

RESOLUTION 20R-01-04

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LAUDERHILL APPROVING THE RANKING OF QUALIFIED FIRMS FOR RFP #2019-056 TO PROVIDE FOR LICENSE PLATE READER SERVICES, AS RECOMMENDED BY THE EVALUATION COMMITTEE; PROVIDING FOR AN EFFECTIVE DATE (REQUESTED BY CITY MANAGER, CHARLES FARANDA)

BE IT RESOLVED BY THE COMMISSION OF THE CITY OF LAUDERHILL, FLORIDA:

SECTION 1. The following are ranked to be negotiated with to provide license plate reader services pursuant to RFP #2019-056, as recommended by the Evaluation Committee:

1. REKOR RECOGNITION SYSTEMS
2. VETTED SECURITY SOLUTIONS
3. MINUTEMAN SECURITY SOLUTIONS
4. QUEST SOLUTIONS
5. SICE

SECTION 2. The City Commission hereby authorizes the City Manager, or any designee thereof, to negotiate an agreement with the first ranked selected firm to provide License Plate Reader services pursuant to RFP #2019-056. If an agreement cannot be reached with the first selected firm, then the City Manager, or his designee, shall attempt to negotiate an agreement with the next highest ranked firm, or go out to re-bid if no other firms are ranked, until all services are under contract. After the trial period, if a contract is negotiated funds in the total amount of not to exceed \$1,789,998.00 shall be payable from Budget Code Number 307-342-06378.

SECTION 3. This Resolution shall take effect immediately upon its passage.

DATED this 27 day of January, 2020.

PASSED AND ADOPTED on first reading this 27 day of January, 2020.



PRESIDING OFFICER

ATTEST:

Andrea M. Anderson
CITY CLERK

MOTION
SECOND

Campbell
Bates

M. BATES
H. BERGER
R. CAMPBELL
D. GRANT
K. THURSTON

Yes
Yes
Yes
Yes
Yes

Approved as to Form

W. Earl Hall
W. Earl Hall
City Attorney



City of Lauderhill

City Hall
5581 W. Oakland Park
Blvd.
Lauderhill, FL, 33313
www.lauderhill-fl.gov

File Details

File Number: 19R-3552

File ID: 19R-3552	Type: Resolution	Status: Agenda Ready
Version: 1	Reference:	In Control: Finance Department
		File Created: 12/31/2019
File Name: LICENSE PLATE RECOGNITION		Final Action:

Title: RESOLUTION NO. 20R-01-04: A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LAUDERHILL APPROVING THE RANKING OF QUALIFIED FIRMS FOR RFP #2019-056 TO PROVIDE FOR LICENSE PLATE READER SERVICES, AS RECOMMENDED BY THE EVALUATION COMMITTEE; PROVIDING FOR AN EFFECTIVE DATE (REQUESTED BY CITY MANAGER, CHARLES FARANDA).

Notes:

Sponsors: Faranda

Enactment Date:

Attachments: RES-20R-01-04-Ranking-License Plate Readers #2.pdf, FINAL RANKING RFP 2019-056 DESIGN INSTALLATION OF LPR.pdf, REKOR PRICE SHEET.pdf, ORIGINAL FILE NOTIFICATION.(002).pdf

Enactment Number:

Contact:

Hearing Date:

* **Drafter:** kwhite@lauderhill-fl.gov

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File 19R-3552

RESOLUTION NO. 20R-01-04: A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LAUDERHILL APPROVING THE RANKING OF QUALIFIED FIRMS FOR RFP #2019-056 TO PROVIDE FOR LICENSE PLATE READER SERVICES, AS RECOMMENDED BY THE EVALUATION COMMITTEE; PROVIDING FOR AN EFFECTIVE DATE (REQUESTED BY CITY MANAGER, CHARLES FARANDA).

Request Action:

A RESOLUTION IS REQUESTED FROM THE CITY COMMISSION TO APPROVE THE RANKING OF QUALIFIED FIRMS FOR RFP 2019-056 LICENSE PLATE READER AS RECOMMENDED BY THE EVALUATION COMMITTEE AND APPROVE SERVICES TO BE PROVIDED BY THE TOP RANKED FIRM.

Need:

ACTION IS NEEDED TO APPROVE REKOR RECOGNITION SYSTEMS TO ENHANCE PUBLIC SAFETY BY INSTALLING LICENSE PLATE RECOGNITION (LPR) TECHNOLOGY ACROSS KEY AREAS OF THE CITY. THE CAMERAS WILL RECORD THE EXTERIOR OF VEHICLES FOR CAPTURING LICENSE PLATES.

Summary Explanation/ Background:

THE CITY OF LAUDERHILL SOLICITED PROPOSALS FROM INTERESTED PARTIES FOR LICENSE PLATE READERS. FIVE FIRMS RESPONDED TO THE SOLICITATION AND THE EVALUATION COMMITTEE RANKED THE SUBMITTALS AND RECOMMENDED AS FOLLOWS:

1. REKOR RECOGNITION SYSTEMS
2. VETTED SECURITY SOLUTIONS
3. MINUTEMAN SECURITY SOLUTIONS
4. QUEST SOLUTIONS
5. SICE

IN THE EVENT THE TOP RANKED FIRM IS UNABLE TO MEET THE NEEDS OF THE CITY OR THE CITY MANAGER IS UNABLE TO NEGOTIATE A CONTRACT, STAFF WILL CONTINUE TO THE NEXT FIRM UNTIL THE RANKED LIST HAS BEEN EXHAUSTED.

Attachments:

- 1) RANKING/EVALUATION SHEET
- 2) REKOR RECOGNITION PROPOSAL
- 3) ORIGINAL FILE NOTIFICATION

Cost Summary/ Fiscal Impact:

\$1,789,998.00 307.342.06378

Estimated Time for Presentation:

Master Plan:

Goal 1: Clean, Green Sustainable Environment

- ☐ Increase mass transit ridership ☐ Reduce City energy consumption
☐ Reduce water consumption

Goal 2: Safe and Secure City of Lauderhill

- ☐ Crime in lower 50% in Broward ☐ Residents feel safe in neighborhood
- ☐ Reduce emergency fatalities

Goal 3: Open Spaces and Active Lifestyle for all ages

- ☐ Increase participation in youth sports ☐ Add new park land and amenities
- ☐ Increase attendance at cultural programs and classes

Goal 4: Growing Local Economy, Employment and Quality of Commercial Areas

- ☐ Increase commercial tax base ☐ Increase employment in Lauderhill businesses
- ☐ Decrease noxious and blighted uses in commercial areas

Goal 5: Quality Housing at all Price Ranges and Attractive Communities

- ☐ Neighborhood signs and active HOAs ☐ Housing & streets improved, litter reduced
- ☐ Increase proportion of single family homes and owner occupied housing

Goal 6: Efficient and Effective City Government, Customer Focused & Values Diversity

- ☒ Improves City efficiency ☐ Increase use of Information Technology
- ☒ Increases residents perception of Lauderhill as an excellent place to live

RFP 2019-056												
DESIGN AND INSTALLATION OF A LICENSE PLATE RECOGNITION SYSTEM (LPR)												
FINAL RANKING OF PROPOSERS												
		FIRMS QUALIFICATIONS AND EXPERIENCE	REFERENCES/ PAST PERFORMANCE	PROJECT DESIGN AND IMPLANTATION METHODOLOGY	FINANCIAL RESOURCES	PROPOSED COST	LOCAL PREFERENCE	TOTAL				
DOUG DOWNS	VETTED SECURITY SOLUTIONS	20.00	9.00	28.00	5.00	17.00	0.00	79.00				
DAVID HENNESSY	VETTED SECURITY SOLUTIONS	20.00	9.00	30.00	5.00	18.00	0.00	82.00				
DANYL NOEL	VETTED SECURITY SOLUTIONS	19.00	9.50	29.00	5.00	15.42	0.00	77.92				
WAYNE RANGER	VETTED SECURITY SOLUTIONS	18.00	9.00	28.00	5.00	19.00	0.00	79.00				
JERRY GONZALEZ	VETTED SECURITY SOLUTIONS	20.00	7.00	22.00	5.00	15.00	0.00	69.00				
								386.92	POSITION	FIRMS	SCORE	
									1	REKOR RECOGNITION SYSTEM	396.50	
									2	VETTED SECURITY SOLUTIONS	386.92	
DOUG DOWNS	MINUTEMAN SECURITY TECHNOLOGIES	12.00	8.00	12.00	3.00	11.00	0.00	46.00	3	MINUTEMAN SECURITY	260.62	
DAVID HENNESSY	MINUTEMAN SECURITY TECHNOLOGIES	10.00	7.00	10.00	3.00	6.00	0.00	36.00	4	QUEST SOLUTIONS	260.66	
DANYL NOEL	MINUTEMAN SECURITY TECHNOLOGIES	17.00	9.50	24.00	3.00	12.12	0.00	65.62	5	SICE	244.22	
WAYNE RANGER	MINUTEMAN SECURITY TECHNOLOGIES	16.00	8.00	20.00	3.00	17.00	0.00	64.00				
JERRY GONZALEZ	MINUTEMAN SECURITY TECHNOLOGIES	16.00	3.00	16.00	3.00	11.00	0.00	49.00				
								260.62				
DOUG DOWNS	REKOR RECOGNITION SYSTEM	18.00	9.00	29.00	4.00	20.00	0.00	80.00				
DAVID HENNESSY	REKOR RECOGNITION SYSTEM	18.00	8.00	30.00	4.00	20.00	0.00	80.00				
DANYL NOEL	REKOR RECOGNITION SYSTEM	18.00	9.50	28.00	4.00	20.00	0.00	79.50				
WAYNE RANGER	REKOR RECOGNITION SYSTEM	19.00	9.00	27.00	4.00	20.00	0.00	79.00				
JERRY GONZALEZ	REKOR RECOGNITION SYSTEM	20.00	9.00	25.00	4.00	20.00	0.00	78.00				
								396.50				
DOUG DOWNS	QUEST SOLUTIONS	12.00	9.00	7.00	2.00	15.00	0.00	45.00				
DAVID HENNESSY	QUEST SOLUTIONS	10.00	4.00	8.00	2.00	7.00	0.00	31.00				
DANYL NOEL	QUEST SOLUTIONS	19.00	9.50	27.00	2.00	14.16	0.00	71.66				
WAYNE RANGER	QUEST SOLUTIONS	15.00	8.00	24.00	2.00	18.00	0.00	67.00				
JERRY GONZALEZ	QUEST SOLUTIONS	14.00	3.00	14.00	2.00	13.00	0.00	46.00				
								260.66				
DOUG DOWNS	SICE, INC.	8.00	7.00	7.00	6.00	10.00	0.00	38.00				
DAVID HENNESSY	SICE, INC.	13.00	5.00	15.00	6.00	5.00	0.00	44.00				
DANYL NOEL	SICE, INC.	18.00	9.00	23.00	6.00	11.22	0.00	67.22				
WAYNE RANGER	SICE, INC.	10.00	5.00	15.00	6.00	15.00	0.00	51.00				
JERRY GONZALEZ	SICE, INC.	15.00	3.00	10.00	6.00	10.00	0.00	44.00				
								244.22				

