROUND

The idea of booting came around approximately two years ago when we started the i-tow (scofflaw program. Prior to two years ago we did not make it a practice of going after scofflaws. Occasionally we would run programs utilizing various officers to look for scofflaw violators. Approximately two years ago we created an i-tow beat to look for scofflaw fulltime, as the city had approximately $23 million in uncollected revenue. The PEO handheld ticket writing machines were programmed so the are updated with a scofflaw list every night. When they write a ticket the machine compares the plate of the car receiving the ticket with the scofflaw list and alerts when they have five or more outstanding parking citations. That program nets $15,000 - $25,000 per month. It still has proved inefficient.

Oakland PD contracted with Paylock for a unique booting solution. These boots are self-release boots. The offender sees the boot and calls the number listed there. The offender pays via credit card and receives a release code. After entering the release code the offender returns the boot to a drop-off station within a set period of time. The offender’s credit card is held for the amount of the boot until it is returned. The entire calling process is handled by Paylock’s customer service center. We would staff the booting program with our PEO assigned to the i-tow beat. Paylock will provide all boots as well as a van with an Automated License Plate Reader system. Paylock did a test run of eight hours and had 54 hits totaling $53,111. Attached are the study results and the cost estimates:

Donna Lasala is currently crafting the ordinance for Council in October.

OPERATIONS

The tow beat will assume booting responsibilities, 40-hours per week.

Issues that need to be worked out:

- Where will the boots be dropped off and how long will the customers have to return them?
- How long will we leave the boots on?
- Will this be a special assignment (I think it should be) and how long will the selected person stay there?
- Procedure for high value rims? Pictures?
CONTACTS

*Chad Collins, Vice President, Paylock, 908-595-6900 ext 115 or 908-930-6769
Matthew Silverman, Executive Vice President, Paylock, 908-595-6900 ext 104 or 908-448-8925
Donna Lasala, COB IT Department Director, 6541
Sergeant Steinberger, OPD (runs their booting program):
  asteinberger@oaklandnet.com
This is really nicely laid out -- thanks for sharing, Eric!

Donna LaSala, Director
City of Berkeley, Department of Information Technology
Martin Luther King, Jr. Civic Center
2180 Milvia Street, 4th Floor Berkeley, CA 94704
Phone: (510) 981-6541 Fax: (510) 981-6560
Website: www.CityOfBerkeley.info

From: Upson, Erik M.
Sent: Monday, July 19, 2010 3:00 PM
To: Lasala, Donna
Subject: Summary

Donna,

This is the summary I wrote for Lynne, my Captain and the Chief:

In summary, this proposal would provide the following benefits:

• A convenience for our customers. This device allows a customer to release the boot immediately at the scene, with a single phone call. The customer can then return the boot within a fixed period of time, at their convenience. Currently customers who are towed must:
  o Determine why their car is gone
  o Go to Customer Service (or call Customer Service) and pay citations. Customer Service is only open during regular business hours (this could mean that a customer would have to wait over the weekend, incurring three days storage fees).
  o Go to the Police Department for a release
  o Go to the Tow Company to retrieve car (if it is after business hours the wait could be extensive). This process could take hours or even days and can cause a great deal of frustration.

• A cost savings for customers. The cost savings associated with booting versus being towed, as can be seen from Paylock's attached information, is approximately 29%. The $140 fee charged by Paylock per boot installed is less than the $160 cost of a tow alone, not including any other fees (such as gate fees, storage fees, etc).

• Increased efficiency for our staff. Currently many of our attempts to enforce scofflaw tows are 'drive-aways'. That is, many times our staff devotes time and energy to taking enforcement action, only to have the vehicle leave the scene. The process of towing an i-tow takes approximately 20-30 minutes. A Paylock boot can be put on a car in under a minute. Additionally, the plate scanning technology will allow us to scan thousands of plates per shift (Paylock scanned over 8,000 in eight hours). Currently we only are alerted to a scofflaw tow when a PEO is writing a vehicle a citation and their handheld alarms because the vehicle is on the scofflaw list.
• Less confrontation with angry customers both for our staff and for the Customer Service staff.

• All infrastructure is provided by the company including a van, boots, and license plate reader. Lost/damaged boots are covered by Paylock.

• Payments are guaranteed by Paylock.

• The system is operational in Oakland and I have spoken to the Sergeant running the program. He is happy with the system. There is potential for working in partnership with Oakland that could further enhance scofflaw enforcement.

• Paylock will assist with the rollout and publicity, if requested.

• This requires no new staffing. We currently have one PEO assigned to scofflaw tows. This will just make them incredibly more efficient.

• There are additional crime prevention benefits inherent to the license plate reading system.

There is potential here for a real win/win for the customers and the City.

Lt. Erik Upson
Traffic Bureau Commander
Berkeley Police Department
(510) 981-5983
eupson@ci.berkeley.ca.us
Parking Scofflaw Enforcement Study for the City of Berkeley, CA
Performed January 11th & 12th, 2010
Scofflaw Enforcement Study for the City of Berkeley, CA

On January 11th and 12th, 2010 at the request of the Berkeley Police Department and Inglewood Parking Consortium/Duncan Solutions, a scofflaw enforcement study was conducted by PayLock IPT LLC throughout the City of Berkeley, CA.

This scofflaw enforcement study was conducted using Mobile License Plate Recognition (MLPR) technology. This technology uses a sophisticated camera system to read and compare license plates with the City's scofflaw list. When the MLPR system reads a plate that is also on the scofflaw list, an audible alert informs the operator that a boot-eligible vehicle has been identified.

PayLock provided staff, a vehicle, and the MLPR system to conduct the study.

The results, documented below, show a very high potential for identifying and immobilizing scofflaw vehicles in Berkeley. Over the eight hours of LPR patrol 8,715 license plates were scanned and 54 confirmed scofflaw vehicles were identified. This higher than average hit rate suggests that implementing a full time MLPR patrol is sustainable in the City of Berkeley. With a potential for high daily booting productivity, the efficiencies and customer orientation of PayLock’s self release booting become even more important.

<table>
<thead>
<tr>
<th>Date</th>
<th>Start</th>
<th>Stop</th>
<th>Scanned</th>
<th>Scoff Hits</th>
<th>Scoff Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/11/2010</td>
<td>2:30PM</td>
<td>6:00PM</td>
<td>2,670</td>
<td>11</td>
<td>$10,442</td>
</tr>
<tr>
<td>1/12/2010</td>
<td>9:30AM</td>
<td>2:00PM</td>
<td>6,045</td>
<td>43</td>
<td>$42,969²</td>
</tr>
</tbody>
</table>

The scofflaw list provided to PayLock on January 5th, 2010 contained 8,722 vehicles owing 5 or more delinquent parking citations due to the City of Berkeley as described in the California Vehicle Code Section 22651.7³.

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¹ For detailed amount due per plate see Attachment 1  
² For detailed amount due per plate see Attachment 1  
³ For a full copy CVC 22651.7 see Attachment 2
These maps depict a visual representation of each vehicle scanned and/or identified as boot-eligible in the City of Berkeley.

**Legend:**
- Blue dots = Plate Reads
- Red dots = Scofflaw Vehicles
City of Berkeley, CA – Zoom 1

Legend:
- Blue dots = Plate Reads
- Red dots = Scofflaw Vehicles
# Scofflaw Vehicles Identified on June 2\textsuperscript{nd}, 2009

<table>
<thead>
<tr>
<th>Date Identified</th>
<th>Plate</th>
<th>State</th>
<th>Due</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 11, 2010</td>
<td>5NHX398</td>
<td>CA</td>
<td>$1,239.00</td>
</tr>
<tr>
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<td>4JWF310</td>
<td>CA</td>
<td>$1,066.00</td>
</tr>
<tr>
<td>January 11, 2010</td>
<td>4AY365</td>
<td>CA</td>
<td>$681.00</td>
</tr>
<tr>
<td>January 11, 2010</td>
<td>3WCG233</td>
<td>CA</td>
<td>$721.00</td>
</tr>
<tr>
<td>January 11, 2010</td>
<td>3LBA000</td>
<td>CA</td>
<td>$849.00</td>
</tr>
<tr>
<td>January 11, 2010</td>
<td>4MNE169</td>
<td>CA</td>
<td>$1,473.00</td>
</tr>
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<td>January 11, 2010</td>
<td>3MFP997</td>
<td>CA</td>
<td>$1,041.00</td>
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<tr>
<td>January 11, 2010</td>
<td>5VYE901</td>
<td>CA</td>
<td>$480.00</td>
</tr>
<tr>
<td>January 11, 2010</td>
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<td>CA</td>
<td>$590.00</td>
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<td>4NDG739</td>
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<td>January 12, 2010</td>
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<td>$997.00</td>
</tr>
<tr>
<td>January 12, 2010</td>
<td>5TQK451</td>
<td>CA</td>
<td>$990.00</td>
</tr>
<tr>
<td>January 12, 2010</td>
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<td>CA</td>
<td>$1,327.00</td>
</tr>
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<table>
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<td>CA</td>
<td>$1,691.00</td>
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<td>January 12, 2010</td>
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<td>$1,067.00</td>
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<td>January 12, 2010</td>
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<td>CA</td>
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<td>January 12, 2010</td>
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<td>$1,043.00</td>
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<td>January 12, 2010</td>
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<td>CA</td>
<td>$976.00</td>
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<td>January 12, 2010</td>
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<td>CA</td>
<td>$630.00</td>
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<td>5HA233</td>
<td>CA</td>
<td>$920.00</td>
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<td>4ZVD239</td>
<td>CA</td>
<td>$830.00</td>
</tr>
</tbody>
</table>
California Vehicle Code Section 22651.7

(a) In addition to, or as an alternative to, removal, a peace officer, as defined in Chapter 4.5 (commencing with Section 830) of Title 3 of Part 2 of the Penal Code, or a regularly employed and salaried employee who is engaged in directing traffic or enforcing parking laws and regulations, of a jurisdiction in which a vehicle is located may immobilize the vehicle with a device designed and manufactured for the immobilization of vehicles, on a highway or any public lands located within the territorial limits in which the officer or employee may act if the vehicle is found upon a highway or public lands and it is known to have been issued five or more notices of parking violations that are delinquent because the owner or person in control of the vehicle has not responded to the agency responsible for processing notices of parking violation within 21 calendar days of notice of citation issuance or citation issuance or 14 calendar days of the mailing of a notice of delinquent parking violation, or the registered owner of the vehicle is known to have been issued five or more notices for failure to pay or failure to appear in court for traffic violations for which no certificate has been issued by the magistrate or clerk of the court hearing the case showing that the case has been adjudicated or concerning which the registered owner's record has not been cleared pursuant to Chapter 6 (commencing with Section 41500) of Division 17. The vehicle may be immobilized until that person furnishes to the immobilizing law enforcement agency all of the following:

(1) Evidence of his or her identity.

(2) An address within this state at which he or she can be located.

(3) Satisfactory evidence that the full amount of parking penalties has been deposited for all notices of parking violation issued for the vehicle and any other vehicle registered to the registered owner of the immobilized vehicle and that bail has been deposited for all traffic violations of the registered owner that have not been cleared. The requirements in this paragraph shall be fully enforced by the immobilizing law enforcement agency on and after the time that the Department of Motor Vehicles is able to provide access to the necessary records. A notice of parking violation issued to the vehicle shall be accompanied by a warning that repeated violations may result in the impounding or immobilization of the vehicle. In lieu of furnishing satisfactory evidence that the full amount of parking penalties or bail, or both, have been deposited that person may demand to be taken without unnecessary delay before a magistrate, for traffic offenses, or a hearing examiner, for parking offenses, within the county in which the offenses charged are alleged to have been committed and who has jurisdiction of the offenses and is nearest or most accessible with reference to the place where the vehicle is immobilized. Evidence of current registration shall be produced after a vehicle has been immobilized or, at the discretion of the immobilizing law enforcement agency, a notice to appear for violation of subdivision (a) of Section 4000 shall be issued to that person.

(b) A person, other than a person authorized under subdivision (a), shall not immobilize a vehicle.
Traditional i-Tow

Determine where your car went
Time: 15 - 30 minutes
Cost: $0

Customer Service
Time: 45 minutes*
Cost: Tickets

BPD: Tow Release
Time: 20 minutes
Cost: $75

Tow Company
Time: 60 minutes**
Cost: $180 - $300+

PayLock

See Boot, Call Customer Service 24/7 Number
Time: 15 - 30 minutes*
Cost: $250+ Tickets

*Assumes they are open - could be three days
**Assume they are open – could be a longer wait (after 6:00 p.m. you can get them to let you in for an additional gate fee of $50+ dollars)

*Drop-off boot at your convenience within 48 hours to the Traffic Substation.
Pricing Options for Self-Release Booting Services for Collecting Delinquent Parking Tickets for the City of Berkeley, CA

May 20th, 2010

PayLock IPT LLC
205 West Main Street
Somerville, NJ 08876
Phone: 1.908.595.6900
info@paylock.com
www.paylock.com
Savings to the Motorist

As presented, implementing the PayLock service offering provides a huge financial and logistical benefit to each affected motorist. Today, each scofflaw vehicle identified is automatically towed. This requires the motorist to visit several locations in different sections of the City to pay each the respective agencies the amount owed, all without access to their vehicle.

Financial Savings – Each of the options proposed by PayLock offer a 29% or more direct savings to the motorist in a steady state enforcement environment. In large part, this is due to the fact that motorists will not be charged tow and storage fees since they will be able to reconcile over the phone before their vehicle is towed. Additionally, since the collection agency holding the assignment to these tickets was unable to prompt the motorist for payment, these tickets paid as a result of being booted and/or towed could be immediately de-assigned and either re-assigned to PayLock at the time of immobilization or the collections fees could be dissolved completely.

PayLock Self-Release SmartBoot System

A key ingredient of our approach is our readiness to absorb the financial risk needed to implement the self-release boot program in the City of Berkeley, CA. During implementation, collaborating City IT, Customer Service, and the Berkeley Police Department to create a sustainable scofflaw enforcement program is worth the time, effort, and money. This will ensure we achieve lasting success. PayLock IPT LLC is prepared to provide this proven solution which will include the following components:

- One Scofflaw Enforcement Vehicle; Dodge Grand Caravan (or approved equivalent) for dedicated use by PD scofflaws enforcement officers
- One Mobile License Plate Recognition (MLPR) systems including installation, maintenance, and support services
- Wireless Broadband services for the MLPR system
- Custom built boot rack to be used in the scofflaw enforcement vehicles
- Self-Release SmartBoots (full boot cycle supply)
- 24/7/365 Live Operator Help Center Services for assisting motorists
- Digitally record and store all inbound calls
- Supply, design and print 3-part seizure notices for placement on booted vehicles
- Dispatch coordination for all boot, assisted release, and towing activity (if required)
- Access to PayLock’s web-based BootView application
- Integrate with the City’s parking ticket processing and collections vendor(s)
- Provide SmartBoot maintenance and support including the repair and replacement of broken or vandalized SmartBoots
- Make available performance and financial reports in Excel, Word and PDF formats
- Credit Card Payment Guarantee against charge backs
- PCI Compliant Payment Processing
Pricing Options

For the City of Berkeley, PayLock is presenting three pricing options. The pricing options described below assume a sole-source procurement process with a direct contracting relationship between PayLock IPT LLC and the City of Berkeley, CA. Other assumptions include a 3-year initial contracting term with two 1-year options to extend. PayLock has also assumed the average delinquency of a booted vehicle to plateau at $500.00 in a steady-state scofflaw enforcement program.

Fixed Fee

This service-based pricing option is based on a per boot paid basis. Since a percentage of tickets collected are not factored in to this price, all credit card and merchant service fees will be either invoiced as a reimbursable expense or they can be passed to the motorist in the form of a Processing Fee.

