

PROFESSIONAL SERVICE CONTRACT TRANSMITTAL RECORD

APPROVED
OCT 03 2014

Insurance Requirement

ACCOUNTS PAYABLE WILL HOLD UP ALL CONTRACT PAYMENTS UNTIL ALL INSURANCE CERTIFICATES/POLICIES REQUIRED UNDER THE CONTRACT HAVE BEEN RECEIVED. CONTRACTORS SHOULD BE MADE AWARE OF THIS REQUIREMENT.

CONTRACT PO NUMBER 2896295
 STANDARD PO NUMBER
 CHANGE ORDER #
 REVISION
 REVISION

TYPE OF CONTRACT: (Check One) <input type="checkbox"/> CONSTRUCTION/DEMOLITION <input type="checkbox"/> LEASE <input type="checkbox"/> DEED <input checked="" type="checkbox"/> PROFESSIONAL SERVICES	DEPARTMENT HEAD'S SIGNATURE 	DEPARTMENT TRANSPORTATION
FUNDING SOURCE (Percent) FEDERAL 80% STATE 20% CITY % OTHER %	DEPARTMENT CONTACT PERSON SAMUEL ELMER	PHONE NO. 313-833-7715
CONTRACTOR'S NAME: SEON SYSTEM SALES, INC	DATE PREPARED 8/1/14	
CONTRACTOR'S ADDRESS: UNIT 111 3B BURBIDGE ST COQUITLAM, BC V3K 7B2	ENGINEER'S ESTIMATE <input type="checkbox"/> CONTRACT <input type="checkbox"/> CHANGE <input checked="" type="checkbox"/> TOTAL CONTRACT AMOUNT \$1,861,475.20 TOTAL CPO AMOUNT \$ CHANGE AMOUNT \$	
PHONE NO 877-630-7366	<input checked="" type="checkbox"/> CORPORATION <input type="checkbox"/> PARTNERSHIP <input type="checkbox"/> INDIVIDUAL	
FEDERAL EMPLOYER/SOCIAL SECURITY NUMBER: MINORITY FIRM <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO		
PURPOSE OF CONTRACT: PURCHASE AND INSTALLATION OF ON BOARD SECURITY CAMERAS CHARGE ACCOUNT: 5303-208427-000058-644100-10330-0000-Dot51		

6 AUG 14 10:28

APPROVER MUST ALSO MAKE APPROPRIATE NOTES IN ORACLE PURCHASE ORDER

TIME & DATE IN

	REQUESTING DEPARTMENT 	
8.12	BUDGET <input checked="" type="checkbox"/> RECOMMEND APPROVAL <input type="checkbox"/> RECOMMEND DENIAL	AUTHORIZED DEPARTMENT REPRESENTATIVE BUDGET DIRECTOR OR DEPUTY
	GRANT MANAGEMENT SECTION <input type="checkbox"/> RECOMMEND APPROVAL <input type="checkbox"/> RECOMMEND DENIAL	GRANT ACCOUNTANT CITY OF DETROIT FINANCE DEPARTMENT PURCHASING DIVISION
AUG 14 2014	FINANCE DEPARTMENT <input checked="" type="checkbox"/> RECOMMEND APPROVAL <input type="checkbox"/> RECOMMEND DENIAL	FINANCE DIRECTOR OR DEPUTY
	LAW DEPARTMENT <input checked="" type="checkbox"/> RECOMMEND APPROVAL <input type="checkbox"/> RECOMMEND DENIAL	CORPORATION COUNSEL
	PURCHASING DIVISION 	PURCHASING DIRECTOR

RECEIVED

AUG 15 2014

CITY OF DETROIT
CONTRACTS SECTION
LAW DEPARTMENT

CITY COUNCIL APPROVAL JCC REFERENCE: PAGE _____ DATE _____

Detroit City Council
Legislative Policy Division

TO: Purchasing Division Staff
FROM: David Teeter
DATE: September 30, 2014

RE: **PURCHASING ITEMS APPROVED BY THE CITY COUNCIL**

There were no contracts approved on September 23, 2014, that were Reconsidered

*The following contracts and purchase orders were reported to the City Council, by the Standing Committee, at the Regular Session of September 30, 2014 and **APPROVED.***

Reported by the Budget, Finance and Audit Committee:

2895777 Randy Lane \$170,000 FINANCE
Submitted in the List and Referred September 16, 2014; Approved with **WAIVER.**

Reported by the Internal Operations Committee:

2896596 CDW-G (Operating System for Microsoft) \$5,745,017 INFORM.TECH.SERV.
Walked on by Special Letter, Moved to New Business without Referring.

86991 Wesley N. Norris (Bid evaluations, Metric evaluations) \$46,624 FINANCE-Purch.
Walked on by Special Letter, Moved to New Business without Referring; Approved with **WAIVER.**

Reported by the Neighborhood and Community Services Committee:

No Contracts Reported and Approved

Reported by the Planning and Economic Development Committee:

No Contracts Reported and Approved

Purchasing Division
Contracts and Purchase Orders Received, Considered at Regular Session
of September 30, 2014

Page 2

*The following contracts and purchase orders were reported to the City Council, by the Standing Committee, at the Regular Session of September 30, 2014 and **APPROVED.***

Reported by the Public Health and Safety Committee:

2809078,Increase	New Flyer Industries	+ \$1,800,000 to \$8,400,000	TRANSPORTATION
	Submitted in the List and Referred September 16, 2014.		
2896295	Seon System Sales	\$1,861,475.20	TRANSPORTATION
	Submitted in the List and Referred September 16, 2014.		
2868174,Increase	Shrader Tire & Oil	+ \$500,000 to \$1,305,000	TRANSPORTATION
	Submitted in the List for Referral on Sept. 30, 2014; Moved to New Business.		

*The following contracts and purchase orders were reported to the City Council, at the Regular Session of September 2, 2014 by the Emergency Manager as **APPROVED.***

No Contracts Reported separately by Emergency Manager as Approved

Purchasing Division
Contracts and Purchase Orders Received, Considered at Regular Session
of September 30, 2014

Page 3

*The following contracts were **REFERRED** on September 30, 2014 to the indicated Standing Committee for consideration and report to the City Council.*

Referred to Budget, Finance and Audit Committee

2898197	Crystal Clear Images	CITY-WIDE
---------	----------------------	-----------

Referred to Internal Operations Committee

2897893	Munn Tractor & Lawn	GENERAL SERVICES
2897917	Detroit Salt Col	GENERAL SERVICES
2898282	Dan's Tree & Landscape	GENERAL SERVICES
2896736	Computech Corp.	INFORM.TECH.SERVICES
2896739	Futurenet Group	INFORM.TECH.SERVICES

Referred to Neighborhood and Community Services Committee

No Contracts Referred

Referred to Planning and Economic Development Committee

2887980	Detroit Windsor Dance Academy	PLAN. & DEVELOPMT.
---------	-------------------------------	--------------------

Referred to Public Health and Safety Committee

2896238	Ft. Wayne/Ajax Paving	PUBLIC WORKS
2897841	North American Salt Co.	PUBLIC WORKS
2897905	Detroit Salt Co.	PUBLIC WORKS
2898023	Jorgensen Ford	PUBLIC WORKS
2898400	MD Solutions	PUBLIC WORKS
2898443	Hercules & Hercules	PUBLIC WORKS
2893670	Birks Works Environmental	TRANSPORTATION
2897468	Electronic Data Magnetics	TRANSPORTATION

The following items have been HELD for review, discussion or report to the Standing Committee.

Held in the Internal Operations Committee

2897014,Emg.Prcmt.	J-Mac Tree and Debris	\$400,000	GENERAL SERVICE
Submitted in the List and Referred September 9, 2014; Union issues and concerns.			
2897312,Emg.Prcmt.	Tree Man Services	\$400,000	GENERAL SERVICE
Submitted in the List and Referred September 9, 2014; Union issues and concerns.			
2897313,Emg.Prcmt.	All Metro Tree Services	\$400,000	GENERAL SERVICE
Submitted in the List and Referred September 9, 2014; Union issues and concerns.			

Held in the Public Health and Safety Committee

2897659	Wright Tools	\$99,000	TRANSPORTATION
Submitted in the List and Referred September 23, 2014; ? if contract includes services.			

DEPARTMENT Transportation

CCR: _____

PURCHASE ORDER NO. 2896295

AGENDA DATE: _____

WAIVER: YES _____ NO _____

CONTRACT SYNOPSIS
(Purchase Order)

CONTRACTOR NAME: SEON SYSTEM SALES, INC

CONTRACTOR

ADDRESS: Unit 111 3B Burbidge St

Coquitlam, BC V3k 7B2

WHAT FORM OF
COMPETITION DID THE
DEPARTMENT ENGAGE
IN TO OBTAIN THIS
PROFESSIONAL SERVICE
CONTRACT:

Request For Proposal (RFP) # 47624

Request For Quotes (RFQ) # _____

Request For Qualifications (RFQQ) # _____

PROJECT: Purchase and installation of on-board surveillance cameras for 250 Coaches

TYPE OF FUNDING
AND %: Federal – 80% State – 20% City – %

CONTRACT AMOUNT: \$1,861,475.20

CONTRACT PERIOD: 8/1/2014 – 7/31/2015

ADVANCE PAYMENT: None

BRIEF DESCRIPTION: Purchase and installation of on-board bus surveillance system.

REASON FOR DELAY: None

City Council Contract Agenda Items Review Checklist

New Renewal Contract Increase Contract Extension Contract Amendment

Reviewer: S. Elmer

Date Received:

Date: March 17, 2014 Department: Transportation Division: Purchasing

Dept Head/Contact Person: Samuel Elmer Phone No.: 833-7715

Description: Purchase and installation of on-board surveillance system

Contract No.: 2896295 PO Type: BPO Est. Value: \$1,861,475.20

Contract Term (if applicable): August 1, 2014 to July 31, 2015

Funding: City % State 20% Federal 80% Other: _____ %

(Documentation must be furnished by the Dept. if anything other than City funding)

Recommended Supplier: SEON SYSTEM SALES, INC Required Date: 8/1/14

1. Is the product or service ESSENTIAL to department operations? Yes No

If "Yes" please explain why: The SEON surveillance system is essential to the ongoing safety of our transit passengers and coach operators.

Consequence of not buying: DDOT will no be able to secure the bus fleet and will not be able to successfully identify perpetrators of crimes.

2. Was the product or service competitively bid? Yes No
(Request copies of bid tabulation/evaluation score sheets as needed)

If the answer to #2 is "NO" explain why there was no competition:

3. Was a Co-Operative Agreement Considered? Yes No Co-Operative Name: _____

If answer to #3 is "No" explain why a Co-Op was not considered: FTA required that DDOT conduct its own competitive bid for this project.

4. Were savings achieved?

Yes Amount \$ _____ No

Were additional savings requested? (10%) Yes No

5. Does the supplier currently provide other goods and services to the City? Yes No

If yes please list: _____

6. The business being awarded is NEW CONTRACT

If #6 is a renewal provide justification for renewal: _____

If #6 is a increase/decrease does this represent:

Variance in unit price only (Current unit price \$ Suggest Unit Price \$)

Change in amount/volume of the good or service to be used (no change in unit price)

7. Is this good/service used by other departments? Yes No

If "yes" can this req/par be combined other department requirements.? Yes No

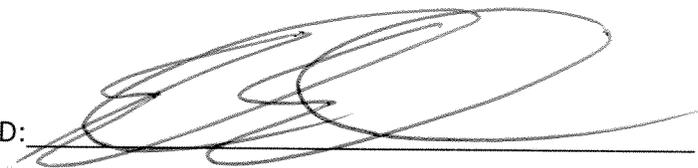
8. Is this a service that can be performed by City employees? Yes No

Is this a service that City employees can be trained to do? Yes No

NOTES:

PLACE ON CITY COUNCIL AGENDA

REJECT AND NOTIFY DEPARTMENT DIRECTOR:

SIGNED:  DATE: 8/1/14

INFORMATION PROVIDED BY: Samuel Eluac
TITLE: ~~Purchases Agent III~~ manager
PHONE NO. 833-7715

REQUEST FOR INCOME TAX CLEARANCE

REQUESTING DEPARTMENT/DIVISION: _____ CONTACT: _____ PHONE: _____

Type of Clearance: New (date) Renewal (Please submit 30 days prior to submitting bid or expiration)

To:
A. City of Detroit
Income Tax Division
Coleman A. Young Municipal Center
2 Woodward Avenue, Ste. 512
Detroit, MI 48226

For:
Individual
or Company Name SEON SYSTEMS SALES INC.
Address Unit 111-38 BUEBIDGE ST

Phone: (313) 224-3328 or 224-3328
Fax: (313) 224-4888

City COVINGTON
State MISSISSIPPI Zip Code V3K 702
Telephone 1-877-630-7366 Fax # 1-866-444-3677

B. Name of Chief Financial Officer/Authorized Contact Person
(include address if different from above)

DALE HARVEY
Employer Identification or Social Security Number
98-0691700

Telephone # 1-977-630-7366

Fax # 1-866-444-3677
Spouse Social Security Number _____

Nature of Contract: MOBILE VIDEO SURVEILLANCE BID/CONTRACT AMOUNT (if known): Labor: \$14,000 Material: \$724,523

Contract # (if known) _____

C. ALL QUESTIONS MUST BE ANSWERED TO EXPEDITE APPROVAL PROCESS. ANY QUESTION NOT ANSWERED MAY RESULT IN A DENIAL OF INCOME TAX CLEARANCE

Check One: Individual Corporation Partnership

INDIVIDUALS ANSWER QUESTIONS 1,2,3,4.

- 1. Have you filed joint returns with spouse during the last seven (7) years? (if yes, include spouse SSN above) No Yes
- 2. Are you a student, and/or claimed as a dependent on someone else's tax return? Yes No
- 3. Were you employed during the last seven (7) years? Yes No
- 4. Were you a resident of Detroit during the last seven (7) years? Yes No

CORPORATIONS AND PARTNERSHIPS ANSWER QUESTIONS 5,6,7.

- 5. Is the company a new business in Detroit? If yes, attach Employer Registration (Form DBS-4). Yes No
- 6. Will the company have employees working in Detroit? Yes No
- 7. Will the company use sub-contractors or independent contractors in Detroit? Yes No

FOR INCOME TAX USE ONLY

Has the contractor complied with the provisions of the City Income Tax Ordinance?

Yes No Signature [Signature] Date DEC 10 2013 Expires DEC 10 2014

Yes No Signature _____ Date _____ Expires _____

Yes No Signature _____ Date _____ Expires _____

VISIT OUR WEBSITE FOR INFORMATION AND TAX FORMS AT www.ci.detroit.mi.us

Samuel Elmer

**PURCHASING DIVISION
VENDOR CLEARANCE REQUEST**

Submit to: Revenue Collections
Purchasing Vendor
1012 Coleman A. Young Municipal Center
Detroit, MI 48226
(313) 224 - 4087 (Telephone)
(313) 224 - 4238 (Fax)

Nature of Contract Mobile Video Surveillance System
Contract Amount \$ 1861,475.20

Business Type: Corp Partnership Sole Proprietorship Personal Services

Business Name SEON System Sales, Inc

Business Address Unit 111-3B Burbridge St, Coquitlam, BC, Canada

Ward/Item # _____

F.I.D. NO. 98-0691200

City Personal Property I.D. # _____

Owner(s) Name SEON Design, Inc

Owner(s) SS# N/A Canadian Company

Contact Person Dale Harvey

Phone Number 607-830 2166

Fax Number 1-800-464-3677

Owner(s) Home Address Unit 111-3B Burbridge St Lease Own
Coquitlam, BC, Canada

Please do not write below this line for department use only.

Real Property Special Assessment Personal Property Other Receivable

Denied Denied Denied Denied
 Approved Approved Approved Approved

Comments: _____

**REVENUE COLLECTIONS
APPROVED
CONTRACT CLEARANCES**

Please mail, fax or drop off this Vendor Request Form to the Revenue Collection Unit at the address indicated above. You will be responsible for keeping the clearance and submitting a photocopy to Purchasing with your bid package.

[Handwritten Signature]
Signature (City of Detroit)

8-4-14
Date

JAN 15 2015
Expiration Date

COVENANT OF EQUAL OPPORTUNITY
(Application for Clearance - Terms Enforced After Contract is Awarded)

SEON SYSTEMS SALES INC.

I, being duly authorized representative of the _____ (hereinafter "Contractor"), do hereby enter into a Covenant of Equal Opportunity (hereinafter "Covenant") with the City of Detroit, ("hereinafter" City); obligating the Contractor and all sub-contractors not to discriminate against any employee or applicant for employment, training, education, or apprenticeship connected directly or indirectly with the performance of the contract, with respect to his or her hire, promotion, job assignment, tenure, terms, conditions or privileges of employment because of race, color, religious beliefs, public benefit status, national origin, age, marital status, disability, sex, sexual orientation, or gender identity or expression.

I understand that it is my responsibility to ensure that all potential sub-contractors are reported to the City of Detroit Human Rights Department and have a current *Contract Specific* Clearance on file prior to working on any City of Detroit contract. I further understand that the City of Detroit reserves the rights to require additional information prior to, during, and at any time after the Clearance is issued.

Furthermore, I understand that this covenant is valid for the life of the contract and that a breach of this covenant shall be deemed a material breach of the contract and subject to damages in accordance with the City of Detroit Code, Ordinance No. 27-3-2, Section (e).

RFQ/PO No. _____

Printed Name of Contractor: SEON SYSTEMS SALES INC.
(Type or Print Legibly)

Contractor Address: COQUITLAM BC V3K 7B2
(City) (State) (Zip)

Contractor Phone/E-mail: 604 941-0880 / DALE.HARVEY@SEON.COM
(Phone) (E-mail)

Printed Name & Title of Authorized Representative: DALE HARVEY - DIRECTOR OF FINANCE

Signature of Authorized Representative: _____

Date: DEC 6/13

*** This document MUST be notarized ***

Signature of Notary: Edmond Wu

Printed Name of Seal of Notary: EDMOND WU
Barrister & Solicitor & Notary Public

My Commission Expires: _____
209-1130 Austin Avenue
Coquitlam, B.C. V3K 3P5
Tel: (604) 636-2188



For Office Use Only:

Cov. Rec'd: 8135114 in _____ Department Name: Transportation

Accepted by: Sam Edmond Rejected by: _____

Please email or fax Covenant and EOC to Director of Human Rights Department 1240 CAYMC at HumanRightsCL@detroitmi.gov or fax (313) 224-3434

Date: August 25, 2014

Detroit Department of Transportation
1301 East Warren Avenue
Detroit, MI
48207

For attention: Mr. Samuel Elmer

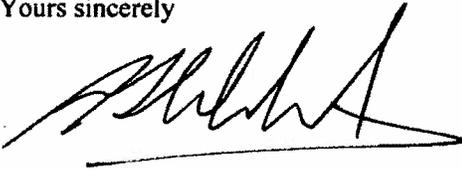
Re: Motor vehicle insurance: RFP NO. 47624

Dear Samuel

As per our earlier discussion I would hereby confirm that Seon will NOT be using company owned vehicles on this project.

We would again like to thank you for this opportunity and look forward to being of service to DDOT.

Yours sincerely



Alwyn Slabbert
Project manager
Seon Systems Sales Inc.

CERTIFICATE OF INSURANCE

ISSUE DATE (MM/DD/YY)
09/03/2014

BROKER



Hub International Insurance Brokers (TOS)
400-4350 Still Creek Drive
Burnaby, BC V5C 0G5
PHONE: 604-269-1000

This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policies below.