11.0 COST PROPOSAL

PRICE SHEET

Costs must be inclusive of all related expenses to provide the services as defined in this RFP. The City reserves the right to reject any proposals that have any variances and/or contingencies. Vendor must provide a breakdown of costs listing a make and model of proposed technical components.

#	Intersection	Price
1	NW 88 AVE AND COMMERCIAL (EASTBOUND)	\$22,236
2	NW 88 AVE AND COMMERCIAL (NORTHBOUND)	\$22,236
3	NW 88 AVE AND NW 53 CT	\$22,236
4	NW 88 AVE AND NW 52 ST	\$22,236
5	NW 88 AVE AND NW 50 ST	\$22,236
6	NW 88 AVE AND NW 48 ST	\$22,236
7	NW 88 AVE AND NW 45 CT	\$22,236
8	NW 88 AVE AND NW 44 ST (NORTHBOUND)	\$22,236
9	NW 88 AVE AND NW 44 ST (WESTBOUND)	\$22,236
10	NW 86 AVE AND NW 44 ST	\$22,236
11	NW 84 AVE AND NW 44 ST	\$22,236
12	NW 82 AVE AND W COMMERCIAL BVD	\$22,236
13	NW 82 AVE AND NW 44 ST	\$22,236
14	NW 77 TER AND NW 44 ST	\$22,236
15	NW 76 AVE AND W COMMERCIAL BVD	\$22,236
16	NW 76 AVE AND NW 44 ST	\$43,198
17	W ENTRANCE TO SPORTS COMPLEX AND W OAKLAND PARK BLVD	\$22,236
18	INVERRARY BLVD WEST AND W OAKLAND PARK BLVD	\$43,198
19	NW 70 AVE AND W COMMERCIAL BLVD	\$22,236
20	SUNRISE LAKES DR AND W OAKLAND PARK BLVD (7000 BLK)	\$22,236
21	LANDINGS DR AND W OAKLAND PARK BLVD	\$14,940
22	NW 64 AVE AND W COMMERCIAL BLVD	\$22,236
23	NW 60 AVE AND W OAKLAND PARK BLVD	\$22,236
24	NW 60 AVE AND NW 19 ST	\$22,236
25	NW 58 TER AND NW 19 ST	\$43,198
26	NW 58 TER AND NW 15 ST	\$22,236
27	NW 56 AVE AND NW 11 ST	\$22,236
28	NW 55 AVE AND NW 11 ST	\$22,236
29	ROCK ISLAND RD AND NW 44 ST	\$43,198
31	NW 49 AVE AND NW 28 ST	\$22,236
32	NW 47 AVE AND NW 26 ST	\$22,236

33	NW 47 AVE AND NW 24 CT	\$22,226
34	NW 47 AVE AND NW 11 ST	\$22,226
35	NW 43 AVE AND NW 43 TER	\$22,236
36	NW 40 AVE AND NW 19 ST	\$42,198
37	NW 40 AVE AND W SUNRISE BLVD	\$42,198
38	NW 39 AVE AND NW 8TH PL	\$22,236
39	NW 39 AVE AND NW 8TH CT	\$22,236
40	NW 39 AVE AND NW 8TH ST	\$22,236
41	NW 39 AVE AND NW 7TH ST	\$22,236
42	NW 39 AVE AND NW 6TH CT	\$22,236
43	NW 39 AVE AND NW 5TH ST	\$22,236
44	NW 39 AVE AND NW 5 ST	\$22,236
45	NW 38 WAY AND NW 1 CT	\$22,236
46	NW 36 AVE AND BROWARD BLVD	\$22,236
47	NW 35 AVE AND BROWARD BLVD	\$22,236
48	NW 34 AVE AND BROWARD BLVD	\$22,236
49	NW 33 TER AND BROWARD BLVD	\$22,236
50	NW 33 AVE AND BROWARD BLVD	\$22,236
51	NW 32 AVE AND BROWARD BLVD	\$22,236
52	NW 31 AVE AND NW 19 ST	\$22,236
53	NW 31 AVE AND NW 14 ST	\$22,236
54	NW 31 AVE AND NW 12 PL	\$22,236
55	NW 31 AVE AND W SUNRISE BLVD	\$22,254
56	NW 31 AVE AND NW 5 CT	\$22,236
57	NW 31 AVE AND NW 5 ST	\$22,236
58	NW 31 AVE AND NW 4 PL	\$22,236
59	NW 31 AVE AND NW 4 CT	\$22,236
60	NW 31 AVE AND NW 4 ST	\$22,236
61	NW 31 AVE AND NW 3 ST	\$22,236
62	NW 31 AVE AND NW 2 ST	\$22,236
63	NW 31 AVE AND BROWARD BLVD	\$22,236
64	NW 40 AVE SOUTH OF CANAL	\$14,940
65	NW 40 AVE AND NW 26 ST	\$22,236
66	NW 40 AVE AND NW 21 ST	\$22,236
67	NW 36 TER AND NW 19 ST	\$22,236
68	NW 35 AVE AND NW 19 ST	\$22,236
69	NW 35 AVE AND NW 19 ST	\$22,236
70	NW 35 AVE AND NW 19 ST	\$22,236
71	NW 32 AVE AND NW 19 ST	\$22,236
72	NW 31 AVE AND NW 16 ST	\$22,236
73	NW 31 AVE AND NW 17 ST	\$22,236
	5200 Blk. W Oakland Park Blvd	\$22,236

Subtotal

\$ 1,789,998.00

Subtotal in Words One-million seven hundred eighty-nine thousand, nine hundred ninety-eight dollars

ITEM 3: Hourly Rate for Labor and Monthly Maintenance Cost for Future Cameras

LINE ITEM	DESCRIPTION	UNIT OF MEASURE	COST
1	Installation of new Cameras including: Equipment Labor Licensing Integration Etc.	HOURLY COST Cost per install (per direction)	\$14,040

MAINTENANCE OF ADDITIONAL LPR CAMERAS			
LINE ITEM	DESCRIPTION	UNIT OF MEASURE	COST
1	Service and Maintenance	MONTHLY COST PER CAMERA	\$ 0.00 (included)

I _____ Name of authorized Officer per Sunbiz and/or legal documentation
Title

of _____ Name of Firm as it appears on Sunbiz and/or legal documentation hereby attest that I
have the authority to sign this notarized certification and certify that the
above referenced information is true, complete and correct.

Signature _____ Print Name and Title _____

(1) THE ABOVE STATED PRICING IS ALL-INCLUSIVE OF ALL EQUIPMENT,
INSTALLATION, ENGINEERING, ON-GOING MAINTENANCE AND FULL
WARRANTY (REPAIR/REPLACE) FOR THE LIFE OF THE CONTRACT.

(2) YEARS 4 & 5 ARE INCLUDED AT NO ADDITIONAL COST IF THE CITY
CHOOSES TO EXTEND THE CONTRACT.

**ORIGINAL BID(S) ARE ON FILE IN THE
PURCHASING DEPARTMENT OR THE
CITY CLERK'S OFFICE**

**PLEASE CONTACT PURCHASING AT
(954) 730-3098**

OR

**CITY CLERK'S OFFICE AT
(954) 730-3010**

LAW OFFICES
HALL & ROSENBERG, P.L.

W. EARL HALL, P.A.
ANGEL PETTI ROSENBERG, P.A.

TELEPHONE (954) 572-9020
FACSIMILE (954) 572-9030

8850 WEST OAKLAND PARK BOULEVARD
SUITE 101
SUNRISE, FLORIDA 33351
www.hallrosenberg.com

March 9, 2020

Mike Piscitelli
Vezina, Lawrence & Piscitelli
350 East Las Olas, Suite 1130
Fort Lauderdale, FL 33301

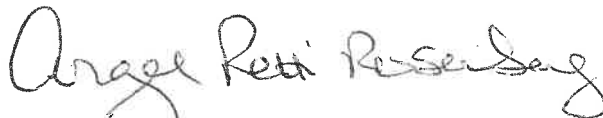
Re: City of Lauderhill and REKOR Master Subscription Agreement

Dear Mr. Piscitelli:

Enclosed please find two (2) fully executed original Master Subscription Agreements for REKOR to provide services to the City of Lauderhill with the effective date of March 5, 2020.

Should you have any questions or concerns, do not hesitate to contact me.