- Transaction Fee: $140.00 for each vehicle immobilized that where the associated parking ticket debt is paid in whole or in part, before or after tow
- Collections Fee: NONE
- Credit Card and Merchant Service Fee: Either reimbursed by the City or passed to the motorist in the form of a Processing Fee as described in the table below:

<table>
<thead>
<tr>
<th>Amount Paid (range)</th>
<th>PayLock Processing Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>$0.01</td>
<td>$250.00</td>
</tr>
<tr>
<td>$250.01</td>
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<tr>
<td>$500.01</td>
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<td>$5,000.00</td>
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<tr>
<td>$5,000.01</td>
<td>$7,500.00</td>
</tr>
</tbody>
</table>

Fixed Fee + Contingency

This two-pronged fee structure is directly tied to the success of the program. PayLock is only compensated after the motorist has paid their outstanding parking fines and fees.

- Transaction Fee: $75.00 for each vehicle immobilized that where the associated parking ticket debt is paid in whole or in part, before or after tow

Chad Collins
ccollins@paylock.com
Ph: 908.930.6769
www.paylock.com
• Collections Fee: 15% added to the parking violations amount owed at the time the vehicle is immobilized
• Credit Card and Merchant Service Fee: WAIVED

Contingency

This contingency fee only structure is also directly tied to the success of the program. PayLock is only compensated after the motorist has paid their outstanding parking fines and fees through a collections fee added to the amount owed at the time the vehicle is immobilized. Additionally, this option may not require any legislative changes like creating a new “immobilization fee” that the other pricing options would need.

• Transaction Fee: WAIVED
• Collections Fee: 30% added to the parking violations amount owed at the time the vehicle is immobilized
• Credit Card and Merchant Service Fee: WAIVED

Pricing Options Breakdown

This table shows how implementing the PayLock SmartBoot System could be implemented with no cost to the City and would cost motorist up to 30% less money than what it costs today if the vehicle is towed. The fields highlighted in orange reflect the pricing described above.

<table>
<thead>
<tr>
<th>Outstanding Parking Violations</th>
<th>Current</th>
<th>PayLock Fixed Fee</th>
<th>PayLock Fixed + Cont</th>
<th>PayLock Contingency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ticket Value</td>
<td>$650.00</td>
<td>$500.00</td>
<td>$575.00</td>
<td>$650.00</td>
</tr>
<tr>
<td>Collections Fee (Inglewood)</td>
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<td>$500.00</td>
<td>$500.00</td>
<td>$500.00</td>
</tr>
<tr>
<td>Paylock Collections Fee</td>
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<td>0% $0.00</td>
<td>0% $0.00</td>
<td>0% $0.00</td>
</tr>
<tr>
<td>Immobilization Fee(s)</td>
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<td>$215.00</td>
<td>$150.00</td>
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<td>PD Release Fee (City)</td>
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<tr>
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<tr>
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<tr>
<td>Tow Fee</td>
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<td>Daily Storage Rate</td>
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<td>Savings to Motorist</td>
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<td>30% $305.00</td>
<td>29% $295.00</td>
<td>29% $295.00</td>
</tr>
</tbody>
</table>

Chad Collins  
collins@paylock.com  
Ph: 908.930.6769  
www.paylock.com
Financial Benefit to the City of Berkeley, CA

Today’s existing i-Tow program generates 10-20 scofflaw enforcement actions per month. The table below shows what the increase in activity using the PayLock SmartBoot System could generate for the City in increments of 15, 20, and 25 immobilizations per day.

<table>
<thead>
<tr>
<th>Scoff Enforcement Acts Per Day</th>
<th>Current Tow Only</th>
<th>With PayLock SmartBoot System</th>
<th>With PayLock SmartBoot System</th>
<th>With PayLock SmartBoot System</th>
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<tr>
<td>Parking Violations Due</td>
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<tr>
<td>Enforcement Days (week)</td>
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<td>5</td>
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<td>5</td>
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<tr>
<td>Enforcement Days (Annually)</td>
<td>260</td>
<td>260</td>
<td>260</td>
<td>260</td>
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<tr>
<td>Revenue Generated (annually)</td>
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<td>$1,950,000.00</td>
<td>$2,600,000.00</td>
<td>$3,250,000.00</td>
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<tr>
<td>Revenue Improvement</td>
<td>n/a</td>
<td>1400%</td>
<td>1900%</td>
<td>2400%</td>
</tr>
</tbody>
</table>

Chad Collins
ccollins@paylock.com
Ph: 908.930.6769
www.paylock.com
Erik,

I wanted to let you know that Gregory McConnell from The McConnell Group will be working on Bay Area accounts for PayLock. He may be contacting you on our behalf. See his contact information below.

Also, let me know if you have received any feedback on the report your provided regarding this program.

Thank you,

Chad Collins
908.930.6769 cell
ccollins@paylock.com

-------------------

Gregory McConnell
350 Frank H. Ogawa Plaza, Suite 703
Oakland CA, 94612
(510) 834-0400 Office
(510) 701-7158 Mobile
Chief and Captain, I got a call from Greg McConnell at PayLock. Apparently he met with a couple of councilmembers about his product and service and was interested in pursuing the City as a client. Has BPD done any further thinking about a contract with PayLock? Please advise. Thanks. –Christine.

Christine S. Daniel  
Deputy City Manager  
City of Berkeley  
510/981-7002  
cdaniel@ci.berkeley.ca.us
AGREEMENT

BY AND BETWEEN

THE CITY OF BERKELEY CALIFORNIA

AND

IPT LLC

FOR SELF-RELEASE SMARTBOOT

VEHICLE IMMOBILIZATION SERVICES AND

ASSOCIATED PARKING TICKET COLLECTIONS
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This Agreement By and Between the City of Berkeley and PayLock Inc. for Self-Release SmartBoot Vehicle Immobilization Services and Associated Parking Ticket Collections ( "Agreement") is made and entered into this ____ day of October, 2010 by and between the City of Berkeley, a California municipal corporation, ("CITY OF BERKELEY") and IPT LLC ("PayLock"), a Delaware corporation As used herein, PayLock and CITY OF BERKELEY shall be referred to, individually, as a "Party" and collectively as the "Parties."

WHEREAS, PayLock is in the business of providing parking enforcement services; and

WHEREAS, CITY OF BERKELEY desires that PayLock provide the services described in this Agreement; and

NOW THEREFORE, the Parties agree as follows:

1. INCORPORATION OF RECITALS

The foregoing Recitals are hereby incorporated into and made part of this Agreement.

2. DEFINITIONS

A. "BootView Software" and "Software" are PayLock’s web-based collection management application.
B. "SmartBoot" is PayLock’s self-release vehicle immobilization device.
C. "Runaway" is any vehicle which has been successfully immobilized and where the immobilization device has been unlawfully removed, destroyed, or otherwise vandalized and the motorist has illegally retaken possession of the vehicle without paying the required fees, fines and penalties.
D. "Assisted Releases" is the removal of an immobilization device from a motor vehicle by a CITY OF BERKELEY parking enforcement officer, or other CITY OF BERKELEY employee or agent.
E. "PayLock System" is the hardware, software, services, and implemented processes supplied by PayLock to CITY OF BERKELEY intended to facilitate CITY OF BERKELEY’s enforcement Municipal Code Title 10 ("Vehicles and Traffic") and CITY OF BERKELEY’s ability to collect unpaid or otherwise delinquent traffic, parking, and/or red-light violation fees, fines and penalties.
F. "SOP" is the Standard Operations Procedure document collaboratively crafted by PayLock and CITY OF BERKELEY, defining policies, procedures, roles and responsibilities of all parties involved in the day to day operation of the PayLock scofflaw enforcement system.
G. "Gross Amount" is the total amount of immobilization fees, parking fines and penalties, processing fees, and/or stolen, damaged, and late boot fees paid to PayLock by vehicle owners before PayLock deducts its fees (described in Section 14.2) as provided in Section 14.3.
H. "Net Revenue" is the Gross Amount minus PayLock’s fees as described in Section 14.2.
I. "MLPR" is Mobile License Plate Recognition and the components thereof.
3. **THE PAYLOCK SYSTEM**

3.1 **Summary of Services**

During the term of this Agreement, PayLock shall provide to CITY OF BERKELEY the following services:

A. PayLock will provide self-release SmartBoots to be used by CITY OF BERKELEY to immobilize vehicles identified in CITY OF BERKELEY’s enforcement policy.

B. PayLock’s help-center ("Help-Center") will be available 24 hours/day and 365 days/year to answer questions from immobilized motorists, and process electronic payments for immobilization fees and parking fines and/or penalties owed.

C. Web-based BootView Software; PayLock will provide user access to PayLock’s BootView Software system for tracking all CITY OF BERKELEY boot-related transactions.

D. PayLock will integrate its BootView Software system with CITY OF BERKELEY’S ticket processing system to communicate data to receive lists of vehicles eligible for immobilization daily and update payment data.

E. PayLock will repair and replace all PayLock SmartBoots as needed.

F. PayLock will provide installation and training for all hardware and software used by CITY OF BERKELEY for the PayLock system, and will train the officers removing the boots.

G. PayLock will design and supply vehicle seizure notices that will be affixed by CITY OF BERKELEY to booted vehicles at the time of immobilization.

H. PayLock will facilitate and create an SOP in relation to the project and services to be delivered contemplated by this Agreement, including the procedural responsibilities of the Parties, which the Parties shall adhere to, and which shall be collaboratively crafted by the Parties before the initiation of service.

I. PayLock will provide one (1) Mobile License Plate Recognition Systems ("MLPR Systems") to facilitate efficient identification of scofflaw vehicles. Supporting services include installation, maintenance, support, and customer troubleshooting training.

J. PayLock shall provide three (1) new automobile, sports utility vehicle or van, to be used to patrol for scofflaw vehicles.

K. PayLock will deposit all fines and fees collected on behalf of CITY OF BERKELEY in an account designated by CITY OF BERKELEY as provided in Section 14.3 herein.

3.2 **The PayLock SmartBoot**

During the term of this Agreement, CITY OF BERKELEY shall utilize SmartBoots, PayLock’s tire-lock equipped with hardware that allows the unit to unlock by either entering a code into a keypad or using a key. PayLock will provide an initial supply of 40 SmartBoots, and will increase or decrease that amount to maintain a sufficient number of SmartBoots to ensure continuous and maximum potential productivity as may be required by CITY OF BERKELEY staff PayLock will repair and/or replace broken or missing SmartBoots to ensure continuous operation by CITY OF BERKELEY staff,
and shall maintain ownership of all SmartBoots throughout the term of this Agreement despite CITY OF BERKELEY's possession of the same.

During the term of this Agreement, PayLock will repair or replace stolen or vandalized SmartBoots at no cost to CITY OF BERKELEY, except in cases where a lost or damaged fee is recovered by CITY OF BERKELEY from the offending motorist either before or after the device is replaced by PayLock, then in those cases, PayLock will invoice CITY OF BERKELEY the same amount collected to recover the cost of the repair or replacement.

3.3 The PayLock Help-Center

Throughout the term of this Agreement, PayLock shall operate a 24-hour toll-free Help-Center for purposes of providing information to motorists with respect to the removal and return of SmartBoots, and for processing payments by motorists whose vehicles have been booted. The Help-Center shall maintain data with respect to the processing of payments and the disposition of SmartBoots on a real-time basis through PayLock's BootView Software, which information shall be accessible to CITY OF BERKELEY remotely through the Internet.

4. BOOTVIEW SOFTWARE

4.1 Grant of Software License

PayLock grants to CITY OF BERKELEY one non-exclusive and non-transferable license to use the BootView Software. The Software and any authorized copies that CITY OF BERKELEY makes, are the property of PayLock and its licensors. CITY OF BERKELEY acquires only the right to use the Software, and does not acquire any rights of ownership, express or implied, in the Software. This Agreement does not grant CITY OF BERKELEY any intellectual property rights in the Software and all rights not expressly granted herein are reserved by PayLock and its licensors.

4.2 Conditions to Use of Software

Except as expressly provided for in this Agreement:

A. CITY OF BERKELEY shall not copy the Software. Any permitted copy CITY OF BERKELEY may make of the Software must retain all copyright and information notices as appeared on the original.

B. CITY OF BERKELEY shall not modify, adapt or translate the Software. CITY OF BERKELEY shall not reverse engineer, decompile, translate, disassemble, or attempt to discover any of the Software object code or source code, except to the extent CITY OF BERKELEY may be expressly permitted to decompile under applicable law. Subject to PayLock's written permission, any information supplied by PayLock relating to the Software and any information obtained by CITY OF BERKELEY by way of decompilation may only be used by CITY OF BERKELEY for the purpose described herein and may not be disclosed to any third party or used to create any software which is substantially similar to the expression of the Software.

C. CITY OF BERKELEY shall not sell, distribute, disclose, market, rent, or lease the Software. CITY OF BERKELEY shall use the Software only for the express purposes
contemplated by this Agreement. CITY OF BERKELEY shall not transfer the Software or documentation to any third party.

D. The Software may include various applications, utilities and components, may support multiple platforms and languages and may be provided to CITY OF BERKELEY on multiple media or in multiple copies. Nonetheless, CITY OF BERKELEY may only use those portions of the Software for which CITY OF BERKELEY has a license as permitted and contemplated by this Agreement. CITY OF BERKELEY shall not unbundle or repack the Software for distribution or resale.

E. CITY OF BERKELEY shall not use the Software to develop, enhance, modify, market or demonstrate products that are competitive with the Software or other Paylock products.

F. CITY OF BERKELEY shall not sell, license, sublicense, publish, display, distribute, or otherwise transfer to a third party the Software, any copy thereof, in whole or in part, without Paylock’s prior written consent.

4.3 Termination of License

Upon termination of this Agreement, CITY OF BERKELEY’s rights with respect to the Software hereunder shall terminate and CITY OF BERKELEY must cease any and all use of the Software and return any and all copies of the Software to Paylock, and Paylock will provide CITY OF BERKELEY any data CITY OF BERKELEY does not otherwise have access to and that CITY OF BERKELEY may require after its termination of use of the Paylock Software system.

5. TITLE TO SMARTBOOTS AND OTHER EQUIPMENT

Any goods or products supplied by Paylock to CITY OF BERKELEY shall remain the property of Paylock while in possession of CITY OF BERKELEY including, but not limited to: SmartBoots, BootView Software, computer hardware, and mobile license plate recognition systems.

6. KEY CONTROL

Paylock will provide six (6) sets of keys that can be used by CITY OF BERKELEY employees to unlock all SmartBoots when necessary. CITY OF BERKELEY shall secure all keys when not in use. If a key is lost, it will require a lock replacement on all SmartBoots provided. CITY OF BERKELEY will reimburse Paylock for replacing each lock at $150 per lock converted, plus any travel expenses incurred by Paylock within the Bay Area to facilitate the lock conversion.

7. REMITTANCE OF FEES AND FINES

Funds will be remitted to CITY OF BERKELEY as provided in Section 14.3 herein.

8. CITY OF BERKELEY’s OBLIGATIONS

8.1 Summary of Services

During the term of this Agreement, CITY OF BERKELEY will:
A. Use PayLock service components to regularly patrol public parking streets and facilities to identify and immobilize scofflaw vehicles.
B. Process walk-in, in-person payments at CITY OF BERKELEY facilities, for booted motorists unwilling or unable to pay PayLock by phone.
C. Provide assistance to vehicle owners in releasing SmartBoots during business hours excluding holidays, work furlough days and weekends.
D. Arrange for towing actions according to SOP guidelines.
E. Cooperate with PayLock's efforts to recover stolen SmartBoots in accordance with local laws.
F. Facilitate the integration of the PayLock and BootView Software with CITY OF BERKELEY computer and accounting systems as necessary.
G. Take reasonable care of vehicles and mobile license plate recognition systems provided by PayLock pursuant to this Agreement.