Company A	Continental Casualty Company (CNA)
Company B	
Company C	
Company D	
Company E	

INSURED'S FULL NAME AND MAILING ADDRESS

Seon Design Inc., Seon Design USA Corp, Seon Systems Sales Inc.
111 - 3B Burbidge Street
Coquitlam, BC V3K 7B2

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.

TYPE OF INSURANCE	CO LTR	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS OF LIABILITY (Canadian dollars unless indicated otherwise)	
COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCURRENCE <input checked="" type="checkbox"/> PRODUCTS AND/OR COMPLETED OPERATIONS <input checked="" type="checkbox"/> PERSONAL INJURY <input type="checkbox"/> EMPLOYER'S LIABILITY <input checked="" type="checkbox"/> TENANT'S LEGAL LIABILITY <input checked="" type="checkbox"/> NON-OWNED AUTOMOBILE <input checked="" type="checkbox"/> HIRED AUTOMOBILE	A	MPR2954604	07/05/2014	07/05/2015	EACH OCCURRENCE \$ 2,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGGREGATE \$ 2,000,000 PERSONAL INJURY \$ 2,000,000 EMPLOYER'S LIABILITY \$ TENANT'S LEGAL LIABILITY \$ 2,000,000 NON-OWNED AUTOMOBILE \$ 2,000,000 HIRED AUTOMOBILE \$ 50,000	
AUTOMOBILE LIABILITY <input type="checkbox"/> DESCRIBED AUTOMOBILES <input type="checkbox"/> ALL OWNED AUTOMOBILES <input type="checkbox"/> LEASED AUTOMOBILES ** <input type="checkbox"/> GARAGE LIABILITY <input type="checkbox"/> <small>**ALL AUTOMOBILES LEASED IN EXCESS OF 30 DAYS WHERE THE INSURED IS REQUIRED TO PROVIDE INSURANCE</small>					BODILY INJURY PROPERTY DAMAGE COMBINED \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$	
EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM					EACH OCCURRENCE \$ AGGREGATE \$	
OTHER (SPECIFY) Employers Liability with Workers Compensation Extension	A	5082626386	07/05/2014	07/05/2015	Bodily Injury by Accident \$ 1,000,000 Bodily Injury by Disease \$ 1,000,000 Disease Policy Limit \$ 1,000,000 \$ \$	

DESCRIPTION OF OPERATIONS/LOCATIONS/AUTOMOBILES/SPECIAL ITEMS/ ADDITIONAL INSURED

The Certificate Holder is added as an Additional Insured on the Commercial General Liability policy but only with respect to liability caused directly by the operations of the Named Insured.

CERTIFICATE HOLDER

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOUR TO MAIL 0 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Per: _____

Page 1 of 1

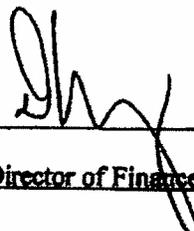
City of Detroit
1301 Warren Avenue
Detroit, MI 48207

Hiring Policy Compliance Affidavit

I, Dale Harvey, being duly sworn, state that I am the Director of Finance
 _____ of Seon Systems Sales Inc.
 Title Name of Bidder Corporation or Other Business Entity

and that I have reviewed the hiring policies of this employer. I affirm that these policies are in compliance with the requirements of Article V, Division 6 of the Detroit City Code of 1984, being Sections 18-5-81 through 18-5-86 thereof. I further affirm that this employer will not inquire or consider the criminal convictions of applicants for employment needed to fulfill the terms of any City contract that may result from the competitive procedure in connection with which this affidavit is submitted, until such times as the employer interviews the applicant or determines that the applicant is qualified.

In support of this affidavit, I attach a copy of the application form that will be used to hire employees needed to fulfill the terms of any City contract that may result from the competitive procedure in connection with which this affidavit is submitted.

SIGNED, 

 Title: Director of Finance Date: December 6, 2013

STATE OF _____)
) SS
 COUNTY OF _____)

The foregoing Affidavit was acknowledged before me the 6th day of Dec. 2013, by DALE HARVEY.



Notary Public, County of _____ EDMUND WU
Barrister & Solicitor & Notary Public
 209-1130 Austin Avenue
 Coquitlam, B.C. V3K 3P5
 Tel: (604) 938-2188
 My commission expires: PERMANENT COMMISSION

Seon Systems Sales Inc.: Application Form

This information will not be the only basis for hiring decisions. You are not required to furnish any information that is prohibited by federal, state/provincial, or local law.

Last name	First	Middle
Home address	City	State/Province
E-mail address	Phone # ()	Zip/Postal Code
		Date

Position Applied for: _____ Salary Expectation: \$ _____

I. Work Experience:

A. Firm: _____ Address: _____

City: _____ State/Province: _____ Zip/Postal Code: _____ Phone: _____

Type of business: _____ Start date: _____ End Date: _____

Position: _____ Number of direct reports: _____ Total Staff: _____

Starting Salary

Base \$	_____
Bonus \$	_____
Other \$	_____

\$ _____

Final Salary

Base \$	_____
Bonus \$	_____
Other \$	_____

\$ _____

Name of immediate supervisor:
What do (did) you like most about your job?
What do (did) you least enjoy?
Reasons for leaving or desiring change.

Career History Form

B. Firm: _____ Address: _____

City: _____ State/Province: _____ Zip/Postal Code: _____ Phone: _____

Type of business: _____ Starting date: _____ Final: _____

Position: _____ Number of direct reports: _____ Total Staff: _____

Starting Salary
\$ _____

Base \$ _____
Bonus \$ _____
Other \$ _____

Final Salary
\$ _____

Base \$ _____
Bonus \$ _____
Other \$ _____

Name of immediate supervisor:

What do (did) you like most about your job?

What do (did) you least enjoy?

Reasons for leaving or desiring change.

Career History Form

C. Firm: _____ Address: _____
 City: _____ State/Province: _____ Zip/Postal Code: _____ Phone: _____
 Type of business: _____ Starting date: _____ Final: _____
 Position: _____ Number of direct reports: _____ Total Staff: _____

Starting Salary \$ _____	Base \$ _____	Final Salary \$ _____	Base \$ _____
	Bonus \$ _____		Bonus \$ _____
	Other \$ _____		Other \$ _____

Name of immediate supervisor: _____

What do (did) you like most about your job? _____

What do (did) you least enjoy? _____

Reasons for leaving or desiring change: _____

Previous Positions Held

	a. Company	a. Your title	Date (mm/yy)		Compensation		a. Type of work	
	b. City	b. Name of supervisor	a. Began	b. Left	a. Initial	b. Final	b. Reason for leaving	
D.	a. _____	_____	\$	\$				
	b. _____	_____	\$	\$				
E.	a. _____	_____	\$	\$				
	b. _____	_____	\$	\$				
F.	a. _____	_____	\$	\$				
	b. _____	_____	\$	\$				

Career History Form

	a. Company b. City	a. Your title b. Name of supervisor	Date (mm/yy)		Compensation		a. Type of work	
			a. Began	b. Left	a. Initial	b. Final	b. Reason for leaving	
G.	a.		\$		\$			
	b.		\$		\$			
H.	a.		\$		\$			
	b.		\$		\$			

Indicate by letter _____ any of the above employers you do not wish contacted.

II. Education:

College/Graduate School

Name and location	Dates		Program Type (Degree, Diploma)	Major	Completed	
	From	To			Yes	No

III. Activities:

Membership in professional or job-relevant organizations.

Publications, patents, inventions, professional licenses, or additional special honors or awards.

What qualifications, abilities and strong points will help you succeed in this job?

What are your weak points and areas for improvement?

Career History Form

IV. Career Needs:

80 4 27 51 030 91

Will you relocate? If no, explain.
Yes <input type="checkbox"/> No <input type="checkbox"/>
Amount of overnight travel acceptable.
What are your career objectives?

V. Other:

Do you have the legal right to work for any employer in the United States/Canada? Yes No

Would you be willing to arrange reference calls with supervisors you've had in the past decade, as a last step before a final job offer? Yes No

I certify that answers given in this Application Form are true, accurate and complete to the best of my knowledge. I authorize investigation into all statement I have made on this Form as may be necessary for reaching an employment decision. I understand that I may be asked to arrange reference calls with managers I've worked for.

In the event I am employed, I understand that any false or misleading information I knowingly provided in my Application Form or interview(s) may result in discharge and/or legal action. I understand that if employed, I am required to abide by rules and regulations of Seon Systems Sales Inc. and any special agreements reached between Seon and me.

Signature: _____ Date: _____

Please return this form to Seon Systems Sales Inc. upon completion.

CITY OF DETROIT
SLAVERY ERA RECORDS AND INSURANCE DISCLOSURE AFFIDAVIT

1. Name of Contractor: Seon Systems Sales Inc.

2. Address of Contractor: Unit 111 - 3B Burbidge St.
Coquitlam, BC, Canada
V3K 7B2

3. Name of Predecessor Entities (if any): None

4. Prior Affidavit submission? No Yes, on: _____
(Date of prior submission)

If "No", complete Items 5 and 6.

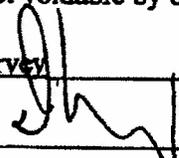
If "Yes", list date of prior submission above, go to Item 6 and execute this Affidavit.

5. Contractor did not exist during the slavery era in the United States, is not a successor in interest to any entity that existed during such time, and therefore has no relevant records to search, or any pertinent information to disclose.

Contractor has searched their records and those of any predecessor entity, and has found no records that they or any predecessor(s) made any investments in, or derived profits from the slave industry or from slave holder insurance policies.

Contractor has found records that they or their predecessor(s) made investments in, or derived profits from, the slave industry or slave holder insurance policies. The nature of the investment, profits, or insurance policies, including the names of any slaves or slave holders, is disclosed in the attached document(s).

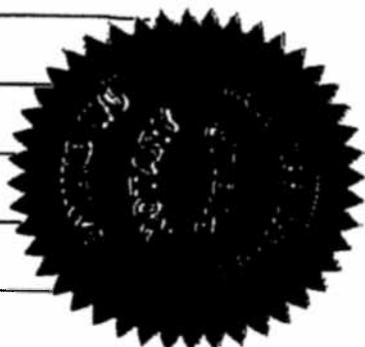
6. I declare that the representations made in this Affidavit are accurate to the best of my knowledge and are based upon a diligent search of records in the Contractor's possession or knowledge. All documentation attached to this Affidavit reflects full disclosure of all records that are required to be disclosed to the City of Detroit. I also acknowledge that any failure to conduct a diligent search, or to make a full and complete disclosure, shall render this contract voidable by the City of Detroit.

Dale Harvey (Printed Name) Director of Finance (Title)
 (Signature) December 6, 2013 (Date)

Subscribed and sworn to before me this 5th day of Dec, 2013


Notary Public, _____ County, Michigan
My Commission expires: _____

EDMUND WU
Barrister & Solicitor & Notary Public
209-1130 Austin Avenue
Coquitlam, B.C. V3K 3P5
Tel: (604) 936-2188
PERMANENT COMMISSION



Samuel Elmer - RE: SEON Presentation

From: Alwyn Slabbert <Alwyn.Slabbert@seon.com>
To: Samuel Elmer <samelm@detroitmi.gov>
Date: 5/21/2014 4:42 PM
Subject: RE: SEON Presentation
CC: Chris Akiyama <chris.akiyama@seon.com>, Don Nelson <Don.Nelson@seon.com>

Samuel

I have updated the pricing based on our conversation. In principle:

1. Pricing is based on the initial hardware pricing as per the RFP.
2. To this I have added the cellular hardware cost (both the cost of the equipment and installation) per bus.
3. I have also amortized the ONE TIME CELLULAR SETUP COST over the total of 245 buses.
4. I have separated out the annual fees in a separate table. These costs are shown for the first year but would be the same for years 2 – 5. You can therefore include a total of the first year PLUS four renewals in the agreement.

This is what it comes out to:

Per bus cost with all hardware and one time setup costs:

	Estimated Qty	Unit Cost*	Extended Cost
40' HF Nova	40	\$7,765.23	\$310,609.20
40' LF New Flyer	159	\$7,565.20	\$1,202,866.80
40' LF Gillig	44	\$7,565.20	\$332,868.80
40' LF Gillig hybrid	2	\$7,565.20	\$15,130.40
Grand Total			\$1,861,475.20

Annual cost:

First year fees:			

Description	Rate	Quantity	Total price
▪ Video access for Administrator	\$495.00	1	\$495.00
▪ Video access for users:	\$180.00	9	\$1,620.00
▪ Video access per vehicle:	\$85.00	245	\$20,825.00
Annual total			\$22,940.00

- **The total first year cost would therefore be \$1,884,415.20.**
- **The annual cost per year for years 2 – 5 would be \$22,940.00 for a total of \$91,760.00 for the four years**
- **The total cost over the 5 year period would be \$1,976,175.20**

I trust this meets the intent as discussed. Please let me know if this is acceptable or whether you need anything else.

Thanks very much for all your help Samuel: it is greatly appreciated!

Alwyn Slabbert

Project Manager | **Seon**

Toll free: 1.877.630.7366

Fax: 1.866.664.3677

CDN Mobile: 604.961.3062

US Mobile: 813.390.8787

Email: alwyn.slabbert@seon.com

Web: <http://www.seon.com>

SEON

Unit 111 – 3B Burbidge Street

Coquitlam, BC

Canada V3K 7B2

Confidentiality Notice

The information in this communication is confidential and may contain proprietary business or technical data. If you are not the intended recipient, you are hereby notified that any dissemination, copying or distribution of this communication, or the taking of any action in reliance on the contents of this communication, is strictly prohibited. If you have received this communication in error, please notify us immediately, by phone at 604.941.0880, or electronically by return message, and delete or destroy all copies of this communication.

From: Samuel Elmer [mailto:samelm@detroitmi.gov]

Sent: Tuesday, May 20, 2014 17:53

Price Schedule

Unit pricing will be firm-fixed separated by bus type. The quantity listed is based upon DDOT's current active bus fleet and DDOT reserves the right to change the quantities prior to installation due to changes in routes and/or expansion.

The unit pricing in Section 3.01.01 is to include all costs of the system, including but not limited to hardware, software, installation, training, project management, spare parts as specified in Section 1.02.07, a five-year warranty which begins from the date of system acceptance, software updates during the five-year warranty period, and any other costs associated with providing the proposed bus video system.

Offeror may provide pricing (optional) for expansion of fleet during the five year warranty period for any additional vehicles DDOT may procure during that time in Section 3.01.02.

1. Base Pricing

The unit pricing is a firm-fixed price to include all costs of the system as stated above.

		Estimated Qty	Unit Cost*	Extended Cost
Fixed Route Vehicles	40' HF Nova	40	\$6,692.68	\$267,707.20
	40' LF New Flyer	159	\$6,492.65	\$1,032,331.35
	40' LF Gillig	44	\$6,492.65	\$285,676.60
	40' LF Gillig hybrid	2	\$6,492.65	\$12,985.30

Grand Total	\$ 1,598,700.45
-------------	-----------------

NAME OF OFFEROR: Seon System Sales Inc.

2. Firm-Fixed Pricing during 5-Year Warranty Period for Additional Units

Offeror shall provide pricing for expansion of fleet during the five year warranty period for any additional vehicles DDOT may procure during that time. Optional pricing will be considered as part of the total cost evaluation.

		Unit Cost Warranty Period Year 1	Unit Cost Warranty Period Year 2	Unit Cost Warranty Period Year 3	Unit Cost Warranty Period Year 4	Unit Cost Warranty Period Year 5
Fixed Route Vehicles	40' HF Nova	\$6,692.68	\$6,692.68	\$6,692.68	\$6,692.68	\$6,692.68
	40' LF New Flyer	\$6,492.65	\$6,492.65	\$6,492.65	\$6,492.65	\$6,492.65
	40' LF Gillig	\$6,492.65	\$6,492.65	\$6,492.65	\$6,492.65	\$6,492.65
	40' Gillig LF hybrid	\$6,492.65	\$6,492.65	\$6,492.65	\$6,492.65	\$6,492.65

NAME OF OFFEROR: Seon System Sales Inc.

Samuel Elmer - RE: SEON Presentation

From: Alwyn Slabbert <Alwyn.Slabbert@seon.com>
To: Samuel Elmer <samelm@detroitmi.gov>
Date: 5/2/2014 5:23 PM
Subject: RE: SEON Presentation
CC: Don Nelson <Don.Nelson@seon.com>, Martin Steenblok <martin.steenblok@seo...>

Samuel

We have carefully considered your request for a quick price for wireless connection and would like to advise as follows:

1. We will provide onboard wireless hardware that would provide the following capabilities:
 - 1.1. You would be able to remotely connect to our DVR using your preferred cellular network. The equipment that we are proposing would be suitable for use with Verizon, as per your e-mail. Please note that, once you decide on a service provider, you would have to stick with that provider in accordance with your terms of service
 - 1.2. This hardware would provide a “wireless hotspot” in the bus for your riders.
 - 1.3. **Please note that our vMax Commander software will always make use of your wireless infrastructure within your bus yards.** This would be used to archive video and to enable that you can log on to your DVR for the full functionality. In this way you would not incur cellular data charges for your archives.
2. Note that our DX-HD provides dual streaming capability. This means that, when remotely viewing video using the cellular network, you can view a low bandwidth stream to minimize cellular data charges while still having access to the full higher quality stream should you require it.
3. For budgetary pricing we have assumed a system utilizing 4G LTE capabilities as this is best suited to the combination of both live streaming/viewing and having adequate bandwidth for rider Internet access. Even so you need to be aware that a cellular connection has limited bandwidth compared to (for instance) a wired broadband connection. Depending on the quality of the cellular signal, the number of riders using the service and also depending on what they are accessing on the internet, this could constrain the quality of the service they would experience.
4. Our understanding is that you would prefer to provide your own data plan using Verizon. Should this proposal be of interest to you, we would work with DDOT and Verizon in this regard.
5. Please note that at this time we do not have sufficient information to adequately price a data plan that would be certain to meet your needs. We have included a relatively high volume plan based on generally available data rates as an indication of costs: your own agreement with Verizon might be quite different.

6. While this should be possible to implement, because this was not stated as a requirement and because we are not fully aware of all onboard systems, we have specifically not made provision for any other onboard devices or systems to make use of the hardware. Should this be of interest we would have to review these requirements (both in terms of hardware capacity and configuration) with DDOT.
7. Should you decide to go ahead with this option, we would have to work together closely with DDOT to lock down the exact requirements broadly in line with the questions that I had submitted earlier. This could impact the cost of the hardware and definitely would determine the cost of your cellular data plans.

Noted that, while we will work with you to define these requirements, we believe it is advisable that DDOT retains control over the configuration and management of the cellular devices to manage and control access to the devices and to manage and control data charges (which can be considerable).

Against this background we would like to provide a budgetary price indication as follows:

- Hardware: \$895 per bus
- Installation: \$150 per bus
- Video Server Installation and Setup: Fleet Administrator: One time fee of \$4,950
- Video Server Installation and Setup for up to 9 Users. One time fee of \$1,800
- Annual Maintenance Fee for video access for Administrator \$495
- Annual Maintenance Fee for video access for each user: \$180
- Annual Maintenance Fee for video access per vehicle: \$85
- Live Video and Internet Service, Verizon, Annual Fee, 5GB/Month/Bus: \$999

Note that the warranty on this product would be for one year. If a longer warranty is required we can confirm the associated cost.

