

**EXHIBIT "M"**

**EQUIPMENT**

HALKH021328.DOC  
L.D. FILE NO.

5/18/2006

**EXHIBIT "M"**

**CONTRACTOR'S EQUIPMENT**

Prior to substituting any Equipment during the term of this Agreement, the Contractor must submit to the Director in writing proposed revisions or upgrades. Upon the Director's approval, Contractor may then install the approved revisions or upgrades.



**The Axis™ RLC-300 Digital Red Light Camera System**

The Axis™ RLC-300 is the newest and most advanced camera system on the market today.

The Axis™ RLC-300 red light camera system is a modular and highly portable unit that can be rotated among any number of existing or new locations. The cameras and electronics are housed within small portable enclosures and are configurable through handheld PDA's and/or other devices, remotely through communication lines.

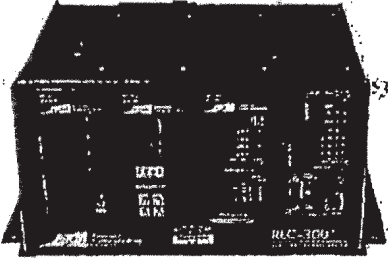

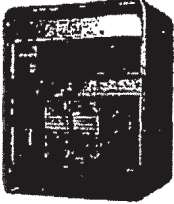

The unit consists of robust electronic devices designed for extreme temperature and humidity ranges. Aside from the camera lens focus ring, there are no moving parts in the Axis™ RLC-300 camera solution.



Component	Component Description
	<p>The Axis™ RLC-300 weather and vandal proof camera enclosure. This is an easy to install and maintain housing. This housing is usually installed on the same pole as the controller housing. System flexibility allows installation on another existing pole or structure that is already available. A built-in glass wiper option is also available.</p>
	<p><u>The Axis™ RLC-300 Camera is a 12.4 mega-pixel (4,288 x 2,848 ) ultra-high resolution digital color camera with advanced features ideal for photo traffic enforcement</u>, including: Five frames per second; ultra-high dynamic range to capture reflective plates along with the darkest blacks; wide range of available high resolution lenses; industrial construction and reliability.</p>




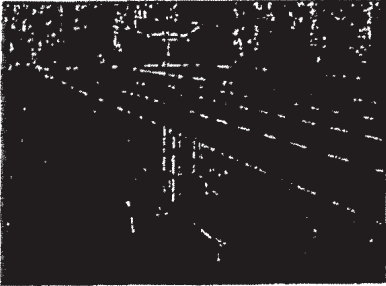
**EXHIBIT "M"**

**CONTRACTOR'S EQUIPMENT**

	<p>The Axis™ RLC-300 controller is a modular system that includes a series of "Hot Swappable" industrial grade components including the PS-100 Power Supply, the LD-100 loop detector with diagnostic display, the PIC-100 piezo Interface card with indicators and front panel test points, and the Axis™ RLC-300 Master Controller which is the "brain" that controls the entire system. The RLC-300 controller has an Ethernet interface and a wireless upgrade port for remote access and data transmission to the Axis™ VPS servers. Data is also temporarily stored locally on high capacity Axis™ Compact Flash Cards capable of storing thousands of images.</p>
	<p>The Axis™ RLC-300 supports the Vantage Edge Non-Invasive video loop detection technology by Iteris™. This system will be used in this project. Iteris detectors are the standard video detector in Houston.</p> <p><b>ITERIS</b></p>
	<p>The Axis™ RLC-300 System weather and vandal proof controller cabinet. This versatile cabinet can be mounted at technician height to allow for easy maintenance. This cabinet configuration has the Axis™ LIVE and Axis™ RLC-300 controller mounted into it. It has built-in heating and cooling for year-round trouble free operation.</p>
	<p>The Axis™ LIVE controller manages up to four (4) intersection scene cameras. This controller interfaces the High Speed Internet connection, the LIVE Video Cameras, and Ultra-Large Capacity local disk storage. Through the Axis™ LIVE controller any direction of travel can be viewed live, or recorded video can be recalled.</p>