8.2 Responsibility for SmartBoots

CITY OF BERKELEY is responsible for exercising reasonable care in the handling and storage of SmartBoots returned by the public or Assisted Release staff. CITY OF BERKELEY is not responsible for the loss of SmartBoots that are removed from vehicles without CITY OF BERKELEY's authorization or SmartBoots that motorists fail to return after being self-released. Twice weekly, CITY OF BERKELEY shall provide an accounting of the SmartBoots in its possession and relevant data pertaining to SmartBoots lost in service. With the exception of SmartBoots lost or damaged in service, CITY OF BERKELEY shall be responsible for reimbursing PayLock for its cost to replace each SmartBoot that: (1) CITY OF BERKELEY cannot account for after the SmartBoot was returned to CITY OF BERKELEY by a customer; (2) CITY OF BERKELEY cannot account for after a CITY OF BERKELEY officer removed the SmartBoot from a vehicle; or (3) was damaged while CITY OF BERKELEY was in direct possession of them. The SmartBoot replacement cost is $500.00 per unit plus $44.00 shipping and handling.

8.3 Stolen or Vandalized Smart Boots

CITY OF BERKELEY will charge motorists, and make good faith efforts to recover, a $500.00 stolen boot fee, or a $250 damaged boot fee from motorists who steal or vandalize PayLock boots respectively. PayLock will NOT charge motorists such fees until after the City Council of CITY OF BERKELEY has approved an ordinance granting its staff the proper legal authority to do so.

As per Section 8.2 of this Agreement, PayLock will replace lost, damaged or stolen SmartBoot devices that are lost, damaged or stolen while in service, at no cost to CITY OF BERKELEY, and for which no fees can be recovered from the offending motorist by CITY OF BERKELEY or PayLock; However, once a month, PayLock will invoice CITY OF BERKELEY an amount equal to the sum of these fees that are actually collected by CITY OF BERKELEY in the prior month.

8.4 Operation of SmartBoot Return Facility
The City of Berkeley is responsible for maintaining and operating a facility(s) where motorists can return SmartBoots. At a minimum, such facility shall be open during regular business days and during business hours. Upon the return of a SmartBoot the City of Berkeley shall provide a receipt to the motorist generated by PayLock's BootView Software on a City of Berkeley printer. In order to access the BootView Software, the facility must have access to the Internet. City of Berkeley must provide sixty (60) days advanced written notice to PayLock of any material change relating to Berkeley's designated return facility, including the location and hours of such facility. As soon as possible following the return of a SmartBoot to the return facility by a motorist, the City of Berkeley shall provide confirmation of the return to PayLock through the BootView Software. In the event that such confirmation cannot be facilitated through the BootView Software, then confirmation may be transmitted orally over the telephone.

8.5 **Towing**

Pursuant to CITY OF BERKELEY's requirements, CITY OF BERKELEY may make arrangements to tow any vehicle eligible for immobilization that has been booted and otherwise meets CITY OF BERKELEY's designated specifications pursuant to policy. CITY OF BERKELEY may engage the assistance of PayLock with respect to such towed vehicles.

8.6 **Integration of Systems**

CITY OF BERKELEY will ensure the cooperation of INGLEWOOD/DUNCAN SOLUTIONS in working with PayLock to integrate software and hardware. PayLock shall work with CITY OF BERKELEY and its Information Technology Department to facilitate the integration of the PayLock and BootView Software with CITY OF BERKELEY computer systems, ticket processing system, and accounting systems as necessary to the operation of the PayLock service under this Agreement.

8.7 **Assisted Releases**

CITY OF BERKELEY shall have persons available during normal CITY OF BERKELEY business hours or as the Parties may agree to assist vehicle owners who are unwilling or unable to unlock the SmartBoots for any reason.

8.8 **Confirmation of Immobilization Eligible Vehicle Status**

CITY OF BERKELEY shall be precluded from applying a SmartBoot to any vehicle, unless it has obtained updated and verified immobilization-eligible vehicle status pertaining to the vehicle. CITY OF BERKELEY must provide reasonable means whereby PayLock personnel have immediate access to updated vehicle status, either by telephone or electronically through applicable systems. CITY OF BERKELEY shall earnestly endeavor to ensure that procedures are implemented whereby immobilization-eligible vehicle data is updated as frequently as possible and that such data is immediately available to all authorized users of BootView software.
8.9 Supporting collections for Credit Card Charge Backs, Damaged and Stolen Boots, and Bad Check Payments

In cases where a motorist has been assessed a damaged or stolen boot fee by PayLock which has gone unpaid, and in cases of all credit card charge backs, and in cases of bad checks accepted by PayLock, and in exchange for PayLock transferring all funds collected by PayLock to the Treasurer, regardless if the amount was successfully contested by Credit Card Charge Back or Bad Check payments by the motorist, the City of Berkeley agrees to provide support in PayLock collecting in these cases by enforcing immediate tow of these motorist's vehicles subsequently discovered in the field by the MLPR system, as well as any reasonable additional requests for support as the City may be able to provide.

9. COMPLIANCE WITH APPLICABLE LAWS

The Parties shall abide by all applicable federal, state and local laws, ordinances and regulations.

10. INDEMNIFICATION

CITY OF BERKELEY will indemnify and hold harmless PayLock from any and all liability, damages, losses, claims or actions arising out of the performance or nonperformance by CITY OF BERKELEY and its employees, representatives, agents, contractors and/or subcontractors, of any provision of this Agreement.

PayLock will indemnify and hold harmless CITY OF BERKELEY from any and all liability, damages, losses, claims or actions arising out of the performance or nonperformance by PayLock, its employees, representatives, agents, contractors and/or subcontractors, of any provision of this Agreement.

11. PAYLOCK PROVIDED VEHICLE

PayLock shall maintain ownership of vehicles provided to CITY OF BERKELEY throughout the term of this Agreement despite CITY OF BERKELEY's possession of the same, and PayLock shall have a security interest under the Uniform Commercial Code in such vehicles. CITY OF BERKELEY shall execute, and PayLock is hereby authorized as attorney-in-fact to execute and deliver on behalf of CITY OF BERKELEY, and file any and all financing statements and other instruments which PayLock may deem necessary and desirable to perfect and protect such security interest. CITY OF BERKELEY hereby agrees to the following:

A. CITY OF BERKELEY's insurance shall be considered PayLock's primary/non-contributory liability coverage for those vehicles provided by PayLock to CITY OF BERKELEY. For all insurance obtained by CITY OF BERKELEY hereunder, CITY OF BERKELEY shall provide PayLock with a Certificate of Insurance that includes:
   i. Waiver of subrogation naming PayLock as an additional insured
   ii. A requirement that the issuer notify PayLock in writing at least 30 days prior to any cancellation or modification of the policy
iii. Combined limit of liability for a minimum of: $5,000,000

Five (5) business days prior to transferring possession of a vehicle to CITY OF BERKELEY, PayLock will provide its Vehicle Identification Number, Make, Model, Year, and replacement value to CITY OF BERKELEY’s Risk Management Office.

CITY OF BERKELEY agrees that PayLock shall not be liable for any injuries sustained by CITY of BERKELEY employees or their contractors arising from or related to their use of those vehicles provided to CITY OF BERKELEY by PayLock. CITY OF BERKELEY will obtain Commercial General Liability, workers compensation, and other related coverage for its employees. PayLock will not be liable for, and will not be required to provide any personal injury, property protection or other insurance coverage for, any claims, liabilities or damages arising from or related to those vehicles provided to CITY OF BERKELEY by PayLock. CITY OF BERKELEY shall be responsible for all vehicle operating costs including but not limited to gas, fluids, maintenance, operators insurance, installing required communication devices, any official city markings on the outside of the vehicles, registration or inspection fees, and repairs. Such vehicles shall only be used by CITY OF BERKELEY for booting patrol and associated immobilization process functions under this Agreement and not other CITY OF BERKELEY business or personal use. Any damage to PayLock vehicles incurred during use by CITY OF BERKELEY employees or contractors for booting patrol and associated immobilization process functions, and any repairs required to correct such damage, is the full responsibility of CITY OF BERKELEY. CITY OF BERKELEY shall also provide PayLock, in advance of the vehicle’s delivery to CITY OF BERKELEY, the legal names of each individual driver. If the California Department of Motor Vehicles notifies CITY OF BERKELEY that the license of any driver of a PayLock vehicle is suspended, CITY OF BERKELEY will notify PayLock within three (3) business days of receipt of such notice.

12. WARRANTIES; WARRANTY LIMITATIONS AND REMEDY LIMITATIONS

12.1 Express Warranty

PayLock warrants its legal right to the PayLock System and all associated Software and hardware provided to CITY OF BERKELEY by PayLock, including BootView, SmartBoots and further warrants that the PayLock System, the Software, and all associated hardware including BootView and SmartBoots are operational as intended under this Agreement and will be free from all operational and material defects. CITY OF BERKELEY’s sole remedy with respect to any defective product provided to it by PayLock shall be the repair or replacement of any defective product. In the event that any component of the PayLock System malfunctions due to any defect or damage caused by normal wear and tear, PayLock shall, at its sole cost, repair or replace the defective or damaged components.

12.2 Remedy Limitation

Except as expressly provided in this Agreement, PayLock and CITY OF BERKELEY agree and acknowledge that the Parties shall not be liable for indirect, special, incidental or consequential damages.
12.3 **Relation to Indemnity**

Notwithstanding anything contained in this Section 12 to the contrary, the indemnity provisions set forth in Section 10 of this Agreement shall supersede this Section 12.

13. **MUTUAL COOPERATION**

CITY OF BERKELEY and PayLock each agree to provide any reasonable assistance to the other as may be necessary to affect the purpose of this Agreement. The Parties further agree to cooperate in establishing and modifying, as reasonably necessary, the practices, protocols and procedures utilized in connection with the implementation of the PayLock System.

14. **TERM, COMPENSATION, REMITTANCE, DEFAULT AND TERMINATION.**

14.1 **Term**

The initial term of this Agreement shall be thirty-six (36) months from the date of this Agreement stated on the first page hereof. This Agreement may be renewed for two (2) additional twelve-month terms. The renewal term shall be deemed automatically exercised unless either Party provides written notice to the other Party that it does not intend to exercise the renewal term, at least ninety (90) days prior to the expiration date of the original term or renewal term of this Agreement.

14.2 **Compensation and Invoicing**

PayLock and CITY OF BERKELEY agree to the following fee structure:

**Transaction Pricing**—PayLock will charge the motorist a fixed fee of $140.00 ("Transaction Fee") for every vehicle that has been immobilized and pays outstanding fines and/or fees before or after the vehicle has been towed. This amount will be deducted from the Gross Amount collected by PayLock in City's behalf of the City before funds are transferred to CITY OF BERKELEY as provided in Section 14.3 herein. CITY OF BERKELEY will pay the Transaction Fee to PayLock for every vehicle released from a SmartBoot after the motorist pays CITY OF BERKELEY directly all of the outstanding fees and fines.

**Processing Fee**—The motorist will pay to PayLock, and CITY OF BERKELEY authorizes PayLock to charge booted motorists, an additional "Processing Fee" based on the total amount due as a result of the vehicle immobilization only when the payment is processed by PayLock using the BootView software system as per the following table:

<table>
<thead>
<tr>
<th>Amount Paid (range)</th>
<th>PayLock Processing Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>$0.01</td>
<td>$250.00</td>
</tr>
<tr>
<td>$250.01</td>
<td>$500.00</td>
</tr>
<tr>
<td>$500.01</td>
<td>$750.00</td>
</tr>
</tbody>
</table>
Stolen, Damaged, and Late Boot Fees – PayLock may charge the motorist a $25 per day “Late Boot Return Fee” if the motorist fails to return a boot that the motorist removed himself or herself after paying the fines and fees owed, and only after the motorist agreed to such late fee when he or she agreed to remove the boot himself or herself.

14.3 Transfer of Funds

Twice monthly, or semi monthly, and after an initial one-week transaction clearance buffer period, PayLock will transfer all funds that PayLock has collected the previous period, minus City-approved PayLock fees, into an account designated by CITY OF Berkeley. BootView Software will provide CITY OF Berkeley with real time data relating to the payment of parking fines to CITY OF Berkeley for the purpose of management, accounting, and auditing of funds transfers. CITY OF Berkeley may conduct occasional audits of the amounts collected and transferred under the PayLock System. PayLock will respond promptly to any and all requests for documentation in connection with such audits.

14.4 Termination

Either Party may terminate this Agreement for cause upon giving (30) calendar days’ written notice to the other. “Cause” shall be defined as the failure of either Party to adequately perform any of the duties or obligations, express or implied, or fulfill any of the promises under this Agreement or if either Party violates any laws or ordinances while this Agreement is in effect.

15. ASSIGNMENT

Neither Party shall be permitted to assign its rights or obligations under this Agreement without the prior written consent of the other Party.

16. GOVERNING LAW

The validity, interpretation, construction and performance of this Agreement shall be governed by the laws of the State of California.

17. SEVERABILITY

If any provision of this Agreement shall be held by an arbitrator or court of competent jurisdiction to be illegal, invalid or unenforceable, the remaining provisions shall remain in full force and effect.
18. **BINDING ARBITRATION**

All claims, disputes and other matters in question between the Parties to this Agreement arising out of or relating to this Agreement or the breach thereof may be decided by arbitration in accordance with the rules of the American Arbitration Association. Such arbitration shall be venued in the state of California. Any award made by the arbitrator(s) shall be final, and judgment may be entered upon it in accordance with applicable law.

19. **MISCELLANEOUS**

This Agreement contains the entire understanding and agreement between the Parties respecting the subject matter hereof. This Agreement may not be supplemented, modified, amended, released or discharged except by an instrument in writing signed by each Party’s duly authorized representative. All captions and headings in this Agreement are for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions. Any waiver by either Party of any default or breach hereunder shall not constitute a waiver of any provision of this Agreement or of any subsequent default or breach of the same or a different kind.

20. **NOTICES**

If either party shall desire or be required to give notice to the other, such notice shall be given in writing, via facsimile and concurrently by prepaid U.S. certified or registered postage, addressed to recipient as follows:

**CITY OF BERKELEY:**

**WITH A COPY TO:**

**PAYLOCK:**

IPT LLC
26 West High Street
Somerville, New Jersey 08876
ATTN: Josiah Johnson
FAX: 908-575-8811

21. **COUNTERPARTS**

More than one counterpart of this Agreement may be executed by the Parties, each of which shall be deemed an original, but all of which shall constitute one and the same document.
22. **INSURANCE**

During the term of this Agreement, PayLock shall maintain the following types of insurance with limits not less than those set forth below, shall name CITY OF BERKELEY as additional insured's on all such policies and shall provide CITY OF BERKELEY with a certificate of insurance prior to the commencement date of this Agreement and annually upon request by CITY OF BERKELEY:

**Commercial General Liability:** $1,000,000 per occurrence and $2,000,000 general aggregate for bodily injury and property damage

**Umbrella Excess:** $3,000,000 Coverage

**Crime:** $250,000 commercial blanket bond

**Worker's Compensation:**
- Coverage A – Statutory
- Coverage B – $1,000,000

**Errors and Omissions:** $1,000,000 combined single Limit each occurrence

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute this Agreement as of the date first set forth above.

**City of Berkeley**

By: __________________________
Name: _________________________
Title: __________________________
Dated: _________________________

**IPT LLC**

By: __________________________
Name: Josiah Johnson
Title: CEO
Dated: _________________________
Sole Source Provisioning Justification
On-Street Collection and Immobilization Services
Utilizing Patented Self-Release SmartBoot System and Business Method

To whom it may concern:

Chapter 13.29.060 – Waivers and Exemptions authorize the City Manager to waive competitive bidding requirements as long as the contractor is a “sole source”, and that “No compliant contractors are capable of providing goods or services that respond to the City’s requirements”.

Berkeley Municipal Code Sections for Reference

13.29.060 Waivers and exemptions

A. The City may waive the requirements of this chapter where the City Manager makes one or more of the following findings:

2. The contractor is a sole source
3. No compliant contractors are capable of providing goods or services that respond to the City’s requirements

Paylock IPT LLC’s issued patents 5,829,285 and 7,731,088 are for the design and assembly of the electro-mechanical self-release SmartBoot and the business process and usage method of the self-release SmartBoot as contemplated for the City of Berkeley, CA. As such, there are “no compliant contractors” capable of providing these services as stated in Berkeley municipal code section 13.29.060(A)(3) since these services are not offered by any other company in the world.