Very truly yours,



for: W. EARL HALL
Legal Counsel to City of Lauderhill

WEH/ap
Cc: City Clerk



Rod Hillman

Chief Operating Officer

443.615.1548

rhillman@rekorsystems.com



rekorsystems.com

MASTER SUBSCRIPTION AGREEMENT

This Master Subscription Agreement (this “**Agreement**”) is dated as of March 5, 2020, (the “**Execution Date**”), effective as of March 5, 2020, (the “**Effective Date**”), and is made by (i) Rekor Recognition Systems, Inc. (“**Rekor**” or “**Provider**”), with an address of 7172 Columbia Gateway Drive, Suite 400, Columbia, MD 21046 and (ii) City of Lauderdale, Florida (the “**City**” or “**User**”), with an address of 5581 W. Oakland Park Blvd., Lauderdale, FL 33313. Each of Rekor and User is referred to herein as a “**Party**” and collectively, the “**Parties**”.

Provider provides the following equipment and services and offers the following programs (each a “**Service**” and together the “**Services**”). User desires to engage Provider to implement, operate and provide the following Services to User in accordance with the terms and conditions associated and applicable to each Service.

For and in consideration of, and conditioned on, the covenants, terms and conditions stated and incorporated herein, and for other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties agree as follows:

1. Equipment and Software Subscription. Rekor provides the equipment (the “**Equipment**”) and related services and software as further described on each schedule executed from time to time by Provider and User in a form acceptable to Provider (each a “**Scope of Work**”), the form of such Scope of Work attached hereto as Exhibit A. Each Scope of Work shall expressly incorporate the terms of the Agreement and shall constitute a separate subscription along with any other writing expressly incorporated into the Agreement or the Scope of Work.

By executing this Agreement and accepting the Equipment, User acknowledges receipt of the Equipment and Software Terms and Conditions and agrees to the Equipment and Software Terms and Conditions, which are hereby incorporated into this Agreement in their entirety.

The effective date of each Scope of Work is also referred to as an Effective Date. The execution date of each Scope of Work is also referred to as an Execution Date.

2. Term. The term of the Scope of Work shall begin on the Effective Date, and unless earlier terminated in accordance with Section 27, shall continue until the Expiration Date set forth in Exhibit A.
3. Acceptance. User shall inspect each item of Equipment delivered or installed pursuant to the Agreement. User shall immediately notify the Provider of any discrepancies between such item of Equipment and the description of the Equipment in the Schedule. If the User fails to provide such notice before accepting delivery of the Equipment, the User will be conclusively presumed to have accepted the Equipment as specified in the Schedule.
4. Location of Equipment. User shall not part with possession or control of the Equipment or suffer or allow to pass the Equipment out of its possession or control, or change the primary location of

the Equipment or any part thereof from the place of installation without Provider's prior written consent.

5. Installation, Care and Operation of Equipment. Installation of the Equipment is to be performed by the Provider, unless otherwise defined within the Schedule. The User agrees that it shall use and operate the Equipment only for its intended use and in a careful and proper manner. So long as no Event of Default shall have occurred, the User shall be entitled to possession and use of the Equipment in accordance with the terms of the Agreement, in its lawful business. The User shall use and operate the Equipment in compliance with all laws, ordinances, and regulations relating to the possession, use, and maintenance of the Equipment, including registration and/or licensing requirements, if any.
6. Alterations. User shall not make any alterations to the Equipment without Provider's prior written consent. Any such alterations will be the property of the Provider and subject to the terms of the Agreement.
7. Maintenance and Repair. Provider shall maintain the Equipment in good repair and operating condition, allowing for reasonable wear and tear. Provider shall repair or replace equipment, at Provider's sole discretion and expense, if the Equipment does not function according to Provider's specifications as defined in the Schedule. Repairs required due to damage caused by User shall be completed by Provider and invoiced to User on a time and materials basis.
8. Ownership and Status of Equipment. The Equipment will be deemed to be personal property, regardless of the manner in which it may be attached to any other property. If requested by Provider with respect to the Equipment, User will obtain and deliver to Provider waivers of interest or liens in recordable form, satisfactory to Provider, from all persons claiming any interest in the real property on which such item of the Equipment is installed or located. Provider shall be deemed to have retained title to the Equipment at all times. User shall immediately advise the Provider regarding any notice of any claim, levy, lien, or legal process issued against the Equipment.
9. Software License Grant. Provider hereby grants to User, solely for User's own internal use, a non-transferable, non-assignable, non-exclusive license to use the software described herein (the "Software") and provided by Provider to User. The User shall use the Software exclusively for the operation of the Equipment and shall not copy the Software in any form, whether in whole or in part, and shall not incorporate the Software, whether in whole or in part, or the Software's code, into any product for distribution or use by any third party. Except for the rights enumerated in the Agreement, the license hereby granted to User does not include a grant to User of any other rights to, title, ownership, security interest, or other interest, in any intellectual property of Provider. The Software includes a collection of computer object code, documentation, precompiled binaries, and run time data used by the application code in order to analyze video stream data and perform various calculations and outputs.
10. Title to Software. The Software and all programs developed hereunder are proprietary to Provider. Provider shall retain exclusive right, ownership, title and interest in and to the Software, including all intellectual property rights. All applicable rights to patents, copyrights, trademarks and trade secrets in the Software or any modifications made at User's request are and shall remain in Provider. User agrees to secure and protect each module, software product and documentation thereof in a manner consistent with the maintenance of Provider's rights therein and to take

appropriate action by instruction or agreement with its employees or consultants who are permitted access to each program or software product to satisfy its obligations hereunder. User agrees not to modify the software or create derivative products. Violation of any provision of this Section 10 shall be the basis for immediate termination of the Agreement.

11. Software Ownership. Provider represents that it is the owner of the Software and all portions thereof and that it has the right to modify same and to grant User a license for its use.
12. Updates and Use. Provider may provide User, from time to time, with updates (including minor adaptations, patches and bug fixes). Provider hereby warrants to keep the Software up-to-date and install all relevant updates. User shall limit the use of the Software to its employees who have been appropriately trained.
13. Third Party Software. User acknowledges and agrees that the Provider may use third party software with the Equipment. Such software may be subject to certain license agreements, regulations, conditions and terms established by such third parties in order to protect ownership and intellectual property rights in the software. The User acknowledges and agrees not to attempt to resell or redistribute such software.
14. Warranty.
 - a. Provider warrants that the Equipment and Software will conform, as to all substantial operational features, to Provider's current published specifications when delivered or installed and will be free of defects which substantially affect system performance.
 - b. User must notify Provider in writing, within 7 days of delivery of the Software to the User or of delivery of any subsequent modifications to the Software, of its claim of any such defect. If the Software is found defective by Provider, Provider's sole obligation under this warranty is to remedy such defect in a manner consistent with Provider's regular business practices.
 - c. Provider makes no express or implied warranty of merchantability or fitness for a particular purpose. Provider and User waive all claims against each other for consequential damages arising out or relating to this Agreement.
 - d. Modifications to the Equipment and Software are strictly prohibited as is the creation of any derivative product. If any modifications are made to the Equipment or Software by User during the warranty period, this warranty shall immediately be terminated. Correction for difficulties, defects or damages traceable to User's errors or systems changes shall be billed at Provider's standard time and material charges.
 - e. User shall provide Provider details regarding any bug, defect or failure in the Equipment or Software promptly and with no delay from such event. User shall also comply with Provider's request for information regarding bugs, defects or failures and furnish with information and try to reproduce such bugs, defects or failures.
15. Option to Retrieve or Abandon Equipment. In the event the Scope of Work is terminated or expires in accordance with the terms and conditions, Provider shall, at its sole discretion, retrieve and

remove the Equipment, or abandon (which shall not be deemed to be a sale or transfer of ownership) the Equipment.

16. Data Rights: The data User obtains from using and operating the Equipment and Software is the "Data." User acknowledges and agrees that Provider may use the Data for its own purposes, limited to training of Provider's AI system and for Provider's general statistical use. User shall determine in its sole discretion, and shall instruct Provider in writing, whether the Data may be shared with the Rekor Public Safety Network ("RPSN") or any other certified law enforcement agencies. User, in its sole discretion, may elect to prohibit or restrict sharing of the Data with specific law enforcement agencies, or all law enforcement agencies, as designated in writing by User from time to time. Under no circumstances shall Provider share the Data with any entity not designated by User.
17. FBI CJIS Security Addendum: Access to and use of criminal history record information and other sensitive information maintained in State and FBI-managed criminal justice information systems by Provider are subject to the FBI CJIS Security Addendum, attached hereto as Exhibit F, which is incorporated by reference and made a part thereof as if fully appearing herein.
18. Payments. During the period in which the Agreement and each Schedule is effective, the User shall deliver to the Provider payments of the amount and frequency set forth in the related Schedule (the "Payments"). The first Payment shall be due on the Effective Date. The Payments are due whether or not the User has received notice that a Payment is due.
19. Notices: All notices, requests, consents, claims, waivers and other communications (collectively, "Notices") hereunder shall be sent to the addresses set forth in the preamble of the Agreement and/or email set forth on the signature page to the Agreement or such other addresses and/or email as a Party gives from time to time. All Notices shall be deemed to have been given (a) when delivered by hand; (b) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (c) on the date sent by facsimile or email, if sent during normal business hours of recipient, and on the next business day if sent after normal business hours of recipient or (d) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid. All Notices hereunder may be given by any other means, but shall not be deemed to have been duly given unless and until it is actually received by the intended recipient.
20. Entire Agreement and Modification: The Agreement (including the Schedules, Annexes and Exhibits hereto, and the provisions incorporated by reference herein) constitutes the entire agreement and understanding among the Parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, whether written or oral, relating to such subject matter in any way to the subject matter hereof or thereof. No modification, waiver or amendment of the Agreement shall be effective unless in writing and signed by both Parties. The Agreement replaces any and all prior agreements between the Parties with respect to its subject matter. Waiver by a Party of any provision of the Agreement does not constitute, and is not to be construed as constituting, a waiver of such provision (or any other provision) at any other time.