We would like to again reiterate that we have a specific competitive advantage in that our low bandwidth video data stream from our DVR would reduce cellular data charges by more than 50% compared to the regular data stream. Over the life of the system this can be of considerable benefit to DDOT.

We would like to thank you for this opportunity to provide this information to DDOT. Should this be of interest to you we would gladly work with DDOT to fully define the requirements and firm up the pricing to submit a firm offer.

Thanks and best regards

SERVICES CONTRACT

BETWEEN

CITY OF DETROIT, MICHIGAN

AND

SEON SYSTEMS SALES INC.

CONTRACT NO.

2896295

CONTRACT PROVISIONS

Article 1. Definitions 1
Article 2. Engagement of Contractor 3
Article 3. Contractor's Representations and Warranties 4
Article 4. Contract Effective Date and Time of Performance 5
Article 5. Data To Be Furnished Contractor 6
Article 6. Contractor Personnel and Contract Administration 6
Article 7. Compensation 7
Article 8. Maintenance and Audit of Records 8
Article 9. Indemnity 8
Article 10. Insurance 9
Article 11. Default and Termination 11
Article 12. Assignment 14
Article 13. Subcontracting 14
Article 14. Conflict of Interest 15
Article 15. Confidential Information 15
Article 16. Compliance With Laws 16
Article 17. Amendments 16
Article 18. Fair Employment Practices 16
Article 19. Notices 17
Article 20. Proprietary Rights and Indemnity 17
Article 21. Force Majeure 19
Article 22. Waiver 19
Article 23. Disputes 20
Article 24. Miscellaneous 20
Article 25. Federal Transportation Administration (FTA) Clauses 21
Signature 39



CITY OF DETROIT
SERVICES CONTRACT

This Services Contract ("**Contract**") is entered into by and between the City of Detroit, a Michigan municipal corporation, acting by and through its Transportation (Department ("**City**")), and Seon Systems Sales Inc., a British Columbia, Canada Corporation, with its principal place of business located at Unit 111 - 3B Burbidge Street, Coquitlam, BC, Canada, V3K 7B2 ("**Contractor**").

Recitals:

Whereas, the City desires to engage the Contractor to render certain services for the provision and installation of video surveillance cameras, including all necessary material, products, equipment and software described in Exhibit A, in two hundred and forty eight (248) DDOT buses (collectively the "**Services**") as set forth in this Contract; and

Whereas, the Federal Transit Administration ("**FTA**") has provided funding for this Contract and therefore this Contract is subject to all FTA requirements in addition to City requirements; and

Whereas, the Contractor desires to perform the Services as set forth in this Contract; and

Accordingly, the parties agree as follows:

Article 1.
Definitions

1.01 The following words and expressions or pronouns used in their stead shall be construed as follows:

"**Additional Services**" shall mean any services in addition to the services set forth in Exhibit A that are related to fulfilling the objectives of this Contract and are agreed upon by the parties by written Amendment.

"**Amendment**" shall mean modifications or changes in this Contract that have been mutually agreed upon by the City and the Contractor in writing and approved by the City Council.

"**Associates**" shall mean the personnel, employees, consultants, subcontractors, agents, and parent company of the Contractor or of any Subcontractor, now existing or subsequently created, and their agents and employees, and any entities associated, affiliated, or subsidiary to the Contractor or to any subcontractor, now existing or subsequently created, and their agents and employees.

"**City**" shall mean the City of Detroit, a municipal corporation, acting through the office or department named in the Contract as contracting for the Services on behalf of the City.

"**City Council**" shall mean the legislative body of the City of Detroit.

"**Contract**" shall mean each of the various provisions and parts of this document, including all attached Exhibits and all Amendments, as executed and approved by the appropriate City departments or offices and by the City Council.

“**Contract Price**” has the meaning given to it in Section 7.01.

“**Contractor**” shall mean the party that contracts with the City by way of this Contract, whether an individual, sole proprietorship, partnership, corporation, or other form of business organization, and its heirs, successors, personnel, agents, employees, representatives, executors, administrators and assigns.

“**Exhibit A**” is the Scope of Services for this Contract and sets forth all pertinent data relating to performance of the Services.

“**Exhibit B**” is the Fee Schedule for this Contract and sets forth the amount of compensation to be paid to the Contractor, including any Reimbursable Expenses, and any applicable hourly rate information.

“**Exhibit C**” is the Contractor’s Warranty for the materials and equipment to be supplied by the Contractor pursuant to this Contract.

“**Exhibit D**” entitled “City of Detroit: Mobile Video Surveillance Systems Installation, System Acceptance Test Procedure” sets forth the Systems Acceptance Testing to be performed by the Contractor.

“**Exhibit E**” contains the contract clauses required by the Federal Transit Administration.

“**Records**” shall mean all books, ledgers, journals, accounts, documents, and other collected data in which information is kept regarding the performance of this Contract.

“**Reimbursable Expenses**” shall mean only those costs incurred by the Contractor in the performance of the Services, such as travel costs and document reproduction costs, that are identified in Exhibit B as reimbursable.

“**SAT**” means the tests and procedures set out in Exhibit D;

“**Services**” shall mean the supply and installation by the Contractor to the City of the materials, equipment and products that is expressly set forth and described in Exhibit A, “The Scope of Services”, and all work expressly or impliedly required to be performed by the Contractor in order to achieve the objectives of this Contract.

“**Software**” means the software provided by the Contractor under this Contract to operate the on-board security camera system provided to the City by the Contractor in an integrated manner.

“**Subcontractor**” shall mean any person, firm or corporation, other than employees of the Contractor, that contracts with the Contractor, directly or indirectly, to perform in part or assist the Contractor in achieving the objectives of this Contract.

“**Technology**” shall mean any and all computer-related components and systems, including but not limited to computer software, computer code, computer programs, computer hardware, embedded integrated circuits, computer memory and data storage systems, whether in the form of read-only memory chips, random access memory chips, CD-ROMs, floppy disks, magnetic tape, or some other form, and the data retained or stored in said computer memory and data storage systems.

“**Unauthorized Acts**” shall mean any acts by a City employee, agent or representative that are not set forth in this Contract and have not been approved by City Council as part of this Contract.

“**Warranty**” shall have the meaning given to it in Section 3.03.

“**Work Product**” shall mean the materials, products and equipment described in Exhibit A, the Software, and the installation instructions, the manuals and the site survey prepared by the Contractor under this Contract for delivery to the City, whether such materials are reduced to writing, magnetically or optically stored, or kept in some other form.

Article 2.

Engagement of Contractor

- 2.01 By this Contract, the City engages the Contractor and the Contractor hereby agrees to faithfully and diligently perform the Services set forth in Exhibit A, in accordance with the terms and conditions contained in this Contract.
- 2.02 The Contractor shall perform the Services under this Contract with the degree of skill and judgment exercised by firms performing services of a similar nature, following best practices in the industry. In the event that there shall be any dispute between the parties with regard to the extent, character and progress of the Services to be performed or the quality of performance under this Contract, the dispute shall be settled pursuant to an in accordance with the provisions of Article 23.
- 2.03 The Contractor shall confer as necessary and cooperate with the City in order that the Services may proceed in an efficient and satisfactory manner. The Services include up to three conferences, consultations and public hearings or appearances deemed necessary by the City to ensure that the Contractor will be able to properly and fully perform the objectives as set forth in this Contract. The City may ask the Contractor to attend additional events and, if the City and the Contractor reach agreement as to payment to the Contractor of its expenses and additional compensation, then the Contractor will attend such events.
- 2.04 All Services are subject to review and approval of the City for completeness and fulfillment of the requirements of this Contract. Neither the City's review, approval nor payment for any of the Services shall be construed to operate as a waiver of any rights under this Contract, and the Contractor shall be and will remain liable in accordance with applicable law for all damages to the City caused by the Contractor's negligent performance or non-performance of any of the Services furnished under this Contract, subject to the provisions of the Warranty.
- 2.05 The installation of the materials, equipment and products described in Exhibit A shall be performed as set forth in Exhibit A at _____ [Add address where installation to be performed] or at such other locations as are agreed to in writing by the City and the Contractor for the proper performance of the Services.
- 2.06 The City and the Contractor expressly acknowledge their mutual understanding and agreement that there are no third party beneficiaries to this Contract and that this Contract shall not be construed to benefit any persons other than the City and the Contractor.

- 2.07 It is understood that this Contract is not an exclusive services contract, that during the term of this Contract the City may, except for the specific Services to be provided by the Contractor pursuant to this Contract, contract with other firms for the same or similar Services, and that the Contractor is free to render the same or similar services to other clients, provided the rendering of such services does not affect the Contractor's obligations to the City in any way.

Article 3.

Contractor's Representations and Warranties

- 3.01 To induce the City to enter into this Contract, the Contractor represents and warrants that the Contractor is authorized to do business under the laws of the State of Michigan and is duly qualified to perform the Services as set forth in this Contract, and that the execution of this Contract is within the Contractor's authorized powers and is not in contravention of federal, state or local law.
- 3.02 The Contractor makes the following representations and warranties as to any Technology it may provide under this Contract:
- a) That all Technology provided to the City under this Contract shall perform according to the specifications and representations set forth in Exhibit A and according to any other specifications and representations set forth in any manuals forming part of the Work Product provided by the Contractor to the City pursuant to this Contract;
 - b) That the Contractor shall correct all errors in the Technology provided under this Contract so that such technology will perform according to Contractor's published specifications subject to and in accordance with the provisions of the Warranty;
 - c) That the Contractor has the full right and power to grant the City a license to use the Technology provided pursuant to this Contract;
 - d) That any Technology provided by Contractor under this Contract is free of any software, programs or routines, commonly known as "disabling code", that are designed to cause such Technology to be destroyed, damaged, or otherwise made inoperable in the course of the use of the Technology;
 - e) That the Software provided under this Contract is free of any known or reasonably discoverable computer program, code or set of instructions, commonly known as a "computer virus", that is not designed to be a part of the Work Product and that, when inserted into the computer's memory: (i) duplicates all or part of itself without specific user instructions to do so, or (ii) erases, alters or renders unusable any Technology with or without specific user instructions to do so, or (iii) that provide unauthorized access to the Technology and
 - f) That all Technology shall be delivered new and in original manufacturer's packaging and shall be warranted as set out in the Warranty.
 - g) That any Technology that it is provided to the City shall:
 - 1) Accurately recognize and process all time and date data including, but not limited to, daylight savings time and leap year data, and



- 2) Use accurate same-century, multi-century, and similar date value formulas in its calculations, and use date data interface values that accurately reflect the correct time, date and century.
- 3.03 After the City's approval and acceptance of the SAT for the entire and complete system, the City and the Contractor agree that the Contractor's sole warranty obligations (the "**Warranty**") in respect of the Software, the Work Product (including the materials, equipment and products supplied by the Contractor to the City described in Exhibit A) are set out in Exhibit C. The warranties set out in Exhibit C ARE EXCLUSIVE AND IN LIEU OF ALL OTHER REPRESENTATIONS, WARRANTIES, GUARANTEES AND CONDITIONS, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE AND WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SEON EXPRESSLY DISCLAIMS AND EXCLUDES ANY IMPLIED WARRANTY OF MERCHANTABILITY, DURABILITY OR FITNESS FOR PURPOSE AND ANY WARRANTIES OR MODIFIED WARRANTIES ARISING FROM USAGE OF TRADE OR COURSE OF DEALING AND VENDOR SHALL NOT BE SUBJECT TO AND DISCLAIMS ALL CONSEQUENTIAL, INCIDENTAL, SPECIAL AND CONTINGENT DAMAGES WHATSOEVER, EVEN IF THE CONTRACTOR HAS BEEN SPECIFICALLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. The Warranty period for materials, equipment and products, including the Software, supplied pursuant to this Contract shall commence upon successful completion of SAT for the entire and complete system.

Article 4.

Contract Effective Date and Time of Performance

- 4.01 This Contract shall be approved by the required City departments, approved by the City Council, and signed by the City's Purchasing Director in the place provided therefore on the signature pages of this Contract. The effective date of this Contract shall be the date upon which the Contract has been authorized by resolution of the City Council. The term of this Contract shall terminate upon completion of all of Contractor's obligations under this Contract, including any renewals of system maintenance agreements pertaining to this Contract. The Contractor's Services will not be accepted, and the City will be under no obligation to make the final payment to the Contractor due on final acceptance, until the materials and equipment supplied by the Contractor have been tested and proven functional to the specifications set forth in this Contract by the completion of SAT to the satisfaction of the City acting reasonably. The Contractor and the City shall complete SAT, and the City shall provide the Contractor with its final acceptance or rejection of SAT, within four (4) weeks of the date of completion of the installation of materials and completion by the Contractor of the Services described in Exhibit A in the last of the City's buses as contemplated by this Contract. The Contractor must conduct final testing and demonstrate proven functionality of the complete and entire system within thirty (30) days of the first SAT attempted by Contractor for the complete and entire system, . If the Contractor shall fail to do so such failure shall be considered to by an event of default and the provisions of subsection 11.02(b) shall apply. The initials or signature of the City's authorized representative after all of the tests set forth in Exhibit D have been approved by the City will constitute acceptance of the Services by the City and completion of SAT.
- 4.02 Prior to the approvals set forth in Section 4.01, the Contractor shall have no authority to begin work on this Contract. The City's Finance Director shall not authorize any

payments to the Contractor, nor shall the City incur any liability to pay for any services rendered or to reimburse the Contractor for any expenditure, prior to such award and approvals.

- 4.03 The City and the Contractor agree that the commencement and duration of the Contractor's performance under this Contract shall be determined as set forth in Exhibit A.

Article 5.

Data To Be Furnished Contractor

- 5.01 Copies of all information, reports, records, and data as are existing, available, and deemed necessary by the City for the performance of the Services shall be furnished to the Contractor upon the Contractor's request. With the prior approval of the City, the Contractor will be permitted access to City offices during regular business hours to obtain any necessary data. In addition, the City will schedule appropriate conferences at convenient times with administrative personnel of the City for the purpose of gathering such data.

Article 6.

Contractor Personnel and Contract Administration

- 6.01 The Contractor represents that, at its own expense, it has obtained or will obtain all personnel and equipment required to perform the Services. It warrants that all such personnel are qualified and possess the requisite licenses or other such legal qualifications to perform the services assigned. If requested, the Contractor shall supply a résumé of the managerial staff or consultants it proposes to assign to this Contract, as well as a dossier on the Contractor's activities and major undertakings.
- 6.02 The City may interview the Contractor's managerial staff and other employees assigned to this Contract. The Contractor shall not use any managerial staff or other employees to whom the City, acting reasonably, objects and shall replace in an expedient manner those rejected by the City. The Contractor shall not replace any of the personnel working on this Contract with new personnel without the prior written consent of the City which consent will not be unreasonably withheld.
- 6.03 When the City deems it reasonable to do so, it may assign qualified City employees or others to work with the Contractor to complete the Services. Nevertheless, it is expressly understood and agreed by the parties that the Contractor shall remain ultimately responsible for the proper completion of the Services.
- 6.04 The relationship of the Contractor to the City is and shall continue to be that of an independent contractor and no liability or benefits, such as workers' compensation, pension rights or liabilities, insurance rights or liabilities, or other rights or liabilities arising out of or related to a contract for hire or employer/employee relationship shall arise or accrue to either party or either party's agent, Subcontractor or employee as a result of the performance of this Contract. No relationship other than that of independent contractor shall be implied between the parties or between either party's agents, employees or Subcontractors. The Contractor agrees to indemnify, defend, and hold the City harmless against any claim based in whole or in part on an allegation that the

Contractor or any of its Associates qualify as employees of the City, and any related costs or expenses, including but not limited to legal fees and defense costs.

- 6.05 The Contractor warrants and represents that all persons assigned to the performance of this Contract shall be regular employees or independent contractors of the Contractor, unless otherwise authorized by the City. The Contractor's employees' daily working hours while working in or about a City of Detroit facility shall be the same as those worked by City employees working in the facility, unless otherwise directed by the City.
- 6.06 The Contractor shall comply with and shall require its Associates to comply with all security regulations and procedures in effect on the City's premises.

**Article 7.
Compensation**

- 7.01 Compensation for Services provided shall not exceed the amount of ONE MILLION EIGHT HUNDRED EIGHTY FOUR THOUSAND FOUR HUNDRED FIFTEEN DOLLARS AND 20/100 Dollars (US \$1,884,415.20) (the "**Contract Price**"), inclusive of expenses, and will be paid in the manner set forth in Exhibit B. Unless this Contract is amended pursuant to Article 17, this amount shall be the entire compensation to which the Contractor is entitled for the performance of Services under this Contract.
- 7.02 Payment for Services provided under this Contract is governed by the terms of Ordinance No. 42-98, entitled "Prompt Payment of Vendors", being Sections 18-5-71 through 18-5-79 of the 1984 Detroit City Code.

The City employee responsible for accepting performance under this Contract is:

(Name) Luther Diggs
(Title) Manager
(Address) 1301 East Warren Avenue
Detroit, Michigan (ZIP Code) 48207
Telephone: (313)
Facsimile: (313)

The City employee from whom payment should be requested is:

(Name) Luther Diggs
(Title) Manager
(Address) 1301 East Warren Avenue
Detroit, Michigan (ZIP Code) 48207
Telephone: (313)
Facsimile: (313)

- 7.03 Advance Payments – The City will not, under this contract, provide any payment in advance to vendor except as provided in section 7.04.
- 7.04 Progress Payments – Progress payments shall be made to the contractor by the City to the Contractor upon completion of installations for each set of fifty (50) buses.
- 7.05 Liquidated Damages – Liquidated damages will not be collected under this contract.

- 7.06 Variable Quantities -The actual amount of this contract may vary based on availability of resources.

Article 8.

Maintenance and Audit of Records

- 8.01 The Contractor shall maintain full and complete Records reflecting all of its operations related to this Contract. The Records shall be kept in accordance with generally accepted accounting principles and maintained for a minimum of three (3) years after the Contract completion date.
- 8.02 The City and any government-grantor agency providing funding under this Contract shall have the right at any time, upon reasonable written notice (which shall specify in reasonable detail the Records to be examined), to Contractor to examine and audit all Records and other supporting data of the Contractor as the City or any agency deems necessary.
- a) The Contractor shall make all Records available for examination during normal business hours at its Washington State offices, if any, or alternatively at its facility nearest Detroit. The City and any government-grantor agency providing funds for the Contract shall have this right of inspection. The Contractor shall provide copies of all Records to the City or to any such government-grantor agency upon request.
 - b) If in the course of such inspection the representative of the City or of another government-grantor agency should note any deficiencies in the performance of the Contractor's agreed upon performance or record-keeping practices, such deficiencies will be reported to the Contractor in writing. The Contractor agrees to promptly remedy and correct any such reported deficiencies within ten (10) days of notification subject to the other provisions of this Contract.
 - c) Each party shall pay its own audit costs.
 - d) Nothing contained in this Contract shall be construed or permitted to operate as any restriction upon the powers granted to the Auditor General by the City Charter, including but not limited to the powers to audit all accounts chargeable against the City and to settle disputed claims.
- 8.03 The Contractor agrees to include the covenants contained in Sections 8.01 and 8.02 in any contract it has with any Subcontractor, consultant or agent whose services will be charged directly or indirectly to the City for Services performed pursuant to this Contract.

Article 9.