Additionally, PayLock IPT LLC has also received sole source designation in Oakland, CA (2009), and most recently in Rochester, NY (2010) as stated in Berkeley municipal code section 13.29.060(A)(2).

Patent details for the self-release SmartBoot design and usage:

- Patent # 7,731,088 B2 entitled “Vehicle Violation Enforcement System and Method” issued June 8, 2010

Patent descriptions, diagrams, and legal assignment information available upon request
SELF-RELEASE SMARTBOOT VEHICLE IMMOBILIZATION SERVICES AGREEMENT

THIS AGREEMENT for Self-Release SmartBoot Vehicle Immobilization Services ("Agreement") is entered into on August 1, 2011 between the City ("City" or "CITY OF BERKELEY"), a Charter City organized and existing under the laws of the State of California, and IPT LLC ("PayLock" or "Contractor"), a Delaware corporation doing business at 205 West Main Street, Somerville, NJ 08876. As used herein, Contractor and City shall be referred to individually as a "Party" and collectively as the "Parties."

WHEREAS, Contractor is in the business of providing parking enforcement services; and

WHEREAS, City desires that Contractor provide the services set forth in this Agreement;

NOW THEREFORE, the Parties agree as follows:

1. INCORPORATION OF RECITALS

The foregoing Recitals are hereby incorporated into and made part of this Agreement.

2. DEFINITIONS

A. "BootView Software" and "Software" are Contractor's web-based collection management application.

B. "SmartBoot" is Contractor's self-release vehicle immobilization device.

C. "Runaway" is any vehicle which has been successfully immobilized and where the immobilization device has been unlawfully removed, destroyed, or otherwise vandalized and the motorist has illegally retaken possession of the vehicle without paying the required fees, fines and penalties.

D. "Assisted Release" is the removal of an immobilization device from a motor vehicle by a City parking enforcement officer, or other City employee or agent.

E. "PayLock System" is the hardware, software, services, and implemented processes supplied by Contractor to City intended to facilitate City's enforcement of California Vehicle Code Section 22651 and City's ability to collect unpaid or otherwise delinquent traffic, parking, and/or red-light violation fees, fines and penalties.

F. "SOP" is the Standard Operations Procedure document collaboratively crafted by Contractor and City, defining policies, procedures, roles and
responsibilities of all parties involved in the day to day operation of the PayLock scofflaw enforcement system.

G. "Gross Amount" is the total amount of parking fines and penalties, transaction fees, processing fees, and/or stolen, damaged, and late boot fees paid to either Contractor or the City by vehicle owners before Contractor deducts its fees as provided in Exhibit C.

H. "Net Revenue" is the Gross Amount minus Contractor's fees as described in Exhibit C.

I. "MLPR" is Mobile License Plate Recognition and the components thereof.

3. CONTRACT DOCUMENTS

This Agreement and the following documents comprise the Contract Documents:

- Exhibit A – Scope of Work
- Exhibit B – Software License Terms
- Exhibit C – Payment Terms

4. TERM

This Agreement shall begin on **August 1, 2011** and end on **November 30, 2014**. This Agreement may be renewed for two (2) additional twelve-month terms. The renewal term shall be deemed automatically exercised unless either Party provides written notice to the other Party that it does not intend to exercise the renewal term, at least thirty (30) days prior to the expiration date of the original term or renewal term of this Agreement.

5. TOTAL COMPENSATION

Contractor’s total compensation for the goods and services it is providing City pursuant to this Agreement are set forth in Exhibit C.

6. COMPLIANCE WITH APPLICABLE LAWS

The Parties shall abide by all applicable federal, state and local laws, ordinances and regulations.

7. INDEMNIFICATION

City will indemnify and hold harmless Contractor and its officers, directors, employees, affiliates and agents from any and all liability, damages, losses, claims or actions arising out of the performance or nonperformance by City, its employees, representatives, agents, contractors and/or subcontractors, of any provision of this Agreement.
Contractor will indemnify and hold harmless City, its officers, agents, volunteers and employees from any and all liability, damages, losses, claims or actions arising out of the performance or nonperformance by Contractor, its employees, representatives, agents, contractors and/or subcontractors, of any provision of this Agreement.

8. INSURANCE

Not less than ten (10) days prior to commencing any work, Contractor shall furnish to the City satisfactory proof that Contractor has taken out for the entire period covered by this Agreement, as further defined below, the following insurance in a form satisfactory to the City and with an insurance carrier satisfactory to the City, authorized to do business in California and rated by A. M. Best & Company A or better, which will protect those described below from claims described below which arise or are alleged to have arisen out of or result from the services of Contractor, for which Contractor may be legally liable, whether performed by Contractor, its subcontractors or subconsultants of any tier or by those employed directly or indirectly by them or any of them, or by anyone for whose acts any of them may be liable:

8.1 Commercial general liability insurance: Comprehensive or Commercial General Liability Insurance with limits not less than one million ($1,000,000) each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations.

8.2 Business automobile liability insurance: Primary coverage shall be written on ISO Business Auto Coverage form CA 00 01 06 92 including symbol 1 (Any Auto). Limits shall be not less than one million dollars ($1,000,000) each occurrence including coverage for owned, non-owned and hired vehicles, subject to a deductible of not more than ten thousand dollars ($10,000) payable by Contractor.

8.3 Full workers' compensation insurance for all persons whom Contractor may employ in furnishing the Goods and providing the Services required hereunder, in accordance with Act of Legislature of State of California, known as "Workers' Compensation Insurance and Safety Act", approved May 26, 1913, and All Acts amendatory or supplemental thereto. Workers' compensation policy shall include Employer Liability Insurance with limits not less than one million dollars ($1,000,000) each accident. There shall be a waiver of subrogation as to the City, and each named and additional insured under such policy.

8.4 Insurance policies shall contain an endorsement containing the following terms:

8.4.1 The City and its directors, officers, representatives, employees, consultants, subconsultants and agents shall be named as
additional insureds and there shall be a waiver of subrogation as to each named and additional insured.

8.4.2 The policies shall apply separately to each insured against whom a claim is made or suit is brought except with respect to the limits of the company's liability, except as otherwise stated herein.

8.4.3 Written notice of cancellation, non-renewal or of any material change in the policies shall be mailed to the City 30 days in advance of the effective date thereof, and ten (10) days written notice to the same in advance of payment of any insurance claims under such policies to any person, firm or entity.

8.4.4 Insurance shall be primary insurance and no other insurance or self insured retention carried or held by any named or additional insureds other than the Contractor shall be called upon to contribute to a loss covered by insurance for the named insured.

8.5 Certificates of Insurance and Endorsements shall have clearly typed thereon the City contract number and title of contract, shall clearly describe the coverage and shall contain a provision requiring the giving of written notice described above in subparagraph 8.4.3. Endorsements naming the City of Berkeley as additional insureds shall be attached to the Certificate of Insurance.

8.6 Nothing herein contained shall be construed as limiting in any way the extent to which Contractor or any of its subcontractors or subconsultants may be held responsible for payment of damages resulting from their operations.

8.7 Insurance shall be maintained by Contractor in full force and effect during the entire period of performance of the Agreement, except that general commercial liability insurance completed operations coverage shall be kept in force for a period of one (1) year after final termination of this Agreement.

If Contractor fails to maintain insurance, the City may take out insurance to cover any damages of the above mentioned classes for which the City and others to be insured referenced above might be held liable on account of Contractor's failure to pay such damages, or compensation which the City might be liable to under provisions of Workers' Compensation Insurance and Safety Act, by reason of employee of Contractor being injured or killed, and deduct and, in addition to any other remedy, retain amount of premium from any sums due Contractor under Contract.

9. WARRANTIES; WARRANTY LIMITATIONS AND REMEDY LIMITATIONS

9.1. Express Warranty

Contractor warrants its legal right to the PayLock System and all associated
Software and hardware provided to City by Contractor, including BootView, SmartBoots and further warrants that the PayLock System, the Software, and all associated hardware including BootView and SmartBoots are operational as intended under this Agreement and will be free from all operational and material defects. City's sole remedy with respect to any defective product provided to it by Contractor shall be the repair or replacement of any defective product. In the event that any component of the PayLock System malfunctions due to any defect or damage caused by normal wear and tear, Contractor shall, at its sole cost, repair or replace the defective or damaged components.

9.2. Remedy Limitation

Except as expressly provided in this Agreement, Contractor and City agree and acknowledge that the Parties shall not be liable for indirect, special, incidental or consequential damages.

9.3. Relation to Indemnity

Notwithstanding anything contained in this Section to the contrary, the indemnity provisions set forth in Section of this Agreement shall supersede this Section 6.

10. MUTUAL COOPERATION

City and Contractor each agree to provide reasonable assistance to the other as may be necessary to affect the purpose of this Agreement. The Parties further agree to cooperate in establishing and modifying, as reasonably necessary, the practices, protocols and procedures utilized in connection with the implementation of the PayLock System

11. SUPPLEMENTAL GENERAL PROVISIONS

11.1. Non-Discrimination

Contractor hereby agrees to comply with the provisions of Berkeley Municipal Code ("B.M.C.") Chapter 13.26 as amended from time to time. In the performance of this Agreement, Contractor agrees as follows:

a. Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, national origin, age (over 40), sex, pregnancy, marital status, disability, sexual orientation or AIDS.

b. Contractor shall permit the City access to records of employment, employment advertisements, application forms, EEO-1 forms, affirmative action plans and any other documents which, in the opinion of the City, are necessary to monitor compliance with this non-discrimination provision. In addition, Contractor shall fill-out, in a timely fashion, forms supplied by the City to monitor this non-discrimination provision.
11.2. Independent Contractor

a. Contractor shall be deemed at all times to be an independent contractor and shall be wholly responsible for the manner in which Contractor performs the services required of Contractor by the terms of this Agreement. Contractor shall be liable for its acts and omissions, and those of its employees and its agents. Nothing contained herein shall be construed as creating an employment, agency or partnership relationship between City and Contractor.

b. Direction from City regarding the subject of this Agreement shall be construed as providing for direction as to policy and the result of Contractor's Work only and not as to the means or methods by which such a result is obtained.

c. Except as expressly provided in this Agreement, nothing in this Contract shall operate to confer rights or benefits on persons or entities not party to this Agreement.

d. Payment of any taxes, including California Sales and use Taxes, levied upon this Agreement, the transaction, or the services or goods delivered pursuant hereto, shall be the obligation of Contractor.

11.3. Conflict Of Interest Prohibited

a. In accordance with Government Code section 1090, Berkeley City Charter section 36 and B.M.C. Chapter 3.64, neither Contractor nor any employee, officer, director, partner or member of Contractor, or immediate family member of any of the preceding, shall have served as an elected officer, an employee, or a City board, committee or commission member, who has directly or indirectly influenced the making of this Agreement.

b. In accordance with Government Code section 1090 and the Political Reform Act, Government Code section 87100 et seq., no person who is a director, officer, partner, trustee, employee or consultant of Contractor, or immediate family member of any of the preceding, shall make or participate in a decision made by the City or a City board, commission or committee, if it is reasonably foreseeable that the decision will have a material effect on any source of income, investment or interest in real property of that person or Contractor.

c. Interpretation of this section shall be governed by the definitions and provisions used in the Political Reform Act, Government Code section 87100 et seq., its implementing regulations, manuals and codes, Government Code section 1090, Berkeley City Charter section 36 and B.M.C. Chapter 3.64.

11.4. Nuclear Free Berkeley

Contractor agrees to comply with B.M.C. Chapter 12.90, the Nuclear Free Berkeley Act, as amended from time to time.

11.5. Oppressive States Contracting Prohibition

a. In accordance with Resolution No. 59,853-N.S., Contractor certifies that it has no contractual relations with, and agrees during the term of this Agreement to forego contractual relations to provide personal services to, the following entities:
(1) The governing regime in any Oppressive State.
(2) Any business or corporation organized under the authority of the governing regime of any Oppressive State.
(3) Any individual, firm, partnership, corporation, association, or any other commercial organization, and including parent-entities and wholly-owned subsidiaries (to the extent that their operations are related to the purpose of its Agreement with the City), for the express purpose of assisting in business operations or trading with any public or private entity located in any Oppressive State.

b. For purposes of this Contract, the Tibet Autonomous Region and the provinces of Ado, Kham, and U-Tsang shall be deemed oppressive states.

c. Contractor's failure to comply with this section shall constitute a default of this Agreement and City may terminate this Agreement. In the event that the City terminates Contractor due to a default under this provision, City may deem Contractor a non-responsible bidder for not more than five (5) years from the date this Agreement is terminated.

11.6. Berkeley Living Wage Ordinance

a. Contractor hereby agrees to comply with the provisions of the Berkeley Living Wage Ordinance, B.M.C. Chapter 13.27. If Contractor is currently subject to the Berkeley Living Wage Ordinance, as indicated by the Living Wage Certification form, attached hereto, Contractor will be required to provide all eligible employees with City mandated minimum compensation during the term of this Agreement, as defined in B.M.C. Chapter 13.27, as well as comply with the terms enumerated herein. Contractor expressly acknowledges that, even if Contractor is not currently subject to the Living Wage Ordinance, cumulative contracts with City may subject Contractor to the requirements under B.M.C. Chapter 13.27 in subsequent contracts.

b. If Contractor is currently subject to the Berkeley Living Wage Ordinance, Contractor shall be required to maintain monthly records of those employees providing service under the Agreement. These records shall include the total number of hours worked, the number of hours spent providing service under this Agreement, the hourly rate paid, and the amount paid by Contractor for health benefits, if any, for each of its employees providing services under the Agreement. These records are expressly subject to the auditing terms described in Section 11.8.

c. If Contractor is currently subject to the Berkeley Living Wage Ordinance, Contractor shall include the requirements thereof, as defined in B.M.C. Chapter 13.27, in any and all subcontracts in which Contractor engages to execute its responsibilities under this Agreement. All subcontractor employees who spend 25% or more of their compensated time engaged in work directly related to this Agreement shall be entitled to a living wage, as described in B.M.C. Chapter 13.27 and herein.

d. If Contractor fails to comply with the requirements of this Section, the City shall have the rights and remedies described in this Section, in addition to any rights and remedies provided by law or equity.

Contractor's failure to comply with this Section shall constitute a material breach of the Agreement, upon which City may terminate this Agreement. In the event that City terminates Contractor due to a default under this provision, City may deem Contractor a non-responsible bidder for not more than five (5) years from the date this
Agreement is terminated.

In addition, at City's sole discretion, Contractor may be responsible for liquidated damage in the amount of $50 per employee per day for each and every instance of an underpayment to an employee. It is mutually understood and agreed that Contractor's failure to pay any of its eligible employees at least the applicable living wage rate will result in damages being sustained by the City; that the nature and amount of the damages will be extremely difficult and impractical to fix; that the liquidated damage set forth herein is the nearest and most exact measure of damage for such breach that can be fixed at this time; and that the liquidated damage amount is not intended as a penalty or forfeiture for Contractor's breach. City may deduct any assessed liquidated damages from any payments otherwise due Contractor.

11.7. Berkeley Equal Benefits Ordinance

a. Contractor hereby agrees to comply with the provisions of the Berkeley Equal Benefits Ordinance, B.M.C. Chapter 13.29. If Contractor is currently subject to the Berkeley Equal Benefits Ordinance, as indicated by the Equal Benefits Certification form, attached hereto, Contractor will be required to provide all eligible employees with City mandated equal benefits, as defined in B.M.C. Chapter 13.29, during the term of this Agreement, as well as comply with the terms enumerated herein.

b. If Contractor is currently or becomes subject to the Berkeley Equal Benefits Ordinance, Contractor agrees to provide the City with all records the City deems necessary to determine compliance with this provision. These records are expressly subject to the auditing terms described in Section 11.8 of this Agreement.

c. If Contractor fails to comply with the requirements of this Section, City shall have the rights and remedies described in this Section, in addition to any rights and remedies provided by law or equity.