21. Governing Law: The Agreement shall be governed and construed in accordance with the laws of the State of Florida, without application of any principle of Florida law which would require that the Agreement be governed and construed by the laws of any other jurisdiction.
22. Press Release and User List Reference: Rekor and its subsidiaries (collectively, “**Rekor**”) are each permitted to issue a press release announcing that User has retained Rekor to provide the Services. Rekor may reference User and generally describe the nature of the Agreement in Rekor’s promotional materials, presentations, and proposals to current and prospective Users.
23. Service Charge; Fees: If any payment is not paid within five (5) days after the due date, User shall pay to Provider a service charge of 5% of the payment due per month which shall accrue each month until the outstanding balance is paid in full. User acknowledges that its ability to access the Services may require the payment of third-party fees and that User is responsible for paying such fees.
24. Collection Costs: If User fails to make any payments due under the Agreement and Provider retains the services of a collection agency or an attorney to collect such amounts, User agrees to promptly pay to Provider all reasonable costs of collection, including, but not limited to, any collection agency fees, reasonable attorney’s fees, and court costs.
25. Tax. If otherwise required by law, User shall pay all taxes, including any applicable sales or use tax, and all other fees or charges on or arising out of the Provider’s delivery of Services or Equipment to the User; however, the User will not pay any federal or state income taxes, franchise taxes, or any other taxes imposed on the Provider’s net income.
26. Default: The occurrence of any of the following shall constitute an event of default under the Agreement (“Event(s) of Default”):
- a. The failure to make a required payment under the Agreement and each related Schedule when due.
 - b. The violation of any provision or requirement under the Agreement (other than making required payments) that is not corrected within ten (10) days after notice of the violation is given.
 - c. The insolvency of User.
 - d. The voluntary or involuntary commencement of a proceeding in bankruptcy or receivership against User or its property; a general assignment for the benefit of creditors by User or if User enter into an agreement or composition with its creditors; if User is dissolved or otherwise discontinued; or if User ceases doing business as a going concern.
 - e. The subjection of any of User’s property to any levy, seizure, assignment, application or sale for or by any creditor or government agency.
 - f. The existence of any encumbrance on the Equipment or Software that has not been approved by Provider in writing.

- g. If any application, certificate, statements, trade references, representations and/or financial reports furnished by User and submitted to Provider proves to be false in any material respect.
27. Rights on Default: Upon the occurrence of any Event of Default, Provider may, after any applicable cure period, without further notice to User, and in Provider's sole discretion, exercise any one or more of the following remedies:
- a. Declare User's obligations hereunder immediately due and payable and recover as liquidated damages and not as a penalty an amount equal to: (i) reasonable attorneys' fees; plus (ii) in the event of damage or destruction and loss of the Equipment, either the cost of all repairs needed to correct the damage; less (iii) net proceeds of the disposition of the Equipment, if any; plus (iv) all expenses as are incurred in repossession, repair, refurbishment, seizure, storage, sale or reletting of the Equipment or of other collateral and any charges, costs, expenses, interest or penalties properly assessable against User pursuant to the provisions of the Agreement or any other agreement(s) between the parties;
 - b. enforce performance by User of the applicable covenants and terms of the Agreement or recover damages for the breach thereof;
 - c. terminate the Agreement and each related Schedule, terminate the licenses and take possession of the Equipment and Software and associated documentation, with or without demand or notice to User and without order of court or other legal process, and without incurring any liability to User for any damages incurred by reason of such taking, USER HEREBY WAIVES ANY AND ALL RIGHTS TO PRIOR NOTICE AND TO A JUDICIAL HEARING WITH RESPECT TO REPOSSESSION OF THE EQUIPMENT BY PROVIDER; and/or
 - d. any other remedies available in law or at equity.
 - e. No failure or delay on the part of Provider to exercise any remedy hereunder shall operate as a waiver. No express or implied waiver by Provider of any default shall constitute a waiver of any other default by User or waiver of Provider's rights. No remedy is intended to be exclusive, but each shall be cumulative and concurrent to the extent permitted by law and shall be in addition to any other remedy otherwise available to Provider at law or in equity.
28. Effect of Termination: Expiration, termination or cancellation of the Agreement and related Schedules shall not affect rights, obligations or liabilities of the parties which accrue prior to such expiration, termination or cancellation. Upon expiration, termination or cancellation of the Agreement, all rights, licenses and authorizations granted to User hereunder will immediately terminate and User will (a) immediately cease all use of and other activities with respect to the Equipment and Software; (b) within 15 days deliver to Provider all Equipment and Software at User's expense, or upon request by Provider destroy the Software, and permanently erase from all devices and systems User directly or indirectly controls, the Software, including all documents, files, and tangible materials containing, reflecting, incorporating, or based on any of the foregoing, whether or not modified or merged into other materials; and (c) certify to Provider in a signed written instrument that it has complied with the requirements of this Section 29. The provisions of Sections 16, 19-21, 22, 24-26, 29-37 shall survive termination of the Agreement and related Schedules.

29. Log-In Information; Individual Use: To gain access to and use the Services, User may be required to create a username and password or other log-in ID and password ("Log-In Information"). User is responsible for all activity occurring under its Log-In Information, and User must keep its Log-In Information confidential and not share such Log-In Information with other individuals or third parties other than those with a business need to know. Provider has no obligation or responsibility with regard to User's use, disclosure, or management of Log-In Information. Provider may require User to change its Log-In Information if such Log-In Information is inconsistent with the terms of the Agreement. Notwithstanding anything set forth in the Agreement to the contrary, Provider makes Services available to User for only its use and not for use by any third party.
30. No Assignment, Sublease or Sublicense by User: User shall not assign, sublet or sublicense any interest in the Agreement, the Equipment or Software, or permit the Equipment or Software to be used by anyone other than User or User's employees, without Provider's prior written consent.
31. Investigations: If Provider becomes aware of any possible violations by User of any provision of the Agreement, Provider reserves the right to investigate such violations. If, as a result of such investigation, Provider believes that criminal activity has occurred, Provider reserves the right to refer the matter to, and to cooperate with, any and all applicable law enforcement authorities. Except to the extent prohibited by applicable law, Provider is entitled to disclose any information in Provider's possession in connection with User's use of the Equipment and Software, and under any provision of the Agreement, to (a) comply with applicable law, legal process or governmental request; (b) enforce the Agreement; (c) respond to any claims or rights of third parties; (d) respond to User's requests for customer services; or (e) protect the rights, property or personal safety of Provider, its users or the public, and law enforcement or other government officials, as Provider in its sole discretion believes to be necessary or appropriate. User is solely responsible for its familiarity and compliance with any laws that may prohibit User from participating in or using any part of the Services
32. Submission to Jurisdiction; Consent to Service of Process; Waiver of Jury Trial: Each Party hereby irrevocably submits to the exclusive jurisdiction of the courts of the State of Florida for the purposes of any suit, action or other proceeding arising out of or relating to the Agreement and agrees that all claims in respect of the suit, action or other proceeding may be heard and determined in any such court. Each Party agrees to commence any such suit, action or other proceeding in the venue Broward County, Florida. Each Party waives any defense of improper venue or inconvenient forum to the maintenance of any action or proceeding so brought and waives any bond, surety or other security that might be required of any other party with respect thereto. Any Party may make service on any other Party by sending or delivering a copy of the process to the Party to be served in the manner provided for the giving of notices in Section 19. Nothing in this Section 33, however, shall affect the right of any Party to serve legal process in any other manner permitted by law or at equity. Each Party agrees that a final judgment in any action or proceeding so brought shall be conclusive and may be enforced by suit on the judgment or in any other manner provided by law or at equity. EACH OF THE PARTIES HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION ARISING OUT OF OR RELATING TO THE AGREEMENT.

33. Severability: If any portion of the Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of the Agreement is invalid or unenforceable, but that by limiting such provision, it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.
34. Exhibits; Schedules: Except to the extent expressly modified by the Agreement, the Parties by their execution and delivery hereof, affirm and incorporate herein by reference all of the terms, covenants and conditions of the Exhibits, Schedules and terms and conditions expressly referenced herein as if such terms, covenants and conditions were fully set forth in the Agreement.
35. Relationship of the Parties: Provider (and any affiliate or subcontractor thereof providing Services hereunder) is an independent contractor and service provider to User, and the Agreement shall not be deemed to establish a joint venture, partnership, association or fiduciary or similar relationship between Provider or any affiliate or subcontractor thereof, on the one hand, and User or any affiliate thereof, on the other hand, for United States tax purposes or for any other purpose.
36. Further Assurances: The Parties shall furnish upon request to each other further information, execute and deliver to each other documents, and do other acts and things, all as another party may reasonably request for the purpose of giving effect to the intent or express terms of the Agreement and the documents referred to in the Agreement; provided, that no party shall be obligated to incur any material liability, expense or obligation pursuant to this Section 37 without its consent.
37. Indemnity: Rekor agrees to protect, defend, indemnify, and hold harmless the City, its employees, representatives, and elected officials from any and all claims and liabilities including all attorney's fees and court costs, including appeals, for which the City, its employees, representatives, and elected officials can or may be held liable as a result of injury (including death) to persons or damage to property occurring by reason of any negligence, recklessness, or intentional wrongful misconduct of Rekor, its employees, or agents, arising out of or connected with this Agreement. Rekor shall not be required to indemnify the City or its agents, employees, representatives, or elected officials for the negligent, reckless, or otherwise wrongful acts or omissions of the City or its agents, employees, or representatives. The City agrees to protect, defend, indemnify, and hold harmless Rekor, its employees and representatives from any and all claims and liabilities including all attorney's fees and court costs, including appeals, for which Rekor, its employees and representatives can or may be held liable as a result of injury (including death) to persons or damage to property occurring by reason of any negligence, recklessness, or intentional wrongful misconduct of the City, its employees, or agents, arising out of or connected with this Agreement. However, the City does not in any way waive its right to sovereign immunity as provided by Florida Statute 768.28.
38. Piggybacking: The City of Lauderhill encourages and agrees to Rekor extending the pricing, terms and conditions of the annual Software Subscription provided for by this Agreement to other governmental entities, also known as "piggybacking," at Rekor's discretion.
39. Counterparts: The Agreement may be executed in counterparts, each of which is deemed an original, but all of which together is deemed to be one and the same agreement. A signed copy of

the Agreement delivered by facsimile, e-mail or other mean of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of the Agreement.