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**CONTRACTOR'S EQUIPMENT**

	<p>The Axis™ LIVE Wireless Camera makes complete intersection video affordable and practical. The Axis™ LIVE Wireless Camera needs only a power connection to communicate with the controller, while the single Axis™ LIVE Camera on the same pole as the controller connects directly.</p>
	<p>The Axis™ FR-100 is a precision focused fast recycle Industrial grade strobe unit which is specifically designed to be able to trigger as fast as the camera triggers so that each violation image is properly exposed and clear. Because of the wide dynamic range of the Axis™ camera, the FR-100 output is only 100Ws, which is much less than most competing strobes.</p>
	<p>The Axis™ RLC-300 utilizes standard or ruggedized handheld PDA's for control when on-site maintenance is required. It is the only system known to support this unique and flexible user interface for on-site setup, calibration and maintenance. For remote access, the Ethernet port is used.</p>
	<p>Contractor's optional, Mobile Axis™ RLC-300M Red Light Camera System can be deployed for you on short notice to problem intersections in you area. These units are solar powered, wireless red phase communication enabled, video triggered, and the resulting violation data can be uploaded through wireless connections or stored locally for later retrieval.</p>
<p>Four each Workstations that consist of:</p> <ul style="list-style-type: none"> <li>• Four each - CPUs inclusive of software</li> <li>• Four each 19-inch (minimum size)</li> <li>• Monitors and two network printers.</li> </ul> <p>(These units will be used by Police Officers who shall review images.)</p>	<p><b>THESE UNITS SHALL BE APPROVED BY THE DIRECTOR.</b></p>

**EXHIBIT "M"**

**CONTRACTOR'S EQUIPMENT**

**REPLACEMENT OF EQUIPMENT DURING OPTIONAL FIVE-YEAR RENEWAL PERIOD:**

During the optional five-year renewal term, the Contractor may propose to replace installations that have reached the end of their useful life or upgrade to newer technology. If approved by the Director, the Contractor shall perform the necessary work to change out the equipment at Contractor's sole expense.

**EXHIBIT "N"**

**CHAIN OF CUSTODY**

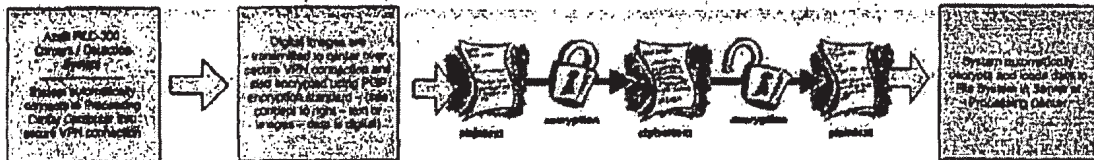
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## EXHIBIT "N" CHAIN OF CUSTODY