Contractor's failure to comply with this Section shall constitute a material breach of the Agreement, upon which City may terminate this Agreement. In the event the City terminates this Agreement due to a default by Contractor under this provision, the City may deem Contractor a non-responsible bidder for not more than five (5) years from the date this Agreement is terminated.

In addition, at City's sole discretion, Contractor may be responsible for liquidated damages in the amount of $50.00 per employee per day for each and every instance of violation of this Section. It is mutually understood and agreed that Contractor's failure to provide its employees with equal benefits will result in damages being sustained by City; that the nature and amount of these damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein is the nearest and most exact measure of damages for such breach that can be fixed at this time; and that the liquidated damage amount is not intended as a penalty or forfeiture for Contractor's breach. City may deduct any assessed liquidated damages from any payments otherwise due Contractor.

11.8. Audit

Pursuant to Section 61 of the Berkeley City Charter, the City Auditor's Office may conduct an audit of Contractor's financial, performance and compliance records maintained in connection with the operations and services performed under
this Agreement. In the event of such audit, Contractor agrees to provide the City Auditor with reasonable access to Contractor's employees and make all such financial, performance and compliance records available to the Auditor's Office. City agrees to provide Contractor an opportunity to discuss and respond to any findings before a final audit report is filed.

11.9. Set Off Against Debts

Contractor agrees that City may deduct from any payments due to Contractor under this Agreement any monies that Contractor owes City under any ordinance, contract or resolution for any unpaid taxes, fees, licenses, unpaid checks or other amounts.

11.10. Confidentiality of Information

Contractor understands and agrees that, in the performance of the services under this Agreement or in the contemplation thereof, Contractor may have access to private or confidential information which may be owned or controlled by City and that such information may contain proprietary or confidential details, the disclosure of which to third parties may be damaging to City. Contractor agrees that all information disclosed by City to Contractor shall be held in confidence and used only in performance of the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent consultant would use to protect its own proprietary data.

Provider acknowledges that all data created by the City including confidential information such as customer social security number, address and phone number, bank account information and any internal City communications, constitute proprietary information (“City's Proprietary Information”) of City and will remain the sole property of the City. Provider agrees that it shall not at any time sell, assign, transfer or otherwise make available to, or allow use by Provider, agent of Provider or a third party any of the City's Proprietary Information. Provider shall hold in confidence the City's Proprietary Information and allow its employees access to City's data only for the purposes of complying with this Contract. Additionally, Provider will take all necessary measures to secure and protect City's data including, but not limited to, daily backups, offsite storage of backup media, physical security, software access controls, encryption and proper backup rotations, and Provider will comply with all applicable laws and regulations regarding the collection, use and disclosure of personal information. Provider acknowledges that City asserts it is entitled to copy, export or otherwise duplicate City's data at any time.

11.11. Governing Law

This Agreement shall be deemed to have been executed in Alameda County. The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California, excluding its conflict of laws rules. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in Alameda County, California.

11.12. Amendments

The terms and conditions of this Agreement shall not be altered or otherwise modified except by a written amendment to this Agreement executed by City and Contractor.
11.13. Entire Contract

a. The terms and conditions of this Agreement, and the Exhibits referenced in Section 3 above represent the entire Agreement between the parties with respect to the subject matter of this Agreement. This Agreement shall supersede any and all prior contracts, oral or written, regarding the subject matter between City and Contractor. No other contract, statement, or promise relating to the subject matter of this Agreement shall be valid or binding except by a written amendment to this Agreement.

b. If any conflicts arise between the terms and conditions of this Agreement and the terms and conditions of the attached exhibits, the terms and conditions of this Agreement shall control.

11.14. Severability

If any part of this Agreement or the application thereof is declared invalid for any reason, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision or application, and to this end the provisions of this Agreement are declared to be severable.

11.15. Waiver

Failure of City to insist on strict performance shall not constitute a waiver of any of the provisions of this Agreement or a waiver of any other default of Contractor.

11.16. Assignment

Contractor may not assign this Agreement without the prior written consent of the City, except that Contractor may assign its right to any money due or to become due hereunder.

11.17. Effect on Successors and Assigns

This Agreement shall be binding on and inure to the benefit of the heirs, executors, administrators, successors, and assigns of the parties hereto.

11.18. Consultants to Submit Statements of Economic Interest

The City’s Conflict of Interest Code, Resolution No. 60,788-N.S., as amended, requires consultants who make a governmental decision or act in a staff capacity as defined in 2 Cal. Code of Regs. §18700, as amended from time to time, to disclose conflicts of interest by filing a Statement of Economic Interest (Form 700). Consultants agree to file such statements with the City Clerk at the beginning of the contract period and upon termination of Contractor’s service.

11.19. Section Headings

The sections and other headings of this Agreement are for convenience of reference only and shall be disregarded in the interpretation of this Agreement.
11.20. City Business License, Payment of Taxes, Tax I.D. Number

Contractor has obtained a City business license as required by B.M.C. Chapter 9.04, and its license number is written below; or, Contractor is exempt from the provisions of B.M.C. Chapter 9.04 and has written below the specific B.M.C. section under which it is exempt. Contractor shall pay all state and federal income taxes and any other taxes due. **Contractor certifies under penalty of perjury that the taxpayer identification number written below is correct.**

Business License Number 11 00049556
B.M.C. § N/A
Taxpayer ID Number 20-5633672

12. TERMINATION

a. Either party may terminate this Contract for default upon five (5) days' written notice to the other if the other party has substantially failed to fulfill any of its obligations under this Contract in a timely manner. City may terminate this Contract at its convenience and without cause upon ninety (90) days written notice to Contractor. Except as provided in this Agreement, in no event shall City be liable for costs incurred by or on behalf of Contractor after the effective date of a notice of termination.

b. A written notice is deemed served when a party sends the notice in an envelope addressed to the other party to this Agreement and deposits it with the U.S. Postal Service, first class mail, postage prepaid. For purposes of this Agreement, all notices to City shall be addressed as follows:

   City Manager  
   City of Berkeley  
   2180 Milvia Street  
   Berkeley, California 94704  

   For purposes of this Agreement, all notices to Contractor shall be addressed as follows:

   IPT LLC ("PayLock")  
   205 West Main Street  
   Somerville, NJ 08876  
   ATTN: Josiah Johnson
IN WITNESS WHEREOF, City and Contractor have executed this Agreement as of the date written on the first paragraph of this Agreement.

FOR City

Signed by:

City Manager

Countersigned by:

City Auditor

Approved as to form

by: City Attorney for City of Berkeley

Attested by:

City Clerk

PAYLOCK

PayLock Name (print or type)

Signature

Print Name

Tax Identification #20-5633672
Berkeley Business License #11 00049556
Incorporated: Yes  No

Certified Woman Business Enterprise: Yes  No
Certified Minority Business Enterprise: Yes  No
If yes, state ethnicity: ____________
Certified Disadvantaged Business Enterprise: Yes  No
EXHIBIT A
SCOPE OF WORK

1. PAYLOCK SYSTEM SUMMARY OF SERVICES

During the term of this Agreement, Contractor shall provide to City the following services:

A. Contractor will provide self-release SmartBoots to be used by City to immobilize vehicles identified in City’s enforcement policy.

B. Contractor’s help-center ("Help-Center") will be available 24 hours/day and 365 days/year to answer questions from immobilized motorists, and process electronic payments for immobilization fees and parking fines and/or penalties owed.

C. Contractor will provide City access to Contractor’s Web-based BootView Software system for tracking all City boot-related transactions.

D. Contractor will integrate its BootView Software system with City’s ticket processing system to communicate data to receive lists of vehicles eligible for immobilization daily and update payment data.

E. Contractor will repair and replace all damaged or defective PayLock SmartBoots within 5 business days of notification from the City.

F. Contractor will provide installation for all hardware and software used by City for the PayLock system, and will train City staff to use the hardware and software and to remove the Smart Boots.

G. Contractor will design and supply vehicle seizure notices that will be affixed by City to booted vehicles at the time of immobilization.

H. Contractor will facilitate and create an SOP in relation to the project and services contemplated by this Agreement, including but not limited to, the procedural responsibilities of the Parties, which the Parties shall adhere to, and which shall be collaboratively crafted by the Parties before the initiation of service. Upon completion of the SOP, the parties shall amend this Agreement to incorporate the terms of the SOP into this Agreement.
I. Contractor will provide two (2) MLPR Systems to facilitate efficient identification of scofflaw vehicles. Supporting services include but are not limited to, installation, maintenance, support, customer troubleshooting and training.

J. Contractor shall provide one (1) new automobile, sports utility vehicle or van, to be used by City to patrol for scofflaw vehicles.

K. Contractor will deposit all fines and fees collected on behalf of City in an account designated by City as provided in Exhibit C.

L. As the parties may agree, Contractor will provide City with additional equipment required to support the PayLock System.

2. PAYLOCK SMARTBOOT DEVICES

During the term of this Agreement, City shall utilize SmartBoots equipped with hardware that allows the unit to unlock by either entering a code into a keypad or using a key. Contractor will provide an initial supply of forty (40) SmartBoots, and will increase or decrease that amount to maintain a sufficient number of SmartBoots to ensure continuous and maximum potential program productivity. Contractor will repair and/or replace broken or missing SmartBoots within 5 business days of notice by the City to ensure continuous operation by City. Notwithstanding the City's physical possession of the SmartBoots, Contractor shall maintain title ownership of all SmartBoots throughout the term of this Agreement.

During the term of this Agreement, Contractor will repair or replace stolen or vandalized SmartBoots within 5 business days of notice and at no cost to City, except in cases where a lost or damaged fee is recovered by City from the offending motorist either before or after the device is replaced by Contractor. In those cases, Contractor will invoice City the same amount collected to recover the cost of the repair or replacement.

3. PAYLOCK HELP-CENTER

Throughout the term of this Agreement, Contractor shall operate a 24-hour toll-free Help-Center for purposes of providing information to motorists with respect to the removal and return of SmartBoots, and for processing payments by motorists whose vehicles have been booted. The Help-Center shall maintain data with respect to the processing of payments and the disposition of SmartBoots on a real-time basis through Contractor’s BootView Software, which information shall be accessible to City remotely through the Internet.
4. TITLE TO SMARTBOOTS AND OTHER EQUIPMENT

Any goods or products supplied by Contractor to City shall remain the property of Contractor while in possession of City including, but not limited to: SmartBoots, BootView Software, computer hardware, and mobile license plate recognition systems.

5. KEY CONTROL

Contractor will provide six (6) sets of keys that can be used by City employees to unlock all SmartBoots when necessary. City shall secure all keys when not in use. If a key is lost, it will require a lock replacement on all SmartBoots provided. City will reimburse Contractor for replacing each lock at $150 per lock converted, plus any reasonable travel expenses incurred by Contractor within the Bay Area to facilitate the lock conversion.

6. REMITTANCE OF FEES AND FINES

Funds will be remitted to City as provided in Exhibit C herein.

7. CITY OF BERKELEY’S OBLIGATIONS

7.1. Summary of Services

During the term of this Agreement, City will:

A. Devote appropriate resources and staff to use the PayLock System as the City’s calendar may allow, to identify and immobilize scofflaw vehicles.

B. Process walk-in, in-person payments at City facilities, for booted motorists unwilling or unable to pay Contractor by phone.

C. Provide assisted release support to booted motorists who choose not to self-release SmartBoots during business hours excluding holidays, work furlough days and weekends.

D. Arrange for towing actions according to SOP guidelines.

E. Support Contractor in its efforts to recover stolen SmartBoots in accordance with local laws.

F. Integrate BootView Software and City of Berkeley parking citation processing and accounting software (currently provided by Duncan
Systems), so that outstanding citations, scofflaw status, and payments received are automatically updated in real time.

G. Take reasonable care of vehicles and mobile license plate recognition systems provided by Contractor pursuant to this Agreement.

H. Provide one (1) automobile, sports utility vehicle or van, to be used to patrol for scofflaw vehicles utilizing Contractor provided MLPR system.

7.2. Responsibilities for SmartBoots

City is responsible for exercising reasonable care in the handling and storage of SmartBoots returned by the public or Assisted Release staff. City is not responsible for the loss of SmartBoots that are removed from vehicles without City's authorization or SmartBoots that motorists fail to return after being self-released. With the exception of SmartBoots lost or damaged in service, City shall be responsible for reimbursing Contractor for its cost to replace each SmartBoot that: (1) City cannot account for after the SmartBoot was returned to City by a customer; (2) City cannot account for after a City officer removed the SmartBoot from a vehicle; or (3) was damaged while City was in direct possession of them. The SmartBoot replacement cost is $500.00 per unit plus $44.00 shipping and handling.

7.3. Stolen or Vandalized SmartBoots

City will charge motorists, and make good faith efforts to recover, a $500.00 stolen boot fee, or a $250 damaged boot fee from motorists who steal or vandalize Contractor boots respectively. Contractor will replace lost, damaged or stolen SmartBoot devices within 5 business days of notice by the City that they are lost, damaged or stolen while in service, at no cost to City, and for which no fees can be recovered from the offending motorist by City or Contractor. However, once a month, Contractor will invoice City an amount equal to the sum of these fees that are actually collected from motorists by City in the prior month.

7.4. Operation of SmartBoot Return Facility

The City shall be responsible for maintaining and operating a facility(s) where motorists can return SmartBoots. At a minimum, such facility shall be open during regular business days and during regular business hours. In order to access the BootView Software, the facility must have access to the Internet. City must provide sixty (60) days advanced written notice to Contractor of any material change relating to Berkeley's designated return facility, including the location and hours of such facility. As soon as possible following the return of a SmartBoot to the return facility
by a motorist, the City shall provide confirmation of the return to Contractor through the BootView Software. In the event that such confirmation cannot be facilitated through the BootView Software, then confirmation may be transmitted by the telephone.

7.5. Towing

Pursuant to City's requirements, City may make arrangements to tow any vehicle eligible for immobilization that has been booted and otherwise meets City's designated specifications pursuant to the SOP. City may engage the assistance of Contractor's Help Center to process payments (excluding tow and storage fees) with respect to such towed vehicles. City and/or its towing contractor shall be responsible for reporting to the Parties the final disposition of any vehicle impounded for violation of CVC 22651.

7.6. Integration of Systems

Contractor shall work with City and City's citation processing contractor to facilitate the integration of the Contractor and BootView Software with City computer systems, ticket processing system, and accounting systems as necessary for the operation of the Contractor service under this Agreement. Both Contractor and City's citation processing contractor shall utilize existing software interfaces developed for other clients when available and feasible. City shall use its best efforts to ensure the cooperation of its citation processing contractor(s) in meeting applicable data integration requirements.

7.7. Assisted Releases

City shall have persons available during normal City business hours or other hours as the Parties may agree to assist vehicle owners who are unwilling or unable for any reason to unlock the SmartBoots.

7.8. Confirmation of Immobilization Eligible Vehicle Status

City shall not apply a SmartBoot to any vehicle unless it has obtained verified immobilization-eligible vehicle status pertaining to the vehicle. City must provide reasonable means whereby Contractor personnel have immediate access to updated vehicle status, either by telephone or electronically through applicable systems. City shall earnestly endeavor to ensure that procedures are implemented whereby immobilization-eligible vehicle data is updated as frequently as possible and that such data is immediately available to all authorized users of BootView software.
7.9. Supporting Collections for Credit Card Charge Backs, Damaged and Stolen Boots, and Bad Check Payments

In cases where a motorist has been assessed a damaged or stolen boot fee by Contractor which has gone unpaid, credit card charge backs, and bad checks accepted by Contractor, the City agrees to support Contractor in its efforts to collect in these cases by immediately towing these motorist’s vehicles subsequently discovered in the field by the MLPR system, as well as any reasonable additional requests for support as the City may be able to provide.