40. Materials: Contractor must produce samples of all materials to be used for the Project to the Owner and receive the Owner's written approval for use of the specific materials prior to utilization of any such materials in the project.

41. Interruption/Securing Job Site: Contractor will take whatever steps necessary to adequately and safely secure the Job Site. However, contractor understands that the project is to be performed with minimal interruption to the existing everyday activities. In the event of an interruption of activities, such interruption shall not exceed eight (8) hours duration and Contractor shall provide Owner with no less than forty-eight (48) hours notice prior to commencing any such interruptions.

42. Permits: Contractor shall apply for and obtain such permits and regulatory approvals as may be required by the local municipal/county government. Permit fees by the City of Lauderdale shall be waived, all other fees shall be included as part of the Project price.

43. Insurance: Contractor shall maintain general liability, workers compensation, builder's risk insurance and all other forms of insurance and/ as specifically required in RFP #2019-056.

44. Performance:

A. Contractor may, at its discretion, engage licensed subcontractors to perform work pursuant this Contract provided Contractor shall remain fully responsible for the proper completion of the Project.

B. All work shall be completed in a workman-like manner and in compliance with all building codes and applicable laws. To the extent required by law, all work shall be performed by individuals duly licensed and authorized by law to perform said work.

C. Contractor agrees to remove all debris and leave the premises in clean condition appropriate to the usage of said premises.

D. No additional work or extras shall be performed unless the same shall be duly authorized by appropriate action of the Owner.

E. The Contractor shall guarantee the complete project against poor workmanship and faulty materials for the period and in the manner described in the General Terms and Conditions and shall immediately correct any defects which may appear during this period upon notification by the Owner or the Engineer.

45. Records and Audit:

A. Access to Public Records

(1) If, under this Contract, the Contractor is providing services and is acting on behalf of a public agency as provided by section 119.0701(1)(b), Florida Statutes, the Contractor shall:

(a) Keep and maintain public records that ordinarily and necessarily would be required by the public agency in order to perform the service.

(b) Provide the public with access to public records on the same terms and conditions that the public agency would provide the records and at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.

(c) Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law.

(d) Meet all requirements for retaining public records and transfer, at no cost, to the public agency all public records in possession of the Contractor upon termination of the Contract and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the public agency in a format that is compatible with the information technology systems of the public agency.

B. Protection of Trade Secrets or Other Confidential Information

(1) If the Contractor considers any portion of materials made or received in the course of performing the Contract ("contract-related materials") to be trade secret under section 812.081, Florida Statutes, or otherwise confidential under Florida or federal law, the Contractor must clearly designate that portion of the materials as "confidential" when submitted to the CITY.

(2) If the CITY receives a public records request for contract-related materials designated by the Contractor as "confidential," the CITY will provide only the portions of the contract-related materials not designated as "confidential." If the requester asserts a right to examine contract-related materials designated as "confidential," the CITY will notify the Contractor. The Contractor will be responsible for responding to and resolving all claims for access to contract-related materials it has designated "confidential."

(3) If the CITY is served with a request for discovery of contract-related materials designated "confidential," the CITY will promptly notify the Contractor about the request. The Contractor will be responsible for filing the appropriate motion or objection in response to the request for discovery. The CITY will provide materials designated "confidential" only if the Contractor fails to take appropriate action, within timeframes established by statute and court rule, to protect the materials designated as "confidential" from disclosure.

(4) The Contractor shall protect, defend, and indemnify the CITY for claims, costs, fines, and attorney's fees arising from or relating to its designation of contract-related materials as "confidential."

C. Retention of Records

Contractor shall retain sufficient documentation to substantiate claims for payment under the Contract, and all other records made in relation to the Contract, for five (5) years after expiration or termination of the Contract.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT 954-730-3011, clerk@lauderhill-fl.gov, 5581 W. OAKLAND PARK BLVD. LAUDERHILL, FL 33313.

46. Conflict of Interest: Contractor represents that it presently has no interest and shall acquire no interest, either direct or indirect, which would conflict in any manner with the performance of the services required in this Agreement.
47. Prohibition of Gifts: No organization or individual shall offer or give, either directly or indirectly, any favor, gift, loan, fee, service or other item of value to any city employee, as set forth in Chapter 112, Part III, Florida Statutes.
48. Public Entity Crime Act: Contractor represents that it is familiar with the requirements and prohibitions under the Public Entity Crime Act, Section 287.133, Florida Statutes, and represents that its entry into this Agreement will not violate that Act. In addition to the foregoing, Contractor further represents that there has been no determination that it committed a "public entity crime" as defined by Section 287.133, Florida Statutes, and that it has not been formally charged with committing an act defined as a "public entity crime" regardless of the amount of money involved or whether Contractor has been placed on the convicted vendor list. Notwithstanding any provision in this Agreement to the contrary, if any representation stated in this section is false, City shall have the right to immediately terminate this Agreement.
49. Third Party Beneficiaries: Neither CITY nor Contractor intends to directly or substantially benefit a third party by this Agreement. Therefore, the Parties acknowledge that there are no third party beneficiaries to this Agreement and no third party shall be entitled to assert a claim against either of them based upon this Agreement.
50. Materiality and Waiver of Breach: Each requirement, duty, and obligation set forth herein was bargained for at arm's-length and is agreed to by the Parties. Each requirement, duty, and obligation set forth herein is substantial and important to the formation of this Agreement, and each is, therefore, a material term hereof. City's failure to enforce any provision of this Agreement shall not be deemed a waiver of such provision or modification of this Agreement. A waiver of any breach of a provision of this Agreement shall not be deemed a waiver of any subsequent breach and shall not be construed to be a modification of the terms of this Agreement.

51. Survival: Either party's right to monitor, evaluate, enforce, audit and review, any obligations to indemnify and insure, any assurances and certifications, and items of financial responsibility shall survive the expiration or earlier termination of this Agreement. Any provision of this Agreement which contains a restriction or requirement which extends beyond the date of termination or expiration set forth herein shall survive expiration or earlier termination of this Agreement and be enforceable.
52. Further Assurance: The Parties shall execute, acknowledge, deliver, and cause to be done, executed, acknowledged, and delivered all such further documents, and perform such acts as shall reasonably be requested of it to carry out this Agreement and give effect hereto. Accordingly, without in any manner limiting the specific rights and obligations set forth in this Agreement, the Parties intend to cooperate with each other in effecting the terms of this Agreement.
53. Time Is Of The Essence: Time is of the essence in performing the duties, obligations, and responsibilities required by this Agreement.
54. Specific Performance: In addition to all other remedies, Contractor's obligations contained herein shall be subject to the remedy of specific performance by appropriate action commenced in a court of competent jurisdiction.
55. Force Majeure: If the performance of this Agreement, or any obligation hereunder is prevented by reason of hurricane, earthquake, or other casualty caused by nature, or by labor strike, war, or by a law, order, proclamation, regulation, ordinance of any governmental agency, the party so affected, upon giving prompt notice to the other party, shall be excused from such performance to the extent of such prevention, provided that the party so affected shall first have taken reasonable steps to avoid and remove such cause of non-performance and shall continue to take reasonable steps to avoid and remove such cause, and shall promptly notify the other party in writing and resume performance hereunder whenever such causes are removed; provided, however, that if such non-performance exceeds sixty (60) days, the party that is not prevented from performance by the force majeure event shall have the right to terminate this Agreement upon written notice to the party so affected. This section shall not supersede or prevent the exercise of any right the Parties may otherwise have to terminate this Agreement.
56. Representation of Authority: Each individual executing this Agreement on behalf of a party hereto hereby represents and warrants that he or she is, on the date he or she signs this Agreement, duly authorized by all necessary and appropriate action to execute this Agreement on behalf of such party and does so with full legal authority.

IN WITNESS WHEREOF, the Parties have caused this Master Subscription Agreement to be executed by their duly authorized representatives as of the Execution Date.

PROVIDER:

REKOR RECOGNITION SYSTEMS, INC.

By: 


Printed name: Rodney Hillman

Title: Chief Operating Officer

Date: 3/3/20

USER:

CITY OF LAUDERHILL, FLORIDA

By: 

Printed name: Deserae Giles-Smith

Title: Interim City Manager

Date: 3/5/2020

EXHIBIT A

SCOPE OF WORK

Scope of Work dated as of March 5, 2020 (the “**Scope of Work**”) to Master Subscription Agreement, effective as of March 5, 2020, between Rekor Recognition Systems, Inc. (“**Rekor**”) with an address of 7172 Columbia Gateway Drive, Suite 400, Columbia, MD 21046 and City of Lauderhill, Florida (“**User**”), with an address of 5581 W. Oakland Park Blvd., Lauderhill, FL 33313, to be effective as of March 5, 2020 (the “**Effective Date**”).

1. This Scope of Work is entered into pursuant to the Agreement. Except to the extent expressly modified hereby, the Parties hereto by their execution and delivery hereof, reaffirm and incorporate herein by reference all of the terms, covenants and conditions of said Agreement as if such terms, covenants and conditions were fully set forth in this Scope of Work. All of the capitalized words used herein shall have the meanings ascribed to them in the Agreement unless otherwise expressly stated herein or therein.

2. Exhibits B, C, D, and E to this Agreement are incorporated by reference into this Scope of Work as if fully set forth herein.

3. Term: 5 Years

4. Expiration Date: (5 Years from Effective Date)

5. Equipment Description: Rekor Edge Vehicle Recognition Systems (1 or 2 camera); Solar Kits (panel, controller, batteries); On-Premise Server; machine learning Rekor Watchman software licenses.

6. Quantity of Systems: 73 sites (90 poles/systems) per attached schedule of locations.

7. Development, construction and installation schedule per attached Project Plan (Exhibit E) which is specifically incorporated into this Agreement at the same level of hierarchy as the Master Services Agreement.