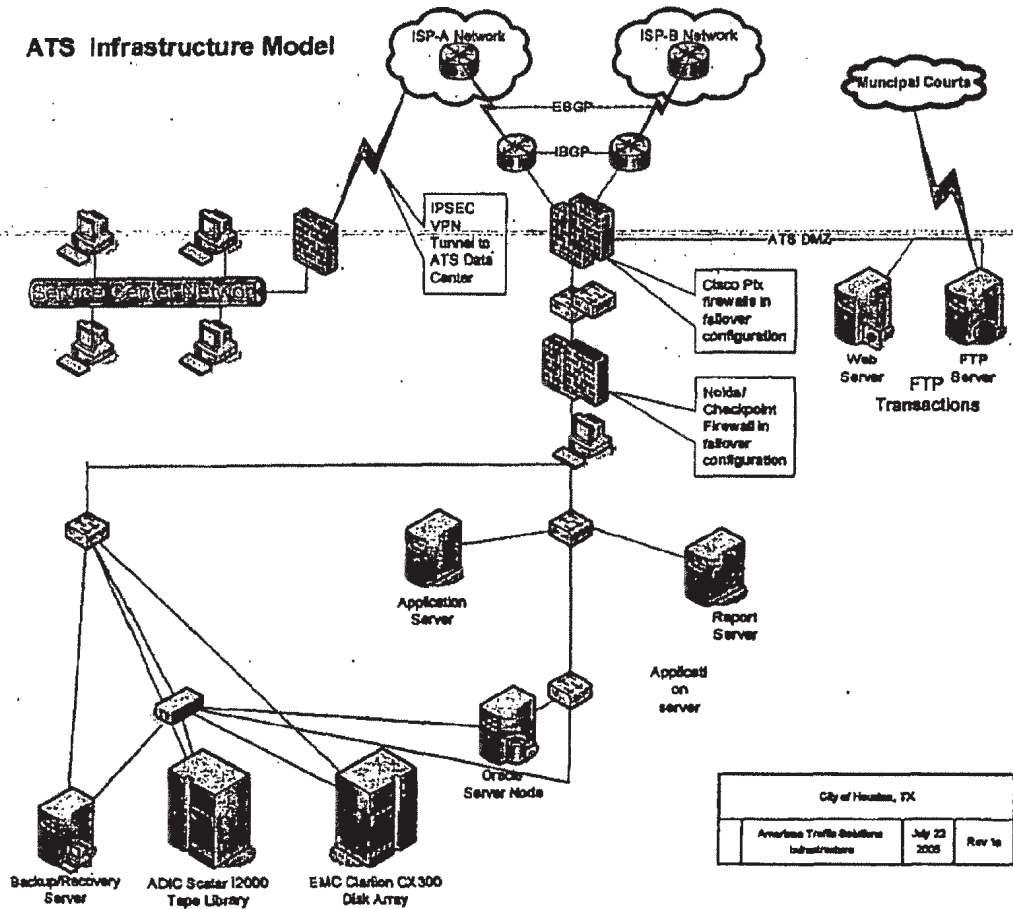
Contractor's Chain of Custody for securing the violation data from its point of capture until final disposition to ensure the data is secure, original and unaltered is as follows:

Automated Chain of Custody Process



From a data security perspective, all customer data, programs, tools, databases and back end systems are secured behind robust Cisco firewalls, making these systems secure from intrusion.

The following diagram shows an example of Contractor's Infrastructure with security and hardware describing the City's Red Light Camera Enforcement Program integration.



**EXHIBIT "O"**

**PUBLIC AWARENESS CAMPAIGN**

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5/18/2006



## EXHIBIT "O"

### PUBLIC AWARENESS CAMPAIGN

**Contractor shall commence its thirty-day Public Awareness Campaign prior to the first System being installed, as may be agreed upon between the Contractor and the Director.**

#### 1. COMMUNICATION / WORKING GROUP

##### 1.1 Communication:

Contractor shall perform and work with the City Mayor's Office, HPD, City oversight committees and other appropriate City departments in developing public awareness campaign programs.

Contractor shall:

- develop the most effective community outreach strategies.
- identify primary and secondary stakeholders.
- ascertain areas of commonality and interdependencies.
- verify influence and credibility with the community-at-large.
- assist the City with the development of public awareness campaign guidelines to effectively implement the program.

Contractor shall, in cooperation with the City's Legal Department and Office of Communications determine the relevant legal requirements of public information and awareness programs.

##### 1.2 Photo Red Light Camera Working Group:

If the Director so directs, Contractor shall formulate a Photo Red Light Camera Working Group. The purpose of this group shall be to keep all pertinent City departments updated and involved in the communications efforts.

With the City's approval, this group may be comprised of representatives from the Mayor's Office, HPD, Public Safety & Homeland Security, and City Council Committee members that may meet on a regular basis.

In addition, with the Mayor's approval, the Contractor may include representatives from Harris, Fort Bend and Montgomery counties, as the City of Houston falls within all three counties.

Contractor shall facilitate meetings, develop agendas, and record and distribute meeting minutes.

## EXHIBIT "O"

### PUBLIC AWARENESS CAMPAIGN

#### 2. PLANNING AND IMPLEMENTATION

##### 2.1 Planning:

Contractor shall present the City with its initial public awareness campaign plan that shall include, but not be limited to the following:

- Develop timeline for public surveys, program implementation, evaluation & follow-up
- Develop community implementation strategies, objectives and timeline
- Identify and engage in existing community activities and events
- Create a community partners' coalition from and with existing community groups and stakeholders
- Secure endorsements from credible and convincing sources
- Enlist support of other local and national complementary organizations (public and private) and interested parties to build broad-based support

##### 2.1.1 Meetings and Surveys

Contractor's initial focus shall be to engage the community through public meetings and surveys to not only get a true gauge of public knowledge about the Photo Red Light Camera Enforcement program but to also educate the community about the program.