8. CONTRACTOR PROVIDED VEHICLE

Contractor shall maintain ownership of the vehicle provided to City throughout the term of this Agreement despite City’s possession of the same, and Contractor shall have a security interest under the Uniform Commercial Code in such vehicles. City shall execute, and Contractor is hereby authorized as attorney-in-fact to execute and deliver on behalf of City, and file any and all financing statements and other instruments which Contractor may deem necessary and desirable to perfect and protect such security interest. City hereby agrees to the following:

A. City’s insurance shall be considered Contractor’s primary/non-contributory liability coverage for those vehicles provided by Contractor to City. For all insurance obtained by City hereunder, City shall provide Contractor with a Certificate of Insurance that includes:
   i. Waiver of subrogation naming Contractor as an additional insured
   ii. A requirement that the issuer notify Contractor in writing at least 30 days prior to any cancellation or modification of the policy
   iii. Combined limit of liability for a minimum of: $5,000,000

Five (5) business days prior to transferring possession of a vehicle to City, Contractor will provide its Vehicle Identification Number, Make, Model, Year, and replacement value to City’s Risk Management Office.

City agrees that Contractor shall not be liable for any injuries sustained by City employees or their contractor arising from or related to their use of those vehicles provided to City by Contractor. City will obtain Commercial General Liability, workers compensation, and other related coverage for its employees. Contractor will not be liable for, and will not be required to provide any personal injury, property protection or other insurance coverage for, any claims, liabilities or damages arising from or related to those vehicles provided to City by Contractor. City shall be responsible for
all vehicle operating costs including but not limited to gas, fluids, maintenance, operators insurance, installing required communication devices, any official city markings on the outside of the vehicles, registration or inspection fees, and repairs. Such vehicles shall only be used by City for booting patrol and associated immobilization process functions under this Agreement and not other City business or personal use. Any damage to Contractor vehicles incurred during use by City employees or contractor for booting patrol and associated immobilization process functions, and any repairs required to correct such damage, is the full responsibility of City. City shall also provide Contractor, in advance of the vehicle's delivery to City, the legal names of each individual driver. If the California Department of Motor Vehicles notifies City, that the license of any driver of a Contractor vehicle is suspended, City will notify Contractor within three (3) business days of receipt of such notice.

As the parties may agree, a replacement vehicle shall be provided after the initial 48 month contract period if it is determined that the original vehicle provided is no longer serviceable or does not meet the needs of the City.
EXHIBIT B
SOFTWARE LICENSE TERMS

1.1. Grant of Software License

Contractor grants to City one non-exclusive and non-transferable license to use the BootView Software. The Software and any authorized copies that City makes, are the property of Contractor and its licensors. City acquires only the right to use the Software, and does not acquire any rights of ownership, express or implied, in the Software. This Agreement does not grant City any intellectual property rights in the Software and all rights not expressly granted herein are reserved by Contractor and its licensors.

1.2. Conditions to Use of Software

Except as expressly provided for in this Agreement:

A. City shall not copy the Software. Any permitted copy City may make of the Software must retain all copyright and information notices as appeared on the original.

B. City shall not modify, adapt or translate the Software. City shall not reverse engineer, decompile, translate, disassemble, or attempt to discover any of the Software object code or source code, except to the extent City may be expressly permitted to decompile under applicable law. Subject to Contractor’s written permission, any information supplied by Contractor relating to the Software and any information obtained by City by way of decompilation may only be used by City for the purpose described herein and may not be disclosed to any third party or used to create any software which is substantially similar to the expression of the Software.

C. City shall not sell, distribute, disclose, market, rent, or lease the Software. City shall use the Software only for the express purposes contemplated by this Agreement. City shall not transfer the Software or documentation to any third party.

D. The Software may include various applications, utilities and components, may support multiple platforms and languages and may be provided to City on multiple media or in multiple copies. Nonetheless, City may only use those portions of the Software for which City has a license as permitted and
contemplated by this Agreement. City shall not unbundle or repackage the Software for distribution or resale.

E. City shall not use the Software to develop, enhance, modify, market or demonstrate products that are competitive with the Software or other PayLock products.

F. City shall not sell, license, sublicense, publish, display, distribute, or otherwise transfer to a third party the Software, any copy thereof, in whole or in part, without Contractor's prior written consent.

1.3. Termination of License

Upon termination of this Agreement, City's rights with respect to the Software hereunder shall terminate and City must cease any and all use of the Software and return any and all copies of the Software to Contractor, and Contractor will provide City any data City does not otherwise have access to and that City may require after its termination of use of the PayLock Software system.
Compensation and Invoicing

Contractor and City agree to the following fee structure:

Transaction Pricing – The motorist will pay to Contractor, and City authorizes Contractor to charge booted motorists, $140.00 (“Transaction Fee”) for every vehicle that has been immobilized and for which motorist pays outstanding parking fines and/or fees before or after the vehicle has been towed. In the event that payment is made in person at a City facility, Contractor will be paid the Transaction Fee.

Processing Fee – The motorist will pay to Contractor, and City authorizes Contractor to charge booted motorists, an additional “Processing Fee” based on the total amount due as a result of the vehicle immobilization only when the payment is processed by Contractor using the BootView software system as per the following table:

<table>
<thead>
<tr>
<th>Amount Paid (range)</th>
<th>PayLock Processing Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0.01 - $250.00</td>
<td>$7.00</td>
</tr>
<tr>
<td>$250.01 - $500.00</td>
<td>$13.00</td>
</tr>
<tr>
<td>$500.01 - $750.00</td>
<td>$19.00</td>
</tr>
<tr>
<td>$750.01 - $1,000.00</td>
<td>$25.00</td>
</tr>
<tr>
<td>$1,000.01 - $1,500.00</td>
<td>$36.00</td>
</tr>
<tr>
<td>$1,500.01 - $2,000.00</td>
<td>$46.00</td>
</tr>
<tr>
<td>$2,000.01 - $2,500.00</td>
<td>$60.00</td>
</tr>
<tr>
<td>$2,500.01 - $3,000.00</td>
<td>$70.00</td>
</tr>
<tr>
<td>$3,000.01 - $5,000.00</td>
<td>$116.00</td>
</tr>
<tr>
<td>$5,000.01 - $7,500.00</td>
<td>$175.00</td>
</tr>
</tbody>
</table>

Stolen, Damaged, and Late Boot Fees – The motorist will pay to Contractor, and City authorizes Contractor to charge the motorist a $25 per day “Late Boot Return Fee” if the motorist fails to return a boot that the motorist removed himself or herself after paying the fines and fees owed, and only after the motorist agreed to such late fee when he or she agreed to remove the boot himself or herself.

Deposit of City Funds – Contractor will deposit all collections of city funds directly to the City of Berkeley’s designated Bank Account daily. Contractor will contact the Finance Department to setup. Contractor will provide a summary of transaction processed twice monthly or semi-
monthly. BootView Software will provide City with real time data relating to the payment of parking fines to City for purpose of management, accounting, and auditing of funds deposited into City's bank account. City may conduct occasional audits of the amounts billed, adjusted, collected, and deposited under the Contractor's System. Contractor will respond within five days to any and all requests for documentation in connection with such audits.
RESOLUTION NO. 65,165-N.S.

CONTRACT: PAYLOCK INC. FOR VEHICLE IMMOBILIZER ("BOOT") PROGRAM

WHEREAS, the City's Parking Enforcement and Customer Service programs strive to improve efficiency through intelligent use of technology; and

WHEREAS, the Police Department enforces the parking regulations for the City of Berkeley through motorized patrol and handheld citation issuance devices; and

WHEREAS, the Police Department has determined that a significant number of vehicles have five or more citations issued to the vehicle thereby qualifying the vehicle to be towed under the State; and

WHEREAS, the use of City resources to identify and impound the vehicle, collect payment and arrange for vehicle release is costly; and

WHEREAS, PayLock, Inc. provides 24x7 customer service to facilitate vehicle release in a manner that is more customer friendly than the current tow release procedures followed by the City; and

WHEREAS, PayLock, Inc will provide a vehicle equipped with a camera and computer which will automatically read and rapidly compare the license plates of parked cars with license plates tracked in the City's scofflaw database allowing the City to implement a vehicle immobilization program; and

WHEREAS, the program will be operated at no cost to the City.

NOW THEREFORE, BE IT RESOLVED that the Council of the City of Berkeley authorizes the City Manager to enter into a contract with PayLock, Inc. to operate a vehicle immobilizer ("boot") program within the City of Berkeley, for the period January 1, 2011 to November 30, 2014 at no cost to the City (CMS No. L7D81).

The foregoing Resolution was adopted by the Berkeley City Council on February 8, 2011 by the following vote:


Noes: None.

Absent: None.

Attest: Tom Bates, Mayor

Deanna Despain, CMC, City Clerk
Business information (all information must be completed)

Business Name IPT LLC Year Est. 2006 No. of Employees 44
Name (as shown on your Income tax return) IPT LLC
Check Payable to Name: IPT LLC
Street Address 205 WEST MAIN STREET, STE 402 City SOMERVILLE St NJ Zip 08876
Remit-to Address 205 WEST MAIN ST, STE 402 City SOMERVILLE St NJ Zip 08876
Contact Person(s) CECILIA STERN Phone(s) 908-595-6900 Fax 908-575-8811
Email Address accounting@paylock.com CA State Sales Permit No. 
Federal Tax I.D. No. 20-5633672 or Social Security No. 
State Tax I.D. No. City of Berkeley Business License No. 11 00049556
Prompt Payment Discount % Number of Days Net Days 
[ ] Please check if business is qualified for the City’s “Buy Berkeley” local bidding preference (5% below $25K on goods and non professional services. The business has a fixed office or distribution point within the City and a City Business License.)

Important: Indicate on the following pages those products and supplies the firm wishes to supply to the City.

Company Ownership

[ ] Individual/Sole Proprietor [X] L.L.C [ ] Corporation [ ] S Corp. [ ] Partnership
[ ] Other (specify) ____________________________________________

Certification: Under penalties of perjury, I certify that the taxpayer identification number(s) all other information provided herein are correct

JOSIAH JOHNSON, CEO

Name (print)
Signature of Company Officer Date 7/15/2011 908-595-6900 Phone

PLEASE NOTE: IF THERE IS NO BUSINESS CONDUCTED DURING ONE YEAR YOUR ACCOUNT WILL BE INACTIVATED.
## 996 PRINTING, PUBLISHING, SILK SCREENING PRODUCTION
- 096 07 - Business cards
- 096 12 - Forms, printed all kinds
- 096 13 - Check printing
- 096 18 - Copying services, repro
- 096 19 - Copying services, repro
- 096 18 - Continuous forms
- 096 22 - Decal printing
- 096 36 - Forms printing
- 096 80 - Offset printing (four color)
- 096 73 - Publications printed on newspaper
- 096 84 - Silk screen printing

## 998 PUBLIC WORKS, CONSTRUCTION & RELATED SERVICES
- 098 08 - Airport roadway construction
- 098 06 - Airport taxiway construction
- 098 10 - Airport runway construction
- 098 17 - Athletic facility construction
- 098 18 - Bridge construction
- 098 19 - Bridge reconstruction, rehabilitation
- 098 20 - Building construction
- 098 27 - Culvert construction, pipe
- 098 28 - Curb & gutter construction
- 098 35 - Electric utility trench & excavation
- 098 39 - Excavating & tunneling
- 098 40 - Foundry services
- 098 42 - General construction
- 098 43 - Golf course construction, maintenance & repair
- 098 47 - Inspection services, construction type
- 098 51 - Lighting, street, construction & repair
- 098 54 - Major streets, new construction
- 098 59 - New street construction & repair (not major)
- 098 61 - Painting (bridges, etc.) & pavement marking
- 098 62 - Parking lot construction
- 098 65 - Pipe line construction & repair (removal & relocate)
- 098 66 - Residential street resurfacing/paving
- 098 69 - Sewer & storm drain construction
- 098 70 - Sidewalk & driveway construction
- 098 77 - Surveying (not aerial or research)
- 098 78 - Tank removal, disposal & related services
- 098 80 - Traffic sign installation
- 098 82 - Traffic signal installation
- 098 83 - Tree & shrub removal
- 098 90 - Vehicle towing & storage
- 098 98 - Water system, mains & service line construction

## 971 REAL PROPERTY, RENTAL OR LEASE
- 071 05 - Booth, convention, exhibit rental
- 071 08 - Building, fabricated, rental or lease
- 071 35 - Land, rental or lease
- 071 45 - Office space
- 071 65 - Room rental for conferences, seminars, etc.
- 071 70 - Storage space rental

## 975 RENTAL OR LEASE SERVICES OF EQUIPMENT
- 075 06 - Agricultural implements & accessories
- 075 12 - Asphalt equipment & accessories
- 075 14 - Automobiles, trailers, trucks, vans
- 075 24 - Construction equipment (not otherwise classified)
- 075 25 - Cranes
- 075 29 - Concrete equipment & accessories
- 075 34 - Earthmoving equipment (grazers, dozers, loaders)
- 075 39 - Hydraulic tools & equipment
- 075 54 - Pneumatic tools & equipment
- 075 66 - Road & highway equipment, not otherwise classified
- 075 86 - Trucks & vans

## 977 RENTAL OR LEASE SERVICE OF EQUIPMENT - APPLIANCES
- 077 73 - Toilets, portable

## 979 RENTAL OR LEASE SERVICES OF EQUIPMENT - ENGINEERING
- 079 36 - Electrical supplies
- 079 81 - Testing & training apparatus, instruments

## 981 RENTAL OR LEASE EQUIPMENT - GENERAL EQUIPMENT
- 081 36 - Forms, printed all kinds

## 983 RENTAL OR LEASE SERVICES OF EQUIPMENT - JANITORIAL
- 083 47 - Intercom & other sound equipment

## 985 RENTAL OR LEASE SERVICES OF EQUIPMENT - OFFICE
- 085 44 - Office machines, equipment & accessories
- 085 59 - Office machines, equipment & accessories

## 988 ROADSIDE, GROUNDS & PARK AREA SERVICES
- 088 52 - Landscaping
- 088 83 - Park area construction, renovation

## 990 SECURITY, FIRE, SAFETY & EMERGENCY SERVICE
- 090 10 - Armored car services
- 090 49 - Guard & security services
- 090 70 - Polygraph services
- 090 77 - Safety training & awareness (highway safety)
Request for Taxpayer Identification Number and Certification

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see How to get a TIN on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see How to get a TIN on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and

2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest and dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and

3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out Item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, Item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an Individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

• An individual who is a citizen or resident of the United States,

• A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or

• Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

• The U.S. owner of a disregarded entity and not the entity,
City of Berkeley
Finance Department – General Services Division

Vendor Information Application

PLEASE TYPE OR PRINT CLEARLY IN INK

Business information (all information must be completed)

Business Name: IPT LLC
Year Est.: 2006
No. of Employees: 44

Name (as shown on your Income tax return): IPT LLC

Check Payable to Name: IPT LLC

Street Address: 205 WEST MAIN STREET, STE 402
City: SOMERVILLE
St: NJ
Zip: 08876

Remit-to Address: 205 WEST MAIN ST, STE 402
City: SOMERVILLE
St: NJ
Zip: 08876

Contact Person(s): CECILIA STERN
Phone(s): 908-595-6900
Fax: 908-575-8811

Email Address: accounting@paylock.com

Federal Tax I.D. No.: 20-5633672
CA State Sales Permit No.: ____________

State Tax I.D. No.: ____________
City of Berkeley Business License No.: 11 00049556

Prompt Payment Discount %
Number of Days Net Days

[ ] Please check if business is qualified for the City’s “Buy Berkeley” local bidding preference (5% below $25K on goods and non professional services. The business has a fixed office or distribution point within the City and a City Business License.)

Important: Indicate on the following pages those products and supplies the firm wishes to supply to the City.