Indemnity

- 9.01 The Contractor agrees to indemnify, defend, and hold the City harmless against and from any and all liabilities, obligations, damages, penalties, claims, costs, charges, losses and expenses (including, without limitation, fees and expenses for attorneys, expert witnesses and other consultants) that may be imposed upon, incurred by, or asserted against the City or its departments, officers, employees, or agents by reason of any of the following occurring during the term of this Contract:



- a) Any negligent or tortious act, error, or omission attributable in whole or in part to the Contractor or any of its Associates; and
 - b) Any failure by the Contractor or any of its Associates to perform their obligations, either express or implied, under this Contract; and
 - c) Any and all injury to the person or property of an employee of the City where such injury arises out of the Contractor's or any of its Associates performance of this Contract.
- 9.02 The Contractor shall examine all places where it will perform the Services in order to determine whether such places are safe for the performance of the Services. The Contractor undertakes and assumes all risk of dangerous conditions when not performing Services inside City offices or otherwise on City property. The Contractor also agrees to waive and release any claim or liability against the City for personal injury or property damage sustained by it or its Associates while performing under this Contract on premises that are not owned by the City.
- 9.03 In the event any action shall be brought against the City by reason of any claim covered under this Article 9, the Contractor, upon notice from the City, shall at its sole cost and expense defend the same.
- 9.04 The Contractor agrees that it is the Contractor's responsibility and not the responsibility of the City to safeguard the property that the Contractor or its Associates use while performing this Contract. Further, the Contractor agrees to hold the City harmless for any loss of such property used by any such person pursuant to the Contractor's performance under this Contract.
- 9.05 NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS AGREEMENT, IN NO EVENT SHALL CONTRACTOR BE LIABLE FOR ANY SPECIAL, PUNITIVE, INCIDENTAL, INDIRECT OR CONSEQUENTIAL DAMAGES WHATSOEVER, EVEN IF CONTRACTOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND THE ENTIRE LIABILITY OF EACH PARTY TO THE OTHER FOR ANY DAMAGES, FROM ANY CAUSE WHATSOEVER, WILL NOT EXCEED THE CONTRACT PRICE.
- 9.06 The Contractor agrees that this Article 9 shall apply to all claims specified above, whether litigated or not, that may occur or arise between the Contractor or its Associates and the City and agrees to indemnify, defend and hold the City harmless against any such claims.

Article 10.
Insurance

10.01 During the term of this Contract, the Contractor shall maintain the following insurance, at a minimum and at its expense:

TYPE	AMOUNT NOT LESS THAN
(a) Workers' Compensation	Michigan Statutory minimum



TYPE	AMOUNT NOT LESS THAN
(b) Employers' Liability	\$500,000.00 minimum each disease \$500,000.00 minimum each person \$500,000.00 minimum each accident
(c) Commercial General Liability Insurance (Broad Form Comprehensive)	\$1,000,000.00 each occurrence \$2,000,000.00 aggregate
(d) Automobile Liability Insurance (covering all owned, hired and non-owned vehicles with personal and property protection insurance, including residual liability insurance under Michigan no fault insurance law)	\$1,000,000.00 combined single limit for bodily injury and property damage

- 10.02 The commercial general liability insurance policy shall include an endorsement naming the "City of Detroit" as an additional insured. The additional insured endorsement shall provide coverage to the additional insured with respect to liability arising out of the named insured's ongoing work or operations performed for the additional insured under the terms of this Contract. The commercial general liability policy shall state that the Contractor's insurance is primary and not excess over any insurance already carried by the City of Detroit and shall provide blanket contractual liability insurance for all written contracts.
- 10.03 Each such policy shall contain the following cross-liability wording: "In the event of a claim being made hereunder by one insured for which another insured is or may be liable, then this policy shall cover such insured against whom a claim is or may be made in the same manner as if separate policies had been issued to each insured hereunder."
- 10.04 All insurance required by this Contract shall be written on an occurrence-based policy form, if the same is commercially available.
- 10.05 The Commercial General Liability policy shall be endorsed to have the general aggregate apply to the Services provided under this Contract only.
- 10.06 If during the term of this Contract changed conditions or other pertinent factors should, in the reasonable judgment of the City, render inadequate the insurance limits, the Contractor shall furnish on demand such additional coverage or types of coverage as may reasonably be required under the circumstances. All such insurance shall be effected at the Contractor's expense, under valid and enforceable policies, issued by insurers licensed to conduct business in Michigan and are otherwise acceptable to the City.
- 10.07 All insurance policies shall name the Contractor as the insured and shall provide a commitment from the insurer that such policies shall not be canceled or reduced without written notice to the City as required in the policy. Certificates of insurance evidencing the coverage required by this Article 10 shall, in a form acceptable to the City, be submitted to the City prior to the commencement of the Services and at least fifteen (15) days prior to the expiration dates of expiring policies.
- 10.08 If any work is subcontracted in connection with this Contract, the Contractor shall require each Subcontractor to effect and maintain the types and limits of insurance set forth in

this Article 10 and shall require documentation of same, copies of which documentation shall be promptly furnished the City.

- 10.09 The Contractor shall be responsible for payment of all deductibles contained in any insurance required under this Contract. The provisions requiring the Contractor to carry the insurance required under this Article 10 shall not be construed in any manner as waiving or restricting the liability of the Contractor under this Contract.

Article 11.
Default and Termination

11.01 This Contract shall remain in full force and effect until the end of its term unless otherwise terminated for cause or convenience according to the provisions of this Article 11.

11.02 The City reserves the right to terminate this Contract for cause. Cause is an event of default.

- a) An event of default shall occur if there is a material breach of this Contract, and shall include the following:
- 1) The Contractor fails to begin work in accordance with the terms of this Contract; or
 - 2) The Contractor, in the reasonable judgment of the City, is unnecessarily, unreasonably, or willfully and materially delaying the performance and completion of the Work Product or Services; or
 - 3) The Contractor ceases to perform any of its material obligations under the Contract; or
 - 4) The City, acting reasonably, is of the opinion that the Services cannot be completed within the time required for completion of the Contractor's Services set out in this Contract and that the delay is attributable to conditions within the Contractor's control; or
 - 5) The Contractor, without just cause, reduces its work force on this Contract to a number that would be insufficient, in the reasonable judgment of the City, to complete the Services within a reasonable time, and the Contractor fails to sufficiently increase such work force when directed to do so by the City; or
 - 6) The Contractor assigns, transfers, conveys or otherwise disposes of this Contract in whole or in part without prior approval of the City; or
 - 7) Any City officer or employee acquires an interest in this Contract so as to create a conflict of interest; or
 - 8) The Contractor ceases to conduct business in the normal course; or
 - 9) The Contractor admits its inability to pay its debts generally as they become due.

- b) If the City finds an event of default has occurred and determines to terminate this Contract, the City shall issue a Notice of Termination for Cause setting forth the grounds for terminating the Contract. Upon receiving a Notice of Termination for Cause, the Contractor shall have thirty (30) calendar days within which to either cure such default or, if the default is not curable within thirty (30) calendar days, provide a written cure plan to the City. The Contractor will begin implementing the cure plan immediately after receipt of notice by the City that it agrees with the cure plan. If the City and the Contractor should fail to agree upon the cure plan either party may submit the matter to arbitration pursuant to Article 23. If the default is cured within said thirty (30) day period or within the period required by the approved cure plan, as the case may be, the right of termination for such default shall cease. If the default is not cured within said thirty (30) day period or within the period required by the cure plan, as the case may be, or if the Contractor fails to submit a cure plan within such thirty (30) day period, this Contract shall thereupon terminate, unless the City, in writing, gives the Contractor additional time to cure the default. If the default is not cured to the satisfaction of the City acting reasonably within the additional time allowed for cure, this Contract shall terminate for cause at the end of the extended cure period.
- c) The City may, by notice in writing delivered to the Contractor within thirty (30) days after issuing a Notice of Termination for Cause, advise the Contractor that either:
 - 1) the City determines that the Contractor was not in default, in which case the rights and obligations of the parties shall be the same as if the Notice of Termination for Cause had been issued as a Notice of Termination for Convenience; or alternatively, in the City's discretion,
 - 2) that the Notice of Termination for Cause is withdrawn and that the Contract, is reinstated, in which case the Contract is reinstated and not terminated for cause or for convenience;
- d) The Contractor shall be liable to the City for any damages it sustains by virtue of the Contractor's breach for any reasonable costs the City might incur in enforcing or attempting to enforce this Contract. Such costs shall include reasonable fees and expenses for attorneys, expert witnesses and other consultants. However, if the Contractor makes a written offer prior to the initiation of litigation or arbitration, then the City shall not be entitled to such attorney fees unless the City declines the offer and obtains a verdict or judgment for an amount more than ten percent (10%) above the amount of the Contractor's last written offer prior to the initiation of litigation or arbitration. The City may withhold any payment(s) to the Contractor, in an amount not to exceed the amount claimed in good faith by the City to represent its damages, for the purpose of setoff until such time as the exact amount of damages due to the City from the Contractor is determined. It is expressly understood that the Contractor shall remain liable for any damages the City sustains in excess of any setoff.
- e) The City's remedies outlined in this Article 11 shall be in addition to any and all other legal or equitable remedies permissible.

11.03 The City shall have the right to terminate this Contract at any time at its convenience by giving the Contractor thirty (30) business days written Notice of Termination for Convenience. This Contract will terminate thirty (30) days after Contractor's receipt of such notice. As of the effective date of the termination, the City will be obligated to pay the Contractor all reasonable costs in accordance with 48 CFR Subpart 31.2, that specifies the special treatment of certain costs under Subpart 31.2, Section 31.205-42, including the following:

- a) the fees or commissions for Services completed and accepted in accordance with Exhibit A in the amounts provided for in Exhibit A;
- b) the fees for Services performed but not completed prior to the date of termination in accordance with Exhibit A in the amounts set forth in the Contractor's rate schedule as provided in Exhibit A;
- c) the Contractor's costs and expenses incurred prior to the date of the termination for items that are identified in Exhibit A; and
- d) any actual costs associated with termination for convenience and profit on work performed up to the time of termination.

The City will not pay any anticipatory profits and/or consequential damages claimed by the Contractor as a result of termination of the Contract. In no event shall the City pay the Contractor more than the Contract Price of this Contract. The Contractor shall submit promptly its termination claim to the City. If the City and the Contractor fail to agree upon the Contractor's termination claim within thirty (30) days of the date of submission either the City or the Contractor may by notice in writing to the other submit the matter to arbitration in accordance with the provisions of Article 23.

11.04 After receiving a Notice of Termination for Cause or a Notice of Termination for Convenience (each a "**Notice of Termination**"), and except as otherwise directed by the City, the Contractor shall on and after the date of termination of this Contract:

- a) Stop work under the Contract;
- b) Obligate no additional Contract funds for payroll and other costs related to performance of the Services, and place no further orders on subcontracts for material, services, or facilities, except as may be necessary for completion of such portion of the Services under this Contract as is not terminated;
- c) Terminate all orders and subcontracts to the extent that they relate to the portion of the Services terminated pursuant to the Notice of Termination;
- d) Preserve all Records and submit to the City such Records and reports as the City shall specify, and furnish to the City an inventory of all furnishings, equipment, and other property purchased for the Contract, if any, and carry out such directives as the City may issue concerning the safeguarding or disposition of files and property; and
- e) Submit within thirty (30) days a final report of receipts and expenditures of funds relating to this Contract, and a list of all creditors, Subcontractors, lessors and

other parties, if any, to whom the Contractor has become financially obligated pursuant to this Contract.

- 11.05 If the City shall fail to pay any Contractor invoice when due the City shall be in default of its obligation to pay such invoice and Contractor may immediately terminate this Contract and take whatever action that it considers necessary to recover the unpaid amount or to otherwise enforce its rights under this Contract.
- 11.06 After termination of the Contract, each party shall have the duty to assist the other party in the orderly termination of this Contract and the transfer of all rights and duties arising under the Contract, as may be necessary for the orderly, un-disrupted continuation of the business of each party.

**Article 12.
Assignment**

- 12.01 The Contractor shall not assign, transfer, convey or otherwise dispose of any interest whatsoever in this Contract without the prior written consent of the City; however, claims for money due or to become due to the Contractor may be assigned to a financial institution without such approval. Notice of any assignment to a financial institution or transfer of such claims of money due or to become due shall be furnished promptly to the City. If the Contractor assigns all or any part of any monies due or to become due under this Contract, the instrument of assignment shall contain a clause stating that the right of the assignee to any monies due or to become due shall be subject to prior liens of all persons, firms, and corporations for Services rendered or materials supplied for the performance of the Services called for in this Contract.

**Article 13.
Subcontracting**

- 13.01 None of the Services covered by this Contract shall be subcontracted without the prior written approval of the City and, if required, any grantor agency. The City reserves the right to withhold approval of subcontracting such portions of the Services where the City determines that such subcontracting is not in the City's best interests.
- 13.02 Each subcontract entered into shall provide that the provisions of this Contract shall apply to the Subcontractor and its Associates in all respects. The Contractor agrees to bind each Subcontractor and each Subcontractor shall agree to be bound by the terms of the Contract insofar as applicable to the work or services performed by that Subcontractor.
- 13.03 The Contractor and the Subcontractor jointly and severally agree that no approval by the City of any proposed Subcontractor, nor any subcontract, nor anything in the Contract, shall create or be deemed to create any rights in favor of a Subcontractor and against the City, nor shall it be deemed or construed to impose upon the City any obligation, liability or duty to a Subcontractor, or to create any contractual relation whatsoever between a Subcontractor and the City.
- 13.04 The provisions contained in this Article 13 shall apply to subcontracting by a Subcontractor of any portion of the work or services included in an approved subcontract.

- 13.05 The Contractor agrees to indemnify, defend, and hold the City harmless against any claims initiated against the City pursuant to any subcontracts the Contractor enters into in performance of this Contract. The City's approval of any Subcontractor shall not relieve the Contractor of any of its responsibilities, duties and liabilities under this Contract. The Contractor shall be solely responsible to the City for the acts or defaults of its Subcontractors and of each Subcontractor's Associates, each of whom shall for this purpose be deemed to be the agent or employee of the Contractor.

Article 14.

Conflict of Interest

- 14.01 The Contractor covenants that it presently has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of the Services under this Contract. The Contractor further covenants that in the performance of this Contract no person having any such interest shall be employed by it.
- 14.02 The Contractor further covenants that no officer, agent, or employee of the City and no other public official who exercises any functions or responsibilities in the review or approval of the undertaking or performance of this Contract has any personal or financial interest, direct or indirect, in this Contract or in its proceeds, whether such interest arises by way of a corporate entity, partnership, or otherwise.
- 14.03 The Contractor warrants:
- a) that it has not employed and will not employ any person to solicit or secure this Contract upon any agreement or arrangement for payment of a commission, percentage, brokerage fee, or contingent fee, other than bona fide employees working solely for the Contractor either directly or indirectly; and
 - b) that if this warranty is breached, the City may, at its option, terminate this Contract without penalty, liability or obligation, or may, at its option, deduct from any amounts owed to the Contractor under this Contract any portion of any such commission, percentage, brokerage, or contingent fee.
- 14.04 The Contractor covenants not to employ an employee of the City for a period of one (1) year after the date of termination of this Contract without written City approval.

Article 15.

Confidential Information

- 15.01 In order that the Contractor may effectively fulfill its covenants and obligations under this Contract, it may be necessary or desirable for the City to disclose confidential and proprietary information to the Contractor or its Associates pertaining to the City's past, present and future activities. Since it is difficult to separate confidential and proprietary information from that which is not, the Contractor shall regard, and shall instruct its Associates to regard, all information gained as confidential and such information shall not be disclosed to any organization or individual without the prior consent of the City. The above obligation shall not apply to information already in the public domain or information required to be disclosed by a court order.

- 15.02 The Contractor agrees to take appropriate action with respect to its Associates to ensure that the foregoing obligations of non-use and non-disclosure of confidential information shall be fully satisfied.

Article 16.
Compliance With Laws

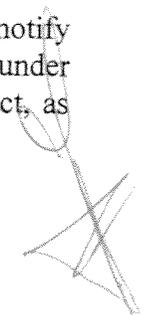
- 16.01 The Contractor shall comply with and shall require its Associates to comply with all applicable federal, state and local laws.
- 16.02 The Contractor shall hold the City harmless with respect to any damages arising from any violation of law by it or its Associates. The Contractor shall commit no trespass on any public or private property in performing any of the Services encompassed by this Contract. The Contractor shall require as part of any subcontract that the Subcontractor comply with all applicable laws and regulations.

Article 17.
Amendments

- 17.01 The City may consider it in its best interest to change, modify or extend a covenant, term or condition of this Contract or require the Contractor to perform Additional Services that are not contained within the Scope of Services as set forth in Exhibit A. Any such change, addition, deletion, extension or modification of Services may require that the compensation paid to the Contractor by the City be proportionately adjusted, either increased or decreased, to reflect such modification. If the City and the Contractor mutually agree to any changes or modification of this Contract, the modification shall be incorporated into this Contract by written Amendment.
- 17.02 Compensation shall not be modified unless there is a corresponding modification in the Services sufficient to justify such an adjustment and the parties agree to any such modification in writing.
- 17.03 No Amendment to this Contract shall be effective and binding upon the parties unless it expressly makes reference to this Contract, is in writing, is signed and acknowledged by duly authorized representatives of both parties, is approved by the appropriate City departments and the City Council, and is signed by the Purchasing Director.
- 17.04 The City shall not be bound by Unauthorized Acts of its employees, agents, or representatives with regard to any dealings with the Contractor and any of its Associates.

Article 18.
Fair Employment Practices

- 18.01 The Contractor shall comply with, and shall require any Subcontractor to comply with, all federal, state and local laws governing fair employment practices and equal employment opportunities.
- 18.02 The Contractor agrees that it shall, at the point in time it solicits any subcontract, notify the potential Subcontractor of their joint obligations relative to non-discrimination under this Contract, and shall include the provisions of this Article 18 in any subcontract, as well as provide the City a copy of any subcontract upon request.



- 18.03 Breach of the terms and conditions of this Article 18 shall constitute a material breach of this Contract and may be governed by the provisions of Article 11, "Default and Termination".

Article 19.
Notices

- 19.01 All notices, consents, approvals, requests and other communications ("**Notices**") required or permitted under this Contract shall be given in writing, and shall be deemed to have been duly given and to be effective if mailed, seven (7) business days after being deposited in the post as registered, postage prepaid, return receipt requested, addressed as follows and if delivered or sent by facsimile or electronic mail communication on the day next following the date of transmission by facsimile or electronic mail to the party at the following address:

If to the Transportation Department on behalf of the City:

City of Detroit
Department of Transportation
1301 E. Warren Avenue
Detroit, MI 48207

Facsimile No: _____

e-mail: _____

Attention: Mr./Ms. Luther Diggs

If to the Contractor:

Seon Systems Sales Inc.
Unit 111 - 3B Burbidge Street
Coquitlam, BC, Canada, V3K 7B2

Facsimile No: 1.866.664.3677

e-mail: tom.gill@seon.com

Attention: Mr. Tom Gill

- 19.02 Either party to this Contract may change its address for the receipt of Notices at any time by giving notice of the address change to the other party. Any Notice given by a party to this Contract must be signed by an authorized representative of such party.
- 19.03 The Contractor agrees that service of process at the address and in the manner specified in this Article 19 shall be sufficient to put the Contractor on notice of such action and waives any and all claims relative to such notice.