8. Construction and Installation Payments:

a. Completion of Pre-Construction Phase (25%):	\$111,349.50
b. Completion of Construction Phase (25%):	\$111,349.50
c. Final System Acceptance (50%):	<u>\$222,699.00</u>
	\$445,398.00

9. Annual Subscription Payment: \$268,920.00 (90 systems) [Payable on date of final system acceptance, and on each anniversary thereafter.]

10. Additional Notes/Conditions: For the purpose of clarity, each Rekor Edge Solar system consists of one (1) processor, one (1) communication module, one (1) solar kit, Rekor Watchman software license(s), and up to two (2) HD cameras. Mounted on existing infrastructure, the systems are priced at \$2,988.00 annual based on a five-year agreement.

11. Final/Total Contract Price: \$1,789,998.00

12. Counterparts. This Scope of Work may be executed in counterparts, each of which is deemed an original, but all of which together is deemed to be one and the same agreement. A signed copy of this Scope of Work delivered by facsimile, e-mail or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Scope of Work.

EXHIBIT B**DESIGNATED SITES**

-	Intersection
1	NW 88 AVE AND COMMERCIAL (EASTBOUND)
2	NW 88 AVE AND COMMERCIAL (NORTHBOUND)
3	NW 88 AVE AND NW 53 CT
4	NW 88 AVE AND NW 52 ST
5	NW 88 AVE AND NW 50 ST
6	NW 88 AVE AND NW 48 ST
7	NW 88 AVE AND NW 45 CT
8	NW 88 AVE AND NW 44 ST (NORTHBOUND)
9	NW 88 AVE AND NW 44 ST (WESTBOUND)
10	NW 86 AVE AND NW 44 ST
11	NW 84 AVE AND NW 44 ST
12	NW 82 AVE AND W COMMERCIAL BVD
13	NW 82 AVE AND NW 44 ST
14	NW 77 TER AND NW 44 ST
15	NW 76 AVE AND W COMMERCIAL BVD
16	NW 76 AVE AND NW 44 ST
17	W ENTRANCE TO SPORTS COMPLEX AND W OAKLAND PARK BLVD
18	INVERRARY BLVD WEST AND W OAKLAND PARK BLVD
19	NW 70 AVE AND W COMMERCIAL BLVD
20	SUNRISE LAKES DR AND W OAKLAND PARK BLVD (7000 BLK)
21	LANDINGS DR AND W OAKLAND PARK BLVD
22	NW 64 AVE AND W COMMERCIAL BLVD
23	NW 60 AVE AND W OAKLAND PARK BLVD
24	NW 60 AVE AND NW 19 ST
25	NW 58 TER AND NW 19 ST
26	NW 58 TER AND NW 15 ST
27	NW 56 AVE AND NW 11 ST
28	NW 55 AVE AND NW 11 ST
29	ROCK ISLAND RD AND NW 44 ST
31	NW 49 AVE AND NW 23 ST
32	NW 47 AVE AND NW 26 ST
33	NW 47 AVE AND NW 24 CT
34	NW 47 AVE AND NW 11 ST
35	NW 43 AVE AND NW 43 TER
36	NW 40 AVE AND NW 19 ST
37	NW 40 AVE AND W SUNRISE BLVD
38	NW 39 AVE AND NW 8TH PL
39	NW 39 AVE AND NW 8TH CT
40	NW 39 AVE AND NW 8TH ST
41	NW 39 AVE AND NW 7TH ST

42	NW 39 AVE AND NW 6TH CT
43	NW 39 AVE AND NW 5TH ST
44	NW 39 AVE AND NW 3 ST
45	NW 38 WAY AND NW 1 CT
46	NW 36 AVE AND BROWARD BLVD
47	NW 35 AVE AND BROWARD BLVD
48	NW 34 AVE AND BROWARD BLVD
49	NW 33 TER AND BROWARD BLVD
50	NW 33 AVE AND BROWARD BLVD
51	NW 32 AVE AND BROWARD BLVD
52	NW 31 AVE AND NW 19 ST
53	NW 31 AVE AND NW 14 ST
54	NW 31 AVE AND NW 12 PL
55	NW 31 AVE AND W SUNRISE BLVD
56	NW 31 AVE AND NW 5 CT
57	NW 31 AVE AND NW 5 ST
58	NW 31 AVE AND NW 4 PL
59	NW 31 AVE AND NW 4 CT
60	NW 31 AVE AND NW 4 ST
61	NW 31 AVE AND NW 3 ST
62	NW 31 AVE AND NW 2 ST
63	NW 31 AVE AND BROWARD BLVD
64	NW 40 AVE SOUTH OF CANAL
65	NW 40 AVE AND NW 26 ST
66	NW 40 AVE AND NW 21 ST
67	NW 36 TER AND NW 19 ST
68	NW 38 AVE AND NW 19 ST
69	NW 35 AVE AND NW 19 ST
70	NW 33 AVE AND NW 19 ST
71	NW 32 AVE AND NW 19 ST
72	NW 31 AVE AND NW 16 ST
73	NW 31 AVE AND NW 17 ST
	5200 BLK. W OAKLAND PARK BLVD

EXHIBIT C

CONSTRUCTION AND INSTALLATION OBLIGATIONS

Provider will have each specified location installed and activated in phases in accordance with an implementation plan to be mutually agreed to by User and Provider.

Provider will use reasonable commercial efforts to install the system in accordance with the schedule set forth in the implementation plan that will be formalized upon project commencement.

Provider's submittal requirements and submittal schedule shall be as set out in the Project Plan. City written approval will be required for designated submittals. City will approve or reject such submittals, providing an explanation of any reasons for rejection. Such approval or rejection will be provided within a specified number of days of submittal according to the Project Plan unless prior to the expiration of the specified period, City provides Provider with written notification that the review period for a particular submittal will be extended and stating the time in which it will be completed. City's right to extend the review period is intended to allow flexibility in special circumstances where the nature of the submittal requires more involved review, and not as a diminution of City's obligation to promptly review submittals. To the extent such extensions impact Provider's ability to perform the Work and meet its obligations under the Agreement, such extensions shall be subject to a change order issued by the City.

1. **Provider Obligations:** Provider shall do or cause to be done each of the following (in each case, unless otherwise stated below, at Provider's sole expense):
 - a. Appoint a project manager and a project implementation team consisting of between one (1) and four (4) people to assist the Provider project manager;
 - b. request current "as-built" electronic engineering drawings for the Designated Sites (the "Drawings") from the City traffic engineer;
 - c. develop and submit to the City for approval, construction and installation specifications in reasonable detail for the Designated Sites, including but not limited to specifications for all electrical connections as needed and other connections, as required;
 - d. seek approval from the relevant governmental authorities having authority or jurisdiction over the construction and installation specifications for the Designated Sites (collectively, the "Approvals"), which will include compliance with City permit applications; and
 - e. finalize the acquisition of the Approvals;
 - f. complete the installation and testing of all necessary equipment, including hardware and software, at the Designated Sites (under the supervision of the City);
 - g. cause an electrical sub-contractor to complete all reasonably necessary electrical work (if required) at the Designated Sites, including but not limited to the installation of all related equipment and poles, cabling, telecommunications equipment and wiring, which work

shall be performed in compliance with all applicable local, state and federal laws and regulations;

- h. install and test the functionality of the Designated Sites with the Provider system and establish fully operational license plate reading and hotlist processing capability with the Provider system;
- i. implement the use of the Provider System at each of the Designated Sites;
- j. deliver the information materials and training to the City;
- k. obtain FDLE and other hotlist access and automate; and
- l. provide training for personnel of the City, including, but not limited to, the persons who City shall appoint as authorized employees and other persons involved in the administration of the LPR System, regarding the operation of the Provider System and the LPR System. This shall include training with respect to the Provider System and its software operations.

2. User Obligations: User shall do or cause to be done each of the following:

- a. Appoint a project manager;
- b. assist Provider in obtaining the Drawings from the relevant governmental authorities;
- c. notify Provider of any specific requirements relating to the construction and installation of any Designated Site or the implementation of the LPR system;
- d. assist Provider in seeking the Approvals;
- e. provide reasonable access to the City's properties and facilities in order to permit Provider to install and test the functionality of the Designated Sites and the LPR system;
- f. provide reasonable access to the personnel of the City and reasonable information about the specific operational requirements of such personnel for the purposes of performing training;
- g. on a form provided by Provider, provide verification to appropriate state and federal agencies, or other appropriate authority indicating that Provider is acting as an agent of the User for the purposes of accessing hotlist data pursuant to the list of permissible uses; and
- h. in the event that remote access to the Provider LPR System is blocked by City's network security infrastructure, the City's IT Department and the counterparts at Rekor shall coordinate to facilitate appropriate communications access while maintaining required security measures.

EXHIBIT D

MAINTENANCE OBLIGATIONS

1. All repair and maintenance of the LPR System and related equipment will be the sole responsibility of Provider, including but not limited to maintaining the casings of the cameras included in the Provider system and all other equipment in reasonably clean and graffiti-free condition.
2. The provision of all necessary communication services to the Designated Sites will be the sole responsibility of the Provider.
3. The provision of all necessary electrical services to the Designated Sites will be the sole responsibility of the Provider.
4. The Provider Maintenance Manager (or a reasonable alternate) shall be available to the City's designated contact on a call schedule as mutually agreed upon by both parties.

EXHIBIT E

PROJECT PLAN

Start Day	Activity/Milestone	# of Days	Anticipated Completion Date
Contract Award			
Implementation & Planning			Day 10
D 1	Team Rekor Kickoff Meeting	1 day	
D 1	Order all camera equipment, housings, and power panels	5 days	
D 1	Receive Notice to Proceed (NTP)	1 day	
D 2	Kickoff meeting with City of Lauderdale	1 day	
D 3	Schedule Meeting with City Department of Public Works (transportation)	1 day	
D 3	Submit Required Insurance Documents and Other Required Tax Documentation	3 days	
D 4	Team Rekor Engineering Meeting	1 day	
D 6	Finalize and Submit Quality Control Review Plan, Program Safety Plan, and Communication Plan	4 days	
Pre-Installation and Permitting			
Site Approval & Development			Day 75
D 3	Conduct Site Surveys (15) and site walk with DPW	3 days	
D 4	Contact Florida Department of Transportation (FDOT) Regarding LPR Installations Proposed on State roads <i>(if needed)</i>	7 days	
D 5	Gain Approval for Design and Installation Plan for all (specific) system equipment from the City	2 days	
D 6	Develop PE Site/Installation Drawings (1 - 12)	3 days	
D 10	Develop PE Site/Installation Drawings (13 - 24)	3 days	
D 13	Develop PE Site/Installation Drawings (24 - 36)	3 days	
D 16	Develop PE Site/Installation Drawings (37 - 48)	3 days	
D 19	Develop PE Site/Installation Drawings (49 - 60)	3 days	
D 22	Develop PE Site/Installation Drawings (61 - 73)	3 days	
D 15	Develop and Provide Updated Street Record Drawings Showing Actual Field Locations of All Equipment to DPW for approval (sites 1 – 36)	3 days	
D 19	Submit PE Drawings and Plans Required by DPW and/or Division of Engineering for review/approval (Site 1 – 36)	.5 days	
D 20	Obtain all necessary permits required for installations (1 – 36)	15 days	
D 19	Develop and Provide Updated Street Record Drawings Showing Actual Field Locations of All Equipment to DPW for approval (sites 37 – 73)	3 days	
D 23	Submit PE Drawings and Plans Required by DPW and/or Division of Engineering for review/approval (Sites 37 – 73)	.5 Day	
D 24	Obtain all necessary permits required for installations (1 – 36)	15 Day	
D 35	Request any electrical permits needed for sites (1 - 37) from FP&L	10 Day	
D 41	Receive requested electrical permits for sites (1 - 37) from FP&L	.5 Day	
D 42	Review permits with City DPW, Rekor, Tectonic and United Signals	1 Day	
D 44	Finalize Notification System, Get Approval of All Forms and Procedures	3 Days	
D 48	Finalize Installation Schedule for All System Equipment	0.5 Days	

Start Day	Activity/Milestone	# of Days	Anticipated Completion Date
Equipment, Shipping, Construction, & Installation			
Camera Equipment			Day 54
D 16	Receive and inventory equipment	1 Day	
D 17	Certify/Bench test equipment (in house)	2 Days	
D 17	Assemble camera equipment with edge devices	3 Days	
D 20	Configure camera equipment to client business rules specifications	2 Days	
D 20	Configure wireless data transmission	3 Days	
D 24	Test equipment, encryption and data transmission	2 Day	
D 25	End-end operational test (in-house) for all 73 units	2 Days	
D 26	Ship 1st set of camera equipment to Rekor receiving location in Lauderhill (<i>Arfa</i>)	10 Days	
D 46	Ship 2nd set of camera equipment to Rekor receiving location in Lauderhill (<i>Arfa</i>)	10 Days	
D 23	Procure poles and bases (<i>ship locally to Lauderhill</i>)	20 Days	
D 56	Camera equipment received in local Lauderhill office (<i>inventory control</i>)	.5 Day	
D 33	Bases and poles received in the local Lauderhill office (<i>inventory control</i>)	.5 Day	
Site Construction			Day 85
D 50	Construction, pole and base installation for sites 1-12	3 Days	
D 54	Construction, pole and base installation for sites 13-24	3 Days	
D 57	Construction, pole and base installation for sites 25-36	3 Days	
D 60	Construction, pole and base installation for sites 37-48	3 Days	
D 63	Construction, pole and base installation for sites 49-60	3 Days	
D 38	Construction, pole and base installation for sites 61-73	3 Days	
D 58	(if needed) Electrical power meter construction for any locations (1-24)	5 Days	
D 60	(if needed) Electrical power meter construction for any locations (25-48)	5 Days	
D 62	(if needed) Electrical power meter construction for any locations (49-73)	5 Days	
D 64	DPW Final inspection/walkthrough for all 73 sites	1 – 2 Days	
Camera Installation			Day 74
D 55	Obtain approval from the City PM to begin camera installation (all sites)	1 Day	
D 56	Group #1 – Camera equipment installation for sites (1 thru 10)	1 Day	
D 59	Group #2 – Camera equipment installation for sites (11 thru 20)	1 Day	
D 64	Group #3 – Camera equipment installation for sites (21 thru 40)	1 Day	
D 67	Group #4 – Camera equipment installation for sites (41 thru 55)	1 Day	
D 73	Group #5 – Camera equipment installation for sites (56 thru 73)	1 Day	
D 57	Conduct system tuning and data transmission testing for Sites 1-10	1 Day	
D 60	Conduct system tuning and data transmission testing for Sites 11-20	1 Day	
D 65	Conduct system tuning and data transmission testing for Sites 21-40	1 Day	
D 68	Conduct system tuning and data transmission testing for Sites 41-55	1 Day	
D 74	Conduct system tuning and data transmission testing for Sites 56-73	1 Day	
D 57	Perform system configuration (Lauderhill specific)	5 Days	
D 58	Perform hardware memory retention and retrieval test	1 Day	
D 65	Power management testing (sites 1 – 36)	1 Day	

Start Day	Activity/Milestone	# of Days	Anticipated Completion Date
D 66	Power management testing (sites 37 – 73)	1 Day	
D 66	Conduct system power-down/power up testing	1 Day	
D 74	Conduct end-to-end system and data security transmission testing	2 Days	
Configure & Install Host System (Rekor OpenALPR)			
OpenALPR Configuration			Day 20
D 05	Determine State/City Hotlist communications protocols	5 Days	
D 10	Validate Process and Procedures for Implementing Hotlists & Schedules	1 Day	
D 11	Configure Hotlist Protocols to Specifications	1 Day	
D 05	Complete and Receive Approval of Client Business Rules	5 Days	
D 10	Review client business rules documents	.5 Day	
D 12	Configure Database & server	2 Days	
D 12	Configure Client view settings	2 Days	
D 12	Configure system user profiles (user access rights)	2 Days	
D 12	Configure system importing protocols	2 Days	
D 12	Optimize camera environmental plate settings (<i>state, color, make, model</i>)	7 Days	
D 13	Configure System Communication settings	4 Days	
D 14	Modify GUI Interface	3 Days	
Telecommunications and Interfaces			Day 26
D 4	Assess Hardware Requirements	2 days	
D 6	Design Network Infrastructure	2 days	
D 6	Acquire telecommunication and IT equipment (network equipment, storage, server)	21 days	
D 29	Acquire signed SSL certificates	1 day	
D 30	Configure server network	1 day	
D 23	Configure telecommunications modems	1 day	
D 25	Configure/test relay devices	1 day	
System Customization			
Business Rules and Client Issuance Criteria Requirements			Day 10
D 1	Develop client business rules and document	1 day	
D 3	Submit Business Rules document to Client for review	1 day	
D 4	Incorporate changes to Business Rules document	1 day	
D 7	Finalize Business Rules document with Client	1 day	
D 8	Business Rules documents Client sign-off	2 days	
D 10	Incorporate approved Business Rules & final testing	0.5 days	
Reporting			Day 59
D 30	Establish Project Reporting Guidelines	3 days	
D 33	Develop Reports/Billing Format	1 day	
D 33	Program Customized Reports	10 days	
D 43	Report Format Test/Print	1 days	
D 44	Final Report Modifications	1 day	
D 44	Report Programming Finalization	5 Days	
D 49	Test/Print Reports	1 Day	
Training and Testing			Day 90
Training			Day 90
D 49	Customize Training Module and Materials	1 Day	
D 50	Edit and Finalize Training Material with City Program Management	1 Day	
D 64	Establish Training Schedule and Groups	1 Day	

Start Day	Activity/Milestone	# of Days	Anticipated Completion Date
D 74	Conduct Training (Police Users)	.3 Day	
D 74	Conduct Training (IT Management Users)	.3 Day	
D 74	Conduct Training (Authorized City Users) – *If Needed*	.3 Day	
Connectivity Testing and Thru-put Testing			62 days
D 57	Camera-To-Server Test	5 Days	
D 57	Server Speed Test (Day/Night)	5 Days	
D 57	Hotlist Integration Data Test	5 Days	
D 57	Remote System Access	5 Days	
D 57	Disaster Recovery Testing	5 Days	
Accessibility and Data Management			Day 60
Data Archiving			2 days
D 50	Accessibility Configuration	1 Day	
D 50	Retention/Archive Configuration	1 Day	
D 50	Documentation (Timestamping) Configuration	1 Day	
D 50	Auto-deletion Protocol Configuration Validation	2 Days	

EXHIBIT F

FEDERAL BUREAU OF INVESTIGATION CRIMINAL JUSTICE INFORMATION SERVICES SECURITY ADDENDUM

Legal Authority for and Purpose and Genesis of the Security Addendum

Traditionally, law enforcement and other criminal justice agencies have been responsible for the confidentiality of their information. Accordingly, until mid-1999, the Code of Federal Regulations Title 28, Part 20, subpart C, and the National Crime Information Center (NCIC) policy paper approved December 6, 1982, required that the management and exchange of criminal justice information be performed by a criminal justice agency or, in certain circumstances, by a noncriminal justice agency under the management control of a criminal justice agency.

In light of the increasing desire of governmental agencies to contract with private entities to perform administration of criminal justice functions, the FBI sought and obtained approval from the United States Department of Justice (DOJ) to permit such privatization of traditional law enforcement functions under certain controlled circumstances. In the Federal Register of May 10, 1999, the FBI published a Notice of Proposed Rulemaking, announcing as follows:

1. Access to CHRI [Criminal History Record Information] and Related Information, Subject to Appropriate Controls, by a Private Contractor Pursuant to a Specific Agreement with an Authorized Governmental Agency To Perform an Administration of Criminal Justice Function (Privatization). Section 534 of title 28 of the United States Code authorizes the Attorney General to exchange identification, criminal identification, crime, and other records for the official use of authorized officials of the federal government, the states, cities, and penal and other institutions. This statute also provides, however, that such exchanges are subject to cancellation if dissemination is made outside the receiving departments or related agencies. Agencies authorized access to CHRI traditionally have been hesitant to disclose that information, even in furtherance of authorized criminal justice functions, to anyone other than actual agency employees lest such disclosure be viewed as unauthorized. In recent years, however, governmental agencies seeking greater efficiency and economy have become increasingly interested in obtaining support services for the administration of criminal justice from the private sector. With the concurrence of the FBI's Criminal Justice Information Services (CJIS) Advisory Policy Board, the DOJ has concluded that disclosures to private persons and entities providing support services for criminal justice agencies may, when subject to appropriate controls, properly be viewed as permissible disclosures for purposes of compliance with 28 U.S.C. 534.

We are therefore proposing to revise 28 CFR 20.33(a)(7) to provide express authority for such arrangements. The proposed authority is similar to the authority that already exists in 28 CFR 20.21(b)(3) for state and local CHRI systems. Provision of CHRI under this authority would only be permitted pursuant to a specific agreement with an authorized governmental agency for the purpose of providing services for the administration of criminal justice. The agreement would be required to incorporate a security addendum approved by the Director of the FBI (acting for the Attorney General). The security addendum would specifically authorize access to CHRI, limit the use of the

information to the specific purposes for which it is being provided, ensure the security and confidentiality of the information consistent with applicable laws and regulations, provide for sanctions, and contain such other provisions as the Director of the FBI (acting for the Attorney General) may require. The security addendum, buttressed by ongoing audit programs of both the FBI and the sponsoring governmental agency, will provide an appropriate balance between the benefits of privatization, protection of individual privacy interests, and preservation of the security of the FBI's CHRI systems.

The FBI will develop a security addendum to be made available to interested governmental agencies. We anticipate that the security addendum will include physical and personnel security constraints historically required by NCIC security practices and other programmatic requirements, together with personal integrity and electronic security provisions comparable to those in NCIC User Agreements between the FBI and criminal justice agencies, and in existing Management Control Agreements between criminal justice agencies and noncriminal justice governmental entities. The security addendum will make clear that access to CHRI will be limited to those officers and employees of the private contractor or its subcontractor who require the information to properly perform services for the sponsoring governmental agency, and that the service provider may not access, modify, use, or disseminate such information for inconsistent or unauthorized purposes.

Consistent with such intent, Title 28 of the Code of Federal Regulations (C.F.R.) was amended to read:

§ 20.33 Dissemination of criminal history record information.

- a) Criminal history record information contained in the Interstate Identification Index (III) System and the Fingerprint Identification Records System (FIRS) may be made available:
 - 1) To criminal justice agencies for criminal justice purposes, which purposes include the screening of employees or applicants for employment hired by criminal justice agencies.
 - 2) To noncriminal justice governmental agencies performing criminal justice dispatching functions or data processing/information services for criminal justice agencies; and
 - 3) To private contractors pursuant to a specific agreement with an agency identified in paragraphs (a)(1) or (a)(6) of this section and for the purpose of providing services for the administration of criminal justice pursuant to that agreement. The agreement must incorporate a security addendum approved by the Attorney General of the United States, which shall specifically authorize access to criminal history record information, limit the use of the information to the purposes for which it is provided, ensure the security and confidentiality of the information consistent with these regulations, provide for sanctions, and contain such other provisions as the Attorney General may require. The power and authority of the Attorney General hereunder shall be exercised by the FBI Director (or the Director's designee).

This Security Addendum, appended to and incorporated by reference in a government-private sector contract entered into for such purpose, is intended to insure that the benefits of privatization are not attained with any accompanying degradation in the security of the national system of criminal records accessed by the contracting private party. This Security Addendum addresses both concerns for personal integrity and electronic security which have been addressed in previously executed user agreements and management control agreements.

A government agency may privatize functions traditionally performed by criminal justice agencies (or noncriminal justice agencies acting under a management control agreement), subject to the terms of this Security Addendum. If privatized, access by a private contractor's personnel to NCIC data and other CJIS information is restricted to only that necessary to perform the privatized tasks consistent with the government agency's function and the focus of the contract. If privatized the contractor may not access, modify, use or disseminate such data in any manner not expressly authorized by the government agency in consultation with the FBI.

**FEDERAL BUREAU OF INVESTIGATION
CRIMINAL JUSTICE INFORMATION SERVICES
SECURITY ADDENDUM**

The goal of this document is to augment the CJIS Security Policy to ensure adequate security is provided for criminal justice systems while (1) under the control or management of a private entity or (2) connectivity to FBI CJIS Systems has been provided to a private entity (contractor). Adequate security is defined in Office of Management and Budget Circular A-130 as “security commensurate with the risk and magnitude of harm resulting from the loss, misuse, or unauthorized access to or modification of information.”

The intent of this Security Addendum is to require that the Contractor maintain a security program consistent with federal and state laws, regulations, and standards (including the CJIS Security Policy in effect when the contract is executed), as well as with policies and standards established by the Criminal Justice Information Services (CJIS) Advisory Policy Board (APB).

This Security Addendum identifies the duties and responsibilities with respect to the installation and maintenance of adequate internal controls within the contractual relationship so that the security and integrity of the FBI’s information resources are not compromised. The security program shall include consideration of personnel security, site security, system security, and data security, and technical security.

The provisions of this Security Addendum apply to all personnel, systems, networks and support facilities supporting and/or acting on behalf of the government agency.

1.00 Definitions

1.01 Contracting Government Agency (CGA) - the government agency, whether a Criminal Justice Agency or a Noncriminal Justice Agency, which enters into an agreement with a private contractor subject to this Security Addendum.

1.02 Contractor - a private business, organization or individual which has entered into an agreement for the administration of criminal justice with a Criminal Justice Agency or a Noncriminal Justice Agency.

2.00 Responsibilities of the Contracting Government Agency.

2.01 The CGA will ensure that each Contractor employee receives a copy of the Security Addendum and the CJIS Security Policy and executes an acknowledgment of such receipt and the contents of the Security Addendum. The signed acknowledgments shall remain in the possession of the CGA and available for audit purposes. The acknowledgement may be signed by hand or via digital signature (see glossary for definition of digital signature).

3.00 Responsibilities of the Contractor.

3.01 The Contractor will maintain a security program consistent with federal and state laws, regulations, and standards (including the CJIS Security Policy in effect when the contract is executed and all subsequent versions), as well as with policies and standards established by the Criminal Justice Information Services (CJIS) Advisory Policy Board (APB).

4.00 Security Violations.

4.01 The CGA must report security violations to the CJIS Systems Officer (CSO) and the Director, FBI, along with indications of actions taken by the CGA and Contractor.

4.02 Security violations can justify termination of the appended agreement.

4.03 Upon notification, the FBI reserves the right to:

- a. Investigate or decline to investigate any report of unauthorized use;
- b. Suspend or terminate access and services, including telecommunications links. The FBI will provide the CSO with timely written notice of the suspension. Access and services will be reinstated only after satisfactory assurances have been provided to the FBI by the CGA and Contractor. Upon termination, the Contractor's records containing CHRI must be deleted or returned to the CGA.

5.00 Audit

5.01 The FBI is authorized to perform a final audit of the Contractor's systems after termination of the Security Addendum.

6.00 Scope and Authority

6.01 This Security Addendum does not confer, grant, or authorize any rights, privileges, or obligations on any persons other than the Contractor, CGA, CJA (where applicable), CSA, and FBI.

6.02 The following documents are incorporated by reference and made part of this agreement: (1) the Security Addendum; (2) the NCIC 2000 Operating Manual; (3) the CJIS Security Policy; and (4) Title 28, Code of Federal Regulations, Part 20. The parties are also subject to applicable federal and state laws and regulations.

6.03 The terms set forth in this document do not constitute the sole understanding by and between the parties hereto; rather they augment the provisions of the CJIS Security Policy to provide a minimum basis for the security of the system and contained information and it is understood that there may be terms and conditions of the appended Agreement which impose more stringent requirements upon the Contractor.

6.04 This Security Addendum may only be modified by the FBI, and may not be modified by the parties to the appended Agreement without the consent of the FBI.

6.05 All notices and correspondence shall be forwarded by First Class mail to:

Information Security Officer

Criminal Justice Information Services Division, FBI

1000 Custer Hollow Road

Clarksburg, West Virginia 26306

**FEDERAL BUREAU OF INVESTIGATION
CRIMINAL JUSTICE INFORMATION SERVICES
SECURITY ADDENDUM**

CERTIFICATION

I hereby certify that I am familiar with the contents of (1) the Security Addendum, including its legal authority and purpose; (2) the NCIC Operating Manual; (3) the CJIS Security Policy; and (4) Title 28, Code of Federal Regulations, Part 20, and agree to be bound by their provisions.

I recognize that criminal history record information and related data, by its very nature, is sensitive and has potential for great harm if misused. I acknowledge that access to criminal history record information and related data is therefore limited to the purpose(s) for which a government agency has entered into the contract incorporating this Security Addendum. I understand that misuse of the system by, among other things: accessing it without authorization; accessing it by exceeding authorization; accessing it for an improper purpose; using, disseminating or re-disseminating information received as a result of this contract for a purpose other than that envisioned by the contract, may subject me to administrative and criminal penalties. I understand that accessing the system for an appropriate purpose and then using, disseminating or re-disseminating the information received for another purpose other than execution of the contract also constitutes misuse. I further understand that the occurrence of misuse does not depend upon whether or not I receive additional compensation for such authorized activity. Such exposure for misuse includes, but is not limited to, suspension or loss of employment and prosecution for state and federal crimes.

Printed Name/Signature of Contractor Employee

Date

Printed Name/Signature of Contractor Representative

Date

Organization and Title of Contractor Representative