Company Ownership

[ ] Individual/Sole Proprietor
[ ] L.L.C
[ ] Corporation
[ ] S Corp.
[ ] Partnership
[ ] Other (specify)

Certification: Under penalties of perjury, I certify that the taxpayer identification number(s) all other information provided herein are correct

JOSIAH JOHNSON, CEO

Name (print)

Signature of Company Officer

Date 908-595-6900

PLEASE NOTE: IF THERE IS NO BUSINESS CONDUCTED DURING ONE YEAR YOUR ACCOUNT WILL BE INACTIVATED.
<table>
<thead>
<tr>
<th>986 SALE OF SURPLUS &amp; OBSOLETE ITEMS</th>
</tr>
</thead>
<tbody>
<tr>
<td>998 00 – Ammunition, explosives &amp; weapons</td>
</tr>
<tr>
<td>998 30 – Confiscated &amp; personal merchandise</td>
</tr>
<tr>
<td>998 37 – Electrical supplies</td>
</tr>
<tr>
<td>998 42 – Fire &amp; police equipment (not otherwise classified)</td>
</tr>
<tr>
<td>998 49 – Garbage &amp; refuse containers</td>
</tr>
<tr>
<td>998 69 – Metals, scrap</td>
</tr>
<tr>
<td>998 69 – Metals, precious</td>
</tr>
<tr>
<td>998 74 – Oils, waste</td>
</tr>
<tr>
<td>998 80 – Public utility equipment</td>
</tr>
<tr>
<td>998 85 – Recyclable materials</td>
</tr>
<tr>
<td>998 93 – Tires &amp; tubes</td>
</tr>
<tr>
<td>998 94 – Vehicles, including autos, trucks &amp; trailers</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Other services not specifically listed:</th>
</tr>
</thead>
<tbody>
<tr>
<td>vehicle immobilization</td>
</tr>
<tr>
<td>parking ticket</td>
</tr>
<tr>
<td>collections</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>986 PRINTING, PUBLISHING, SILK SCREENING PRODUCTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>996 07 – Business cards</td>
</tr>
<tr>
<td>996 12 – Forms, printed all kinds</td>
</tr>
<tr>
<td>996 13 – Check printing</td>
</tr>
<tr>
<td>996 18 – Copying services, repro</td>
</tr>
<tr>
<td>996 16 – Continuous forms</td>
</tr>
<tr>
<td>996 22 – Decal printing</td>
</tr>
<tr>
<td>996 36 – Forms printing</td>
</tr>
<tr>
<td>996 60 – Offset printing (four color)</td>
</tr>
<tr>
<td>996 73 – Publications printed on newsprint</td>
</tr>
<tr>
<td>996 84 – Silk screen printing</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>986 PUBLIC WORKS, CONSTRUCTION &amp; RELATED SERVICES</th>
</tr>
</thead>
<tbody>
<tr>
<td>986 06 – Airport roadway construction</td>
</tr>
<tr>
<td>986 08 – Airport taxiway construction</td>
</tr>
<tr>
<td>986 10 – Airport runway construction</td>
</tr>
<tr>
<td>986 17 – Athletic facility construction</td>
</tr>
<tr>
<td>986 18 – Bridge construction</td>
</tr>
<tr>
<td>986 19 – Bridge reconstruction, rehabilitation</td>
</tr>
<tr>
<td>986 20 – Building construction</td>
</tr>
<tr>
<td>986 27 – Culvert construction, pipe</td>
</tr>
<tr>
<td>986 28 – Curb &amp; gutter construction</td>
</tr>
<tr>
<td>986 32 – Demolition</td>
</tr>
<tr>
<td>986 36 – Electric utility trench &amp; excavation</td>
</tr>
<tr>
<td>986 39 – Excavating &amp; tunneling</td>
</tr>
<tr>
<td>986 40 – Foundry services</td>
</tr>
<tr>
<td>986 42 – General construction</td>
</tr>
<tr>
<td>986 43 – Golf course construction, maintenance &amp; repair</td>
</tr>
<tr>
<td>986 47 – Inspection services, construction type</td>
</tr>
<tr>
<td>986 51 – Lighting, street, construction &amp; repair</td>
</tr>
<tr>
<td>986 52 – Major streets, intersection improvement</td>
</tr>
<tr>
<td>986 53 – Major streets, intermittent resurfacing</td>
</tr>
<tr>
<td>986 54 – Major streets, new construction</td>
</tr>
<tr>
<td>986 59 – New street construction &amp; repair (not major)</td>
</tr>
<tr>
<td>986 61 – Painting (bridges, etc.) &amp; pavement marking</td>
</tr>
<tr>
<td>986 62 – Parking lot construction</td>
</tr>
<tr>
<td>986 65 – Pipe line construction &amp; repair (removal &amp; relocate)</td>
</tr>
<tr>
<td>986 66 – Residential street resurfacing (paving)</td>
</tr>
<tr>
<td>986 66 – Sewer &amp; storm drain construction</td>
</tr>
<tr>
<td>986 70 – Sidewalk &amp; driveway construction</td>
</tr>
<tr>
<td>986 77 – Surveying (not aerial or research)</td>
</tr>
<tr>
<td>986 78 – Tank removal, disposal &amp; related services</td>
</tr>
<tr>
<td>986 80 – Traffic sign installation</td>
</tr>
<tr>
<td>986 82 – Traffic signal installation</td>
</tr>
<tr>
<td>986 86 – Tree &amp; shrub removal</td>
</tr>
<tr>
<td>986 90 – Vehicle towing &amp; storage</td>
</tr>
<tr>
<td>986 96 – Water system, mains &amp; service line construction</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>971 REAL PROPERTY, RENTAL OR LEASE</th>
</tr>
</thead>
<tbody>
<tr>
<td>971 05 – Booth, convention, exhibit rental</td>
</tr>
<tr>
<td>971 08 – Building, fabricated, rental or lease</td>
</tr>
<tr>
<td>971 35 – Land, rental or lease</td>
</tr>
<tr>
<td>971 45 – Office space</td>
</tr>
<tr>
<td>971 65 – Room rental for conferences, seminars, etc.</td>
</tr>
<tr>
<td>971 70 – Storage space rental</td>
</tr>
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<table>
<thead>
<tr>
<th>976 RENTAL OR LEASE SERVICES OF EQUIPMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>976 06 – Agricultural implements &amp; accessories</td>
</tr>
<tr>
<td>976 13 – Asphalt equipment &amp; accessories</td>
</tr>
<tr>
<td>976 14 – Automobiles, trailers, trucks, vans</td>
</tr>
<tr>
<td>976 24 – Construction equipment (not otherwise classified)</td>
</tr>
<tr>
<td>976 26 – Cranes</td>
</tr>
<tr>
<td>976 29 – Concrete equipment &amp; accessories</td>
</tr>
<tr>
<td>976 34 – Earthmoving equipment (grazers, dozers, loaders)</td>
</tr>
<tr>
<td>976 39 – Hydraulic tools &amp; equipment</td>
</tr>
<tr>
<td>976 54 – Pneumatic tools &amp; equipment</td>
</tr>
<tr>
<td>976 66 – Road &amp; highway equipment, not otherwise classified</td>
</tr>
<tr>
<td>976 66 – Trucks &amp; vans</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>977 RENTAL OR LEASE SERVICE OF EQUIPMENT – APPLIANCES</th>
</tr>
</thead>
<tbody>
<tr>
<td>977 73 – Toilets, portable</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>979 RENTAL OR LEASE SERVICES OF EQUIPMENT – ENGINEERING</th>
</tr>
</thead>
<tbody>
<tr>
<td>979 35 – Engineering equipment &amp; supplies</td>
</tr>
<tr>
<td>979 61 – Testing &amp; training apparatus, instruments</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>981 RENTAL OR LEASE OF EQUIPMENT – GENERAL EQUIPMENT</th>
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<tr>
<td>981 26 – Fencing</td>
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<table>
<thead>
<tr>
<th>983 RENTAL OR LEASE SERVICES OF EQUIPMENT – JANITORIAL</th>
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</table>

<table>
<thead>
<tr>
<th>985 RENTAL OR LEASE SERVICES OF EQUIPMENT – OFFICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>985 26 – Copy machines</td>
</tr>
<tr>
<td>985 47 – Intercom &amp; other sound equipment</td>
</tr>
<tr>
<td>985 65 – Microfiche/microfilm equipment &amp; accessories</td>
</tr>
<tr>
<td>985 59 – Office machines, equipment &amp; accessories</td>
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</table>

<table>
<thead>
<tr>
<th>988 ROADSIDE, GROUNDS &amp; PARK AREA SERVICES</th>
</tr>
</thead>
<tbody>
<tr>
<td>988 15 – Fence installation &amp; repair</td>
</tr>
<tr>
<td>988 20 – Fire break services</td>
</tr>
<tr>
<td>988 52 – Landscaping</td>
</tr>
<tr>
<td>988 63 – Park area construction, renovation</td>
</tr>
<tr>
<td>988 72 – Pest control (other than buildings)</td>
</tr>
<tr>
<td>988 83 – Swimming pool construction, repair &amp; renovation</td>
</tr>
<tr>
<td>988 89 – Tree trimming &amp; pruning</td>
</tr>
<tr>
<td>988 99 – Weed &amp; vegetation control</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>990 SECURITY, FIRE, SAFETY &amp; EMERGENCY SERVICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>990 05 – Alarm services</td>
</tr>
<tr>
<td>990 10 – Armored car services</td>
</tr>
<tr>
<td>990 46 – Guard &amp; security services</td>
</tr>
<tr>
<td>990 67 – Patrol services</td>
</tr>
<tr>
<td>990 70 – Polygraph services</td>
</tr>
<tr>
<td>990 77 – Safety training &amp; awareness (highway safety)</td>
</tr>
</tbody>
</table>
Form W-9
Request for Taxpayer Identification Number and Certification

Name (as shown on your income tax return)

IPT LLC

Business name, if different from above

Check appropriate box: □ Individual/ Sole proprietor □ Corporation □ Partnership □ Other

Exempt from backup withholding

LLC

Address (number, street, and apt. or suite no.)

205 WEST MAIN STREET, SUITE 402

City, state, and ZIP code

SOMERVILLE, NJ 08876

List account number(s) here (optional)

Part I
Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I Instructions page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see How to get a TIN on page 3.

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II
Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and

2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and

3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),

2. Certify that you are not subject to backup withholding, or

3. Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

• An individual who is a citizen or resident of the United States,

• A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or

• Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

• The U.S. owner of a disregarded entity and not the entity,
**Acord Certificate of Liability Insurance**

**Producer:** Parker, Remsen & Sullivan  
317 Cleveland Avenue  
P.O. Box 4449  
Highland Park, NJ 08904

**Insured:** IPT, LLC  
205 W Main Street  
Somerville, NJ 08876

**Date (MM/DD/YYYY):** 07/15/2011

**Inurers Affording Coverage:**
- **Insurer A:** Netherlands Ins. Co. 24171  
- **Insurer B:** Peerless Indemnity Ins. Co. 18333  
- **Insurer C:** Excelsior Ins. Co 11045  
- **Insurer D:** Zurich

**Coverages:**

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<tr>
<th>Insr. Addr.</th>
<th>Type of Insurance</th>
<th>Policy Number</th>
<th>Policy Effective Date (MM/DD/YYYY)</th>
<th>Policy Expiration Date (MM/DD/YYYY)</th>
<th>Limits</th>
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<tbody>
<tr>
<td><strong>A</strong></td>
<td>General Liability</td>
<td>CBP8813648</td>
<td>01/01/2011</td>
<td>01/01/2012</td>
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<tr>
<td></td>
<td>COMMERCIAL GENERAL LIABILITY CLAIMS MADE</td>
<td></td>
<td>EACH OCCURRENCE</td>
<td>$1,000,000</td>
<td></td>
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<tr>
<td></td>
<td>EMPLOYEE BENEFITS</td>
<td></td>
<td>DAMAGE TO RENTED PREMISES (EA OCCURRENCE)</td>
<td>$100,000</td>
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<tr>
<td></td>
<td>GENERAL AGGREGATE</td>
<td></td>
<td>MED EXP (Any one person)</td>
<td>$5,000</td>
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<tr>
<td></td>
<td>DED $1,000 NO RETRO</td>
<td></td>
<td>PERSONAL &amp; ADV INJURY</td>
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<td></td>
<td>PRODUCTS - COMPANY AGG</td>
<td></td>
<td>GENERAL AGGREGATE</td>
<td>$2,000,000</td>
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<tr>
<td></td>
<td>LOC</td>
<td></td>
<td>PRODUCTS - COMPANY AGG</td>
<td>$2,000,000</td>
<td></td>
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<td><strong>B</strong></td>
<td>Automobile Liability</td>
<td>BA8824302</td>
<td>01/01/2011</td>
<td>01/01/2012</td>
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<td></td>
<td>ANY AUTO</td>
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<td>COMBINED SINGLE LIMIT (EA accident)</td>
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<td>ALL OWNED AUTOS</td>
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<td>BODILY INJURY (Per person)</td>
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<tr>
<td></td>
<td>SCHEDULED AUTOS</td>
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<td>BODILY INJURY (Per accident)</td>
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<tr>
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<td>HIRED AUTOS</td>
<td></td>
<td>PROPERTY DAMAGE (Per accident)</td>
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<td></td>
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<tr>
<td></td>
<td>NON-OWNED AUTOS</td>
<td></td>
<td>AUTO ONLY - EA ACC</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td><strong>C</strong></td>
<td>Excess/Umbrella Liability</td>
<td>CU8824802</td>
<td>01/01/2011</td>
<td>01/01/2012</td>
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<tr>
<td></td>
<td>OCCUR</td>
<td></td>
<td>EACH OCCURRENCE</td>
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<td>CLAIMS MADE</td>
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<td>AGGREGATE</td>
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<td>DEDUCTIBLE</td>
<td></td>
<td>$</td>
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<td></td>
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<tr>
<td></td>
<td>RETENTION</td>
<td></td>
<td>$</td>
<td></td>
<td></td>
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<tr>
<td><strong>D</strong></td>
<td>Crime Coverage - Employee Dishonesty</td>
<td>CBP992090</td>
<td>01/01/2011</td>
<td>01/01/2012</td>
<td>Limit $250,000 Ded $1,000</td>
</tr>
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</table>

**Description of Operations/locations/Vehicles/Exclusions Added by Endorsement/Special Provisions:**
- Professional Liability - Zurich Insurance Company # ECK9864929-04 03/10/10-11 $1,000,000 Per claim
- $2,000,000 Aggregate - $25,000 Ded. - Claims Made Form.Retro Date - 3/1/2007

The City of Berkeley and its directors, officers, representatives, employees, consultants, subconsultants and agents are hereby named as Additional Insured as respects written contract # L78817 with the named insured. Waiver of subrogation is included as to each named and Additional Insured.

**Certificate Holder Cancellation:**

Should any of the above described policies be cancelled before the expiration date thereof, the issuing insurer will endeavor to mail ____ days written notice to the certificate holder named to the left, but failure to do so shall impose no obligation or liability of any kind upon the insurer, its agents or representatives.

**Authorized Representative:** Kathleen Walsh/KWI

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IMPORTANT

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

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).

DISCLAIMER

This Certificate of Insurance does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.
Why We Are Using the Latest ACORD 25 Certificate of Insurance

In September 2009, ACORD revised the ACORD 25 Certificate of Insurance form. One of the major changes was the removal of the cancellation notice provision. For the following reasons, we are unable to issue an older edition of this form, modify the current form, or complete a proprietary form you provide:

- **ACORD certificate forms must be filed and approved for use in our state.** When a new form is approved, prior versions can no longer be used. Therefore, it is illegal for us to issue anything other than the currently approved ACORD form.

- Notice of cancellation is a policy right, not an unregulated service. No insurer shown on this certificate is able to provide the cancellation notice you desire by endorsement. For example, the insured can cancel immediately, so it would be impossible for the insurer to give you the notice you request. State law also grants the insurer the right to cancel for reasons such as nonpayment with less notice than you require.