Article 20.
Proprietary Rights and Indemnity

- 20.01 The Contractor shall not relinquish any proprietary rights in its intellectual property (copyright, patent, and trademark), trade secrets or confidential information as a result of the Services provided under this Contract. Any Work Product provided to the City under this Contract shall not include the Contractor's proprietary rights, except to the extent

licensed to the City. The Contractor grants to the City a non-exclusive, non-transferable, irrevocable, limited license for the delivered Software in object code form only:

- a) for use only by the City and its employees and independent contractors;
- b) to install the Software on the number of the City owned computers specified in Exhibit A only for use related to the City's Vehicle Video Surveillance System Retrofit which is the subject of the Contract;
- c) to make backup copies of the Software only for the City's own use to secure programs and data related to the City's Vehicle Video Surveillance System Retrofit which is the subject of the Contract.

The City shall comply with all specific third party manufacturer's terms of licenses for third party hardware and software delivered pursuant to the Contract.

The City shall not:

- d) use, copy, republish or distribute the Software, or cause or permit any person to use, copy, republish or distribute the Software, except as expressly permitted under the Contract;
- e) loan, sell, rent, lease, sublicense, grant a security interest in, republish, distribute, loan or otherwise transfer rights to the Software, in whole or in part;
- f) directly or indirectly attempt in any way to derive the source code, content, structure, sequence or organization of all or any portion of the Software, nor will attempt to modify, port, reverse engineer, de-compile, or translate the Software, or to create derivative works thereof;
- g) remove any proprietary notices or labels from the Software; or
- h) separate any component parts of the Software for use, license, distribution or replacement by the Contractor.

The Contractor shall not be required to assign any copyrights, patents, and title for any custom software development. The Contractor shall retain ownership of all custom and derivative Software designs, source code, and object code.

The City acknowledges and agrees that the Contract does not grant the City any rights to use any trademarks or trade names of the Contractor or its licensors. All such marks shall remain the property of the respective owner.

20.02 The City shall not relinquish any of its proprietary rights, including, but not limited to, its data, privileged or confidential information, or methods and procedures, as a result of the Services provided under this Contract.

20.03 The parties acknowledge that should the performance of this Contract result in the development of new proprietary and secret concepts, methods, techniques, processes, adaptations, discoveries, improvements and ideas ("**Discoveries**"), and to the extent said Discoveries do not include modifications, enhancements, configurations, translations, derivative works, and interfaces from the Contractor's intellectual property, trade secrets or confidential information, said Discoveries shall be deemed "Work(s) for Hire" and

shall be promptly reported to the City and shall belong solely and exclusively to the City without regard to their origin, and the Contractor shall not, other than in the performance of this Contract, make use of or disclose said Discoveries to anyone. At the City's request, the Contractor shall execute all documents and papers and shall furnish all reasonable assistance requested in order to establish in the City all right, title and interest in said Discoveries or to enable the City to apply for United States patents or copyrights for said Discoveries, if the City elects to do so.

- 20.04 Copyright in the Work Product provided by the Contractor to the City under this Contract is owned by the Contractor.
- 20.05 The Contractor warrants that the performance of this Contract shall not infringe upon or violate any patent, copyright, trademark, trade secret or proprietary right of any third party. In the event of any legal action related to the above obligations of the Contractor filed by a third party against the City, the Contractor shall, at its sole expense, indemnify, defend and hold the City harmless against any loss, cost, expense or liability arising out of such claim, whether or not such claim is successful.
- 20.06 The making of payments by the City to the Contractor, shall vest in the City title to, and the right to take possession of, all Work Product produced, delivered and invoiced for by the Contractor up to the time of such payments, and the City shall have the right to use said Work Product for public purposes without further compensation to the Contractor or to any other person.

**Article 21.
Force Majeure**

- 21.01 No failure or delay in performance of this Contract, by either party, shall be deemed to be a breach thereof when such failure or delay is caused by a force majeure event including, but not limited to, any Act of God, strikes, lockouts, wars, acts of terrorism, riots, epidemics, explosions, sabotage, breakage or accident to equipment, the binding order of any court or governmental authority, or any other cause, whether of the kind herein enumerated or otherwise, not within the control of a party. In the event of a dispute between the parties with regard to what constitutes a force majeure event, the matter shall be determined pursuant to and in accordance with the provisions of Article 23.

**Article 22.
Waiver**

- 22.01 The City shall not be deemed to have waived any of its rights under this Contract unless such waiver is in writing and signed by the City.
- 22.02 No delay or omission on the part of the City in exercising any right shall operate as a waiver of such right or any other right. A waiver on any one (1) occasion shall not be construed as a waiver of any right on any future occasion.
- 22.03 No failure by the City to insist upon the strict performance of any covenant, agreement, term or condition of this Contract or to exercise any right, term or remedy consequent upon its breach shall constitute a waiver of such covenant, agreement, term, condition, or breach.

Article 23.
Disputes

23.01 Disputes arising in the performance of the Contract which are not resolved by agreement of the parties shall be decided in writing by the authorized representative of the City's Purchasing Director. This decision shall be final and conclusive unless within ten (10) days from the date of receipt of its copy, the Contractor or the City Project Manager mails or otherwise furnishes a written appeal to the City's Purchasing Director. In connection with any such appeal, the Contractor or the City's Project Manager shall be afforded an opportunity to be heard and to offer evidence in support of its position. If Contractor disagrees with the decision of the City's Purchasing Director the Contractor may submit the dispute to binding arbitration to the State of Michigan office of the American Arbitration Association ("AAA") in accordance with the procedures set forth in the Commercial Arbitration Rules of the AAA then obtaining. The Commercial Arbitration Rules of the AAA shall govern any arbitration proceeding hereunder. The arbitration shall be conducted by three (3) commercially-experienced arbitrators selected pursuant to the Commercial Arbitration Rules, and pre-hearing discovery shall be permitted if and only to the extent determined by the arbitrators to be necessary in order to effectuate resolution of the matter in dispute. The construction, interpretation and performance hereof and all transactions hereunder shall be governed by the laws of the State of Michigan, without giving effect to the principles of conflict of laws thereof. Equitable remedies shall be available from the arbitrators. Consequential, punitive, exemplary, indirect or similar damages shall not be awarded by the arbitrators, although attorneys' fees and the costs of arbitration may be assessed against either or both Parties. Any provisions of the award which are determined to be unenforceable in any jurisdiction, shall as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability, without invalidating the remaining provisions hereof. The arbitrators' decision shall be rendered within thirty (30) days of the conclusion of any hearing hereunder and the arbitrators' judgment shall be final and binding on the parties. Any award and judgment may be entered and enforced in any court of competent jurisdiction. Unless otherwise directed by the City, Contractor will continue performance under the Contract while matters in dispute are being resolved.

Article 24.
Miscellaneous

- 24.01 If any provision of this Contract or its application to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Contract shall not be affected and shall remain valid and enforceable to the fullest extent permitted by law.
- 24.02 This Contract contains the entire agreement between the parties and all prior negotiations and agreements are merged into this Contract. Neither the City nor the City's agents have made any representations except those expressly set forth in this Contract, and no rights or remedies are, or shall be, acquired by the Contractor by implication or otherwise unless expressly set forth in this Contract. The Contractor waives any defense it may have to the validity of the execution of this Contract.
- 24.03 Unless the context otherwise expressly requires, the words "herein", "hereof" and "hereunder", and other words of similar import, refer to this Contract as a whole and not to any particular section or subdivision.
- 

- 24.04 The headings of the sections of this Contract are for convenience only and shall not be used to construe or interpret the scope or intent of this Contract or in any way affect the same.
- 24.05 This Contract and all actions arising under it shall be governed by, subject to, and construed according to the law of the State of Michigan. The Contractor agrees, consents and submits to the exclusive personal jurisdiction of any state or federal court of competent jurisdiction in Wayne County, Michigan, for any action arising out of this Contract. The Contractor also agrees that it shall not commence any action against the City because of any matter whatsoever arising out of or relating to the validity, construction, interpretation and enforcement of this Contract in any state or federal court of competent jurisdiction other than one in Wayne County, Michigan.
- 24.06 If any Associate of the Contractor shall take any action that, if done by a party, would constitute a breach of this Contract, the same shall be deemed a breach by the Contractor.
- 24.07 The rights and remedies set forth in this Contract are not exclusive and are in addition to any of the rights or remedies provided by law or equity.
- 24.08 For purpose of the hold harmless and indemnity provisions contained in this Contract, the term “City” shall be deemed to include the City of Detroit and all other associated, affiliated, allied or subsidiary entities or commissions, now existing or subsequently created, and their officers, agents, representatives, and employees.
- 24.09 The Contractor covenants that it is not, and shall not become, in arrears to the City upon any contract, debt, or other obligation to the City including, without limitation, real property, personal property and income taxes, and water, sewage or other utility bills.
- 24.10 This Contract may be executed in any number of originals, any one of which shall be deemed an accurate representation of this Contract. Promptly after the execution of this Contract, the City shall provide a copy to the Contractor.
- 24.11 As used in this Contract, the singular shall include the plural, the plural shall include the singular, and a reference to either gender shall be applicable to both.
- 24.12 The rights and benefits under this Contract shall inure to the City of Detroit and its agents, successors, and assigns.
- 24.13 The City shall have the right to recover by setoff from any payment owed to the Contractor all delinquent withholding, income, corporate and property taxes owed to the City by the Contractor, any amounts owed to the City by the Contractor under this Contract or other contracts, and any other debt owed to the City by the Contractor.

Article 25.

Federal Transportation Administration (FTA) Clauses

The City and the Contractor agree that they will perform, comply with and be governed by the following provisions and that the term “proposer” as used below in this Article 25 shall mean the Contractor and the term “Purchaser” as used in in this Article 25 shall mean the City.

25.01 Cargo Preference:

The proposer agrees:



- 1) To utilize privately owned United States flag commercial vessels to ship at least fifty percent (50%) of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners, and tankers) involved, whenever shipping by commercial vessel any equipment, materials, or commodities pursuant to this contract, to the extent that such vessels are available at fair and reasonable rates for United States flag commercial vessels.
- 2) To furnish within thirty (30) days following the date of loading for shipments originating with the United States, or within thirty (30) working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, "on board" commercial ocean bill of lading in English for each shipment of cargo described in Paragraph 1 of the Certificate to D DOT (through the proposer in the case of subcontractor bills of lading) and to the Division of National Cargo, office of Market Development, Maritime Administration, 400 Seventh Street, S.W., Washington, D.C., 20590, marked with the appropriate identification of this contract.
- 3) To insert the substance of the provisions of the Certificate in all subcontracts issued pursuant to this contract.

25.02 The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. §§ 7401 . The Contractor agrees to report each violation to the Purchaser and understands and agrees that the Purchaser will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.

The Contractor also agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with Federal assistance provided by FTA.

The Contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et. The Contractor agrees to report each violation to the Purchaser and understands and agrees that the Purchaser will, in turn, report each violation as required to assure notification to FTA and the appropriate EPA Regional Office.

The Contractor also agrees to include these requirements in each subcontract exceeding \$100,000 financed in whole or in part with Federal assistance provided by FTA.

The contractor agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

25.03 The following access to records requirements apply to this Contract:

- 1) Where the Purchaser is not a State but a local government and is the FTA Recipient or a sub grantee of the FTA Recipient in accordance with 49 C. F. R. 18.36(i), the Contractor agrees to provide the Purchaser, the FTA Administrator, the Comptroller General of the United States or any of their authorized representatives access to any books, documents, papers and records of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions.

Contractor also agrees, pursuant to 49 C. F. R. 633.17 to provide the FTA Administrator or his authorized representatives including any PMO Contractor access to Contractor's records and construction sites pertaining to a major capital project, defined at 49 U.S.C. 5302(a)1, which is receiving federal financial assistance through the programs described at 49 U.S.C. 5307, 5309 or 5311.

- 2) Where the Purchaser is a State and is the FTA Recipient or a subgrantee of the FTA Recipient in accordance with 49 C.F.R. 633.17, Contractor agrees to provide the Purchaser, the FTA Administrator or his authorized representatives, including any PMO Contractor, access to the Contractor's records and construction sites pertaining to a major capital project, defined at 49 U.S.C. 5302(a)1, which is receiving federal financial assistance through the programs described at 49 U.S.C. 5307, 5309 or 5311. By definition, a major capital project excludes contracts of less than the simplified acquisition threshold currently set at \$100,000.
- 3) Where the Purchaser enters into a negotiated contract for other than a small purchase or under the simplified acquisition threshold and is an institution of higher education, a hospital or other non-profit organization and is the FTA Recipient or a subgrantee of the FTA Recipient in accordance with 49 C.F.R. 19.48, Contractor agrees to provide the Purchaser, FTA Administrator, the Comptroller General of the United States or any of their duly authorized representatives with access to any books, documents, papers and record of the Contractor which are directly pertinent to this contract for the purposes of making audits, examinations, excerpts and transcriptions.
- 4) Where any Purchaser which is the FTA Recipient or a subgrantee of the FTA Recipient in accordance with 49 U.S.C. 5325(a) enters into a contract for a capital project or improvement (defined at 49 U.S.C. 5302(a)1) through other than competitive bidding, the Contractor shall make available records related to the contract to the Purchaser, the Secretary of Transportation and the Comptroller General or any authorized officer or employee of any of them for the purposes of conducting an audit and inspection.
- 5) The Contractor agrees to permit any of the foregoing parties to reproduce by any means whatsoever or to copy excerpts and transcriptions as reasonably needed.
- 6) The Contractor agrees to maintain all books, records, accounts and reports required under this contract for a period of not less than three years after the date of termination or expiration of this contract, except in the event of litigation or settlement of claims arising from the performance of this contract, in which case Contractor agrees to maintain same until the Purchaser, the FTA Administrator, the Comptroller General, or any of their duly authorized representatives, have disposed of all such litigation, appeals, claims or exceptions related thereto. Reference 49 CFR 18.39(i)(11).

7) FTA does not require the inclusion of these requirements in subcontracts.

Requirements for Access to Records and Reports by Types of Contract

Contract Characteristics	Operational Service Contract	Turnkey	Construction	Architectural Engineering	Acquisition of Rolling Stock	Professional Services
I State Grantees						
a. Contracts below SAT (\$100,000)	None	Those imposed on state pass thru to Contractor	None	None	None	None
b. Contracts above \$100,000/Capital Projects	None unless ¹ non-competitive award		Yes, if non-competitive award or if funded thru ² 5307/5309/5311	None unless non-competitive award	None unless non-competitive award	None unless non-competitive award
II Non State Grantees						
a. Contracts below SAT (\$100,000)	Yes ³	Those imposed on non-state Grantee pass thru to Contractor	Yes	Yes	Yes	Yes
b. Contracts above \$100,000/Capital Projects	Yes ³		Yes	Yes	Yes	Yes

25.04 Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the between Purchaser and FTA, as they may be amended or promulgated from time to time during the term of this contract. Contractor's failure to so comply shall constitute a material breach of this contract.

25.05 The contractor agrees to comply with all the requirements of Section 6002 of the Resource Conservation and Recovery Act (RCRA), as amended (42 U.S.C. 6962), including but not limited to the regulatory provisions of 40 CFR Part 247, and Executive Order 12873, as they apply to the procurement of the items designated in Subpart B of 40 CFR Part 247.

25.06 DAVIS-BACON AND COPELAND ANTI-KICKBACK ACTS

1) Minimum wages -

(i) All laborers and mechanics employed or working upon the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and

made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR Part 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classifications and wage rates conformed under paragraph (1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

- (ii) (A) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:
 - (1) Except with respect to helpers as defined as 29 CFR 5.2(n)(4), the work to be performed by the classification requested is not performed by a classification in the wage determination; and
 - (2) The classification is utilized in the area by the construction industry; and
 - (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination; and
 - (4) With respect to helpers as defined in 29 CFR 5.2(n)(4), such a classification prevails in the area in which the work is performed.
- (B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives,

and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii) (B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

- (iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.
- (iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.
- (v) (A) The contracting officer shall require that any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and

fringe benefits therefore only when the following criteria have been met:

- (1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
- (2) The classification is utilized in the area by the construction industry; and
- (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination with 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(v) (B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

- 2) Withholding - The Detroit Department of Transportation shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor,

so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work (or under the United States Housing Act of 1937 or under the Housing Act of 1949 in the construction or development of the project), all or part of the wages required by the contract, the Detroit Department of Transportation may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

3) Payrolls and basic records -

- (i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work (or under the United States Housing Act of 1937, or under the Housing Act of 1949, in the construction or development of the project). Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.
- (ii) (A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the Detroit Department of Transportation for transmission to the Federal Transit Administration. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under section 5.5(a)(3)(i) of Regulations, 29 CFR part 5. This information may be submitted in any form desired.

Optional Form WH-347 is available for this purpose and may be purchased from the Superintendent of Documents (Federal Stock Number 029-005-00014-1), U.S. Government Printing Office, Washington, DC 20402. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors.

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance" signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

- (1) That the payroll for the payroll period contains the information required to be maintained under section 5.5(a)(3)(i) of Regulations, 29 CFR part 5 and that such information is correct and complete;
- (2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;
- (3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

- (iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of the Federal Transit Administration or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of



funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

4) Apprentices and trainees -

- (i) Apprentices - Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training, or with a State Apprenticeship Agency recognized by the Bureau, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Bureau of Apprenticeship and Training or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator of the Wage and Hour Division of the U.S. Department of Labor determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Bureau of Apprenticeship and Training, or a State Apprenticeship Agency recognized by the Bureau, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less

than the applicable predetermined rate for the work performed until an acceptable program is approved.

- (ii) Trainees - Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.
 - (iii) Equal employment opportunity - The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.
- 5) Compliance with Copeland Act requirements - The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.
 - 6) Subcontracts - The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the Federal Transit Administration may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The

prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

- 7) Contract termination: debarment - A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.
- 8) Compliance with Davis-Bacon and Related Act requirements - All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.
- 9) Disputes concerning labor standards - Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.
- 10) Certification of eligibility - (i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
 - (ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).
 - (iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

25.07 Contract Work Hours and Safety Standards

Overtime requirements - No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

Violation; liability for unpaid wages; liquidated damages - In the event of any violation of the clause set forth in paragraph (1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty



hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this section.

Withholding for unpaid wages and liquidated damages - The (write in the name of the grantee) shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this section.

Subcontracts - The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraphs (1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this section.

- 25.08 The Purchaser and Contractor acknowledge and agree that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of the underlying contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this contract and shall not be subject to any obligations or liabilities to the Purchaser, Contractor, or any other party (whether or not a party to that contract) pertaining to any matter resulting from the underlying contract.

The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.

- 25.09 The Contractor acknowledges that the provisions of the Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. § § 3801 et seq and U.S. DOT regulations, "Program Fraud Civil Remedies", 49 C.F.R. Part 31, apply to its actions pertaining to this Project. Upon execution of the underlying contract, the Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, it may make, or causes to be made, pertaining to the underlying contract or the FTA assisted project for which this contract work is being performed. In addition to other penalties that may be applicable, the Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Contractor to the extent the Federal Government deems appropriate.

The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under the authority of 49 U.S.C. § 5307, the Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on the Contractor, to the extent the Federal Government deems appropriate.

The Contractor agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

- 25.10 The following requirements apply to the Contractor and its employees that administer any system of records on behalf of the Federal Government under any contract:

The Contractor agrees to comply with, and assures the compliance of its employees with, the information restrictions and other applicable requirements of the Privacy Act of 1974, 5 U.S.C. § 552a. Among other things, the Contractor agrees to obtain the express consent of the Federal Government before the Contractor or its employees operate a system of records on behalf of the Federal Government. The Contractor understands that the requirements of the Privacy Act, including the civil and criminal penalties for violation of that Act, apply to those individuals involved, and that failure to comply with the terms of the Privacy Act may result in termination of the underlying contract.