The information gathered through these meetings and surveys shall help to ensure that the City is prepared for any potential misinformation or negativity that the community may have. This information will also help guide the development of key messages and provide recommendations directly from the community for constructive communications.

##### 2.2 Implementation of Official Campaign Kick-Off:

Contractor and the City shall hold an initial official campaign kick-off meeting to develop effective public awareness campaign programs that will:

- Generate community awareness
- Educate and engage the news media
- Incorporate multicultural community outreach
- Develop and plan ongoing information flow, education, community dialogue and media relations

## EXHIBIT "O"

### PUBLIC AWARENESS CAMPAIGN

#### 3. TYPES OF CAMPAIGNS AND PROGRAMS

Contractor shall work with and obtain City approval prior to implementation of all public awareness campaigns and programs.

##### 3.1 Community Awareness & Education Programs:

Contractor shall create, formulate and manage an ongoing community awareness and media relations campaign in collaboration with the Mayor's Office of Communications and the HPD's Public Affairs Division.

Contractor shall stress in all of its community awareness and outreach efforts the benefits of increasing public safety through the Photo Red Light Camera Enforcement program.

##### 3.2 Media & Community Outreach Programs:

Contractor's overall community outreach and education objectives shall be:

- To emphasize that the City is committed to the safety of the community and dedicated to reducing preventable accidents at red light intersections.
- To build consensus and trust within the community-at-large to ensure that the program achieves a positive response and comfort level within the community to limit antagonism, opposition or concerns about, the program.
- To generate community-wide awareness of the seriousness of running red lights.
- To create public understanding of the new Photo Red Light Camera Enforcement Program.

##### 3.3 Radio and TV Public Service Announcements (PSA):

All of Contractor's radio PSAs shall be approved by the City and shall be in *English and Spanish*. Some PSAs may be produced to target specific language groups. Contractor shall evaluate annual public opinion polls to measure public support for the program and the effectiveness of the campaign elements, analyze the implemented program and direct feedback, and prepare a summary report and recommendations to the City.

##### 3.4 Signage and Message Programs:

All of Contractor's signage and display messages shall be approved by the City and shall be in full compliance with the City legal requirements. All written signage and message programs shall be in English, Spanish and Vietnamese.

## EXHIBIT "O"

### PUBLIC AWARENESS CAMPAIGN

#### 4. DELIVERABLES

Contractor shall produce and deliver to the City for approval the following:

- Key message points
- Two 30-second Public Service Announcements (PSAs), in English, Spanish and Vietnamese, for airing on the Municipal Channel and other medium
- Drive time radio sponsorships (frequency to be determined based on budget)
- Educational and engaging website design and content to be provided to the City's webmaster
- Design and content of graphically appealing and informative public education materials in English, Spanish and Vietnamese languages
- PowerPoint slide show for use by the Mayor, City Council Members, the Police Chief, and other City personnel for presentations and speaking engagements
- Media kit and ongoing media materials
- Press Releases
- Media Advisories
- Backgrounder on City's photo enforcement program
- Project "fact" sheet
- Research summary confirming effectiveness of program in other markets
- Graphics (How a Red Light Camera Works, Sample Traffic Citation)
- Assistance with media kick-off event, press conferences and media briefings
- Proactive ongoing media relations activities (i.e. pitching story ideas, bookings appearances)
- Grassroots community outreach and education campaign
- Additional efforts may include utility bill inserts and annual opinion polls.

#### 5. ON-GOING PUBLIC AWARENESS CAMPAIGNS

Contractor shall work with the City continually throughout the term of this Agreement to ensure that community outreach and engagement with the community shall continue after the official campaign kick-off to keep the public abreast of the Photo Red Light Camera Enforcement program. Contractor shall also report to the City the effectiveness of the campaigns and programs and provide statistical analysis and reports identifying the effectiveness of the campaigns and programs.