- For the reason just cited, if our agency was to issue a certificate that provides the cancellation notice you request, we would do so with the full knowledge that it would be impossible to actually give that amount of notice under certain circumstances. As such, the certificate could be alleged to constitute a misrepresentation or fraud which could subject our agency and staff to serious civil and criminal penalties.

- If a certificate purports to provide a policy right different from that provided by the policy itself, then the certificate effectively purports to be a policy form. Policy forms must be filed and approved by our state department of insurance. Use of nonfiled policy forms is illegal and could result in legal sanctions distinct from the assertion that the certificate is fraudulent.

- Under the ACORD Corporation's licensing agreement, the prior editions of superseded forms can be used for one year from the time the new forms are introduced. Beginning in September 2010, this is another reason we cannot use an older edition of the ACORD 25. Doing so would violate ACORD's licensing agreement and, as a copyrighted document, federal copyright law.

- Likewise, we are unable to modify the new certificate to add a notice of cancellation. ACORD forms are designed to be completed, not altered. ACORD's Forms Instruction Guide says that a certificate should not be used "To waive rights...To quote wording from a contract...To quote any wording which amends a policy unless the policy itself has been amended." Also, since our state requires ACORD forms to be filed, any alteration to a filed form would require its refiling. In addition, our insurance company contracts only allow us to issue unaltered ACORD forms.

- We are often asked to issue proprietary certificates provided by the certificate requestor. Again, our insurance company contracts only allow us to issue unaltered ACORD forms. In addition, our state requires the filing of all certificates of insurance and has very specific regulatory guidelines on certificate language. Many proprietary certificates include broad, vague or ambiguous language that may or may not be in compliance with state laws, regulations, and insurance department directives. Therefore, we cannot issue any proprietary certificates that have not been reviewed by our state insurance department.

We appreciate your understanding of the legal restrictions on our ability to fully comply with your request.
To assist the City of Berkeley in implementing its Non-Discrimination policy, you're requested to furnish information regarding your personnel, as indicated below, and return this form to the City Department handling your contract.

**ORGANIZATION** IPT LLC

**ADDRESS** 205 WEST MAIN STREET, STE 402, SOMERVILLE, NJ 08876

**BUSINESS LICENSE #** 11 00049556

You may complete this online & make entries in these cells, they will be automatically totaled at the bottom; or print the form & complete by hand/typewriter.

<table>
<thead>
<tr>
<th>Occupational Category</th>
<th>ALL EMPLOYEES</th>
<th>WHITE</th>
<th>BLACK</th>
<th>ASIAN</th>
<th>HISPANIC</th>
<th>OTHER (specify)**</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>Male</td>
<td>Female</td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>Officials/Administrators</td>
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<td>3</td>
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<td>2</td>
<td>1</td>
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<tr>
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<tr>
<td>Technicians</td>
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<tr>
<td>Protective Service Workers</td>
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<tr>
<td>Para-professionals</td>
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<tr>
<td>Skilled Craft Workers</td>
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<td>14</td>
<td>1</td>
<td>2</td>
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<td>9</td>
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<td>Service/Maintenance</td>
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<tr>
<td>Other Occupation: Specify*</td>
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<td></td>
<td></td>
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</tbody>
</table>

**Totals**

<table>
<thead>
<tr>
<th>ALL EMPLOYEES</th>
<th>WHITE</th>
<th>BLACK</th>
<th>ASIAN</th>
<th>HISPANIC</th>
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<tbody>
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<td>Male</td>
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<td>Male</td>
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</tr>
<tr>
<td>24</td>
<td>20</td>
<td>11</td>
<td>3</td>
<td>10</td>
</tr>
</tbody>
</table>

*Specify other occupation:

**Specify other ethnicity:

Is your business MBE/WBE/DBE certified? **NO**

If Yes, by what agency?

If Yes, please specify: ______ or ethnic identification:

Date ______

Do you have a policy of non-discrimination? **YES**

Signature ____________________________ Date 7/15/2011

Print/Type Name of Signer: JOSIAH JOHNSON, CEO

Verified by ____________________________ Date ____________________________

City of Berkeley Contract Administrator

23352
CITY OF BERKELEY

Living Wage Certification for Providers of Personal Services

TO BE COMPLETED BY ALL PERSONS OR ENTITIES ENGAGING IN A CONTRACT FOR PERSONAL SERVICES WITH THE CITY OF BERKELEY.

The Berkeley Municipal Code Chapter 13.27, Berkeley's Living Wage Ordinance (LWO), provides that contractors who engage in a specified amount of business with the City (except where specifically exempted) under contracts which furnish services to or for the City in any twelve (12) month period of time shall comply with all provisions of this Ordinance. The LWO requires a City contractor to provide City mandated minimum compensation to all eligible employees, as defined in the Ordinance. In order to determine whether this contract is subject to the terms of the LWO, please respond to the questions below. Please note that the LWO applies to those contracts where the contractor has achieved a cumulative dollar contracting amount with the City. Therefore, even if the LWO is inapplicable to this contract, subsequent contracts may be subject to compliance with the LWO. Furthermore, the contract may become subject to the LWO if the status of the Contractor’s employees change (i.e. additional employees are hired) so that Contractor falls within the scope of the Ordinance.

Section I.

1. IF YOU ARE A FOR-PROFIT BUSINESS, PLEASE ANSWER THE FOLLOWING QUESTIONS

a. During the previous twelve (12) months, have you entered into contracts, including the present contract, bid, or proposal, with the City of Berkeley for a cumulative amount of $25,000.00 or more?
   YES X   NO ___

   If no, this contract is NOT subject to the requirements of the LWO, and you may continue to Section II. If yes, please continue to question 1(b).

b. Do you have six (6) or more employees, including part-time and stipend workers?
   YES X   NO ___

   If you have answered, “YES” to questions 1(a) and 1(b) this contract IS subject to the LWO. If you responded “NO” to 1(b) this contract IS NOT subject to the LWO. Please continue to Section II.

2. IF YOU ARE A NON-PROFIT BUSINESS, AS DEFINED BY SECTION 501(C) OF THE INTERNAL REVENUE CODE OF 1954, PLEASE ANSWER THE FOLLOWING QUESTIONS.

a. During the previous twelve (12) months, have you entered into contracts, including the present contract, bid or proposal, with the City of Berkeley for a cumulative amount of $100,000.00 or more?
   YES ___   NO ___

   If no, this Contract is NOT subject to the requirements of the LWO, and you may continue to Section II. If yes, please continue to question 2(b).

b. Do you have six (6) or more employees, including part-time and stipend workers?
   YES ___   NO ___

   If you have answered, “YES” to questions 2(a) and 2(b) this contract IS subject to the LWO. If you responded “NO” to 2(b) this contract IS NOT subject to the LWO. Please continue to Section II.

Section II

Please read, complete, and sign the following:

THIS CONTRACT IS SUBJECT TO THE LIVING WAGE ORDINANCE. X

THIS CONTRACT IS NOT SUBJECT TO THE LIVING WAGE ORDINANCE. □
The undersigned, on behalf of himself or herself individually and on behalf of his or her business or organization, hereby certifies that he or she is fully aware of Berkeley's Living Wage Ordinance, and the applicability of the Living Wage Ordinance, and the applicability of the subject contract, as determined herein. The undersigned further agrees to be bound by all of the terms of the Living Wage Ordinance, as mandated in the Berkeley Municipal Code, Chapter 13.27. If, at any time during the term of the contract, the answers to the questions posed herein change so that Contractor would be subject to the LWO, Contractor will promptly notify the City Manager in writing. Contractor further understands and agrees that the failure to comply with the LWO, this certification, or the terms of the Contract as it applies to the LWO, shall constitute a default of the Contract and the City Manager may terminate the contract and bar Contractor from future contracts with the City for five (5) years from the effective date of the Contract termination. If the contractor is a for-profit business and the LWO is applicable to this contract, the contractor must pay a living wage to all employees who spend 25% or more or their compensated time engaged in work directly related to the contract with the City. If the contractor is a non-profit business and the LWO is applicable to this contract, the contractor must pay a living wage to all employees who spend 50% or more of their compensated time engaged in work directly related to the contract with the City.

These statements are made under penalty of perjury under the laws of the state of California.

Printed Name: JOSEPH JOHNSON
Title: CEO
Signature:  7/15/2011
Business Entity: IPT LLC
Contract Description/Specification No:

Section III

** FOR ADMINISTRATIVE USE ONLY – PLEASE PRINT CLEARLY **

I have reviewed this Living Wage Certification form, in addition to verifying Contractor's total dollar amount contract commitments with the City in the past twelve (12) months, and determined that this Contract IS / IS NOT (circle one) subject to Berkeley's Living Wage Ordinance.

Department Name
Department Representative
CITY OF BERKELEY

Oppressive States Compliance Statement for Personal Services

The undersigned, an authorized agent of IPT LLC (hereafter "Vendor"), has had an opportunity to review the requirements of Berkeley City Council Resolution No. 59,853-N.S. (hereafter "Resolution"). Vendor understands and agrees that the City may choose with whom it will maintain business relations and may refrain from contracting with those Business Entities which maintain business relationships with morally repugnant regimes. Vendor understands the meaning of the following terms used in the Resolution:

"Business Entity" means "any individual, firm, partnership, corporation, association or any other commercial organization, including parent-entities and wholly-owned subsidiaries" (to the extent that their operations are related to the purpose of the contract with the City).

"Oppressive State" means: Tibet Autonomous Region and the Provinces of Ado, Kham, and U-Tsang.

"Personal Services" means "the performance of any work or labor and shall also include acting as an independent contractor or providing any consulting advice or assistance, or otherwise acting as an agent pursuant to a contractual relationship."

Contractor understands that it is not eligible to receive or retain a City contract if at the time the contract is executed, or at any time during the term of the contract it provides Personal Services to:

a. The governing regime in any Oppressive State.
b. Any business or corporation organized under the authority of the governing regime of any Oppressive State.
c. Any person for the express purpose of assisting in business operations or trading with any public or private entity located in any Oppressive State.

Vendor further understands and agrees that Vendor's failure to comply with the Resolution shall constitute a default of the contract and the City Manager may terminate the contract and bar Vendor from bidding on future contracts with the City for five (5) years from the effective date of the contract termination.

The undersigned is familiar with, or has made a reasonable effort to become familiar with, Vendor's business structure and the geographic extent of its operations. By executing the Statement, Vendor certifies that it complies with the requirements of the Resolution and that if any time during the term of the contract it ceases to comply, Vendor will promptly notify the City Manager in writing.

Based on the foregoing, the undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Printed Name: JOSEPH JOHNSON Title: CEO

Signature: ___________________________ Date: 7/15/2011

Business Entity: IPT LLC

I am unable to execute this Statement; however, Vendor is exempt under Section VII of the Resolution. I have attached a separate statement explaining the reason(s) Vendor cannot comply and the basis for any requested exemption.

Signature: ___________________________ Date: ___________________________

Contract Description/Specification No.: ___________________________________________

Attachment D
CITY OF BERKELEY
Nuclear Free Zone Disclosure Form

I (we) certify that:

1. I am (we are) fully cognizant of any and all contracts held, products made or otherwise handled by this business entity, and of any such that are anticipated to be entered into, produced or handled for the duration of its contract(s) with the City of Berkeley. (To this end, more than one individual may sign this disclosure form, if a description of which type of contracts each individual is cognizant is attached.)

2. I (we) understand that Section 12.90.070 of the Nuclear Free Berkeley Act (Berkeley Municipal Code Ch. 12.90; Ordinance No. 5784-N.S.) prohibits the City of Berkeley from contracting with any person or business that knowingly engages in work for nuclear weapons.

3. I (we) understand the meaning of the following terms as set forth in Berkeley Municipal Code Section 12.90.130:

"Work for nuclear weapons" is any work the purpose of which is the development, testing, production, maintenance or storage of nuclear weapons or the components of nuclear weapons; or any secret or classified research or evaluation of nuclear weapons; or any operation, management or administration of such work.

"Nuclear weapon" is any device, the intended explosion of which results from the energy released by reactions involving atomic nuclei, either fission or fusion or both. This definition of nuclear weapons includes the means of transporting, guiding, propelling or triggering the weapon if and only if such means is destroyed or rendered useless in the normal propelling, triggering, or detonation of the weapon.

"Component of a nuclear weapon" is any device, radioactive or non-radioactive, the primary intended function of which is to contribute to the operation of a nuclear weapon (or be a part of a nuclear weapon).

4. Neither this business entity nor its parent nor any of its subsidiaries engages in work for nuclear weapons or anticipates entering into such work for the duration of its contract(s) with the City of Berkeley.

Based on the foregoing, the undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Printed Name: JOSIAH JOHNSON Title: CEO
Signature: Date: 7/15/2011

Business Entity: IPT LLC

Contract Description/Specification No. Attachment C

23356 000610
CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY) 07/15/2011

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 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
Risk Transfer Programs, LLC
218 East Livingston Street
Orlando, FL 32801

CONTACT
NAME: PRODUCER
PHONE: 866-481-9383
FAX: 
EMAIL: 
ADDRESS:

INSURER(S) AFFORDING COVERAGE
INSURER A: Wesco Insurance Company
2501
INSURER B:
INSURER C:
INSURER D:
INSURER E:
INSURER F:

CERTIFICATE NUMBER: IXXUEZTF
REVISION NUMBER:

COVERAGES

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.

INDEX
DESCRIPTION OF OPERATIONS

LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Coverage is extended to the leased employees of alternate employer. (New Jersey Operations Only):
Project: Self-Release SmartBoot Vehicle Immobilization Services Contract#L7081, 205 W. Main St, Suite 402, Somerville, NJ 08876

If we cancel or non-renew this policy for any reason other than nonpayment of premium or at the request of or on behalf of the Named Insured, we agree that the individual person(s) or organization(s) listed will be notified prior to the effective date of the cancellation. A transfer of this policy from one insurance affiliate to another within the same insurance holding group shall not be deemed a cancellation, unless prohibited by law.

CERTIFICATE HOLDER

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

City of Berkeley
2/80 Milvia Street
Berkeley, CA 94704
CERTIFICATE OF REGISTRATION

I, DEBRA BOWEN, Secretary of State of the State of California, hereby certify:

That on the 22nd day of September, 2009, PAYLOCK IPT LLC, complied with the requirements of California law in effect on that date for the purpose of registering to transact intrastate business in the State of California; and further purports to be a limited liability company organized and existing under the laws of Delaware as IPT LLC and that as of said date said limited liability company became and now is duly registered and authorized to transact intrastate business in the State of California, subject, however, to any licensing requirements otherwise imposed by the laws of this State.

IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of September 23, 2009.

DEBRA BOWEN
Secretary of State
STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY
SHORT FORM STANDING

IPT LLC
Doing Business As
PAYLOCK IPT LLC
0600280948

With the Previous or Alternate Name

IPT LLC

I, the Treasurer of the State of New Jersey, do hereby certify that the above-named Delaware Foreign Limited Liability Company was registered by this office on October 3, 2006.

As of the date of this certificate, said business continues as an active business in good standing in the State of New Jersey, and its Annual Reports are current.

I further certify that the registered agent and registered office are:

Ipt Llc
205 West Main Street
4th Floor
Somerville, NJ 08876

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal at Trenton, this 21st day of April, 2010

State Treasurer

Certification# 116935661

Verify this certificate at https://www1.state.nj.us/TYTR_Standin_Cert/JSP/Verify_Cert.jsp
PEO with Handheld looks for Boot Eligible Vehicle

PEO locates Boot Eligible Vehicle using the Hotlist on their handheld

PEO provides Boater location, plate, state, make, model

Boater works (scans) their way to the location

Vehicle still there?

Shift Starts

Start vehicle, Laptop, MLPR, Check Boot Supply, etc

Scan for Scofflaw Vehicles

Boater locates a Boot Eligible Vehicle with LPR

Boater verifies Boot Eligibility as determined in the SOP

Boot Eligible? No

Yes

Install Boot on Vehicle

Complete Seizure Notice

Enter Boot Record into BootView

Yes