The Contractor also agrees to include these requirements in each subcontract to administer any system of records on behalf of the Federal Government financed in whole or in part with Federal assistance provided by FTA.

- 25.11 The following requirements apply to the underlying contract:

Non-discrimination - In accordance with Title VI of the Civil Rights Act, as amended, 42 U.S.C. § 2000d, section 303 of the Age Discrimination Act of 1975, as amended, 42 U.S.C. § 6102, section 202 of the Americans with Disabilities Act of 1990, 42 U.S.C. § 12132, and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of race, color, creed, national origin, sex, age, or disability. In addition, the Contractor agrees to comply with applicable Federal implementing regulations and other implementing requirements FTA may issue.

Equal Employment Opportunity - The following equal employment opportunity requirements apply to the underlying contract:

Race, Color, Creed, National Origin, Sex - In accordance with Title VII of the Civil Rights Act, as amended, 42 U.S.C. § 2000e, and Federal transit laws at 49 U.S.C. § 5332, the Contractor agrees to comply with all applicable equal employment opportunity requirements of U.S. Department of Labor (U.S. DOL) regulations, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor", 41 C.F.R. Parts 60 et seq., (which implement Executive Order No. 11246, "Equal Employment Opportunity" as amended by Executive Order No. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity" 42 U.S.C. § 2000e note), and with any applicable Federal statutes, executive orders, regulations, and Federal policies that may in the future affect construction activities undertaken in the course of the Project. The Contractor agrees to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, creed, national origin, sex, or age. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer,

recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

Age - In accordance with section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 U.S.C. § § 623 and Federal transit law at 49 U.S.C. § 5332, the Contractor agrees to refrain from discrimination against present and prospective employees for reason of age. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

Disabilities - In accordance with section 102 of the Americans with Disabilities Act, as amended, 42 U.S.C. § 12112, the Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act", 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, the Contractor agrees to comply with any implementing requirements FTA may issue.

The Contractor also agrees to include these requirements in each subcontract financed in whole or in part with Federal assistance provided by FTA, modified only if necessary to identify the affected parties.

- 25.12 A. Rights in Data - This following requirements apply to each contract involving experimental, developmental or research work:

The term "subject data" used in this clause means recorded information, whether or not copyrighted, that is delivered or specified to be delivered under the contract. The term includes graphic or pictorial delineation in media such as drawings or photographs; text in specifications or related performance or design-type documents; machine forms such as punched cards, magnetic tape, or computer memory printouts; and information retained in computer memory. Examples include, but are not limited to: computer software, engineering drawings and associated lists, specifications, standards, process sheets, manuals, technical reports, catalog item identifications, and related information. The term "subject data" does not include financial reports, cost analyses, and similar information incidental to contract administration.

The following restrictions apply to all subject data first produced in the performance of the contract to which this Attachment has been added:

Except for its own internal use, the Purchaser or Contractor may not publish or reproduce subject data in whole or in part, or in any manner or form, nor may the Purchaser or Contractor authorize others to do so, without the written consent of the Federal Government, until such time as the Federal Government may have either released or approved the release of such data to the public; this restriction on publication, however, does not apply to any contract with an academic institution.

In accordance with 49 C.F.R. § 18.34 and 49 C.F.R. § 19.36, the Federal Government reserves a royalty-free, non-exclusive and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for "Federal Government purposes", any subject data or copyright described in subsections (2)(b)1 and (2)(b)2 of this clause

below. As used in the previous sentence, "for Federal Government purposes" means use only for the direct purposes of the Federal Government. Without the copyright owner's consent, the Federal Government may not extend its Federal license to any other party.

- 1) Any subject data developed under that contract, whether or not a copyright has been obtained; and
- 2) Any rights of copyright purchased by the Purchaser or Contractor using Federal assistance in whole or in part provided by FTA.

When FTA awards Federal assistance for experimental, developmental, or research work, it is FTA's general intention to increase transportation knowledge available to the public, rather than to restrict the benefits resulting from the work to participants in that work. Therefore, unless FTA determines otherwise, the Purchaser and the Contractor performing experimental, developmental, or research work required by the underlying contract to which this Attachment is added agrees to permit FTA to make available to the public, either FTA's license in the copyright to any subject data developed in the course of that contract, or a copy of the subject data first produced under the contract for which a copyright has not been obtained. If the experimental, developmental, or research work, which is the subject of the underlying contract, is not completed for any reason whatsoever, all data developed under that contract shall become subject data as defined in subsection (a) of this clause and shall be delivered as the Federal Government may direct. This subsection (c), however, does not apply to adaptations of automatic data processing equipment or programs for the Purchaser or Contractor's use whose costs are financed in whole or in part with Federal assistance provided by FTA for transportation capital projects.

Unless prohibited by state law, upon request by the Federal Government, the Purchaser and the Contractor agree to indemnify, save, and hold harmless the Federal Government, its officers, agents, and employees acting within the scope of their official duties against any liability, including costs and expenses, resulting from any willful or intentional violation by the Purchaser or Contractor of proprietary rights, copyrights, or right of privacy, arising out of the publication, translation, reproduction, delivery, use, or disposition of any data furnished under that contract. Neither the Purchaser nor the Contractor shall be required to indemnify the Federal Government for any such liability arising out of the wrongful act of any employee, official, or agents of the Federal Government.

Nothing contained in this clause on rights in data shall imply a license to the Federal Government under any patent or be construed as affecting the scope of any license or other right otherwise granted to the Federal Government under any patent.

Data developed by the Purchaser or Contractor and financed entirely without using Federal assistance provided by the Federal Government that has been incorporated into work required by the underlying contract to which this Attachment has been added is exempt from the requirements of subsections (b), (c), and (d) of this clause, provided that the Purchaser or Contractor identifies that data in writing at the time of delivery of the contract work.

Unless FTA determines otherwise, the Contractor agrees to include these requirements in each subcontract for experimental, developmental, or research work financed in whole or in part with Federal assistance provided by FTA.

Unless the Federal Government later makes a contrary determination in writing, irrespective of the Contractor's status (i.e., a large business, small business, state government or state instrumentality, local government, non-profit organization, institution of higher education, individual, etc.), the Purchaser and the Contractor agree to take the necessary actions to provide, through FTA, those rights in that invention due the Federal Government as described in U.S. Department of Commerce regulations, "Rights to Inventions Made by Non-profit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements", 37 C.F.R. Part 401.

The Contractor also agrees to include these requirements in each subcontract for experimental, developmental, or research work financed in whole or in part with Federal assistance provided by FTA.

Patent Rights - This following requirements apply to each contract involving experimental, developmental, or research work:

General - If any invention, improvement, or discovery is conceived or first actually reduced to practice in the course of or under the contract to which this Attachment has been added, and that invention, improvement, or discovery is patentable under the laws of the United States of America or any foreign country, the Purchaser and Contractor agree to take actions necessary to provide immediate notice and a detailed report to the party at a higher tier until FTA is ultimately notified.

Unless the Federal Government later makes a contrary determination in writing, irrespective of the Contractor's status (a large business, small business, state government or state instrumentality, local government, non-profit organization, institution of higher education, individual), the Purchaser and the Contractor agree to take the necessary actions to provide, through FTA, those rights in that invention due the Federal Government as described in U.S. Department of Commerce regulations, "Rights to Inventions Made by Non-profit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements", 37 C.F.R. Part 401.

The Contractor also agrees to include the requirements of this clause in each subcontract for experimental, developmental, or research work financed in whole or in part with Federal assistance provided by FTA.

25.13 The Contractor agrees to comply with applicable transit employee protective requirements as follows:

General Transit Employee Protective Requirements - To the extent that FTA determines that transit operations are involved, the Contractor agrees to carry out the transit operations work on the underlying contract in compliance with terms and conditions determined by the U.S. Secretary of Labor to be fair and equitable to protect the interests of employees employed under this contract and to meet the employee protective requirements of 49 U.S.C. A 5333(b), and U.S. DOL guidelines at 29 C.F.R. Part 215, and any amendments thereto. These terms and conditions are identified in the letter of certification from the U.S. DOL to FTA applicable to the FTA Recipient's project from

which Federal assistance is provided to support work on the underlying contract. The Contractor agrees to carry out that work in compliance with the conditions stated in that U.S. DOL letter. The requirements of this subsection (1), however, do not apply to any contract financed with Federal assistance provided by FTA either for projects for elderly individuals and individuals with disabilities authorized by 49 U.S.C. § 5310(a)(2), or for projects for non-urbanized areas authorized by 49 U.S.C. § 5311. Alternate provisions for those projects are set forth in subsections (b) and (c) of this clause.

Transit Employee Protective Requirements for Projects Authorized by 49 U.S.C. § 5310(a)(2) for Elderly Individuals and Individuals with Disabilities

If the contract involves transit operations financed in whole or in part with Federal assistance authorized by 49 U.S.C. § 5310(a)(2), and if the U.S. Secretary of Transportation has determined or determines in the future that the employee protective requirements of 49 U.S.C. § 5333(b) are necessary or appropriate for the state and the public body sub-recipient for which work is performed on the underlying contract, the Contractor agrees to carry out the Project in compliance with the terms and conditions determined by the U.S. Secretary of Labor to meet the requirements of 49 U.S.C. § 5333(b), U.S. DOL guidelines at 29 C.F.R. Part 215, and any amendments thereto. These terms and conditions are identified in the U.S. DOL's letter of certification to FTA, the date of which is set forth Grant Agreement or Cooperative Agreement with the state. The Contractor agrees to perform transit operations in connection with the underlying contract in compliance with the conditions stated in that U.S. DOL letter.

Transit Employee Protective Requirements for Projects Authorized by 49 U.S.C. § 5311 in Non-urbanized Areas

If the contract involves transit operations financed in whole or in part with Federal assistance authorized by 49 U.S.C. § 5311, the Contractor agrees to comply with the terms and conditions of the Special Warranty for the Non-urbanized Area Program agreed to by the U.S. Secretaries of Transportation and Labor, dated May 31, 1979, and the procedures implemented by U.S. DOL or any revision thereto.

The Contractor also agrees to include the any applicable requirements in each subcontract involving transit operations financed in whole or in part with Federal assistance provided by FTA.

- 25.14 The preceding provisions include, in part, certain Standard Terms and Conditions required by DOT, whether or not expressly set forth in the preceding contract provisions. All contractual provisions required by DOT, as set forth in are hereby incorporated by reference. Anything to the contrary herein notwithstanding, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Agreement. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any (name of grantee) requests which would cause (name of grantee) to be in violation of the FTA terms and conditions

(Signatures appear on next page)

CORPORATION CERTIFICATE OF AUTHORITY

I, _____ Tom Gill _____, Corporate Secretary of
(name of corporate secretary)

_____ Seon Design Inc. _____, a _____ British Columbia, Canada _____
(complete name of corporation) (state of incorporation)

_____ For Profit _____ corporation (the "Corporation"), DO HEREBY CERTIFY that the
(non-profit or for profit)

following is a true and correct excerpt from the minutes of the meeting of the Board of Directors

duly called and held on _____ July 10, 2014 _____, and that the same is now in full force and effect:
(date of meeting)

"RESOLVED, that the President and the Secretary and each of them, is authorized to execute and deliver, in the name of and on behalf of the Corporation and under its corporate seal or otherwise, any agreement or other instrument or document ('Contract') in connection with any matter or transaction between the Corporation and the City of Detroit that shall have been duly approved; and the execution and delivery of any Contract by any of the aforementioned officers shall be conclusive evidence of such approval."

FURTHER, I CERTIFY that _____ N/A _____ is Chairman,
_____ Terry Akiyama _____ is President,
_____ N/A _____ is (are) Vice President(s),
_____ N/A _____ is Treasurer,
_____ Tom Gill _____ is Secretary,
_____ N/A _____ is Executive Director, and
_____ Tom Gill _____ is Chief Operating Officer

FURTHER, I CERTIFY that any of the aforementioned officers or employees of the Corporation are authorized to execute and commit the Corporation to the conditions, obligations, stipulations and undertakings contained in the foregoing Contract between the City and the above-referenced Corporation and that all necessary corporate approvals have been obtained in relationship thereto.

IN WITNESS THEREOF, I have set my hand this 10th day of July, 2014.

CORPORATE SEAL
(if any)

Corporation Secretary – Tom Gill

PLEASE NOTE THAT THE PERSON WHO SIGNS THE CONTRACT ON BEHALF OF YOUR CORPORATION MUST BE ONE OF THE INDIVIDUALS LISTED ABOVE AS PERSON AUTHORIZED TO EXECUTE CONTRACTS IN THE NAME OF AND ON BEHALF OF THE CORPORATION.

CORPORATE ACKNOWLEDGMENT

PROVINCE OF B. C.)

)SS.

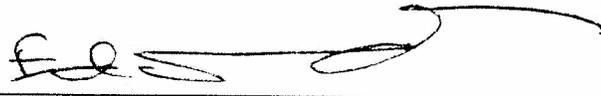
CITY OF COQUITLAM)

The foregoing contract was acknowledged before me the 21st day of July,
2014, by TOM GILL
(name of person who signed the contract)

the Chief Operating Officer
(title of person who signed the contract as it appears on the contract)

of SEON SYSTEMS SALES INC.
(complete name of the corporation)

on behalf of the Corporation.



Notary Public, City of Coquitlam

Province of B. C.

My commission expires: PERMANENT COMMISSION

EDMUND WU
Barrister & Solicitor & Notary Public
209-1130 Austin Avenue
Coquitlam, B.C. V3K 3P5
Tel: (604) 936-2188
PERMANENT COMMISSION



EXHIBIT A

SCOPE OF SERVICES

I. Notice to Proceed

The term of this Contract shall begin on August 31, 2014 and shall terminate at the end of five (5) years from commencement date of the contract unless contract is extended through amendment. The Contractor shall commence performance of this Contract upon receipt of a written "Notice to Proceed" from the City and in the manner specified in the Notice to Proceed.

II. Services to be Performed

See Attached



Handwritten signature and initials, possibly "SR", located at the bottom of the page.

SEON

Mobile Surveillance

Detroit Department of Transportation (DDOT): Supply and Installation: Mobile Video Surveillance Systems

Statement of Work

**Revision 1
July 15, 2014**

A handwritten signature in black ink, appearing to be a stylized name, located on the right side of the page.

Document Information and Change History

Version	Date	Author	Changes
0	15 July, 2014	A Slabbert	Initial Version
1	17 July, 2014	A Slabbert	Updated with comments



TABLE OF CONTENTS

1. INTRODUCTION..... 1

1.1. SCOPE..... 1

1.2. VEHICLE TYPES..... 1

1.3. PROJECT DIRECTION..... 2

1.4. CONTRACT SCHEDULE..... 2

1.5. SUBMITTALS / SUPPORT..... 2

2. TECHNICAL REQUIREMENTS..... 3

2.1. IN-VEHICLE SYSTEMS..... 3

2.2. WIFI INFRASTRUCTURE 3

2.3. CELLULAR FUNCTIONALITY 4

3. BILL OF MATERIALS..... 6

3.1. IN-VEHICLE EQUIPMENT 6

3.2. WIRELESS INFRASTRUCTURE 6



1. INTRODUCTION

This Statement of Work (SOW) outlines Video System services to be provided by Seon Systems Sales Inc. (Contractor) to the Detroit Department of Transportation (Buyer).

1.1. SCOPE

The scope of the project is as defined in DDOT RFP NO. 47624 and Seon's proposal in response to the RFP.

This document describes the tasks to be performed by the Contractor associated with the supply, delivery & installation of:

- Video Surveillance equipment and material on the Customer vehicles as part of the Video System Project at 3 (three) designated customer sites.
- Wireless infrastructure at 3 (three) designated customer sites.
- Provision of cellular video streaming capability from each of the included customer vehicles.

All installation activities shall take place at Customer facilities as follows:

1301 E. Warren Ave.
Detroit, MI 48207

Gilbert Terminal
5600 Wabash
Detroit, MI 48208

Shoemaker Terminal
5149 St. Jean
Detroit, MI 48213

Installation shall take place on the types and quantities of the Customer vehicles defined herein.

1.2. VEHICLE TYPES

The vehicle types and quantities anticipated to be included in the project are:

Style	Quantity
40' HF Nova	40
40' LF New Flyer	159
40' LF Gillig	44
40' LF Gillig	2
TOTAL	245

1.3. PROJECT DIRECTION

The Contractor's performance to meet the requirements of this SOW shall be under the direction of the Buyer's Project Manager or their authorized representative. This direction will consist of guiding the Contractor within the written technical parameters, specifications, drawings and schedules of this SOW, in order to achieve the project objectives. Deletions, additions, changes or amendments to this SOW and other exhibits or documents referenced herein are not considered project direction and shall not be implemented by the Contractor unless confirmed in writing by the Buyer.

1.4. CONTRACT SCHEDULE

See attached, DDOT Schedule R1.pdf

The schedule is based on the availability of at least 5 buses per day. The daily allocation and provision of buses will be coordinated between a nominated representative(s) from DDOT working with the Seon site representative. Working times (including possible overnight and weekend installations) will be agreed upon between the DDOT and Seon Project Managers.

1.5. SUBMITTALS / SUPPORT

The Contractor shall provide the following related to the camera subsystem:

- A. System installation instructions
- B. System Acceptance Test (SAT) procedures
- C. Training for DDOT personnel for:
 - Basic in-vehicle equipment troubleshooting and removal and replacement for general service and warranty purposes.
 - The general use of vMax Commander and the management of video coming off the buses
 - Management of streaming live video
- D. Training manuals & materials

2. TECHNICAL REQUIREMENTS

The Contractor shall meet the technical requirements as per the RFP and the Contractor's technical response.

2.1. IN-VEHICLE SYSTEMS

It is specifically noted that the in-vehicle equipment shall be similar in scope, design and function to the 50 systems previously supplied and installed by the Contractor.

2.2. WIFI INFRASTRUCTURE

Other than the extent of coverage at the agreed three locations, wireless functionality shall be similar to the single wireless access point supplied and installed as part of the initial 50 vehicle project carried out by Contractor.

- Seon will provide, install and configure access points and antennas appropriate to each site and will be responsible for overall functionality and connectivity of the dedicated WLAN network.
- Noted that Seon will not be responsible for adverse effects of Customer changes to the network.
- Seon will provide a total of 3 (three) dedicated servers (one per site). Each server will have a local UPS.
- Each server will come with a total of 10TB storage and may make use of Microsoft SQL Express
- Seon will also provide a total of 5 (five) desktop workstations and 2 (two) laptop computers.
- Seon will be responsible for ensuring connectivity between the servers and the wireless access points at each site, including the network cabling and Ethernet switches required to connect all components.
- At the time of installation, vMax Commander software will be provided with at least the same functionality as previously tested. Seon reserves the right to install the version deemed most appropriate for the application. Software upgrades and feature requests are not included in this project
- The system will be capable of downloading 10 concurrent archives per site.
- If required, DDOT is responsible for procuring and implementing Enterprise SQL Server. Seon will use best efforts to assist with the integration/implementation.
- If required, DDOT is responsible for procuring and implementing greater storage capacity. Seon will use best efforts to assist with the integration/implementation.
- DDOT is responsible for providing suitable conditioned server space at each location Servers shall be housed in climate controlled, secure facilities with sufficient 110 VAC power available.
- DDOT will provide access to appropriate IT staff as required to ensure minimal installation and setup time.
- DDOT is responsible for all network security issues. Seon will use best efforts to integrate into their scheme.
- DDOT is responsible for data backup hardware and data retention policies.
- DDOT is responsible for network connectivity between sites and ensuring the data pathways are sufficient for the intended purpose.

- No special permits are required to install the access points and the antennas.
- Antennas can be installed at locations deemed appropriate by Seon's Professional Services staff.
- All servers will be remotely accessible to authorized Seon personnel.
- Wi-Fi coverage does not include any shop or remote parking areas at any of the sites. [Garage only]
- The proposed wireless infrastructure is based on preliminary site surveys and is subject to change based on actual characteristics determined during implementation.

2.3. CELLULAR FUNCTIONALITY

Cellular functionality shall consist of the following:

- i) Contractor shall supply and install one cellular device per bus
- ii) Device shall be Cradlepoint IBR600LE-VZ or similar. This would provide the following capabilities:
 - a. DDOT would be able to remotely connect to the Seon DVR using the preferred cellular network, in this case Verizon. Noted that, once a service provider has been decided on **this cannot be changed without incurring additional expense**. This will include the complete replacement of the devices and related engineering cost.
 - b. This hardware would have the ability of providing a "wireless hotspot" in the bus for DDOT riders.
 - c. **Archiving would be done using the Seon wireless bridge and DDOT's own wifi infrastructure**. This would be used to archive video and enable logging on to the bus DVR's for the full functionality. In this way, cellular data charges would not be incurred for video archiving.
- iii) The cellular device will be powered from the DX-HD DVR and, due to the power requirement of the device, this would limit the total number of cameras that can be utilized to 9 without adding an additional power source.
- iv) The Seon DX-HD DVR provides dual streaming capability. This means that, when remotely viewing video using the cellular network, a low bandwidth stream should be utilized to minimize cellular data charges while still having access to the full higher quality stream should it be required.
- v) Seon will provide a list of buses on a web page. Authorized users will be able to click on a bus link and be able to view live video from the selected bus. The view would cover individual camera and specific cameras can be selected. Video archives cannot be downloaded through this system. **Note that this live streaming functionality will always make use of the cellular connection, even when the system is connected to the wifi network. Streaming using the wifi network can be accessed via vMax Commander when in range.**
- vi) The system will utilize 4G LTE capabilities as this is best suited to the combination of both live streaming/viewing and having adequate bandwidth for rider Internet access. Noted that a cellular connection has limited bandwidth compared to (for instance) a wired broadband connection. Depending on the quality of the cellular signal, the number of riders using the service and also depending on what they are accessing on the internet, this could constrain the quality of the service they would experience.

- vii) Understood that DDOT would prefer to provide their own data plan using Verizon. Noted that DDOT will have to provide Seon with the required cellular/network information related to each device/bus.
- viii) As option, Seon would work with DDOT to offer to manage this data connection as a separate service. In either case, Seon will work with DDOT and Verizon in this regard. A suitable data plan that would meet DDOT's needs will be discussed with DDOT and Verizon. Noted that the current indicated plan would not make provision for data overages. How this would be managed is one of the requirements to be defined.
- ix) While this should be possible to implement, because this was not stated as a requirement and explored, Seon has specifically not made provision for any other onboard devices or systems to make use of the hardware. Should this be of interest this option can be explored with DDOT.
- x) During the design phase of the project, Seon will work together closely with DDOT to lock down the exact requirements. Should this deviate materially from the scope outlined in this document, this could impact the cost of the hardware and definitely would determine the cost of the cellular data plans.



3. BILL OF MATERIALS

3.1. IN-VEHICLE EQUIPMENT

In-vehicle equipment shall include the following:

DXHDNH2T0	Explorer DX-HD 13 channel (1 HD video, 12 analog video/audio channels), security front cover with lock set, mounting bracket, power harness, 2 TB (2x1TB) hard drive (recommended to use with CHW HD camera)
WP00AG4	Explorer DX12 and DX-HD Smart-Link 12 VDC module, module to DVR cable, 15 ft., diagnostic indicator/alarm button, H4 alarm harness, 20 ft., five signal input 20 ft., GPS4 receiver magnet mount 20 ft.
CQ9xxA20	Integrated IR Dome Day/Night 520TVL camera, audio, 6 ft./ 12 ft./ 20 ft. harness
CQ9xxA20	Integrated IR Dome Day/Night 520TVL camera, audio, 6 ft./ 12 ft./ 20 ft. harness
CQ9xxA20	Integrated IR Dome Day/Night 520TVL camera, audio, 6 ft./ 12 ft./ 20 ft. harness
CQ9xxA50	Integrated IR Dome Day/Night 520TVL camera, audio, 50 ft. harness
CQ9xxA50	Integrated IR Dome Day/Night 520TVL camera, audio, 50 ft. harness
CQ9xxA50	Integrated IR Dome Day/Night 520TVL camera, audio, 50 ft. harness
CA9xxEI20	Day/Night 650TVL camera, exterior (w infrared, no audio), 6 ft./ 12 ft./ 20 ft. harness
CHW708EJ20	HD 1280x720 pixels, progressive scan camera, 8 mm lens size, exterior (no audio), 20 ft. harness , and APPINJ POE injector to plug into DX-HD DVR Only
SRLGA07	Smart-Reach Lite, 2.4GHz, standard antenna w/ NMO mount 6 ft. cable, w/ 13.5 VDC PoE adapter
CA-MP6	CA/CHW mounting post, 6 inch

In addition, the following spares will be provided:

CQ9xxA20	Integrated IR Dome Day/Night 520TVL camera, audio, 6 ft./ 12 ft./ 20 ft. harness	24
CQ9xxA50	Integrated IR Dome Day/Night 520TVL camera, audio, 50 ft. harness	24
CQ9xxA50	Integrated IR Dome Day/Night 520TVL camera, audio, 50 ft. harness	12
CA9xxEI20	Day/Night 650TVL camera, exterior (w infrared, no audio), 6 ft./ 12 ft./ 20 ft. harness	12
CHW708EJ20	HD 1280x720 pixels, progressive scan camera, 8 mm lens size, exterior (no audio), 20 ft. harness (for forward-facing applications), and APPINJ POE injector to plug into DX-HD DVR Only	12
SRLGA07	Smart-Reach Lite, 2.4GHz, standard antenna w/ NMO mount 6 ft. cable, w/ 13.5 VDC PoE adapter	12

3.2. WIRELESS INFRASTRUCTURE

The wireless infrastructure shall consist of a total of 27 Seon SRB1NW330 Smart-Reach Base AP, 1 radio, 2 omni directional 2.4GHz antenna, outdoor Wireless Access Points installed at the three listed locations.

Each vehicle comes with the associated vMax Commander video management software vehicle license. The project includes a total of 10 (ten) vMax Commander video management software suite seat licenses.

Signed:

Contractor: _____

By: _____
Name

Its: _____
Title

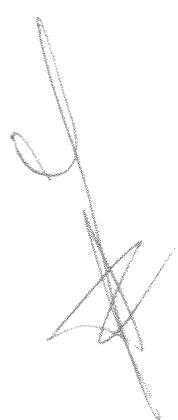
Date: _____

City of Detroit: _____

By: _____
Name

Its: _____
Title

Date: _____

A handwritten signature in black ink, consisting of several loops and a long vertical stroke, located in the bottom right corner of the page.

ID	Task Name	Duration	Apr '14	May '14	Jun '14	Jul '14	Aug '14	Sep '14	Oct '14	Nov '14
1	DDOT Surveillance Video System Project	128 days								
2	Notice of award	1 day								
3	Contract preparation	20 days								
4	Contract review and signature	40 days								
5	Project Kick-Off Meeting	1 day								
6	System Design Documentation	6 days								
7	System configuration	3 days								
8	Design documentation update	1 day								
9	System order entry	1 day								
10	Acceptance Test Criteria & Procedure	2 days								
11	Customer document review and approval	2 days								
12	Approval to proceed	0 days								
13	Product Scheduled for Production	2 days								
14	Material lead times	2 days								
15	Production	30 days								
16	Product Shipment	30 days								
17	Installation preparation	1 day								
18	Wireless Infrastructure	72 days								
19	Customer Wireless Infrastructure Evaluation	10 days								
20	Wireless Infrastructure upgrade design	5 days								
21	System order entry	1 day								
22	Wireless configuration file preparation	3 days								
23	Production	8 days								
24	Shipping	5 days								
25	Install Infrastructure	10 days								
26	Install & Commission VMS Commander	3 days								
27	Bus registration/configuration & testing	35 days								
28	Cellular implementation	71 days								
29	Cellular design and configuration	20 days								
30	Equipment order placement	1 day								
31	Equipment production	40 days								
32	Drop ship (?)	30 days								
33	Heating and administrator/user setup	10 days								
34	In house testing	20 days								
35	Bus registration & verification	43 days								
36	Bus installation	41 days								
37	Group 1: Buses 1 - 50	9 days								
38	Group 2: Buses 51 - 100	8 days								
39	Group 3: Buses 101 - 150	8 days								
40	Group 4: Buses 151 - 200	8 days								
41	Group 5: Buses 201 - 245	8 days								
42	Server and Viewing station provision	19 days								
43	Place order	1 day								
44	Equipment lead times	10 days								
45	Shipping	3 days								
46	Installation	2 days								
47	Testing	3 days								
48	Training Manual	20 days								
49	Operation and Maintenance Documentation	20 days								
50	Field As-Built Documentation	42 days								
51	Hardware Training	2 days								
52	Video management training	2 days								
53	Hardware Training (refresh)	2 days								
54	Video management Training (refresh)	2 days								
55	Project Completion and signoff	1 day								

Project: DDOT Project Schedule R0
Date: Tue 7/22/14

Task Split Summary

Project Summary External Tasks Inactive Milestone Inactive Summary Manual Summary Progress

External Milestone Inactive Task Manual Task Duration-only Finish-only

3

EXHIBIT B

FEE SCHEDULE

I. General

- (a) The Contractor shall be paid for those Services performed pursuant to this Contract a maximum amount of One million eight hundred and sixty one thousand four hundred and seventy five and 20/100 Dollars (\$1,861,475.20), for the term of this Contract as set forth in Exhibit A, Scope of Services.
- (b) Payment for the proper performance of the Services shall be contingent upon receipt by the City of invoices for payment. Each invoice shall certify the total cost, itemizing costs when applicable. Each invoice must be received by the City not more than thirty (30) days after the completion of installation for each set of fifty (50) buses and must be signed by an authorized officer or designee of the Contractor.



EXHIBIT C

CONTRACTOR'S WARRANTY

(See Attached)

A handwritten signature or set of initials in black ink, located in the bottom right corner of the page. The signature is stylized and appears to consist of several vertical and diagonal strokes.

Seon Systems Sales Inc. ® Product Warranty

Seon Systems Sales Inc. (Seon) warrants the cameras and components listed below against defects in workmanship and materials provided that such defects appear or are discovered within the respective periods specified below and provided further that the purchaser of such products notifies Seon of such defects within thirty (30) days of the appearance or discovery of such defects:

- Three (3) years from date of purchase, parts and labor on all Cameras
- Three (3) years from date of purchase, parts and labor on the Explorer® Premier, DX, TX, EX, MX, and Trooper® TL series mobile DVR Systems
- One (1) year from date of purchase, parts and labor on the Smart Reach® Wireless systems and other Wireless products
- One (1) year from date of purchase, parts and labor on the VML Controller and other vMax Live Plus hardware products
- One (1) year from date of purchase, parts and labor on all other products and accessories

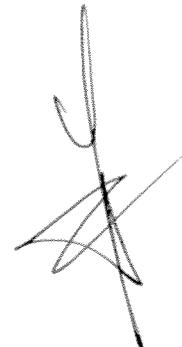
All service/replacement parts and repairs are warranted for a period of 90 days.

Subject to the terms and conditions listed below, during the relevant warranty period, Seon will repair, replace, or refund the purchase price for the defective product, whichever Seon considers to be appropriate in the circumstances, in Seon's sole and arbitrary opinion, free of charge, any defective products returned prepaid. In the event purchaser has a problem with any Seon product, please call and request a **RETURN AUTHORIZATION (RA) NUMBER** from the Service Department. Please call 877-630-7366 or (604) 941-0880 and ask for the Service Department. Be sure to have the model number, serial number and the nature of the problem available for the customer service representative. Prior authorization **MUST** be obtained for all returns, exchanges, or credits. **ITEMS SHIPPED TO SEON WITHOUT A CLEARLY IDENTIFIED RA NUMBER MAY BE REFUSED.**

Products returned will be tested to verify the defect. Upon verification of the defect, the product will be repaired or exchanged, or the purchase price will be refunded or credited to the customer's account, at the sole option of Seon. Seon reserves the right to refund the purchase price or to issue a credit only in lieu of replacement. Seon may use new or refurbished replacement parts for repairing its products, at its sole and arbitrary discretion. Seon may replace an entire unit with an equivalent model, at its sole and arbitrary discretion. If a unit is exchanged, the returned product shall become the property of Seon and the exchange product becomes the property of the purchaser, and the remainder of the warranty that applied to the original unit purchased shall apply to the exchanged product. Exchange units may be new units, or units that have been repaired to full factory specifications, at Seon's discretion. If the product is found to be in good working order or its inability to function properly is not covered by this warranty, the product will be returned in the same condition as received unless repair is possible and requested by the customer. Repairs of such nature will incur a charge for parts and labor and will proceed only by agreement with the customer to accept the charge.

This warranty shall not apply:

- (a) to equipment not supplied by Seon;
- (b) to equipment, including, any components, which shall have been operated in excess of rated capacity, subject to negligence, accident, or damage by circumstances beyond Seon's control, or to improper installation, operation, maintenance, servicing, alterations or storage, modification without Seon's written authorization, misuse, vandalism, fire, floods or acts of nature so as, in Seon's exclusive and arbitrary judgment, to affect the same adversely;
- (c) if the serial number for the product has been altered in any way; or
- (d) if the product has been operated outside of the specified Operating Environment specified in the Seon Users Manual for such product.



Disclaimer

THIS WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER REPRESENTATIONS, WARRANTIES, GUARANTEES AND CONDITIONS, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE AND WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, SEON EXPRESSLY DISCLAIMS AND EXCLUDES ANY IMPLIED WARRANTY OF MERCHANTABILITY, DURABILITY OR FITNESS FOR PURPOSE AND ANY WARRANTIES OR MODIFIED WARRANTIES ARISING FROM USAGE OF TRADE OR COURSE OF DEALING.

Any description of the goods or services, whether in writing or made orally by Seon or Seon's agents, specifications, samples, models, bulletins, drawings, diagrams, engineering sheets or similar materials used in connection with customer's order are for the sole purpose of identifying the goods and/or services and shall not be construed as an express warranty. Any suggestions by Seon or Seon's agents regarding use, applications or suitability of the goods and/or services shall not be construed as an express warranty unless confirmed to be such in writing by Seon. Purchaser assumes full responsibility for selecting products to achieve purchaser's intended purposes, for properly installing and using those products, and for verifying the results obtained therefrom.

PURCHASER'S EXCLUSIVE REMEDY AND SEON'S ENTIRE LIABILITY ARISING FROM OR IN CONNECTION WITH PURCHASER'S USE OF THE PRODUCTS AND/OR THIS AGREEMENT SHALL BE REPAIR OR REPLACEMENT OF DEFECTIVE PRODUCTS, OR REFUND OR CREDIT OF THE PURCHASE PRICE OF THE PRODUCTS AS SET FORTH ABOVE. SEON SHALL NOT BE SUBJECT TO AND DISCLAIMS: (A) ANY OTHER OBLIGATIONS OR LIABILITIES ARISING OUT OF BREACH OF CONTRACT OR OF WARRANTY, (B) ANY OBLIGATIONS WHATSOEVER ARISING FROM TORT CLAIMS (INCLUDING NEGLIGENCE, AND STRICT LIABILITY) OR ARISING UNDER OTHER THEORIES OF LAW WITH RESPECT TO GOODS SOLD OR SERVICES RENDERED BY SEON, OR ANY UNDERTAKINGS, ACTS OR OMISSIONS RELATING THERETO, AND (C) ALL CONSEQUENTIAL, INCIDENTAL, SPECIAL AND CONTINGENT DAMAGES WHATSOEVER, EVEN IF SEON HAS BEEN SPECIFICALLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

Without limiting the generality of the foregoing, Seon specifically disclaims any liability for property or personal injury damages, penalties, special or punitive damages, damages for lost profits or revenues, loss of use of goods or any associated equipment, cost of capital, cost of substitute goods, facilities or services, down-time, shut-down or slow-down costs, or for any other types of economic loss, and for claims of customer's customers or any third party for any such damages. Some jurisdictions do not allow limitation or exclusion of incidental or consequential damages, so this limitation or exclusion may not apply to purchaser. In no event shall Seon's total liability for any damages to purchaser or any other person in connection with the products or this agreement exceed the lower of the suggested list price or the actual price paid for the products, regardless of whether such liability arises from contract, tort, warranty or any other form of claim. If any provision of this agreement is found to be void, invalid, or unenforceable, that finding shall not affect the remaining provisions, all of which shall be enforced to the full extent permitted by law. If any remedy hereunder is determined to have failed of its essential purpose, the limitations of liability and exclusion of damages set forth above shall remain in full force and effect. This agreement may be modified only by a writing signed by a duly authorized representative of Seon.

Provisions Applicable to American Customers

For those customers whose mailing address is in the United States, Seon's offer and any agreement of sale resulting therefrom shall be governed by and construed in accordance with the internal and domestic laws of the State of WASHINGTON without giving effect to the conflict of laws rules thereof. The Superior Court of Washington for Whatcom County and U.S. District Court for the Western District of Washington ("the U.S. Closed Courts") shall have exclusive jurisdiction to entertain and determine all disputes and claims, whether for specific performance, injunction, declaration or otherwise arising out of or in any way connected with the construction, breach, or alleged, threatened or anticipated breach of the contract resulting from this offer and shall have jurisdiction to hear and determine all questions as to the validity, existence or enforceability thereof. Customer specifically consents to such Court's exercise of jurisdiction over it. The purchaser attorns to the exclusive jurisdictions of the jurisdiction of the U.S. Closed Courts, waives any obligation to venue in any action or proceeding regarding Seon Products and waives any objection that the U.S. Closed Courts are an inconvenient forum or do not have jurisdiction over the purchaser of Seon. The United Nations Convention On Contracts For The International Sale Of Goods shall not apply.



Disclaimer

Provisions Applicable to Canadian Customers

For those customers whose mailing address is in Canada, Seon's offer and any agreement of sale resulting therefrom shall be governed by and construed in accordance with the internal and domestic laws of the Province of BRITISH COLUMBIA and the laws of Canada applicable therein without giving effect to the conflict of laws rules thereof. The courts of British Columbia (the "Canadian Closed Courts") shall have exclusive jurisdiction to entertain and determine all disputes and claims, whether for specific performance, injunction, declaration or otherwise arising out of or in any way connected with the construction, breach, or alleged, threatened or anticipated breach of the contract resulting from this offer and shall have jurisdiction to hear and determine all questions as to the validity, existence or enforceability thereof. The purchaser attorns to the exclusive jurisdictions of the jurisdiction of the Canadian Closed Courts, waives any obligation to venue in any action or proceeding regarding Seon Products and waives any objection that the Canadian Closed Courts are an inconvenient forum or do not have jurisdiction over the purchaser of Seon. The United Nations Convention On Contracts For The International Sale Of Goods shall not apply. The information contained herein is subject to change without notice.

Extended Warranty for Certain Products

The following extended warranty ("Extended Warranty") provisions apply to the products ("Extended Warranty Products") listed in the attached Schedule A if the purchaser thereof has purchased the Extended Warranty from Seon. If any provisions of the Extended Warranty conflict or are inconsistent with the provisions of the basic warranty set forth above, the provisions of the Extended Warranty shall govern.

Seon warrants the Extended Warranty Products against defects in workmanship and materials provided that such defects appear or are discovered within the extended warranty period set forth in Schedule A for the relevant Extended

Warranty Product and provided further that the purchaser of such products notifies Seon of such defects within 30 days of the appearance or discovery of such defects.

Under the Extended Warranty:

- a) Seon will provide repairs to the Extended Warranty Product at no extra charge during the Extended Warranty period;
- b) normal wear and tear IS covered, including replacement of hard drives if necessary;
- c) the parts and labor required to complete all warranted repairs are included;
- d) Seon will arrange and pay the cost of ground freight between Seon's service facilities in Blaine, Washington, U.S.A. (or such other location as may be designated by Seon) and purchaser's location; and
- e) Seon will pay freight, brokerage and duty costs to bring the goods to Canada, if required, in the sole and arbitrary opinion of Seon.

In addition to the telephone numbers provided above for reporting a warranty matter, purchasers of Extended Warranty products may report warranty matters by e-mail to Seon at: service@seon.com.

The purchaser reporting an Extended Warranty issue may request Seon to arrange for pick up of the Extended Warranty Products and shall provide information as to the number of parcels and shall request a RETURN AUTHORIZATION (RA) NUMBER.

Seon will only be responsible for the cost of ground freight. Any additional costs for express modes of freight will be paid by the purchaser of the Extended Warranty Product. Advance replacements will not be provided.

A renewal or extension of the Extended Warranty is not automatic and will only be offered at the sole discretion of Seon and must be verified by Seon in writing.



EXHIBIT D

SYSTEM ACCEPTANCE TEST PROCEDURE

(See Attached)

A handwritten signature or set of initials in the bottom right corner of the page, consisting of several overlapping, stylized lines.

EXHIBIT D

SYSTEM ACCEPTANCE TEST PROCEDURE

(See Attached)

A handwritten signature or set of initials, possibly 'JL', written in dark ink in the bottom right corner of the page.

SEON

Mobile Surveillance

DDOT: Mobile Video Surveillance Systems Installation

System Acceptance Test Procedure

Rev 1

July 15, 2014

The information contained in this document is a general guide and is intended for qualified personnel only. The information is proprietary to the DDOT and is in nature confidential thus limited to the DDOT, SEON Systems Sales Inc. and the listed contractor.



TABLE OF CONTENTS

<u>Paragraph</u>	<u>Title</u>	<u>Page</u>
1.0	TEST OBJECTIVE	1
2.0	TEST DESCRIPTION	1
3.0	TEST VEHICLE SELECTION	1
4.0	TEST PROCEDURE:.....	2
4.1	Boot up and record functionality.....	2
4.2	Monitor and mouse functionality verification.....	2
4.3	Setup/programming verification	3
4.4	Laptop computer functionality verification.	6
4.5	Camera views.....	6
4.6	Recording functionality	7
4.7	Archiving functionality.....	7
4.8	vMax Commander.....	7
4.9	Cellular Live streaming	8
4.10	Installation checklist verification.....	9
4.11	Wireless download verification.....	10
5.0	OVERALL TEST ACCEPTANCE SHEET	11

Document Information and Change History

Version	Date	Author	Changes
0	14 January, 2014	A Slabbert	Initial Version
1	15 July, 2014	A Slabbert	Cellular added



1.0 TEST OBJECTIVE

The objective of this test is to test the functionality of a representative Mobile Video Surveillance System as installed in the DDOT bus fleet as well as the vMax Commander Video Management software suite.

2.0 TEST DESCRIPTION

This procedure tests the features of the Mobile Video Surveillance Systems as supplied and installed by Seon Design Inc. Test execution and system performance verification consists of:

- Selection of representative vehicle
- Verification of boot up and record functionality
- Verification of functionality: monitor and mouse
- Verification of functionality: laptop computer
- Verification of system configuration
- Verification of camera views
- Verification of recording functionality
- Verification of vMax Commander software functionality
- Installation checklist verification
- Wireless download verification

This test utilizes and verifies functionality of all equipment included as part of the Seon Mobile Video Surveillance System project utilizing Seon's vMax Commander Video Management Software suite.

3.0 TEST VEHICLE SELECTION

Bus number of selected vehicle: _____



4.0 TEST PROCEDURE:

4.1 Boot up and record functionality

Equipment/resources required:

- Vehicle as selected in section 3.0
- Person authorized to start and run bus
- Keys to DVR lockbox and Hard Disk Drives

1. Unlock and open the lock box door.
2. Turn on vehicle power and wait for the system to power up.
3. Verify the Diagnostic Button LED goes to STEADY GREEN.

Pass: _____ Fail: _____ Initials: _____

4. Simulate hard drive failure by unlocking the Hard Disk. Confirm that Diagnostic Button goes to FLASHING GREEN.

Pass: _____ Fail: _____ Initials: _____

5. Re-lock the Hard Disk. Confirm that Diagnostic Button goes back to STEADY GREEN.

Pass: _____ Fail: _____ Initials: _____

4.2 Monitor and mouse functionality verification

Equipment/resources required:

- As per section 4.1
- Seon monitor and mouse kit.

1. Plug in portable monitor and mouse. Observe 12 up mode screens or single channel mode screens.
2. Confirm presence and quality of video from all 8 channels
3. Using the mouse, enter the configuration menu. Select random number of functions to confirm mouse functionality. Exit menu and return to live video feed.

Pass: _____ Fail: _____ Initials: _____

4.3 Setup/programming verification

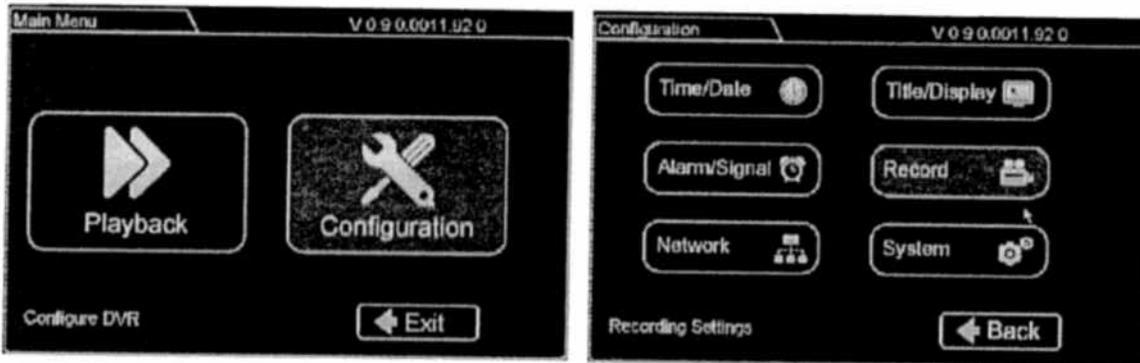
Equipment/resources required:

- As per section 4.2

Using the mouse, enter the configuration menu. Confirm the system settings as follows:

Firmware revision: DVR _____

IFM _____



TIME / DATE			
Time and Date		DST settings	
Time Format:	24 Hour	Start Date:	2nd Sunday Mar
Time:	23:12:20	From:	02:00AM
Date Format:	MM-DD-YYYY	To:	03:00AM
Date :	12/25/2011	End Date:	1st Sunday Nov
Auto Daylight S	ON	From:	02:00AM
		To:	03:00AM

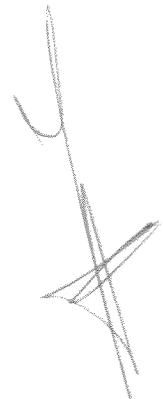
TITLE / DISPLAY					
Titles and Display		Monitor Settings		Diagnostic Display	
Main Title:	Bus XXXX	Front Default Setting	12 Up	Voltage Display:	ON
Camera 1:		Rear Default Setting:	12 Up	Time/Date Display:	ON
Camera 2:		Display Switch:	Off	HDD Size Display:	ON
Camera 3:		Switch to:		% Full Display:	ON
Camera 4:		Switch on:		Alarm Count Display:	OFF
		Alarm		Idle Display	Off
				Idle Limit Timer	2 Min
				Fan Failure notification	On
				G Sensor display	Off
				Internal Temp Display:	°C

RECORD SETTINGS						
Record Settings		Camera Settings				
Repeat Record:	ON	Camera	Speed	Quality	Resolution	Audio
Delay On Time:	30 Sec	1	15fps	3	720 x 480	On
Delay Off Time:	20 Min	2	15fps	3	720 x 480	On
Power Delay Off:	2 Hours	3	15fps	3	720 x 480	On
Backup Power:	Off	4	15fps	3	720 x 480	On
Alarm Partition:	Off	5	15fps	3	720 x 480	On
Overwrite Partition:	Off	6	15fps	3	720 x 480	On
Watermarking:	Off	7	15fps	3	720 x 480	On
		8	15fps	3	720 x 480	On

Alarm Settings					
Alarm 0					
Source:	Diagnostic button	Channel	Frame rate	Quality	Resolution
Duration:	30 Sec.	1	30fps	4	720 x 480
Input:	N.O.	2	30fps	4	720 x 480
Pre-Alarm:	10 Sec	3	30fps	4	720 x 480
E-Mail:	OFF	4	30fps	4	720 x 480
Wake:	OFF	5	30fps	4	720 x 480
		6	30fps	4	720 x 480
		7	30fps	4	720 x 480
		8	30fps	4	720 x 480

Alarm Settings					
Alarm 1					
Source:	Inertia	Channel	Frame rate	Quality	Resolution
Duration:	30 Sec.	1	30fps	4	720 x 480
Input:	N.O.	2	30fps	4	720 x 480
Pre-Alarm:	OFF	3	30fps	4	720 x 480
E-Mail:	OFF	4	30fps	4	720 x 480
Wake:	OFF	5	30fps	4	720 x 480
		6	30fps	4	720 x 480
		7	30fps	4	720 x 480
		8	30fps	4	720 x 480

Signals			
Signal	Label	Level	Alarm
1	LT	Active H	Off
2	STP	Active H	Off
3	BRK	Active H	Off
4	NTM	Active H	Off
5	RT	Active H	Off



GPS/SPEED			
GPS Display:	On	Speed Display:	GPS
GPS TIME:	On	Speed Units:	MPH
UTC Reference:	-5	Speed limit:	0
Fencing Alarm:	OFF	Excessive speed action:	Off
Coordinate Style:	Circle		
Circle Center: LAT:	0, 0, 0, 0 N		
LONG:	0, 0, 0, 0 E		
Distance	1 Miles		

TIMERS	
Enable Timers:	OFF

NETWORK					
Network Settings		User Levels			
Setting Type:		User	Name	Password	Level
IP Address		1	Admin	11111111	Admin
Subnet Mask:		2	admin	11111111	Admin
Default Gateway:		3	super	super	Play
DNS Server:		4			
DDNS Settings					
DDNS Server:					
User Name:					
Password:					
Record ID:					
FQDN Host Name:					

SYSTEM					
System Settings		Program Update			
Disk Full:	Off	Load Configuration:			
HD Failure:	Off	Store Configuration to:			
Password Enable:	On	File Name:			
Password:	N/A	Firmware Update:			
Audio Output:	1	Format Hard Drive:			
E-Mail Settings		One touch settings			
SMTP Server:	N/A	One-Touch Download:		Alarms	
SMTP Port:	N/A	Download All Alarm Data:			
Authentication:	N/A	From: Date:		12/6/2011	
Sender E-mail:	N/A	Time:		3:16 PM	
Receiver E-mail:	N/A	To: Date:		12/6/2011	
Subject:	N/A	Time:		3:26 PM	

Pass: _____ Fail: _____ Initials: _____

- Unplug the monitor and mouse.

4.4 Laptop computer functionality verification.

Equipment/resources required:

- As per section 4.3
- Laptop computer with network capability and Microsoft Internet Explorer and Seon vMax View software installed and tested.
- Ethernet cable.

1. Ensure that the laptop computer's Internet Protocol Version 4 (TCP/IPv4) LAN settings are as follows:

IP Address: TBD

Subnet Mask: TBD

Default gateway: TBD

2. Connect the laptop computer to the front Ethernet Port of the DVR using a standard Ethernet cable.
3. Load Microsoft Internet Explorer.
4. Navigate to the following IP address: TBD
5. Observe and confirm that the DVR's login screen appears. Enter the appropriate logon credentials.
6. Observe and confirm that the DVR GUI appears. Select a number of random options to confirm functionality.

Pass: _____ Fail: _____ Initials: _____

4.5 Camera views

Equipment/resources required:

- As per section 4.4

1. While the laptop computer is still connected to the DVR: Ensure that you have selected the "Live" tab in the GUI.
2. Select each of the 8 available camera views in full screen mode in turn. Confirm that all views are present and of the correct quality.
3. Verify that each view conforms to the required view as per the installation document

Pass: _____ Fail: _____ Initials: _____



4.6 Recording functionality

Equipment/resources required:

- As per section 4.4

1. While the laptop computer is still connected to the DVR: Ensure that you have selected the “Playback” tab in the GUI.
2. Select a time prior to the present to ensure that recorded video will be played back.
3. Click on the “Play” button and select each of the 6 available camera views in full screen mode in turn. Confirm that all views are present and of the correct quality

Pass: _____ Fail: _____ Initials: _____

4.7 Archiving functionality

Equipment/resources required:

- As per section 4.4

1. While the laptop computer is still connected to the DVR: Ensure that you have selected the “Archive” tab in the GUI.
2. Select all eight cameras using the camera selection checkboxes.
3. Set the start and end archive times using the appropriate selection boxes. Create a 5 minute clip from video that was previously viewed under test section 4.6 to ensure that recorded video exists for the selected period.
4. Click on the “Archive” button and select a suitable storage location on one of the laptop’s local drives.
5. Close Windows Internet Explorer and disconnect the laptop computer from the DVR.
6. Start up Seon’s vMax View software on your computer.
7. Using the folder Icon, navigate to the clip that was recently archived and click on it to load the clip.
8. Click on the “Play” button to confirm the presence and quality of the archived video.

Pass: _____ Fail: _____ Initials: _____

4.8 vMax Commander

Equipment/resources required:

- Vehicle as selected in section 3.0
- Person authorized to drive bus
- Workstation with vMax Commander installed



1. While still in the bus: ensure that system is in record mode
2. Have the bus leave the yard and drive for a predetermined time. After at least 5 minutes of recording: have the bus operator press the Emergency Alarm button.
3. Continue driving and allow system to continue recording for 10 more minutes before returning to yard.
4. After this activity: go to workstation with vMax Commander installed and start vMax Commander on the selected workstation.
5. Verify that the bus DVR has connected wirelessly to the Commander: ensure that the bus shows green in the vMax Commander tree view.
6. Enter the download manager function in Commander and observe download schedule to verify tagged event download is scheduled.
Pass_____ Fail_____
7. After suitable time verify that download shows as having been completed in the Archive Manager.
Pass_____ Fail_____
8. Select the downloaded clip and verify that good quality video is present for all the cameras
Pass_____ Fail_____

4.9 Cellular Live streaming

Equipment/resources required:

- Vehicle as selected in section 3.0
- Person authorized to drive bus
- Workstation with an Internet connection
- DDOT has the system provisioned with their carrier

1. While still in the bus: ensure that system is in record mode
2. Have the bus leave the yard and drive for sufficient time to complete the test.
3. On the computer workstation: use the login webpage provided by Seon Select the appropriate bus number and click on the provided link.
4. Verify that the system connects with the bus using the cellular link. Toggle through available camera views to ensure all cameras display correctly.



Pass: _____ Fail: _____ Initials: _____

4.10 Installation checklist verification

Check that one installation checklist (See Appendix 1) is fully and correctly filled out for each bus.

Pass: _____ Fail: _____ Initials: _____

A handwritten signature or set of initials in black ink, located in the bottom right corner of the page. The signature is stylized and appears to consist of several overlapping loops and lines.

4.11 Wireless download verification

Within 30 days of completion of the project, system acceptance will be based on a short (<=2 minute) video clip wirelessly downloaded from 10 randomly selected buses. Payment of the final batch of 50 buses is not dependent on this final acceptance.

Equipment/resources required:

- Person authorized to schedule and view downloads in vMax Commander
- Workstation with vMax Commander installed

1. Test to be carried out once all systems are installed in all buses.
2. At the workstation with vMax Commander installed: start vMax Commander on the selected workstation.
3. Use the download scheduler to schedule a short <= 2 minute download for each bus: select all cameras to be downloaded. **It is extremely important to ensure that the download is scheduled for a time that it was known that the bus was in service, otherwise a "Video not available" message will be received and no video downloaded.**
4. After suitable time verify that download shows as having been completed in the Archive Manager. View downloaded video to verify quality of video and presence of all cameras

Vehicle #	Download completed successfully	All cameras present	Signature	Name

5.0 OVERALL TEST ACCEPTANCE SHEET

This procedure was executed and accepted, with any exceptions noted below, by:

DDOT

Seon Systems Sales Inc.

Date

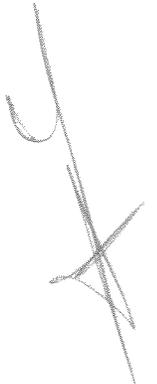
.....

Comments:



Appendix 1:

Bus acceptance sheets

A handwritten signature or set of initials in the bottom right corner of the page, consisting of several overlapping lines.



Installation Company: Seon

Vehicle No: _____ VIN: _____ Vehicle Type: _____

DVR S/N: _____ HDD S/N: _____ Wifi Bridge S/N: _____

Camera Serial #'s:

{1} _____ {2} _____ {3} _____ {4} _____
{5} _____ {6} _____ {7} _____ {8} _____

DVR IP: _____ Bridge IP: _____

- Vehicle is clean and functioning properly.....
Wiring is properly looped inside panels.....
Security shroud is installed.....
Excess wiring is neatly looped.....
DVR plate is mounted solid.....
Microfit cable plugs tight.....
DVR is screwed tightly onto plate.....
Smart link is secure.....
Smart link has adequate service loop.....
IP and Gateway are programmed properly.....
Bus Number programmed correctly.....
Date and time set properly.....
Unused camera ports turned off.....
DVR unit goes into record.....
Lockbox door can open unimpeded.....
Box can comfortably be locked.....
GPS coordinates displaying properly.....

Vertical column of 15 empty boxes for marking status.

- Cameras are mounted solid.....
Lens covers are clean.....
Cameras are adjusted correctly.....
Domes locked in place.....
Domes are clear of all debris.....
Set screws are in place.....
Infrared Illuminators operational.....
All cameras are functioning.....
DVR turns on with ignition switch.....
DVR turns off with ignition switch.....
Right turn signal input operational.....
Left turn signal input operational.....
Brake signal input operational.....
Inertia sensor calibrated per mount.....
Smart Reach LED on.....
WiFi Connection operational.....
Diagnostic button function.....

Vertical column of 15 empty boxes for marking status.

I, the Technician, have properly tested the system and have determined that all requested parameters listed are functioning correctly.

SIGNATURE _____

Date _____

I, the DDOT representative, am satisfied that the vehicle has been returned with a fully functional Seon Digital Video Recorder system installed. The vehicle has been returned relatively clean and there are no new vehicle problems. I am authorized by DDOT to accept the return of this vehicle.

DDOT must sign off within 3 days of completion otherwise acceptance is assumed for approval of Seon invoicing

AUTHORIZED SIGNATURE _____

Date _____

Handwritten signature and scribble on the right side of the page.