#### 6. PUBLIC AWARENESS CAMPAIGN FEES

Contractor's fees for public awareness campaigns and programs are as listed in Contractor's Fees listed in Exhibit "G". Contractor shall submit an annual plan along with the plan cost for each public awareness event scheduled for that year. The City shall approve this plan and cost prior to Contractor proceeding with any public awareness campaign scheduled for that year. Fees shall be paid to Contractor based upon the maximum annual fee quoted and as stipulated in Exhibit "G", Item 10 (4a) and further explained in Exhibit "G", Article 8, 8.2.

**EXHIBIT "P"**

**CITATIONS ISSUANCE/COLLECTIONS PROCESSING**

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## EXHIBIT "P"

### CITATIONS ISSUANCE / COLLECTIONS PROCESSING

#### 1. CITATIONS ISSUANCE

##### 1.1 Generation of Approved Citations:

###### 1.1.1 Certificate of Mailing

Contractor shall generate a Certificate of Mailing and shall be responsible for the Citation mailing and postage costs for at least two notices mailed on a schedule to be approved by the Director.

###### 1.1.2 Three (3) Day Issuance of Citation – Processing Time

As directed by the Director, Contractor shall prepare one Notice of Violation letter for all chargeable Violations and shall mail such Notice of Violation letters to vehicle owners.

Contractor shall process and forward to the Police Review queue within 7 (seven) business days of the Violation event date Violations for which matching-in-state DMV data is found.

Contractor shall process and forward to the Police Review queue within 14 (fourteen) business days of the Violation event date Violations for which matching out-of-state DMV data is found.

As directed by the Director, Contractor shall prepare and mail one Notice of Violation letter for all chargeable Violations vehicle owners within 3 (three) business days from date of the approved Citation by the reviewing police officer. If the 3 (three) business day timeframe has been exceeded, the approved Citation shall still be issued to the vehicle owner but will be logged as a performance factor and included in the Contractor's performance evaluation. A complete audit trail of late Citation issuance shall be maintained as performance data with a reason for late issuance. In order for a Violation to be chargeable, the Notice of Violation must be issued within the time period stipulated in the City Code..

###### 1.1.3 Printing of Citation

Contractor shall process and forward the Citation documents to Contractor's local Houston printing facility, where they will be printed, folded and inserted into a properly metered envelope with the document number showing through the window. The document number shall be scanned and the System shall receive a reconciliation record that will trigger an update of the document record as "MAILED". Should the System fail to obtain a reconciliation record for each approved document, the document shall be resubmitted to Contractor's printing facility until a proper reconciliation is received.



## EXHIBIT "P"

### CITATIONS ISSUANCE / COLLECTIONS PROCESSING

#### 1. CITATIONS ISSUANCE

##### 1.1 Generation of Approved Citations: (continued)

##### 1.1.4 Website for Violator's to View/Pay Citations

Contractor shall, at no extra charge, make Citations available for viewing to violators via a secure Internet web site maintained by Contractor. This website shall enable violators to login to an Internet website and view their Citation images, view associated video and evidence, and click on a link to the payment portal to pay the fine. The website for this service shall be secured to prevent and prohibit unauthorized access to the Citation database.

##### 1.1.5 Charges for Citations

Contractor shall comply with the ordinances that City Council has enacted pertaining to photo enforcement including the establishment of the fines for civil penalties of \$75.00 for running a red light, \$25.00 late payment fee for unpaid Citations after forty-five (45) calendar days, and \$150.00 for a third or subsequent Violation during any 12-month period. Fees and penalties charged shall be in accordance with the current City Code as may be amended from time to time.

The Contractor shall verify multiple Violations in a 12-month period and bill violators in accordance with City ordinances. Notices of Violation are considered civil penalties and not moving violations. Therefore, no driver's license or insurance points shall be assessed for a Citation.

##### 1.1.6 Address Validations

Contractor shall utilize a secondary source(s), other than the DMV, to obtain a valid address of the violator for all Notices of Violation returned to sender for invalid address.

##### 1.1.7 Generation of Second Notices

In the event that there is no response to the original Citation that was mailed to the violator or if the Violation remains unpaid as of its due date in accordance with the City Code, Contractor shall prepare and mail a second Notice of Violation for any Citations that remain unpaid along with an additional late fee of \$25.00.

