

Article 1: Payment for Scope of Work

- 1.1 **Price:** As full consideration of the Work as described in Exhibit A, Article 1: Scope of Work, the CLIENT shall pay to SIEMENS **\$2,846,439** (plus taxes, if applicable).
- 1.2 **Sufficient Funds:** The CLIENT warrants and represents that: (i) it possesses sufficient funds to pay in full the amount set forth in Section 1.1 above; (ii) such funds are on deposit with the City of Garden Grove Treasurer, and (iii) such funds have been specifically dedicated to the Project and shall not be used for any other purpose.
- 1.3 **Timely Payments:** The CLIENT agrees to pay SIEMENS per Table B.1 below. CLIENT agrees to pay all invoices submitted by SIEMENS per Article 8 of the Agreement.

Table B.1 – FIM Work Payment Schedule

Project Phase	Payments (\$)	Payments (%)	Schedule
Mobilization		25%	
Project Installation		70%	Billed monthly as POC
Project Retention		5%	
PROJECT TOTAL:		100%	\$2,846,439

Article 1 of Exhibit B is attached to and made a part of the Agreement between SIEMENS and the CLIENT.

CLIENT: City of Garden Grove
 Signature: _____
 Printed Name: _____
 Title: _____
 Date: _____

SIEMENS: Siemens Industry, Inc.
 Signature: _____
 Printed Name: _____
 Title: _____
 Date: _____

 Signature: _____
 Printed Name: _____
 Title: _____
 Date: _____

Article 2: Payment for Performance Assurance Services Program (PASP)

- 2.1 **Price:** As full consideration of the Services as described in Exhibit A, Article 3, the CLIENT shall pay to SIEMENS the amounts identified in Table B.2 plus taxes, if applicable, on the dates identified therein.
- 2.2 **Performance Assurance Services Program Term:** The term of the PASP shall commence on the Guarantee Date and shall extend for either: (a) the term of the Performance Guarantee Period where multi-year obligations are allowed; or (b) for twelve (12) month periods corresponding to the term of each Annual Period.
- 2.3 **Automatic Renewal:** Where the PASP term is limited to an Annual Period, the PASP shall automatically renew for successive Annual Periods beginning on the anniversary date of Guarantee Date. Either party may request to amend the PASP at the end of an Annual Period by giving the other party at least sixty (60) days prior written notice of such amendments and such amendment shall be mutually negotiated by the Parties and effective upon a written amendment signed by both Parties prior to commencement of the next Annual Period. Each automatic renewal shall be and remain subject to the terms and conditions of this Agreement. SIEMENS obligations under the Performance Guarantee are dependent upon and subject to the express condition that the CLIENT maintains the PASP during the entire Performance Guarantee Period.
- 2.4 **Termination:** See Section 4.7 of the Agreement.

Table B.2 – Performance Assurance Program Payment Schedule

Date	Annual Payments (\$) *	Notes
Annual Period 1	\$ 20,718	Billed at project acceptance
Annual Period 2	\$ 21,340	Billed at 1 st anniversary of project acceptance
Annual Period 3	\$ 21,980	Billed at 2 nd anniversary of project acceptance
Annual Period 4	\$ 22,639	Billed at 3 rd anniversary of project acceptance
Annual Period 5	\$ 23,318	Billed at 4 th anniversary of project acceptance
Annual Period 6	\$ 24,018	Billed at 5 th anniversary of project acceptance
Annual Period 7	\$ 24,738	Billed at 6 th anniversary of project acceptance
Annual Period 8	\$ 25,481	Billed at 7 th anniversary of project acceptance
Annual Period 9	\$ 26,245	Billed at 8 th anniversary of project acceptance
Annual Period 10	\$ 27,032	Billed at 9 th anniversary of project acceptance
Annual Period 11	\$ 27,843	Billed at 10 th anniversary of project acceptance
Annual Period 12	\$ 28,679	Billed at 11 th anniversary of project acceptance
Annual Period 13	\$ 29,539	Billed at 12 th anniversary of project acceptance
Annual Period 14	\$ 30,425	Billed at 13 th anniversary of project acceptance
Annual Period 15	\$ 31,338	Billed at 14 th anniversary of project acceptance
Annual Period 16	\$ 32,278	Billed at 15 th anniversary of project acceptance
Annual Period 17	\$ 33,246	Billed at 16 th anniversary of project acceptance
Annual Period 18	\$ 33,246	Billed at 17 th anniversary of project acceptance
Annual Period 19	\$ 33,246	Billed at 18 th anniversary of project acceptance

*3% escalation annually

Exhibit B – Payment Schedules

Article 2 of Exhibit B is attached to and made a part of the Agreement between SIEMENS and the CLIENT.

CLIENT: City of Garden Grove
Signature: _____
Printed Name: _____
Title: _____
Date: _____

SIEMENS: Siemens Industry, Inc.
Signature: _____
Printed Name: _____
Title: _____
Date: _____

Signature: _____
Printed Name: _____
Title: _____
Date: _____