

## **EXHIBIT "A"**

### **COMPENSATION & PRICING**

#### **Fixed Monthly Fee**

##### **Tier One**

Commencing on the effective date of this Second Amendment, the Customer shall be obligated to pay Redflex a fixed fee of \$2900.00 each month per Designated Intersection Approach ("Fixed Fee") as full remuneration for performing all of the services contemplated in this Agreement and for the continued operation of the following approaches:

Brookhurst Street and Chapman Avenue, Southbound  
Brookhurst Street and Orangewood Avenue, Northbound  
Brookhurst Street and Westminster Avenue, Northbound  
Brookhurst Street and Westminster Avenue, Southbound  
Harbor Boulevard and Trask Avenue, Southbound  
Magnolia Street and Trask Avenue, Northbound  
Trask Avenue and Harbor Boulevard, Eastbound  
Trask Avenue and Magnolia Street, Westbound  
Valley View Street and Chapman Avenue, Northbound  
Valley View Street and Chapman Avenue, Southbound  
Valley View Street and Lampson Avenue, Southbound

##### **Tier Two**

Commencing on the effective date of this Second Amendment, the following Designated Intersection Approaches shall continue operation with all of the services contemplated in this Agreement without fee, and shall be identified on invoicing thereafter as being without fee:

Chapman Avenue and Brookhurst Street, Westbound  
Trask Avenue and Brookhurst Street, Westbound  
Trask Avenue and Brookhurst Street, Eastbound

##### **Tier Three**

Compensation for Designated Intersection Approaches constructed after execution of this Agreement shall be a fixed fee mutually agreed upon by both parties.

The fee paid to Redflex Traffic Systems under this contract are for full a turnkey program, inclusive of all hardware, software and support services required to implement and maintain functional photo enforcement safety program, including but not limited to a program and process by which the monitoring, identification and enforcement of Violations is facilitated by the use of

certain equipment, applications and back office processes of Redflex, including but not limited to cameras, flashes, central processing units, signal controller interfaces and detectors (whether loop, radar or video loop) which, collectively, are capable of measuring Violations and recording such Violation data in the form of photographic images of motor vehicles and/or their drivers. Redflex Traffic Systems shall have and maintain a valid California contractor's license prior to the installation of equipment or facilities, and shall use California licensed subcontractors. Services include Training Services, Citation Processing, Expert Witness, and System Maintenance.

**BUSINESS ASSUMPTIONS FOR ALL PRICING OPTIONS:**

1. Each year, on the anniversary date of the contract, the pricing will increase by the Consumer Price Index ("CPI"), as published by the Bureau of Labor Statistics for the United States Department of Labor for U.S. City average. If the Index is discontinued or revised during the Term, such other government index or computation with which it is replaced shall be used in order to obtain substantially the same result as would be obtained if the Index had not been discontinued or revised. Any increase in compensation, other than as provided in the Agreement, shall be limited to the aforementioned CPI increase.