Contractor shall include in each second Notice of Violation one set of images and a license plate image. All images shall be stamped with the date, time, and location of the Violation. Each second Notice of Violation shall also include other items as required in Sec. 45-483 of the City Ordinance.

If, after expiration of the second Notice of Violation due date and after 70 (seventy) calendar days from the issuance of the first notice, the Contractor shall pursue collections on unpaid notices. The Contractor shall provide a monthly aged listing of unpaid Citations to the City's Municipal Courts Administration (MCA) and the HPD.

## EXHIBIT "P"

### CITATIONS ISSUANCE / COLLECTIONS PROCESSING

#### 1. CITATIONS ISSUANCE

##### 1.1 Generation of Approved Citations: (continued)

##### 1.1.8 Transfers of Liability Based Upon Identification of Driver

If the registered owner of a violating vehicle states in an affidavit that another person was operating the vehicle at the time of the Violation, the Contractor shall re-bill the Citation and Notice of Violation to the person named as the driver. The Contractor shall pursue a valid address for the new named driver using all sources available. The Citation and Notice of Violation shall then be reprinted with the new information and mailed. Only one such transfer shall be allowed per Violation. Additional transfers will be determined by an appeal.

#### 2. ADJUDICATION AND APPEALS PROCESS

##### 2.1 Hearing and Appeals Process (Contested Citations):

##### 2.1.1 Municipal Courts Hearing

In the event of a contested Citation, Contractor shall refer the Citation recipient to the Municipal Courts Administration (MCA). The MCA will schedule and hold an appeal hearing by a hearing officer. As an alternative, MCA may, with City Council approval, hold hearings on a walk-in basis. Contractor shall implement the appropriate interface(s) after consultation with MCA and Municipal Courts Judicial Department (MCJD). Contractor shall cease collections processing while the Citation is being contested.

##### 2.1.2 Not Liable Findings

A resolution by a hearing officer that results in a finding of "not liable" will be communicated by the MCA to the Contractor for records update and Citation clearance. Contractor's System shall be able to support a manual process or a simple daily electronic interface for exchange of record status. The System shall also be able to provide the City with a full hearing and adjudication module.

##### 2.1.3 Upheld Citations

A resolution by a hearing officer that upholds a Citation and is accepted by a Citation recipient may have revenues collected by the MCA. The MCA shall deposit any collected revenues and send updates of the account to Contractor. The Contractor shall then update its records accordingly.

If a Citation recipient is found "liable" after a hearing before a hearing officer, the Citation recipient may appeal the decision as outlined in the Code.

The MCA shall inform Contractor of adjustments to the Citation account in accordance with the judge's decision, collect monies as appropriate and forward the information to the Contractor. The Contractor shall then make the appropriate adjustments to its System.



## EXHIBIT "P"

### CITATIONS ISSUANCE / COLLECTIONS PROCESSING

#### 2. ADJUDICATION AND APPEALS PROCESS

##### 2.1 Hearing and Appeals Process (Contested Citations):

###### 2.1.4 Internet Access to Hearing Officers and Judges

The Contractor shall provide, at no extra charge, Internet access to hearing officers and judges for viewing of Citations. The City shall provide the equipment for this access and viewing. Contractor shall provide the protocols and passwords necessary.

##### 2.2 Hearings and Court Testimonies:

###### 2.2.1 Hearings

For each Citation adjudication or appeal, the Contractor shall work with the MCAD and MCJD personnel to provide hearing information. Hearing information shall be available for viewing online or printed as needed at court. The information provided may include, but shall not be limited to the following:

- All issued and disputed Notices of Violation addressed to Citation recipients
- A Violation history report
- A statement certifying the reliability and accuracy of the System

###### 2.2.2 Contractor's Evidence Package(s)

The System shall be configured to produce an electronic evidence package that includes the Violation images and data, violator history, document history, and any other relevant documents (such as letters from the defendant) that may be included in the file prior to each scheduled hearing based upon a mutually agreed upon schedule. Contractor's Evidence Package shall be in an Adobe PDF file that can be passed to the City court for reference by the hearing officer or judge during the hearing.

Contractor shall ensure that its evidence package includes all the information required by the City court and HPD to effectively adjudicate or process the appeal.

###### 2.2.3 Court Testimonies - Qualified Expert Witness

Contractor shall provide at no extra charge, when required for Court testimony, a qualified expert witness who is knowledgeable on the theory, reliability, operation, and functional capabilities of the Photo Red Light Camera Enforcement System. Contractor shall provide an expert witness as needed to establish judicial notice.

## EXHIBIT "P"

### CITATIONS ISSUANCE / COLLECTIONS PROCESSING

#### 2. ADJUDICATION AND APPEALS PROCESS

##### 2.2 Hearings and Court Testimonies:

##### 2.2.4 Video or Audio Recording of Hearing

As may be mutually agreed upon between Contractor and the Director, Contractor shall provide video or audio recordings of hearings for each hearing. Contractor shall provide these video or audio recordings to the chief clerk who shall retain this information until the time for an appeal has expired. This requirement is not a mandatory requirement and shall be based upon Contractor's ability to provide such recordings at a future time during the term of this Agreement.

#### 3. PAYMENTS PROCESSING AND COLLECTIONS

##### 3.1 Payments Processing:

##### 3.1.1 Payment Methods

When a Citation is issued to a violator, the Notice of Violation shall identify several payment channels from which the recipient may choose. The available identified payment methods shall be:

- **Mail in the payment with the coupon (Contractor's Lockbox)**
- **Pay online, using Contractor's Web Site**
- **Call the 800-number and provide payment information using the automated IVR system (IVR)**
- **Walk-in payments:** City payment locations, EZ Tag Store payment centers and/or any other site agreed upon between Contractor and the City. All addresses shall be provided for these walk-in payments in the Notices of Violation.

##### 3.1.2 Payments Tracking

Contractor's System shall track all payments by payment source (Web, Lockbox, IVR or *Walk-In*) and payment method (cash, check, money order, credit card and ACH). Contractor's System shall handle applied payments, unapplied payments, overpayments, refunds, adjustments, dismissals, and reversals.

##### 3.1.3 City Access to Financial Reporting Functions

Contractor shall provide the City with access to financial reporting functions of the System at its convenience. All financial management procedures shall be provided to the satisfaction of the City. The System shall provide a fully auditable transaction history for each transaction and shall enable easy access to research exceptions.

## EXHIBIT "P"

### CITATIONS ISSUANCE / COLLECTIONS PROCESSING

#### 3. PAYMENTS PROCESSING AND COLLECTIONS

##### 3.2 Collections:

The Contractor shall collect payments from Citation recipients. Payment options shall include payment by any of the methods described above. Each paid Citation shall have a receipt (walk-in payments and e-payments only) provided to the payer that references the Citation number and the amount paid. In addition Contractor will handle affidavits of transfer of liability and bill the newly identified violator.

##### 3.2.1 Web Payments

Web payments shall be integrated or linked through a City web site payment portal or through a project web portal as determined by the Director. For persons paying over the Internet, receipts shall be available from the payer's computer.

##### 3.2.2 Phone Payments

Contractor shall collect all payments via phone inquiries from Citation recipients. Contractor's Phone Payments System shall be operational for 24/7 to accept payments from Citation recipients via a 1-800 number. The City's 311 System shall also assist persons with inquiries about Violations. Contractor shall assist the Director in the preparation of scripts for the 311 System.

##### 3.2.3 Walk-In Payments

Walk-in payment centers (*EZ Tag Store & City*) shall be provided with on-line application access to process the payments. Payment processes shall be in place to manage cash, personal checks or credit cards. Cash payments shall be discouraged on all printed material; however, it may be taken. Receipts shall be available for any transactions processed on-site and shall be printed locally to a standard network or stand-alone printer.

##### 3.2.4 Collection Agency

Contractor may work with a collection agency to pursue any unpaid Citations. The Contractor shall outline methods to be used for collection of past due payments. These methods shall be approved by the Director.

##### 3.2.5 Bad Debt Collections Process

Contractor shall manage all collections processing for the City.

Contractor's program shall comply with the Fair Debt Collection Practices Act, 15 U.S.C 1692, et seq. Contractor's collection procedure shall begin with the receipt of delinquent accounts unpaid after 70 (seventy) calendar days.

**EXHIBIT "P"**

**CITATIONS ISSUANCE / COLLECTIONS PROCESSING**

**3. PAYMENTS PROCESSING AND COLLECTIONS**

**3.2 Collections:**

**3.2.6 Checks Sent to Contractor or Contractor's Subcontractors**

In the event that Contractor or Contractor's Subcontractor(s) receives a check in the mail, Contractor shall immediately forward it to the lockbox or court as agreed. If Contractor receives a check made payable to Contractor or its collection agency, it shall be immediately endorsed to the City or the City court. No monies shall ever be deposited into Contractor's accounts.

**3.2.7 Information to the City**

Contractor shall place a high priority on keeping the City continuously informed on the progress of collection efforts; including accounts paid, accounts in process, and accounts determined to be non-collectible (i.e. death).

**4. DEPOSITS TO THE CITY**

**4.1 Daily Deposits:**

The Contractor shall deposit all monies collected into a City account daily. Contractor shall maintain ledgers that shall show Contractor's assigned document number, Violations, fees paid, outstanding Violations and deposits. Fine collection procedures shall be developed in accordance with the City's financial accountability and customer service guidelines. The Contractor shall also capture payment method data (i.e. paid by mail, walk-in, city facility, internet, etc.)

**4.2 Financial Accountability:**

Contractor shall maintain its records in accordance with generally accepted accounting practices. Contractor shall work with the City to ensure compliance with the City's financial accountability and customer service guidelines.

**EXHIBIT "O"**

**LETTER OF CREDIT**

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L.D. FILE NO.

5/18/2006

City of Houston  
Chief of Police  
Police Department  
P. O. Box \_\_\_\_\_  
Houston, Texas 77002

Re: Credit No. \_\_\_\_\_

We hereby establish our Irrevocable Standby Letter of Credit in your favor for the account of \_\_\_\_\_ (the "Account Party"), for the aggregate amount not exceeding \_\_\_\_\_ United States Dollars (\$ \_\_\_\_\_), available to you at sight upon demand at our counters at Houston, Texas, on or before the expiration hereof against presentation to us of one or more of the following statements, dated and signed by a representative of the City of Houston:

1. "Account Party has not provided a substitute Letter of Credit or alternate security in accordance with the terms and provisions (including any applicable notice or grace period or both) of the Agreement dated \_\_\_\_\_, 200\_\_, between the City of Houston and Account Party, as the same may have been amended (the "Agreement") and this Letter of Credit has 20 days or less until expiration".  
or
2. "Account Party has failed to pay the City of Houston in accordance with the terms and provisions of the Lease Agreement, applicable City of Houston Ordinances, or Houston Airport System Rules and Regulations". The City of Houston shall specify the amount Account Party owes.

The amount which may be drawn by the City of Houston under this Letter of Credit will be automatically reduced by the amount of any drawings paid through the Issuing Bank referencing this Letter of Credit No. \_\_\_\_\_. Partial drawings are permitted hereunder.

This Letter of Credit expires \_\_\_\_\_ days from the date of issuance, but shall automatically extend without amendment for additional \_\_\_\_\_-day periods from such expiration date and from subsequent expiration dates, if the City of Houston, as beneficiary, and the Account Party have not received due notice of our intention not to renew 90 days before any such expiration date.

We hereby agree with you that documents drawn under and in compliance with the terms of this Letter of Credit must be duly honored upon presentation as specified.

This Letter of Credit shall be governed by the Uniform Customs and Practices for Documentary Credits, 1993 Revision, International Chamber of Commerce Publication No. 500 ("UCP"), except to the extent that the terms hereof are inconsistent with the provisions of the



UCP, including but not limited to Articles 13(b) and 17 of the UCP, in which case the terms of this Letter of Credit govern.

If an Act of God, riot, civil commotion, insurrection, war or any other cause beyond our control interrupts our business (collectively, an "Interruption Event") and causes the place for presentation of this Letter of Credit to be closed for business on the last day for presentation, the expiration date of this Letter of Credit will be automatically extended without amendment to a date 30 calendar days after the place for presentation reopens for business.

This Letter of Credit may not be amended, changed or modified without the express written consent of the City of Houston as the Beneficiary, the Issuing Bank, and the Account Party.

Sincerely,

WITNESS:

\_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Name:  
Title: