

## FORM OF ACKNOWLEDGMENT AND CONSENT

This Acknowledgement and Consent, dated as of February 24<sup>th</sup>, 2005, is entered into by and between the City of Vista (the "City") and Redflex Traffic Systems, Inc., a Delaware corporation ("Redflex"), with reference to the **Agreement for Automated Red Light Photo Enforcement Cameras**, dated as of December 9<sup>th</sup>, 2003, by and between the Town and Redflex (the "Agreement").

1. Redflex has entered into a Credit Agreement, dated as of August 3, 2003 (the "Harris-Redflex Credit Agreement"), with Harris Trust and Savings Bank (the "Bank"), pursuant to which the Bank has provided certain working capital credit facilities to Redflex. Such credit facilities will provide Redflex the working capital that it needs to perform its obligations to the City under the Agreement.



2. Pursuant to the Harris-Redflex Credit Agreement, Redflex has granted Harris a security interest in all of Redflex's personal property as collateral for the payment and performance of Redflex's obligations to the Bank under the Harris-Redflex Credit Agreement. Such security interest applies to and covers all of Redflex's contract rights, including, without limitation, all of Redflex's rights and interests under the Agreement.

3. Redflex will not, by virtue of the Harris-Redflex Credit Agreement, be relieved of any liability or obligation under the Agreement, and the Bank has not assumed any liability or obligation of Redflex under the Agreement.

4. The City hereby acknowledges notice of, and consents to, Redflex's grant of such security interest in favor of the Bank in all of Redflex's rights and interests under the Agreement pursuant to the Harris-Redflex Credit Agreement.

5. The City further acknowledges and agrees that this Acknowledgement and Consent shall be binding upon the City and shall inure to the benefit of the successors and assigns of the Bank and to any replacement lender which refinances Redflex's obligations to the Bank under the Harris-Redflex Credit Agreement.

IN WITNESS WHEREOF, the City and Redflex have caused this Acknowledgement and Consent to be executed by their respective duly authorized and elected officers as of the date first above written.

<p>The City:</p> <p><b>City of Vista</b></p> <p>By: <u></u> Name: <u>Rita Elder</u> Title: <u>City Manager</u></p>	<p>Redflex:</p> <p>REFLEX TRAFFIC SYSTEMS, INC., a Delaware corporation</p> <p>By: <u></u> Name: <u>Richard Eden</u> Title: <u>Chief Financial Officer</u></p>
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**AGREEMENT BETWEEN THE CITY OF VISTA  
AND REDFLEX TRAFFIC SYSTEMS, INC. FOR  
AUTOMATED RED LIGHT PHOTO ENFORCEMENT CAMERAS**

This Agreement (“Agreement”) is made as of this 9 day of December, 2003 by and between Redflex Traffic Systems, Inc., a California corporation with offices at 5813A Uplander Way, Culver City, California 90230 (“Redflex”), and the city of VISTA, a municipal corporation, with offices at 600 Eucalyptus Avenue, Vista, California 92084 (“Customer”).

**RECITALS**

WHEREAS, Redflex has exclusive knowledge, possession and ownership of certain equipment, licenses, applications, and citation processes related to digital red light photo enforcement cameras; and

WHEREAS, the Customer desires to engage the services of Redflex to provide certain equipment, processes and back office services so that sworn police officers of the Customer are able to monitor, identify and enforce red light running violations; and

WHEREAS, it is a mutual objective of both Redflex and the Customer to reduce the incidence of vehicle collisions at the traffic intersections that will be monitored pursuant to the terms of this Agreement.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for other valuable consideration received, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**AGREEMENT**

1. **DEFINITIONS.** In this Agreement, the words and phrases below shall have the following meanings:

1.1 “Authorized Officer” means the Sheriff Project Manager or such other individual(s) as the Customer shall designate to review Potential Violations and to authorize the Issuance of Citations in respect thereto, and in any event, a sworn peace officer as defined in California Penal Code § 830.

1.2 “Authorized Violation” means each Potential Violation in the Violation Data for which authorization to issue a citation in the form of an Electronic Signature is given by the Authorized Officer by using the Redflex System.

1.3 “Citation” means the notice of a Violation that is mailed or otherwise delivered by Redflex to the violator on the appropriate Enforcement Documentation in respect of each Authorized Violation.

1.4 “Confidential Information” means, with respect to any Person, any information, matter or thing of a secret, confidential or private nature, whether or not so labeled, which is

connected with such Person's business or methods of operation or concerning any of such Person's suppliers, licensors, licensees, customers or others with whom such Person has a business relationship, and which has current or potential value to such Person or the unauthorized disclosure of which could be detrimental to such Person, including but not limited to:

(a) Matters of a business nature, including but not limited to information relating to development plans, costs, finances, marketing plans, data, procedures, business opportunities, marketing methods, plans and strategies, the costs of construction, installation, materials or components, the prices such Person obtains or has obtained from its clients or customers, or at which such Person sells or has sold its services; and

(b) Matters of a technical nature, including but not limited to product information, trade secrets, know-how, formulae, innovations, inventions, devices, discoveries, techniques, formats, processes, methods, specifications, designs, patterns, schematics, data, access or security codes, compilations of information, test results and research and development projects. For purposes of this Agreement, the term "trade secrets" shall mean the broadest and most inclusive interpretation of trade secrets as defined by §3426.1(d) of the California Civil Code (the "Uniform Trade Secrets Act") and cases interpreting the scope of the Uniform Trade Secrets Act.

(c) "Personal information" as described in California Civil Code § 1798.3(a).

Notwithstanding the foregoing, Confidential Information will not include information that: (i) was generally available to the public or otherwise part of the public domain at the time of its disclosure, (ii) became generally available to the public or otherwise part of the public domain after its disclosure and other than through any act or omission by any party hereto in breach of this Agreement, (iii) was subsequently lawfully disclosed to the disclosing party by a person other than a party hereto, (iv) was required by a court of competent jurisdiction to be described, or (v) was required by applicable state law to be disclosed.

1.5 "Designated Intersection Approaches" means the Intersection Approaches set forth on Exhibit A attached hereto, and such additional Intersection Approaches as Redflex and the Customer shall mutually agree from time to time.

1.6 "Electronic Signature" means the method through which the Authorized Officer indicates his or her approval of the issuance of a Citation in respect of a Potential Violation using the Redflex System.

1.7 "Enforcement Documentation" means the necessary and appropriate documentation related to the Redlight Photo Enforcement Program, including but not limited to warning letters, citation notices (using the specifications of the California Judicial Council and the Office of the San Diego County Sheriff, Vista Station), a numbering sequence for use on all citation notices (in accordance with applicable court rules), instructions to accompany each issued Citation (including in such instructions a description of basic court procedures, payment options and information regarding the viewing of images and data collected by the Redflex System), chain of custody records, criteria regarding operational policies for processing Citations

(including with respect to coordinating with the California Department of Motor Vehicles), and technical support documentation for applicable court and judicial officers .

1.8 “Equipment” means any and all cameras, sensors, equipment, components, products, software and other tangible and intangible property relating to the Redflex System, including but not limited to all camera systems, housings and poles.

1.9 “Fine” means a monetary sum assessed for Citation, including but not limited to bail forfeitures, but excluding suspended fines.

1.10 “Governmental Authority” means any domestic or foreign government, governmental authority, court, tribunal, agency or other regulatory, administrative or judicial agency, commission or organization, and any subdivision, branch or department of any of the foregoing.

1.11 “Installation Date” means the date on which Redflex completes the construction and installation of at least one (1) Intersection Approach in accordance with the terms of this Agreement so that such Intersection Approach is operational for the purposes of functioning with the Redlight Photo Enforcement Program.

1.12 “Intellectual Property” means, with respect to any Person, any and all now known or hereafter known tangible and intangible (a) rights associated with works of authorship throughout the world, including but not limited to copyrights, moral rights and mask-works, (b) trademark and trade name rights and similar rights, (c) trade secrets rights, (d) patents, designs, algorithms and other industrial property rights, (e) all other intellectual and industrial property rights (of every kind and nature throughout the universe and however designated), whether arising by operation of law, contract, license, or otherwise, and (f) all registrations, initial applications, renewals, extensions, continuations, divisions or reissues hereof now or hereafter in force (including any rights in any of the foregoing), of such Person.

1.13 “Intersection Approach” means a conduit of travel with up to four (4) contiguous lanes from the curb (e.g., northbound, southbound, eastbound or westbound) on which at least one (1) digital, rear shot multiple image color camera and at least one (1) digital face camera has been installed by Redflex for the purposes of facilitating Redlight Photo Enforcement by the Customer.

1.14 “Operational Period” means the period of time during the Term, commencing on the Installation Date, during which the Redlight Photo Enforcement Program is functional in order to permit the identification and prosecution of Violations at the Designated Intersection Approaches by a sworn police officer of the Customer and the issuance of Citations for such approved Violations using the Redflex System.

1.15 “Person” means a natural individual, company, Governmental Authority, partnership, firm, corporation, legal entity or other business association.

1.16 “Sheriff Project Manager” means the project manager appointed by the Customer in accordance with this Agreement, which manager shall initially be a special purpose deputy, or such person as the Customer shall designate by providing written notice thereof to Redflex from

time to time, which manager shall be a sworn peace officer and shall be responsible for overseeing the installation of the Intersection Approaches and the implementation of the Redlight Photo Enforcement Program, and which manager shall have the power and authority to make management decisions relating to the Customer's obligations pursuant to this Agreement, including but not limited to change order authorizations, subject to any limitations set forth in the Customer's charter or other organizational documents of the Customer or by the city council or other governing body of the Customer.

1.17 "Potential Violation" means, with respect to any motor vehicle passing through a Designated Intersection Approach, the data collected by the Redflex System with respect to such motor vehicle, which data shall be processed by the Redflex System for the purposes of allowing the Authorized Officer to review such data and determine whether a Violation has occurred.

1.18 "Proprietary Property" means, with respect to any Person, any written or tangible property owned or used by such Person in connection with such Person's business, whether or not such property is copyrightable or also qualifies as Confidential Information, including without limitation products, samples, equipment, files, lists, books, notebooks, records, documents, memoranda, reports, patterns, schematics, compilations, designs, drawings, data, test results, contracts, agreements, literature, correspondence, spread sheets, computer programs and software, computer print outs, other written and graphic records and the like, whether originals, copies, duplicates or summaries thereof, affecting or relating to the business of such Person, financial statements, budgets, projections and invoices.

1.19 "Redflex Marks" means all trademarks registered in the name of Redflex or any of its affiliates, such other trademarks as are used by Redflex or any of its affiliates on or in relation to Redlight Photo Enforcement at any time during the Term this Agreement, service marks, trade names, logos, brands and other marks owned by Redflex, and all modifications or adaptations of any of the foregoing.

1.20 "Redflex Project Manager" means the project manager appointed by Redflex in accordance with this Agreement, which project manager shall initially be Karen Finley, or such person as Redflex shall designate by providing written notice thereof to the Customer from time to time, who shall be responsible for overseeing the construction and installation of the Designated Intersection Approaches and the implementation the Redlight Photo Enforcement Program, and who shall have the power and authority to make management decisions relating to Redflex's obligations pursuant to this Agreement, including but not limited to change-order authorizations.

1.21 "Redflex System" means, collectively, the SmartCam™ System, the SmartOps™ System, the Redlight Photo Enforcement Program, and all of the other equipment, applications, back office processes and digital red light traffic enforcement cameras, sensors, components, products, software and other tangible and intangible property relating thereto.

1.22 "Redlight Photo Enforcement Program" means the process by which the monitoring, identification and enforcement of Violations is facilitated by the use of certain equipment, applications and back office processes of Redflex, including but not limited to cameras, flashes, central processing units, signal controller interfaces and detectors (whether

loop, radar or video loop) which, collectively, are capable of measuring Violations and recording such Violation data in the form of photographic images of motor vehicles and/or their drivers.

1.23 “Redlight Violation Criteria” means the standards and criteria by which Potential Violations will be evaluated by sworn police officers of the Customer, which standards and criteria shall include, but are not limited to, the duration of time that a traffic light must remain red prior to a Violation being deemed to have occurred, and the location(s) in an intersection which a motor vehicle must pass during a red light signal prior to being deemed to have committed a Violation, all of which shall be in compliance with all applicable laws, rules and regulations of Governmental Authorities.

1.24 “SmartCam™ System” means the proprietary digital speed and redlight photo enforcement system of Redflex relating to the Redlight Photo Enforcement Program.

1.25 “SmartOps™ System” means the proprietary back-office processes of Redflex relating to the Redlight Photo Enforcement Program.

1.26 “Traffic Signal Controller Boxes” means the signal controller interface and detector, including but not limited to the radar or video loop, as the case may be.

1.27 “Violation” means any traffic violation contrary to the terms of the California Vehicle Code or any applicable rule, regulation or law of any other Governmental Authority, including but not limited to operating a motor vehicle contrary to traffic signals, and operating a motor vehicle without displaying a valid license plate or registration.

1.28 “Violations Data” means the images and other Violations data gathered by the Redflex System at the Designated Intersection Approaches.

1.29 “Warning Period” means the period of thirty (30) days after the Installation Date.

2. **TERM.** The term of this Agreement shall commence as of the date hereof and shall continue for a period of five (5) years after the Installation Date (the “Initial Term”). The Customer shall have the right, but not the obligation, to extend the term of this Agreement for up to two (2) additional consecutive one (1) year periods following the expiration of the Initial Term (each, a “Renewal Term” and collectively with the Initial Term, the “Term”). The Customer may exercise the right to extend the term of this Agreement for a Renewal Term by providing written notice to Redflex not less than thirty (30) days prior to the last day of the Initial Term or the Renewal Term, as the case may be.

3. **SERVICES.** Redflex shall provide the Redlight Photo Enforcement Program to the Customer with respect to the Designated Intersection Approaches, in each case in accordance with the terms and provisions set forth in this Agreement.

3.1 **INSTALLATION.** With respect to the construction of the Designated Intersection Approaches and the installation of the Redflex System at such Designated Intersection Approaches, the Customer and Redflex shall have the respective rights and obligations set forth on Exhibit B attached hereto.

3.2 **MAINTENANCE.** With respect to the maintenance of the Redflex System at the Designated Intersection Approaches, the Customer and Redflex shall have the respective rights and obligations set forth on Exhibit C attached hereto.

3.3 **VIOLATION PROCESSING.** During the Operational Period, Violations shall be processed as follows:

- (a) All Violations Data shall be stored on the Redflex System;
- (b) The Redflex System shall process Violations Data gathered from the Designated Intersection Approaches into a format capable of review by the Authorized Officer via the Redflex System;
- (c) The Redflex System shall be accessible by the Authorized Officer through a virtual private network in encrypted format by use of a confidential password on any computer equipped with a high-speed internet connection and a web browser;
- (d) Redflex shall provide the Authorized Officer with access to the Redflex System for the purposes of reviewing the pre-processed Violations Data within seven (7) days of the gathering of the Violation Data from the applicable Designated Intersection Approach;
- (e) The Customer shall cause the Authorized Officer to review the Violations Data and to determine whether a citation shall be issued with respect to each Potential Violation captured within such Violation Data, and transmit each such determination in the form of an Electronic Signature to Redflex using the software or other applications or procedures provided by Redflex on the Redflex System for such purpose, and REDFLEX HEREBY ACKNOWLEDGES AND AGREES THAT THE DECISION TO ISSUE A CITATION SHALL BE THE SOLE, UNILATERAL AND EXCLUSIVE DECISION OF THE AUTHORIZED OFFICER AND SHALL BE MADE IN SUCH AUTHORIZED OFFICER'S SOLE DISCRETION (A "CITATION DECISION"), AND IN NO EVENT SHALL REDFLEX HAVE THE ABILITY OR AUTHORIZATION TO MAKE A CITATION DECISION;
- (f) With respect to each Authorized Violation, Redflex shall print and mail a Citation within five (5) days after Redflex's receipt of such authorization and shall generate a certificate or other evidence of mailing with respect thereto; provided, however, during the Warning Period, warning violation notices shall be issued in respect of all Authorized Violations;
- (g) The Customer shall track the collection of Fines assessed on each Citation and complete and accurate records shall be maintained by the Customer with respect each such Citation;
- (h) Redflex shall provide a toll-free telephone number during the business hours of 9:00am to 4:00pm (PST?), Monday through Friday, excluding national holidays for the purposes of answering citizen inquiries, responding to complaints and scheduling appointments during which recipients of Citations may view the applicable Violations Data, and Redflex shall provide necessary personnel for such purpose;

(i) Redflex shall generate or permit the Authorized Officer to generate monthly reports using the Redflex System in a format and containing such data as Redflex and the Customer shall mutually agree, and in no event less often than once every calendar month and, in respect of any given month, no later than the fifteenth (15<sup>th</sup>) day of the month following such month (the "Standard Reports");

(j) Upon Redflex's receipt of a written request from the Customer and in addition to the Standard Reports, Redflex shall provide, without cost to the Customer, reports regarding the processing and issuance of Citations, the maintenance and downtime records of the Designated Intersection Approaches and the functionality of the Redflex System with respect thereto to the Customer in such format and for such periods as the Customer may reasonably request; provided, however, Redflex shall not be obligated to provide in excess of six (6) such reports in any given twelve (12) month period without cost to the Customer;

(k) Upon the Customer's receipt of a written request from Redflex, the Customer shall provide, without cost to Redflex, reports regarding the prosecution of Citations and the collection of fines, fees and other monies in respect thereof in such format and for such periods as Redflex may reasonably request; provided, however, the Customer shall not be obligated to provide in excess of six (6) such reports in any given twelve (12) month period without cost to Redflex;

(l) During the entire term of this Agreement and upon Redflex's receipt of a written request from the Customer at least fourteen (14) calendar days in advance, Redflex shall provide expert witnesses for use by the Customer in prosecuting Violations; provided, however, the Customer shall use reasonable best efforts to seek judicial notice in lieu of requiring Redflex to provide such expert witnesses; and

3.4 **PROSECUTION AND COLLECTION; COMPENSATION.** Except where otherwise required in the interests of justice as determined by Customer, Customer shall diligently prosecute Citations and the collection of all Fines in respect thereof, and Redflex shall have the right to receive, and the Customer shall be obligated to pay, the compensation set forth in Exhibit D attached hereto, unless modified as provided by Section 6.2 below. Notwithstanding the amount set forth in Exhibit D, that amount shall be deemed reduced or increased in proportion to any percentage of reduction or increase in the total fine amount collected by the City for a redlight violation resulting from any court decision or adoption of any federal or state statute, occurring after the effective date hereof.

3.5 **OTHER RIGHTS AND OBLIGATIONS.** During the Term, in addition to all of the other rights and obligations set forth in this Agreement, Redflex and the Customer shall have the respective rights and obligations set forth on Exhibit E attached hereto.

3.6 **CHANGE ORDERS.** The Customer may from time to time request changes to the work required to be performed or the addition of products or services to those required pursuant to the terms of this Agreement by providing written notice thereof to Redflex, setting forth in reasonable detail the proposed changes (a "Change Order Notice"). Upon Redflex's receipt of a Change Order Notice, Redflex shall deliver a written statement describing the effect, if any, the proposed changes would have on the pricing terms set forth in Exhibit D (the "Change



Order Proposal”), which Change Order Proposal shall include (i) a detailed breakdown of the charge and schedule effects, (ii) a description of any resulting changes to the specifications and obligations of the parties, (iii) a schedule for the delivery and other performance obligations, and (iv) any other information relating to the proposed changes reasonably requested by the Customer. Following the Customer’s receipt of the Change Order Proposal, the parties shall negotiate in good faith and agree to a plan and schedule for implementation of the proposed changes, the time, manner and amount of payment or price increases or decreases, as the case may be, and any other matters relating to the proposed changes; provided, however, in the event that any proposed change involves only the addition of equipment or services to the existing Designated Intersection Approaches, or the addition of Intersection Approaches to be covered by the terms of this Agreement, to the maximum extent applicable, the pricing terms set forth in Exhibit D shall govern. Any failure of the parties to reach agreement with respect to any of the foregoing as a result of any proposed changes shall not be deemed to be a breach of this Agreement, and any disagreement shall be resolved in accordance with Section 10.

4. **LICENSE; RESERVATION OF RIGHTS.**

4.1 **LICENSE.** Subject to the terms and conditions of this Agreement, Redflex hereby grants the Customer, and the Customer hereby accepts from Redflex upon the terms and conditions herein specified, a non-exclusive, non-transferable license during the Term of this Agreement to: (a) solely within the city of VISTA, access and use the Redflex System for the sole purpose of reviewing Potential Violations and authorizing the issuance of Citations pursuant to the terms of this Agreement, and to print copies of any content posted on the Redflex System in connection therewith, (b) disclose to the public (including outside of the city of VISTA) that Redflex is providing services to the Customer in connection with Redlight Photo Enforcement Program pursuant to the terms of this Agreement, and (c) use and display the Redflex Marks on or in marketing, public awareness or education, or other publications or materials relating to the Redlight Photo Enforcement Program, so long as any and all such publications or materials are approved in advance by Redflex.

4.2 **RESERVATION OF RIGHTS.** The Customer hereby acknowledges and agrees that: (a) Redflex is the sole and exclusive owner of the Redflex System, the Redflex Marks, all Intellectual Property arising from or relating to the Redflex System, and any and all related Equipment, (b) the Customer neither has nor makes any claim to any right, title or interest in any of the foregoing, except as specifically granted or authorized under this Agreement, and (c) by reason of the exercise of any such rights or interests of Customer pursuant to this Agreement, the Customer shall gain no additional right, title or interest therein. Redflex acknowledges and agrees that Customer is the sole and exclusive owner of all logos and other symbols of the city of Vista. Redflex shall not use any logo or symbol of the city of Vista in sales literature or other physical media, in connection with any commercial activities of Redflex, without first obtaining Customer’s written consent.

4.2 **RESTRICTED USE.** The Customer hereby covenants and agrees that it shall not (a) make any modifications to the Redflex System, including but not limited to any Equipment, (b) alter, remove or tamper with any Redflex Marks, (c) use any of the Redflex Marks in any way which might prejudice their distinctiveness, validity or the goodwill of Redflex therein, (d) use any trademarks or other marks other than the Redflex Marks in

connection with the Customer's use of the Redflex System pursuant to the terms of this Agreement without first obtaining the prior consent of Redflex, or (e) disassemble, decompile or otherwise perform any type of reverse engineering to the Redflex System, the Redflex System, including but not limited to any Equipment, or to any, Intellectual Property or Proprietary Property of Redflex, or cause any other Person to do any of the foregoing.

4.3 **PROTECTION OF RIGHTS.** Redflex shall have the right to take whatever action it deems necessary or desirable to remedy or prevent the infringement of any Intellectual Property of Redflex, including without limitation the filing of applications to register as trademarks in any jurisdiction any of the Redflex Marks, the filing of patent application for any of the Intellectual Property of Redflex, and making any other applications or filings with appropriate Governmental Authorities. The Customer shall not take any action to remedy or prevent such infringing activities, and shall not in its own name make any registrations or filings with respect to any of the Redflex Marks or the Intellectual Property of Redflex without the prior written consent of Redflex.

4.4 **INFRINGEMENT.** The Customer shall use its reasonable best efforts to give Redflex prompt notice of any activities or threatened activities of any Person of which it becomes aware that infringes or violates the Redflex Marks or any of Redflex's Intellectual Property or that constitute a misappropriation of trade secrets or act of unfair competition that might dilute, damage or destroy any of the Redflex Marks or any other Intellectual Property of Redflex. Redflex shall have the exclusive right, but not the obligation, to take action to enforce such rights and to make settlements with respect thereto. In the event that Redflex commences any enforcement action under this Section 4.5, then the Customer shall render to Redflex such reasonable cooperation and assistance as is reasonably requested by Redflex, and Redflex shall be entitled to any damages or other monetary amount that might be awarded after deduction of actual costs; provided, that Redflex shall reimburse the Customer for any reasonable costs incurred in providing such cooperation and assistance.

4.5 **INFRINGING USE.** The Customer shall give Redflex prompt written notice of any action or claim action or claim, whether threatened or pending, against the Customer alleging that the Redflex Marks, or any other Intellectual Property of Redflex, infringes or violates any patent, trademark, copyright, trade secret or other Intellectual Property of any other Person, and the Customer shall render to Redflex such reasonable cooperation and assistance as is reasonably requested by Redflex in the defense thereof; provided, that Redflex shall reimburse the Customer for any reasonable costs incurred in providing such cooperation and assistance. If such a claim is made and Redflex determines, in the exercise of its sole discretion, that an infringement may exist, Redflex shall have the right, but not the obligation, to procure for the Customer the right to keep using the allegedly infringing items, modify them to avoid the alleged infringement or replace them with non-infringing items.

## 5. **REPRESENTATIONS AND WARRANTIES.**

### 5.1 **REDFLEX REPRESENTATIONS AND WARRANTIES.**

(a) **Authority.** Redflex hereby warrants and represents that it has all right, power and authority to license the Redflex System and software comprising any portion thereof,

for Customer's use, and to execute and deliver this Agreement and perform its obligations hereunder.

(b) Professional Services. Redflex hereby warrants and represents that any and all services provided by Redflex pursuant to this Agreement shall be performed in a professional and workmanlike manner and, with respect to the installation of the Redflex System, subject to applicable law, in compliance with all specifications provided to Redflex by the Customer.

## 5.2 CUSTOMER REPRESENTATIONS AND WARRANTIES.

(a) Authority. The Customer hereby warrants and represents that it has all right, power and authority to execute and deliver this Agreement and perform its obligations hereunder.

(b) Professional Services. The Customer hereby warrants and represents that any and all services provided by the Customer pursuant to this Agreement shall be performed in a professional and workmanlike manner.

5.3 LIMITED WARRANTIES. EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, REDFLEX MAKES NO WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE REDFLEX SYSTEM OR ANY RELATED EQUIPMENT OR WITH RESPECT TO THE RESULTS OF THE CUSTOMER'S USE OF ANY OF THE FOREGOING. NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH HEREIN, REDFLEX DOES NOT WARRANT THAT ANY OF THE DESIGNATED INTERSECTION APPROACHES OR THE REDFLEX SYSTEM WILL OPERATE IN THE WAY THE CUSTOMER SELECTS FOR USE, OR THAT THE OPERATION OR USE THEREOF WILL BE UNINTERRUPTED. THE CUSTOMER HEREBY ACKNOWLEDGES THAT THE REDFLEX SYSTEM MAY MALFUNCTION FROM TIME TO TIME, AND SUBJECT TO THE TERMS OF THIS AGREEMENT, REDFLEX SHALL DILIGENTLY ENDEAVOR TO CORRECT ANY SUCH MALFUNCTION IN A TIMELY MANNER.

## 6. TERMINATION.

6.1 TERMINATION. Either party shall have the right to terminate this Agreement immediately by written notice to the other if (i) Redflex or Customer are unable to recover the costs it incurred in connection with the installation of the intersection monitoring equipment or, in the case of the Customer, its operational costs; or (ii) state statutes are amended to prohibit or substantially change the operation of red light photo enforcement systems; (iii) any court having jurisdiction over City rules, or California or federal statute declares, that results from the Redflex System of red light photo enforcement are inadmissible in evidence; or (iv) the other party commits any material breach of any of the provisions of this Agreement which breach is not remedied within forty-five (45) calendar days (or within such other time period as the Customer and Redflex shall mutually agree, which agreement shall not be unreasonably withheld or delayed) after written notice from the non-breaching party setting forth in reasonable detail the

events which caused the breach. The rights to terminate this Agreement given in this Section 6.1 shall be without prejudice to any other right or remedy of either party in respect of the breach concerned (if any) or any other breach of this Agreement.

6.2 **CHANGES IN COMPENSATION FORMULA.** In the event any court decision or subsequent legislation declares the current means of compensation of Redflex to be illegal, or, if following an audit of the previous six (6) months of revenue generated and costs incurred by Customer, utilizing standard accounting procedures, the results thereof establish that Customer's net recovery after deducting all of system lease payments paid to Redflex during the said twelve month period is less than 100% of the amount of revenue collected during said period, then both parties shall meet and confer in good faith within thirty (30) days and shall make reasonable efforts to agree upon a new compensation formula. The formula to be established shall: (i) comply with then current laws regarding compensation to Redflex; (ii) provide Redflex with a reasonable return; (iii) provide Customer with a monthly net rate of return that is no less than the amount set forth above in this section based upon the previous twelve (12) months' revenues. After using the new formula for a minimum of no less than ninety (90) days, the parties shall again assess each party's return for that period. If it appears that the new formula is providing each party with the agreed upon return, or both parties are otherwise satisfied with the return, then this Agreement shall continue in full force and effect, subject to all of its terms. If the new formula is not providing the agreed upon rate of return for each party, then, at either party's option, the formula may be further revised, or this Agreement may be terminated upon sixty (60) days prior written notice.

6.3 **PROCEDURES UPON TERMINATION.** The termination of this Agreement shall not relive either party of any liability that accrued prior to such termination. Except as set forth in Section 6.3, upon the termination of this Agreement, all of the provisions of this Agreement shall terminate and:

(a) Redflex shall (i) immediately cease to provide services, including but not limited to work in connection with the construction or installation of Intersection Approaches and services in connection with the Redlight Photo Enforcement Program, (ii) promptly deliver to the Customer any and all Proprietary Property of the Customer provided to Redflex pursuant to this Agreement, (iii) promptly deliver to the Customer a final report to the Customer regarding the collection of data and the issuance of Citations in such format and for such periods as the Customer may reasonably request, and which final report Redflex shall update or supplement from time to time when and if additional data or information becomes available, (iv) promptly deliver to Customer a final invoice stating all fees and charges properly owed by Customer to Redflex for work performed and Citations issued by Redflex prior to the termination, and (v) provide such assistance as the Customer may reasonably request from time to time in connection with prosecuting and enforcing Citations issued prior to the termination of this Agreement. Under no circumstances shall Redflex be entitled to reimbursement for its costs of installing and/or providing any Equipment hereunder, or any other costs not expressly provided for by any other provision of this Agreement.

(b) The Customer shall (i) immediately cease using the Redlight Photo Enforcement Program, accessing the Redflex System and using any other Intellectual Property of Redflex, (ii) promptly deliver to Redflex any and all Proprietary Property of Redflex provided to

the Customer pursuant to this Agreement, and (iii) promptly pay any and all fees, charges and amounts properly owed by Customer to Redflex for work performed and Citations issued by Redflex prior to the termination.

(c) Unless the Customer and Redflex have agreed to enter into a new agreement relating to the Redlight Photo Enforcement Program or have agreed to extend the Term of this Agreement, Redflex shall remove any and all Equipment or other materials of Redflex installed in connection with Redflex's performance of its obligations under this Agreement, including but not limited to housings, poles and camera systems, and Redflex shall restore the Designated Intersection Approaches to substantially the same condition such Designated Intersection Approaches were in immediately prior to this Agreement.

6.4 **SURVIVAL.** Notwithstanding the foregoing, the definitions and each of the following shall survive the termination of this Agreement: (i) Sections 4.2 (Reservation of Rights), 5.1 (Redflex Representations and Warranties), 5.2 (Customer Representations and Warranties), 5.3 (Limited Warranty), 7 (Confidentiality), 8 (Indemnification and Liability), 9 (Notices), 10 (Dispute Resolution), 11.1 (Assignment), 11.17 (Applicable Law), 11.16 (Injunctive Relief; Specific Performance) and 11.18 (Jurisdiction and Venue), and (ii) those provisions, and the rights and obligations therein, set forth in this Agreement which either by their terms state, or evidence the intent of the parties, that the provisions survive the expiration or termination of the Agreement, or must survive to give effect to the provisions of this Agreement.

7. **CONFIDENTIALITY.** During the term of this Agreement and for a period of three (3) years thereafter, neither party shall disclose to any third person, or use for itself in any way for pecuniary gain, any Confidential Information learned from the other party during the course of the negotiations for this Agreement or during the Term of this Agreement. Upon termination of this Agreement, each party shall return to the other all tangible Confidential Information of such party. Each party shall retain in confidence and not disclose to any third party any Confidential Information without the other party's express written consent, except (a) to its employees who are reasonably required to have the Confidential Information, (b) to its agents, representatives, attorneys and other professional advisors that have a need to know such Confidential Information, provided that such parties undertake in writing (or are otherwise bound by rules of professional conduct) to keep such information strictly confidential, and (c) pursuant to, and to the extent of, a request or order by any Governmental Authority, including laws relating to public records.

## 8. **INDEMNIFICATION AND LIABILITY.**

8.1 **INDEMNIFICATION BY REDFLEX.** Subject to Section 8.3, Redflex hereby agrees to defend and indemnify the Customer and its affiliates, shareholders or other interest holders, managers, officers, elected officials, employees, directors, agents, representatives and successors, permitted assignees and each of their affiliates, and all persons acting by, through, under or in concert with them, or any of them (individually a "Customer Party" and collectively, the "Customer Parties") against, and to protect, save and keep harmless the Customer Parties from, and to pay on behalf of or reimburse the Customer Parties as and when incurred for, any and all liabilities, obligations, losses, damages, penalties, demands, claims, actions, stop notices or mechanics liens, suits, judgments, settlements, costs, expenses and disbursements (including

reasonable attorneys', accountants' and expert witnesses' fees) of whatever kind and nature (collectively, "Losses"), which may be asserted against, imposed on or incurred by any Customer Party arising out of or related to (a) any material misrepresentation, inaccuracy or breach of any covenant, warranty or representation of Redflex contained in this Agreement, or failure by Redflex to pay any supplier of materials or labor in connection with its performance of this Agreement; (b) the acts or omissions, or the willful misconduct of Redflex, its employees or agents which result in death or bodily injury to any natural person (including third parties) or any damage to any real or tangible personal property (including the personal property of third parties), except to the extent caused by the willful misconduct of any Customer Party.

**8.2 INDEMNIFICATION BY CUSTOMER.** Subject to Section 8.3, the Customer hereby agrees to defend and indemnify Redflex and its affiliates, shareholders or other interest holders, managers, officers, directors, employees, agents, representatives and successors, permitted assignees and all persons acting by, through, under or in concert with them, or any of them (individually a "Redflex Party" and collectively, the "Redflex Parties") against, and to protect, save and keep harmless the Redflex Parties from, and to pay on behalf of or reimburse the Redflex Parties as and when incurred for, any and all Losses which may be imposed on or incurred by any Redflex Party arising out of or in any way related to (a) any material misrepresentation, inaccuracy or breach of any covenant, warranty or representation of the Customer contained in this Agreement; or (b) the willful misconduct of the Customer, its employees, contractors or agents which result in death or bodily injury to any natural person (including third parties) or any damage to any real or tangible personal property (including the personal property of third parties), except to the extent caused by the willful misconduct of any Redflex Party.

**8.3 INDEMNIFICATION PROCEDURES.** In the event any claim, action or demand (a "Claim") in respect of which any party hereto seeks indemnification from the other, the party seeking indemnification (the "Indemnified Party") shall give the party from whom indemnification is sought (the "Indemnifying Party") written notice of such Claim promptly after the Indemnified Party first becomes aware thereof; provided, however, that failure so to give such notice shall not preclude indemnification with respect to such Claim except to the extent of any additional or increased Losses or other actual prejudice directly caused by such failure. The Indemnifying Party shall have the right to choose counsel to defend such Claim (subject to the approval of such counsel by the Indemnified Party, which approval shall not be unreasonably withheld, conditioned or delayed), and to control, compromise and settle such Claim, and the Indemnified Party shall have the right to participate in the defense at its sole expense; provided, however, the Indemnified Party shall have the right to take over the control of the defense or settlement of such Claim at any time if the Indemnified Party irrevocably waives all rights to indemnification from and by the Indemnifying Party. The Indemnifying Party and the Indemnified Party shall cooperate in the defense or settlement of any Claim, and no party shall have the right enter into any settlement agreement that materially affects the other party's material rights or material interests, or that causes a judgment to be entered against the Indemnified Party, without such party's prior written consent, which consent will not be unreasonably withheld or delayed.

**8.4 LIMITED LIABILITY.** Excepting only claims for personal injury or wrongful death, neither party shall be liable to the other, by reason of any representation or express or

implied warranty, condition or other term or any duty at common or civil law, for any indirect, incidental, special, lost profits or consequential damages, however caused and on any theory of liability arising out of or relating to this Agreement.

9. **NOTICES.** Any notices to be given hereunder shall be in writing, and shall be deemed to have been given (a) upon delivery, if delivered by hand, (b) three (3) days after being mailed first class, certified mail, return receipt requested, postage and registry fees prepaid, or (c) one Business Day after being delivered to a reputable overnight courier service, excluding the U.S. Postal Service, prepaid, marked for next day delivery, if the courier service obtains a signature acknowledging receipt, in each case addressed or sent to such party as follows:

Notices to Redflex:

Redflex Traffic Systems, Inc.  
15020 North 79<sup>th</sup> Street  
Scottsdale, AZ 85260  
Attention: Ms. Karen Finley  
Facsimile: (480) 607-0752

With a copy to:

Alschuler Grossman Stein & Kahan LLP  
2049 Century Park East  
39<sup>th</sup> Floor  
Los Angeles, CA 90067  
Attn: Michael B. Miller, Esq.  
Facsimile: (310) 552-6077

Notices to the Customer:

City of VISTA  
P.O. Box 1988  
Vista, CA 92084  
Attention: Rita Geldert, City Manager  
Facsimile: (760) 639-6132

With a copy to:

City of VISTA  
P.O. Box 1988  
Vista, CA 92084  
Attention: Mr. J. Wayne Dernetz, City Attorney  
Facsimile: (760) 639-6120

10. **DISPUTE RESOLUTION.** Upon the occurrence of any dispute or disagreement between the parties hereto arising out of or in connection with any term or provision of this Agreement, the subject matter hereof, or the interpretation or enforcement hereof (the

“Dispute”), the parties shall engage in informal, good faith discussions and attempt to resolve the Dispute. In connection therewith, upon written notice of either party, each of the parties will appoint a designated officer whose task it shall be to meet for the purpose of attempting to resolve such Dispute. The designated officers shall meet as often as the parties shall deem to be reasonably necessary. Such officers will discuss the Dispute. If the parties are unable to resolve the Dispute in accordance with this Section 10, and in the event that either of the parties concludes in good faith that amicable resolution through continued negotiation with respect to the Dispute is not reasonably likely, then the parties may mutually agree to submit to binding or nonbinding arbitration or mediation provided, however, that nothing in this section shall prevent either party from bringing an action in a state or federal court of competent jurisdiction.

## 11. **MISCELLANEOUS.**

11.1 **ASSIGNMENT.** Neither party may assign all or any portion of this Agreement without the prior written consent of the other, which consent shall not be unreasonably withheld or delayed; provided, however, The Customer hereby acknowledges and agrees that the execution (as outlined in Exhibit F), delivery and performance of Redflex’s rights pursuant to this Agreement shall require a significant investment by Redflex, and that in order to finance such investment, Redflex may be required to enter into certain agreements or arrangements (“Financing Transactions”) with equipment lessors, banks, financial institutions or other similar persons or entities (each, a “Financial Institution” and collectively, “Financial Institutions”). The Customer hereby agrees that Redflex shall have the right to assign, pledge, hypothecate or otherwise transfer (“Transfer”) its rights, or any of them, under this Agreement to any Financial Institution in connection with any Financing Transaction between Redflex and any such Financial Institution, subject to the Customer’s prior written approval, which approval shall not be unreasonably withheld or delayed. The Customer further acknowledges and agrees that in the event that Redflex provides written notice to the Customer that it intends to Transfer all or any of Redflex’s rights pursuant to this Agreement, and in the event that the Customer fails to provide such approval or fails to object to such Transfer within forty-five (45) business days after its receipt of such notice from Redflex, for the purposes of this Agreement, the Customer shall be deemed to have consented to and approved such Transfer by Redflex. Notwithstanding the above, this Agreement shall inure to the benefit of, and be binding upon, the parties hereto, and their respective successors or assigns.

11.2 **RELATIONSHIP BETWEEN REDFLEX AND THE CUSTOMER.** Nothing in this Agreement shall create, or be deemed to create, a partnership, joint venture or the relationship of principal and agent or employer and employee between the parties. The relationship between the parties shall be that of independent contractors, and nothing contained in this Agreement shall create the relationship of principal and agent or otherwise permit either party to incur any debts or liabilities or obligations on behalf of the other party (except as specifically provided herein).

11.3 **AUDIT RIGHTS.** Each of parties hereto shall have the right to audit to audit the books and records of the other party hereto (the “Audited Party”) solely for the purpose of verifying the payments, if any, payable pursuant to this Agreement. Any such audit shall be conducted upon not less than forty-eight (48) hours prior notice to the Audited Party, at mutually convenient times and during the Audited Party’s normal business hours. Except as otherwise



provided in this Agreement, the cost of any such audit shall be borne by the non-Audited Party. In the event any such audit establishes any underpayment of any payment payable by the Audited Party to the non-Audited Party pursuant to this Agreement, the Audited Party shall promptly pay the amount of the shortfall, and in the event that any such audit establishes that the Audited Party has underpaid any payment by more than twenty five percent (25%) of the amount of actually owing, the cost of such audit shall be borne by the Audited Party. In the event any such audit establishes any overpayment by the Audited Party of any payment made pursuant to this Agreement, non-Audited Party shall promptly refund to the Audited Party the amount of the excess.

11.4 **FORCE MAJEURE.** Neither party will be liable to the other or be deemed to be in breach of this Agreement for any failure or delay in rendering performance arising out of causes beyond its reasonable control and without its fault or negligence. Such causes may include but are not limited to, acts of God or the public enemy, terrorism, significant fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, freight embargoes, or Governmental Authorities approval delays which are not caused by any act or omission by Redflex, and unusually severe weather. The party whose performance is affected agrees to notify the other promptly of the existence and nature of any delay.

11.5 **ENTIRE AGREEMENT.** This Agreement, together with all exhibits hereto, all of which are hereby incorporated by reference herein, represents the entire Agreement between the parties. In the event of any inconsistency between this Agreement and any of the Exhibits, the terms of this Agreement shall govern. There are no other agreements (other than invoices and purchase orders), whether written or oral, which affect its terms. This Agreement may be amended only by a subsequent written agreement signed by both parties.

11.6 **SEVERABILITY.** If any provision of this Agreement is held by any court or other competent authority to be void or unenforceable in whole or part, then, upon mutual consent of the parties, this Agreement shall continue to be valid as to the other provisions thereof and the remainder of the affected provision.

11.7 **WAIVER.** Any waiver by either party of a breach of any provision of this Agreement shall not be considered as a waiver of any subsequent breach of the same or any other provision thereof.

11.8 **CONSTRUCTION.** Except as expressly otherwise provided in this Agreement, this Agreement shall be construed as having been fully and completely negotiated and neither the Agreement nor any provision thereof shall be construed more strictly against either party.

11.9 **HEADINGS.** The headings of the sections contained in this Agreement are included herein for reference purposes only, solely for the convenience of the parties hereto, and shall not in any way be deemed to affect the meaning, interpretation or applicability of this Agreement or any term, condition or provision hereof.

11.10 **EXECUTION AND COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and such counterparts together shall constitute only one instrument. Any one of such

counterparts shall be sufficient for the purpose of proving the existence and terms of this Agreement, and no party shall be required to produce an original or all of such counterparts in making such proof.

11.11 **COVENANT OF FURTHER ASSURANCES.** All parties to this Agreement shall, upon request, perform any and all acts and execute and deliver any and all certificates, instruments and other documents that may be necessary or appropriate to carry out any of the terms, conditions and provisions hereof or to carry out the intent of this Agreement.

11.12 **REMEDIES CUMULATIVE.** Each and all of the several rights and remedies provided for in this Agreement shall be construed as being cumulative and no one of them shall be deemed to be exclusive of the others or of any right or remedy allowed by law or equity, and pursuit of any one remedy shall not be deemed to be an election of such remedy, or a waiver of any other remedy.

11.13 **BINDING EFFECT.** This Agreement shall inure to the benefit of and be binding upon all of the parties hereto and their respective executors, administrators, successors and permitted assigns.

11.14 **COMPLIANCE WITH LAWS.** Nothing contained in this Agreement shall be construed to require the commission of any act contrary to law, and whenever there is a conflict between any term, condition or provision of this Agreement and any present or future statute, law, ordinance or regulation contrary to which the parties have no legal right to contract, the latter shall prevail, but in such event the term, condition or provision of this Agreement affected shall be curtailed and limited only to the extent necessary to bring it within the requirement of the law, provided that such construction is consistent with the intent of the Parties as expressed in this Agreement.

11.15 **NO THIRD PARTY BENEFIT.** Nothing contained in this Agreement shall be deemed to confer any right or benefit on any Person who is not a party to this Agreement.

11.16 **INJUNCTIVE RELIEF; SPECIFIC PERFORMANCE.** The parties hereby agree and acknowledge that a breach of Sections 4.1 (License), 4.3 (Restricted Use) or 7 (Confidentiality) of this Agreement would result in severe and irreparable injury to the other party, which injury could not be adequately compensated by an award of money damages, and the parties therefore agree and acknowledge that they shall be entitled to injunctive relief in the event of any breach of any material term, condition or provision of this Agreement, or to enjoin or prevent such a breach, including without limitation an action for specific performance hereof.

11.17 **APPLICABLE LAW.** This Agreement shall be governed by and construed in all respects solely in accordance with the laws of the State of California, United States.

11.18 **JURISDICTION AND VENUE.** Any dispute arising out of or in connection with this Agreement shall be submitted to the exclusive jurisdiction and venue of the courts located in the County of San Diego, California, and both parties specifically agree to be bound by the jurisdiction and venue thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first set forth above.

“Customer”

CITY OF VISTA

By: Morris B. Vance  
MORRIS B. VANCE, Mayor

ATTEST:  
Jo Seibert, City Clerk

By: Jo Seibert

APPROVED AS TO FORM:  
J. Wayne Dernetz, City Attorney

By: J. Wayne Dernetz

RISK MANAGEMENT REVIEW  
Steve Dunn, Administrative Services Director

By: Steve Dunn

“Redflex”

REFLEX TRAFFIC SYSTEMS, INC.,  
a Delaware corporation

By: B. Hillman  
Name: Brian E Hillman  
Title: President & CEO

By: Aaron Rosenberg  
Name: AARON ROSENBERG  
Title: VICE PRESIDENT

[two corporate signatures required]

**Designated Intersection Approaches**

The contract is for the implementation of up to 20 intersections. Actual number of enforcement intersections will be identified based on diligent intersection analysis. Potential enforced intersections, based on total collision history include:

- Emerald Drive / Vista Way
- Santa Fe Avenue / Vista Village Drive
- Olive Avenue / Vista Village Drive
- Alta Vista Drive / Escondido Avenue
- Anza Avenue / Vale Terrace Drive
- Emerald Drive / Hacienda Drive
- Hacienda Drive / Melrose Drive
- Melrose Drive / North Avenue
- Escondido Avenue / Santa Fe Avenue
- Escondido Avenue / E. Vista Way

**Construction and Installation Obligations****Timeframe for Installation**

Redflex will have each specified intersection installed and activated in phases in accordance with an implementation plan to be mutually agreed to by Redflex and the Customer.

Redflex 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.

Redflex will use reasonable commercial efforts to install and activate the first specified intersection within the first sixty (60) days subsequent to formal project kick-off. Customer agrees that the estimated timeframe for installation and activation are subject to conditions beyond the control of Redflex and are not guaranteed.

In order to provide Customer with timely completion of the photo enforcement project Redflex requires that the Customer assist with providing timely approval of City permit requests. The Customer acknowledges the importance of the safety program and undertakes that in order to keep the project on schedule the Customer will make its best efforts to provide city engineers review of Reflex permit requests and all documentation within five (5) business days. Reflex will also review and correct if necessary any redlines within two (2) business days. Permits need to be received within ten (10) business days of first submittal in order to implement the program in a timely manner.

1. **REDFLEX OBLIGATIONS.** Redflex shall do or cause to be done each of the following (in each case, unless otherwise stated below, at Redflex's sole expense):
  - 1.1. Appoint the Redflex Project Manager and a project implementation team consisting of between one (1) and four (4) people to assist the Redflex Project Manager;
  - 1.2. Conduct video analysis activities for red light violations on all approaches of each designated intersection to develop a baseline of red-light violations. Analysis shall be conducted before Operational Period and after 12-months of operation. Results shall be presented in a report and be broken down per approach;
  - 1.3. Request current "as-built" engineering drawings for the Designated Intersection Approaches (the "Drawings") from the FairfieldVista Public Works/Engineering Department
  - 1.4. Develop and submit to the Customer for approval construction and installation specifications in reasonable detail for the Designated Intersection Approaches, including but not limited to specifications for all radar sensors, pavement loops, video sensors, electrical connections and traffic controller connections, as required; and
  - 1.5. Seek approval from the relevant Governmental Authorities having authority or jurisdiction over the construction and installation specifications for the Designated Intersection Approaches (collectively, the "Approvals"), which will include compliance with City permit applications.
  - 1.6. Finalize the acquisition of the Approvals;

- 1.7. Submit to the Customer a public awareness strategy for the Customer's consideration and approval, which strategy shall include media and educational materials for the Customer's approval or amendment (the "Awareness Strategy");
  - 1.8. Develop the Redlight Violation Criteria in consultation with the Customer;
  - 1.9. Develop the Enforcement Documentation for approval by the Customer, which approval shall not be unreasonably withheld;
  - 1.10. Complete the installation and testing of all necessary Equipment, including hardware and software, at the Designated Intersection Approaches (under the supervision of the Customer);
  - 1.11. Cause an electrical sub-contractor to complete all reasonably necessary electrical work at the Designated Intersection Approaches, including but not limited to the installation of all related Equipment and other detection sensors, poles, cabling, telecommunications equipment and wiring, which work shall be performed in compliance with all applicable local, state and federal laws and regulations;
  - 1.12. Install and test the functionality of the Designated Intersection Approaches with the Redflex System and establish fully operational Violation processing capability with the Redflex System;
  - 1.13. Implement the use of the Redflex System at each of the Designated Intersection Approaches;
  - 1.14. Deliver the Materials to the Customer; and
  - 1.15. Issue "warning letters" for Authorized Violations which occurred at each Designated Intersection Approach during the Warning Period; and
  - 1.16. During the Warning Period, Redflex shall provide training (i) for up to fifteen (15) personnel of the Customer, including but not limited to the persons who Customer shall appoint as Authorized Officers and other persons involved in the administration of the Redlight Photo Enforcement Program, (ii) for at least sixteen (16) hours in the aggregate, (iii) regarding the operation of the Redflex System and the Redlight Photo Enforcement Program, which training shall include training with respect to the Redflex System and its operations, strategies for presenting Violations Data in court and judicial proceedings and a review of the Enforcement Documentation;
  - 1.17. Interact with court and judicial personnel to address issues regarding the implementation of the Redflex System (including transfer of citation information from Redflex to the San Diego County Court Case System and determining proportion of fine distributed to City of Fairfield Vista and San Diego County Courts), the development of a subpoena processing timeline that will permit the offering of Violations Data in court and judicial proceedings, the establishment of a court hearing schedule for adjudicating upon Citations, and coordination between Redflex, the Customer and juvenile court personnel; and
  - 1.18. Provide reasonable public relations resources and media materials to the Customer in the event that the Customer elects to conduct a public launch of the Redlight Photo Enforcement Program.
2. CUSTOMER OBLIGATIONS. Customer shall do or cause to be done each of the following (in each case, unless otherwise stated below, at Customer's sole expense):
- 2.1.1. Appoint the Sheriff Project Manager;

- 2.1.2. Assist Redflex in obtaining the Drawings from the relevant Governmental Authorities;
- 2.1.3. Notify Redflex of any specific requirements relating to the construction and installation of any Intersection Approaches or the implementation of the Redlight Photo Enforcement Program;
- 2.1.4. Provide assistance to Redflex in obtaining access to the records data of the Department of Motor Vehicles in Redflex's capacity as an independent contractor to the Customer;
- 2.1.5. Assist Redflex in seeking the Approvals
- 2.1.6. Provide reasonable access to the Customer's properties and facilities in order to permit Redflex to install and test the functionality of the Designated Intersection Approaches and the Redlight Photo Enforcement Program;
- 2.1.7. Provide reasonable access to the personnel of the Customer and reasonable information about the specific operational requirements of such personnel for the purposes of performing training;
- 2.1.8. Provide the services of necessary personnel during the Warning Period;
- 2.1.9. Seek approval or amendment of Awareness Strategy and provide written notice to Redflex with respect to the quantity of media and program materials (the "Materials") that the Customer will require in order to implement the Awareness Strategy during the period commencing on the date on which Redflex begins the installation of any of the Designated Intersection Approaches and ending one (1) month after the Installation Date;
- 2.1.10. Assist Redflex in developing the Redlight Violation Criteria; and
- 2.1.11. Seek approval of the Enforcement Documentation.

### Maintenance

1. All repair and maintenance of camera systems and related equipment, including but not limited to laptop computer and flat screen monitor, will be the sole responsibility of Redflex, including but not limited to maintaining the casings of the cameras included in the Redflex System and all other Equipment in reasonably clean and graffiti-free condition.
2. Redflex shall not open the Traffic Signal Controller Boxes without a representative of city Traffic Engineering present.
3. The provision of all necessary electrical and telephone services to the Designated Intersection Approaches will be the sole responsibility of the Customer.
4. In the event that images of a quality suitable for the Authorized Officer to identify Violations cannot be reasonably obtained without the use of flash units, Redflex shall provide and install such flash units.
5. The Redflex Project Manager (or a reasonable alternate) shall be available to the Sheriff Project Manager each day, on a reasonable best efforts basis.

Redflex has primary responsibility for the daily operation of the systems, including a maximum two (2) hour response time to maintenance issues identified as any fault that renders the system unable to perform its absolute necessary functionality.

**Fault** means anything, which does or could result in the supported system not performing in accordance with the specified functionality.

1. **Category 1 fault** means a Fault, which renders the system unable to perform absolutely necessary functionality, such as a power outage or when a vehicle crashes into a pole and knocks it over.
2. **Category 2 fault** means a Fault which is not a Category 1 Fault, but which imposes limits or restrictions on use of important functionality of the system, such as a flash is burned out or one camera is not working or one lane is not responding during the remote check.
3. **Category 3 fault** means a Fault which is neither a Category 1 or 2 Fault, but which may cause City to suffer inconvenience in performing regularly used functions of the system such as the communication company changes the I.P address without advising Redflex of the change, which causes the images to be stored at the intersection until communication is reestablished (i.e., delays image processing and the ability to access the streaming video component).
4. **Category 4 fault** means a Fault which is neither a Category 1, 2 or 3 Fault, such as a dark image.

### **Response Times**

Once the fault has been identified the response times for the faults as described above are as follows:

1. For a Category 1 Fault, response by Redflex within 2 hours
2. For a Category 2 Fault, response by Redflex within 5 hours



3. For a Category 3 Fault, response by Redflex within 1 working day
4. For a Category 4 Fault, response by Redflex within 2 working days

**COMPENSATION & PRICING**

\$89 Per Citation Issued

**BUSINESS ASSUMPTIONS FOR ALL PRICING OPTIONS:**

1. Redflex construction will be able to utilize existing conduit for installation where space is available. Where it is determined by both parties that additional conduit is necessary, cost and access for use of such additional conduit shall be equally shared by Redflex and the Customer. Any such additional conduit shall become the exclusive property of the Customer upon termination of this Agreement.
2. The Customer agrees to pay Redflex within thirty (30) days after the invoice is received. A monthly late fee of 1.5% is payable for payments past due 60 days.
3. Prices do not include supply of power and supply of DSL, cable or other broadband services. The Customer shall be solely responsible for power and communication infrastructure.

**Additional Rights and Obligations**

1. Redflex and the Customer shall respectively have the additional rights and obligations set forth below:
2. Redflex shall assist the Customer in public information and education efforts, including but not limited to the development of artwork for utility bill inserts, press releases and schedules for any public launch of the Redlight Photo Enforcement Program (actually print and production costs are the sole responsibility of the Customer).
3. Redflex shall provide the Vista Traffic Engineering Department a high resolution flat panel display for traffic and incident management purposes as it is supported with the Redflex System
4. Redflex shall provide the San Diego Sheriffs personnel a laptop computer to be utilized in support of the Redflex System (i.e. Court)
5. The Customer shall be solely responsible for the fabrication of any signage, notices or other postings required pursuant to any law, rule or regulation of any Governmental Authority ("Signage"), including but not limited to the Vehicle Code, and shall assist in determining the placement of such Signage, and the Customer hereby acknowledges and agrees that the Customer shall be solely responsible for installing such Signage.
6. The Customer shall be solely responsible for the installation of red LED lights at enforced intersections
7. The Redflex Project Manager and the Law Enforcement Project Manager shall meet on a weekly basis during the period commencing as of the date of execution hereof and ending on the Installation Date, and on a monthly basis for the remainder of the Term, at such times and places as the Redflex Manager and the Customer Manager shall mutually agree.
8. The Customer shall not access the Redflex System or use the Redlight Photo Enforcement Program in any manner other than prescribe by law and which restricts or inhibits any other Person from using the Redflex System or the Redflex Photo Enforcement Program with respect to any Intersection Approaches constructed or maintained by Redflex for such Person, or which could damage, disable, impair or overburden the Redflex System or the Redflex Photo Enforcement Program, and the Customer shall not attempt to gain unauthorized access to (i) any account of any other Person, (ii) any computer systems or networks connected to the Redflex System, or (iii) any materials or information not intentionally made available by Redflex to the Customer by means of hacking, password mining or any other method whatsoever, nor shall the Customer cause any other Person to do any of the foregoing.
9. The Customer shall maintain the confidentiality of any username, password or other process or device for accessing the Redflex System or using the Redlight Photo Enforcement Program.
10. Each of Redflex and the Customer shall advise each other in writing with respect to any applicable rules or regulations governing the conduct of the other on or with respect to the property of such other party, including but not limited to rules and regulations relating to the safeguarding of confidential or proprietary information, and when so advised, each of Redflex and the Customer shall obey any and all such rules and regulations.
11. The Customer shall promptly reimburse Redflex for the cost of repairing or replacing any portion of the Redflex System, or any property or equipment related thereto, damaged as a

result of the Customer's, or any of its employees, contractors or agents' negligence or willful misconduct.

## 12. INSURANCE.

12.1 During the Term, Redflex shall procure and maintain and Redflex's sole cost and expense the following insurance coverage with respect to claims for injuries to persons or damages to property which may arise from or in connection with the performance of work or services pursuant to this Agreement by Redflex, and each of Redflex's subcontractors, agents, representatives and employees:

(a) Commercial General Liability Insurance. Commercial General Liability Insurance with coverage of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily injury and property damage;

(b) Commercial Automobile Liability Insurance. Commercial Automobile Liability Insurance with coverage of not less than One Million Dollars (\$1,000,000) combined single limit per occurrence for bodily injury or property damage, including but not limited to coverage for all automobiles owned by Redflex, hired by Redflex, and/or owned by third parties;

(c) Professional Liability (Errors and Omissions) Insurance. Redflex will use its commercial best efforts to procure and maintain Professional Liability (Errors and Omissions) Insurance with coverage of not less than One Million Dollars (\$1,000,000) per occurrence and in the aggregate.

(d) Workers' Compensation and Employer's Liability Insurance. Workers' Compensation Insurance with coverage of not less than the limits required by the Labor Code of the State of California, Employer's Liability Insurance with coverage of not less than One Million Dollars (\$1,000,000) per occurrence, and the applicable insurer(s) shall waive all rights of subrogation against the city of VISTA, the members of the VISTA City Council, boards, commissions, officers, employees, agents and volunteers of VISTA (collectively, "VISTA Parties") for losses arising from or relating to work performed by any Redflex Party for or on behalf of the Customer.

12.2 With respect to the insurance described in the foregoing Section 9.1 of this Exhibit E, any deductibles or self-insured retentions must be declared to and approved by the Customer, and any changes to such deductibles or self-insured retentions during the Term must be approved in advance in writing by the Customer.

12.3 With respect to the Commercial General Liability Insurance and the Commercial Automobile Liability Insurance required in this Section 9 of this Exhibit E, the following additional provisions shall apply:

12.4 The VISTA Parties shall be covered as additional insureds with respect to any liability arising from the performance of this Agreement by any of the Redflex Parties, and such coverage shall contain no special limitations on the scope of protection afforded to such additional insureds.

12.5 The insurance coverage procured by Redflex and described above shall be the primary insurance with respect to the VISTA Parties in connection with this Agreement, and any insurance or self-insurance maintained by any of the VISTA Parties shall be in excess, and not in contribution to, such insurance.

12.6 Any failure to comply with the reporting provisions of the various insurance policies described above shall not affect the coverage provided to the VISTA Parties, and such insurance policies shall state the such insurance coverage shall apply separately with respect to each additional insured against whom any claim is made or suit is brought, except with respect to the limits set forth in such insurance policies.

12.7 With respect to the insurance described in the foregoing Section 9.1 of this Exhibit E, each such insurance policy shall be endorsed to state that the insurer shall endeavor to provide no less than thirty (30) days' prior written notice to Customer in the event coverage provided thereby shall be suspended, voided, or cancelled. If any of the Redflex Parties are notified by any insurer that any insurance coverage will be or has been suspended, voided or reduced in coverage limits, Redflex shall immediately provide written notice thereof to the Customer and shall take all necessary actions to correct such suspension, voiding or reduction in coverage limits, and shall provide written notice to the Customer of the date and nature of such correction. If Redflex, for any reason, fails to maintain the insurance coverage required pursuant to this Agreement, such failure shall be deemed a material breach of this Agreement, and the Customer shall have the right, but not the obligation and exercisable in its sole discretion, to either (i) terminate this Agreement and seek damages from Redflex for such breach, or (ii) purchase such required insurance, and without further notice to Redflex, deduct from any amounts due to Redflex pursuant to this Agreement, any premium costs advanced by the Customer for such insurance. If the premium costs advanced by the Customer for such insurance exceed any amounts due to Redflex pursuant to this Agreement, Redflex shall promptly remit such excess amount to the Customer upon receipt of written notice thereof.

12.8 Redflex shall provide certificates of insurance, together with the required endorsements, evidencing the insurance required pursuant to the terms of this Agreement, which certificates and endorsements shall be executed by an authorized representative of the applicable insurer, and which certificates shall be delivered to the Customer prior to Redflex commencing any work pursuant to the terms of this Agreement, and each six (6) months and/or upon Customer's request, thereafter.

12.9 Except as otherwise authorized by the Customer in writing, Redflex shall include any and all of its subcontractors as additional insureds under the insurance policies required pursuant to this Agreement or, alternatively, shall provide to the Customer documents evidencing compliance by each such subcontractor with the insurance requirements set forth herein.

Exhibit F

FORM OF ACKNOWLEDGMENT AND CONSENT

THIS ACKNOWLEDGMENT AND CONSENT is entered into by and between the City of \_\_\_\_\_ (the "City") and Redflex Traffic Systems, Inc. ("Redflex"), dated \_\_\_\_\_, \_\_\_\_\_, related to that certain Agreement dated \_\_\_\_\_, \_\_\_\_\_, by and between the City and Redflex (the "Agreement") which hereby acknowledges, consents and agrees to the following (the "Consent"):

1. Redflex has financed certain operations and equipment related to its business, including but not limited to camera systems, housing and poles (the "Equipment") through certain lenders (the "Lenders"). Redflex has granted to Lenders a security interest in the Equipment, related property including software and proceeds thereto as collateral for the performance when due of its obligations to Lenders. Redflex desires to assign all of its rights, but none of its liabilities or obligations under the Agreement (the "Assignment") to **[Insert Name]**, as collateral agent for the Lenders (the "Collateral Agent"). Redflex will not, by virtue of the Assignment, be relieved of any liability or obligation under the Agreement or otherwise, and neither Collateral Agent nor Lenders are assuming any liabilities or obligations under the Agreement. City hereby acknowledges notice of the Assignment and hereby consents thereto and to assignment to any similar subsequent financing party of Redflex, and further acknowledges that Collateral Agent or Lenders, and their respective successors and assigns, and any other subsequent future lender, may assign the rights received from Redflex.

2. Redflex hereby authorizes City upon Collateral Agent's written request to make any payments due to Redflex under the Agreement directly to Collateral Agent, c/o **[Insert Address]**, or to whomever Collateral Agent may from time to time direct in writing.

3. City acknowledges that the attached Exhibit A is a true, correct and complete copy of the Agreement.

4. City agrees that City shall not assert against Collateral Agent and Lenders any right or claim of set off, recoupment, counterclaim or other defense in respect of amounts or obligations owed by Collateral Agent and Lenders to City against amounts or obligations that City owes to Collateral Agent and Lenders under the Agreement.

5. In accordance with Section 11.1 of the Agreement, this Consent shall be deemed to be notice to City. In the event that City fails to provide such approval or object to this Consent within a reasonable time which shall include at least three weeks prior to the next City Council meeting; including this City Council meeting; and three days following the meeting after its receipt of such notice from Redflex, for the purposes of this Agreement, the City shall be deemed to have consented to and approved this Consent.

IN WITNESS THEREOF, each of the undersigned have caused this Acknowledgment and Consent to be executed by their duly elected officers duly authorized as of the date first above written.

[APPLICABLE MUNICIPALITY]

REDFLEX TRAFFIC SYSTEMS INC.

By: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

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

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

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



# ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID SA  
REDFL-1  
DATE (MM/DD/YYYY)  
03/02/09

PRODUCER  
CIC/AJG & Co Ins. Bkrs. of CA  
CA Lic. # 0726293  
3697 Mt. Diablo Blvd., #300  
Lafayette CA 94549  
Phone: 925-299-1112 Fax: 925-299-0328

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED  
  
Redflex Traffic Systems, Inc.  
23751 N. 23rd Avenue Ste 150  
Phoenix AZ 85085-1854

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: National Fire Ins of Hartford	
INSURER B: Continental Insurance Co.	35289
INSURER C: Transportation Insurance Co.	20494
INSURER D: The Standard Fire Ins. Co.	
INSURER E: Endurance American Specialty	

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	X	GENERAL LIABILITY	2088537791	03/15/09	03/15/10	EACH OCCURRENCE	\$ 1,000,000
		<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 1,000,000
		<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	\$ 5,000
		<input checked="" type="checkbox"/> Per location agg				PERSONAL & ADV INJURY	\$ 1,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER:				GENERAL AGGREGATE	\$ 2,000,000
		<input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				PRODUCTS - COMP/OP AGG	\$ 2,000,000
						Emp Ben.	1,000,000
C		AUTOMOBILE LIABILITY	2088537757	03/15/09	03/15/10	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
		<input checked="" type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
		<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
		<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	\$
		<input type="checkbox"/> HIRED AUTOS				AUTO ONLY - EA ACCIDENT	\$
		<input type="checkbox"/> NON-OWNED AUTOS				OTHER THAN AUTO ONLY: EA ACC	\$
						AGG	\$
B		EXCESS/UMBRELLA LIABILITY	2097617177	03/15/09	03/15/10	EACH OCCURRENCE	\$ 19,000,000
		<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE	\$ 19,000,000
		<input type="checkbox"/> DEDUCTIBLE					\$
		<input checked="" type="checkbox"/> RETENTION \$10,000					\$
D		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	PCUB2692N16309	03/15/09	03/15/10	<input checked="" type="checkbox"/> WC STATUTORY LIMITS	OTH-ER
		ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT	\$ 1,000,000
		If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
		OTHER				E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
E		Errors & Omissions	PPL10001275600	03/15/09	03/15/10	E&O	2,000,000
		Cyberliability				Retention	35,000

RECEIVED  
MAR 05 2009

CITY CLERK  
CITY OF VISTA, CA

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS  
Per G-140331-A the City of Vista, CA, is named as Additional Insured as respects to General Liability. Coverage is primary & non-contributory.

CERTIFICATE HOLDER  
  
CITVIST  
  
City of Vista  
600 Eucalyptus Ave.  
Vista CA 92085-1988

CANCELLATION  
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.  
AUTHORIZED REPRESENTATIVE

**NOTEPAD:**

INSURED'S NAME Redflex Traffic Systems, Inc.

REDFL-1

PAGE 3

OP ID SA

DATE 03/02/09

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in the General Liability coverage part to the first Named Insured, the General Liability insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

Valuable Papers: Policy Number 2088537791 Effective 3/15/09 to 3/15/10  
Limit: \$250,000  
Deductible: \$5,000

Installation: Policy Number 2088537791 Effective 3/15/09 to 3/15/10  
Limit: \$1,000,000 per occurrence  
Deductible: \$10,000

Third Party Fidelity: Travelers Insurance: Policy Number 104861759  
Effective 03/15/09 to 03/15/10 Limit: \$500,000 per claim

Stop Gap coverage for WA & OH incl on general liability policy 2088537791

\* Except 10 Days in the event of cancellation for non-payment of premium.



**IMPORTANT: THIS ENDORSEMENT CONTAINS DUTIES THAT APPLY TO THE ADDITIONAL INSURED IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT. SEE PARAGRAPH C.1. OF THIS ENDORSEMENT FOR THESE DUTIES.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CONTRACTOR'S SCHEDULED AND BLANKET ADDITIONAL INSURED  
ENDORSEMENT WITH PRODUCTS-COMPLETED OPERATIONS COVERAGE**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE 24

Name of Person or Organization: Designated Project: Per contract

Per written contract.

**(Coverage under this endorsement is not affected by an entry or lack of entry in the Schedule above.)**

- A. WHO IS AN INSURED (Section II)** is amended to include as an insured any person or organization, including any person or organization shown in the schedule above, (called additional insured) whom you are required to add as an additional insured on this policy under a written contract or written agreement; but the written contract or written agreement must be:
1. Currently in effect or becoming effective during the term of this policy; and
  2. Executed prior to the "bodily injury," "property damage," or "personal and advertising injury".
- B. The insurance provided to the additional insured is limited as follows:**
1. That person or organization is an additional insured solely for liability due to your negligence specifically resulting from "your work" for the additional insured which is the subject of the written contract or written agreement. No coverage applies to liability resulting from the sole negligence of the additional insured.
  2. The Limits of Insurance applicable to the additional insured are those specified in the written contract or written agreement or in the Declarations of this policy, whichever is less. These Limits of Insurance are inclusive of, and not in addition to, the Limits of Insurance shown in the Declarations.
- 3. The coverage provided to the additional insured by this endorsement and paragraph f. of the definition of "insured contract" under DEFINITIONS (Section V) do not apply to "bodily injury" or "property damage" arising out of the "products-completed operations hazard" unless required by the written contract or written agreement.**
- 4. The insurance provided to the additional insured does not apply to "bodily injury," "property damage," or "personal and advertising injury" arising out of an architect's, engineer's, or surveyor's rendering of or failure to render any professional services including:**
- a. The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings, and specifications; and
  - b. Supervisory, or inspection activities performed as part of any related architectural or engineering activities.
- C. As respects the coverage provided under this endorsement, SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS are amended as follows:**



1. The following is added to the Duties In The Event of Occurrence, Offense, Claim or Suit Condition:

e. An additional insured under this endorsement will as soon as practicable:

- (1) Give written notice of an occurrence or an offense to us which may result in a claim or "suit" under this insurance;
- (2) Tender the defense and indemnity of any claim or "suit" to any other insurer which also has insurance for a loss we cover under this Coverage Part; and
- (3) Agree to make available any other insurance which the additional insured has for a loss we cover under this Coverage Part.

f. We have no duty to defend or indemnify an additional insured under this endorsement until we receive written notice of a claim or "suit" from the additional insured.

2. Paragraph 4.b. of the Other Insurance Condition is deleted and replaced with the following:

**4. Other Insurance**

**b. Excess Insurance**

This insurance is excess over any other insurance naming the additional insured as an insured whether primary, excess, contingent or on any other basis unless a written contract or written agreement specifically requires that this insurance be either primary or primary and noncontributing.

# ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID SA  
REDFL-1

DATE (MM/DD/YYYY)  
04/30/08

**PRODUCER**  
California Insurance Center  
CA Lic. # 0423393  
3697 Mt. Diablo Blvd., #300  
Lafayette CA 94549  
Phone: 925-299-1112 Fax: 925-299-0328

**INSURED**  
  
**Redflex Traffic Systems, Inc.**  
15020 N. 74th St.  
Scottsdale AZ 85260

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: American Cas. Co. of Reading	
INSURER B:	
INSURER C:	
INSURER D:	
INSURER E:	

## COVERAGES


THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
X	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$
	<b>EXCESS/UMBRELLA LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
A A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	2088537922 (CA ONLY) 2088537872 (ALL OTHER STS)	05/01/08 05/01/08	05/01/09 05/01/09	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
	<b>OTHER</b>				

**RECEIVED**  
MAY 05 2008  
CITY CLERK  
CITY OF VISTA, CA

*Handwritten initials/signature*

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS  
Blanket waiver of subrogation applies

CERTIFICATE HOLDER	CANCELLATION
CITVIST  City of Vista 600 Eucalyptus Ave. Vista CA 92085-1988	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE 

## **IMPORTANT**

If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

## **DISCLAIMER**

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

Policy Number: 2088537922 in California  
2088537872 All Other States



G-19160-B  
(Ed. 11/97)

**WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY INSURANCE POLICY**

---

**BLANKET WAIVER OF OUR RIGHT TO RECOVER FROM OTHERS**

This endorsement changes the policy to which it is attached.

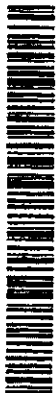
It is agreed that **Part One Workers' Compensation Insurance G. Recovery From Others** and **Part Two Employers' Liability Insurance H. Recovery From Others** are amended by adding the following:

We will not enforce our right to recover against persons or organizations. (This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.)

**PREMIUM CHARGE -**

The charge will be an amount to which you and we agree that is a percentage of the total standard premium for California exposure. The amount is 2 .%.

000200164522500300971535822013







## **IMPORTANT**

If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

## **DISCLAIMER**

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

**NOTEPAD:**

INSURED'S NAME Redflex Traffic Systems, Inc.

REDFL-1  
OP ID SAPAGE 3  
DATE 03/13/08

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in the General Liability coverage part to the first Named Insured, the General Liability insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

Valuable Papers: Policy Number 2088537791 Effective 3/15/08 to 3/15/09  
Limit: \$250,000  
Deductible: \$5,000

Installation: Policy Number 2088537791 Effective 3/15/08 to 3/15/09  
Limit: \$1,000,000 per occurrence  
Deductible: \$25,000

Third Party Fidelity: Travelers Insurance: Policy Number 104861759  
Effective 12/22/07 to 12/22/08 Limit: \$500,000 per claim

\* Except 10 Days in the event of cancellation for non-payment of premium.



**IMPORTANT: THIS ENDORSEMENT CONTAINS DUTIES THAT APPLY TO THE ADDITIONAL INSURED IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT. SEE PARAGRAPH C.1. OF THIS ENDORSEMENT FOR THESE DUTIES.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CONTRACTOR'S SCHEDULED AND BLANKET ADDITIONAL INSURED ENDORSEMENT WITH PRODUCTS-COMPLETED OPERATIONS COVERAGE**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Name of Person or Organization: Designated Project: Per contract

City of Vista  
600 Eucalyptus Ave.  
Vista, CA 92085-1988

(Coverage under this endorsement is not affected by an entry or lack of entry in the Schedule above.)

A. WHO IS AN INSURED (Section II) is amended to include as an insured any person or organization, including any person or organization shown in the schedule above, (called additional insured) whom you are required to add as an additional insured on this policy under a written contract or written agreement; but the written contract or written agreement must be:

- 1. Currently in effect or becoming effective during the term of this policy; and
- 2. Executed prior to the "bodily injury," "property damage," or "personal and advertising injury".

B. The insurance provided to the additional insured is limited as follows:

- 1. That person or organization is an additional insured solely for liability due to your negligence specifically resulting from "your work" for the additional insured which is the subject of the written contract or written agreement. No coverage applies to liability resulting from the sole negligence of the additional insured.
- 2. The Limits of Insurance applicable to the additional insured are those specified in the written contract or written agreement or in the Declarations of this policy, whichever is less. These Limits of Insurance are inclusive of, and

not in addition to, the Limits of Insurance shown in the Declarations.

- 3. The coverage provided to the additional insured by this endorsement and paragraph f. of the definition of "insured contract" under DEFINITIONS (Section V) do not apply to "bodily injury" or "property damage" arising out of the "products-completed operations hazard" unless required by the written contract or written agreement.

- 4. The insurance provided to the additional insured does not apply to "bodily injury," "property damage," or "personal and advertising injury" arising out of an architect's, engineer's, or surveyor's rendering of or failure to render any professional services including:

- a. The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
- b. Supervisory, or inspection activities performed as part of any related architectural or engineering activities.

C. As respects the coverage provided under this endorsement, SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS are amended as follows:



1. The following is added to the Duties In The Event of Occurrence, Offense, Claim or Suit Condition:

e. An additional insured under this endorsement will as soon as practicable:

- (1) Give written notice of an occurrence or an offense to us which may result in a claim or "suit" under this insurance;
- (2) Tender the defense and indemnity of any claim or "suit" to any other insurer which also has insurance for a loss we cover under this Coverage Part; and
- (3) Agree to make available any other insurance which the additional insured has for a loss we cover under this Coverage Part.

f. We have no duty to defend or indemnify an additional insured under this endorsement until we receive written notice of a claim or "suit" from the additional insured.

2. Paragraph 4.b. of the Other Insurance Condition is deleted and replaced with the following:

**4. Other Insurance**

**b. Excess Insurance**

This insurance is excess over any other insurance naming the additional insured as an insured whether primary, excess, contingent or on any other basis unless a written contract or written agreement specifically requires that this insurance be either primary or primary and noncontributing.

# ACORD CERTIFICATE OF LIABILITY INSURANCE

CSR KM  
REDFL-1  
DATE (MM/DD/YYYY)  
04/26/07

**PRODUCER**  
Crist Elliott Machette Ins.  
License #OB17224  
2201 Broadway, Suite 725  
Oakland CA 94612  
Phone: 510-832-8000 Fax: 510-832-5054

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

**INSURED**  
  
Redflex Traffic Systems, Inc.  
15020 N. 74th St.  
Scottsdale AZ 85260

INSURERS AFFORDING COVERAGE		NAIC #
INSURER A:	Valley Forge Insurance Co	
INSURER B:		
INSURER C:		
INSURER D:		
INSURER E:		

**RECEIVED**  
APR 30 2007

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	X	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				EACH OCCURRENCE	\$
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
						MED EXP (Any one person)	\$
						PERSONAL & ADV INJURY	\$
						GENERAL AGGREGATE	\$
						PRODUCTS - COMPI/OP AGG	\$
		<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident)	\$
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
		<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
						OTHER THAN AUTO ONLY: EA ACC	\$
						AGG	\$
		<b>EXCESS/UMBRELLA LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  <input type="checkbox"/> DEDUCTIBLE RETENTION \$				EACH OCCURRENCE	\$
						AGGREGATE	\$
							\$
							\$
	A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	2082598038 (CA) 2082598275 (ALL OTHER STS)	05/01/07 05/01/07	05/01/08 05/01/08	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
						E.L. EACH ACCIDENT	\$ 1000000
						E.L. DISEASE - EA EMPLOYEE	\$ 1000000
						E.L. DISEASE - POLICY LIMIT	\$ 1000000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS  
**EVIDENCE OF WORKERS COMPENSATION RENEWAL**  
**BLANKET WAIVER OF SUBROGATION APPLIES TO ALL CERTIFICATE HOLDERS**

CERTIFICATE HOLDER	CANCELLATION
VISTA-1  City of Vista 600 Eucalyptus Ave. Vista CA 92085-1988	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE <i>Robert M. Manone</i>

# ACORD CERTIFICATE OF LIABILITY INSURANCE

CSR KM  
REDFL-1

DATE (MM/DD/YYYY)  
03/14/07

**PRODUCER**  
Crist Elliott Machette Ins.  
License #OB17224  
2201 Broadway, Suite 725  
Oakland CA 94612  
Phone: 510-832-8000 Fax: 510-832-5054

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

**INSURED**  
  
**Redflex Traffic Systems, Inc.**  
15020 N. 74th St.  
Scottsdale AZ 85260

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Continental Casualty Company	
INSURER B: <b>Continental Insurance</b>	
INSURER C: AMERICAN INTERNATIONAL GROUP	
INSURER D: <b>Lloyds of London Insurance</b>	
INSURER E: Travelers Casualty & Surety Co	

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A X	<b>GENERAL LIABILITY</b> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input type="checkbox"/> OCCUR <input checked="" type="checkbox"/>	2092673062	03/15/07	03/15/08	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> <b>Empl Benefits Lia</b>				DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER: POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input checked="" type="checkbox"/>				MED EXP (Any one person) \$ 5,000
					PERSONAL & ADV INJURY \$ 1,000,000
					GENERAL AGGREGATE \$ 2,000,000
					PRODUCTS - COMP/OP AGG \$ 2,000,000
					<b>Emp Ben.</b> 1,000,000
B	<b>AUTOMOBILE LIABILITY</b> ANY AUTO <input checked="" type="checkbox"/> ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS	2092673059	03/15/07	03/15/08	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
					BODILY INJURY (Per person) \$
					BODILY INJURY (Per accident) \$
					PROPERTY DAMAGE (Per accident) \$
B	<input checked="" type="checkbox"/> <b>Comp-\$1000 ded</b>				
B	<input checked="" type="checkbox"/> <b>Coll- \$1000 ded</b>				
	<b>GARAGE LIABILITY</b> ANY AUTO				AUTO ONLY - EA ACCIDENT \$
					OTHER THAN AUTO ONLY: EA ACC AGG \$
A	<b>EXCESS/UMBRELLA LIABILITY</b> OCCUR <input checked="" type="checkbox"/> CLAIMS MADE <input type="checkbox"/>	2092673045	03/15/07	03/15/08	EACH OCCURRENCE \$ 19,000,000
					AGGREGATE \$ 19,000,000
	DEDUCTIBLE				\$
	<input checked="" type="checkbox"/> RETENTION \$10,000				\$
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	WC9689300 (CA) WC9689299 (ALL OTHER STS)	05/01/06	05/01/07	<input checked="" type="checkbox"/> WC STATUTORY LIMITS
					E.L. EACH ACCIDENT \$ 1000000
					E.L. DISEASE - EA EMPLOYEE \$ 1000000
					E.L. DISEASE - POLICY LIMIT \$ 1000000
D	<b>Errors&amp;Omissions&amp; Cyberliability</b>	SP000320B	03/15/07	03/15/08	E&O 2,000,000 Deductibl 35,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Certificate holder is additional insured on a primary, non contributory basis for general liability arising directly or indirectly from services performed on their behalf by the named insured.

**RECEIVED**  
MAR 26 2007  
CITY CLERK  
CITY OF VISTA, CA

**CERTIFICATE HOLDER**  
  
VISTA-1  
  
City of Vista  
600 Eucalyptus Ave.  
Vista CA 92085-1988

**CANCELLATION**  
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.  
AUTHORIZED REPRESENTATIVE  
*Robert J. Manone*

**NOTEPAD:**

REDFL-1

PAGE 2

INSURED'S NAME Redflex Traffic Systems, Inc.

CSR KM

DATE 03/14/07

Certificate holder is also included as an insured on a primary basis as respects auto liability coverage per policy wording.

(Company A) 2092673062 3/15/07 to 03/15/08

Installation Floater: \$1,000,000 Limit Per Occurrence  
\$250,000 Limit Per Jobsite  
\$10,000 Deductible

Valuable Papers & Records including Cost of Research: Included in Blanket Business Personal Property limit of \$940,000. Deductible: \$5,000

(Company E) 104861759 12/22/06 to 12/22/07

Third Party Fidelity: \$300,000 limit per claim  
\$ 5,000 deductible/claim



**IMPORTANT: THIS ENDORSEMENT CONTAINS DUTIES THAT APPLY TO THE ADDITIONAL INSURED IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT. SEE PARAGRAPH C.1. OF THIS ENDORSEMENT FOR THESE DUTIES.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CONTRACTOR'S SCHEDULED AND BLANKET ADDITIONAL INSURED ENDORSEMENT WITH PRODUCTS-COMPLETED OPERATIONS COVERAGE**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Name of Person or Organization: Designated Project:

City of Vista, CA

*05/27/17*

**(Coverage under this endorsement is not affected by an entry or lack of entry in the Schedule above.)**

- A. **WHO IS AN INSURED (Section II)** is amended to include as an insured any person or organization, including any person or organization shown in the schedule above, (called additional insured) whom you are required to add as an additional insured on this policy under a written contract or written agreement; but the written contract or written agreement must be:
  - 1. Currently in effect or becoming effective during the term of this policy; and
  - 2. Executed prior to the "bodily injury," "property damage," or "personal and advertising injury".
- B. The insurance provided to the additional insured is limited as follows:
  - 1. That person or organization is an additional insured solely for liability due to your negligence specifically resulting from "your work" for the additional insured which is the subject of the written contract or written agreement. No coverage applies to liability resulting from the sole negligence of the additional insured.
  - 2. The Limits of Insurance applicable to the additional insured are those specified in the written contract or written agreement or in the Declarations of this policy, whichever is less. These Limits of Insurance are inclusive of, and not in addition to, the Limits of Insurance shown in the Declarations.
- 3. The coverage provided to the additional insured by this endorsement and paragraph f. of the definition of "insured contract" under DEFINITIONS (Section V) do not apply to "bodily injury" or "property damage" arising out of the "products-completed operations hazard" unless required by the written contract or written agreement.
- 4. The insurance provided to the additional insured does not apply to "bodily injury," "property damage," or "personal and advertising injury" arising out of an architect's, engineer's, or surveyor's rendering of or failure to render any professional services including:
  - a. The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
  - b. Supervisory, or inspection activities performed as part of any related architectural or engineering activities.
- C. As respects the coverage provided under this endorsement, **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** are amended as follows:





1. The following is added to the Duties In The Event of Occurrence, Offense, Claim or Suit Condition:
  - e. An additional insured under this endorsement will as soon as practicable:
    - (1) Give written notice of an occurrence or an offense to us which may result in a claim or "suit" under this insurance;
    - (2) Tender the defense and indemnity of any claim or "suit" to any other insurer which also has insurance for a loss we cover under this Coverage Part; and
    - (3) Agree to make available any other insurance which the additional insured has for a loss we cover under this Coverage Part.
  - f. We have no duty to defend or indemnify an additional insured under this endorsement until we receive written notice of a claim or "suit" from the additional insured.
2. Paragraph 4.b. of the Other Insurance Condition is deleted and replaced with the following:
  4. **Other Insurance**
    - b. **Excess Insurance**

This insurance is excess over any other insurance naming the additional insured as an insured whether primary, excess, contingent or on any other basis unless a written contract or written agreement specifically requires that this insurance be either primary or primary and noncontributing.

# ACORD CERTIFICATE OF LIABILITY INSURANCE

CSR KM  
REDFL-1

DATE (MM/DD/YYYY)  
03/15/07

PRODUCER  
Crist Elliott Machette Ins.  
License #OB17224  
2201 Broadway, Suite 725  
Oakland CA 94612  
Phone: 510-832-8000 Fax: 510-832-5054

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INSURED  
  
Redflex Traffic Systems, Inc.  
15020 N. 74th St.  
Scottsdale AZ 85260

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Continental Casualty Company	
INSURER B: Continental Insurance	
INSURER C: AMERICAN INTERNATIONAL GROUP	
INSURER D: Lloyds of London Insurance	
INSURER E: Travelers Casualty & Surety Co	

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

**RECEIVED**  
MAR 19 2007


INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	X	<b>GENERAL LIABILITY</b> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input checked="" type="checkbox"/> OCCUR X Empl Benefits Lia GEN'L AGGREGATE LIMIT APPLIES PER: POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC	2092673062	03/15/07	03/15/08	EACH OCCURRENCE \$1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$1,000,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Emp Ben. 1,000,000
B	X	<b>AUTOMOBILE LIABILITY</b> ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS B X Comp-\$1000 ded B X Coll- \$1000 ded	2092673059	03/15/07	03/15/08	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		<b>GARAGE LIABILITY</b> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC AGG \$
A	X	<b>EXCESS/UMBRELLA LIABILITY</b> OCCUR <input checked="" type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE X RETENTION \$10,000	2092673045	03/15/07	03/15/08	EACH OCCURRENCE \$ 19,000,000 AGGREGATE \$ 19,000,000 \$ \$ \$
C		<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	WC9689300 (CA) WC9689299 (ALL OTHER STS)	05/01/06 05/01/06	05/01/07 05/01/07	X WC STATU-TORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ 1000000 E.L. DISEASE - EA EMPLOYEE \$ 1000000 E.L. DISEASE - POLICY LIMIT \$ 1000000
D		<b>Errors&amp;Omissions&amp; Cyberliability</b>	SP000320B	03/15/07	03/15/08	E&O 2,000,000 Deductibl 35,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS  
 Certificate holder is additional insured on a primary, non contributory basis for general liability arising directly or indirectly from services performed on their behalf by the named insured.

### CERTIFICATE HOLDER

### CANCELLATION

VISTA-1  
  
City of Vista  
600 Eucalyptus Ave.  
Vista CA 92085-1988

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.  
 AUTHORIZED REPRESENTATIVE  


**NOTEPAD:**

INSURED'S NAME Redflex Traffic Systems, Inc.

REDFL-1

PAGE 2

CSR KM

DATE 03/15/07

Certificate holder is also included as an insured on a primary basis as respects auto liability coverage per policy wording.

(Company A) 2092673062 3/15/07 to 03/15/08

Installation Floater: \$1,000,000 Limit Per Occurrence  
\$250,000 Limit Per Jobsite  
\$10,000 Deductible

Valuable Papers & Records including Cost of Research: Included in Blanket Business Personal Property limit of \$940,000. Deductible: \$5,000

(Company E) 104861759 12/22/06 to 12/22/07

Third Party Fidelity: \$300,000 limit per claim  
\$ 5,000 deductible/claim

**RECEIVED**

MAR 10 2007



**IMPORTANT: THIS ENDORSEMENT CONTAINS DUTIES THAT APPLY TO THE ADDITIONAL INSURED IN THE EVENT OF OCCURRENCE, OFFENSE, CLAIM OR SUIT. SEE PARAGRAPH C.1. OF THIS ENDORSEMENT FOR THESE DUTIES.**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**CONTRACTOR'S SCHEDULED AND BLANKET ADDITIONAL INSURED ENDORSEMENT WITH PRODUCTS-COMPLETED OPERATIONS COVERAGE**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

Name of Person or Organization: Designated Project:

City of Vista, CA

**(Coverage under this endorsement is not affected by an entry or lack of entry in the Schedule above.)**

- A. **WHO IS AN INSURED (Section II)** is amended to include as an insured any person or organization, including any person or organization shown in the schedule above, (called additional insured) whom you are required to add as an additional insured on this policy under a written contract or written agreement; but the written contract or written agreement must be:
  - 1. Currently in effect or becoming effective during the term of this policy; and
  - 2. Executed prior to the "bodily injury," "property damage," or "personal and advertising injury".
- B. The insurance provided to the additional insured is limited as follows:
  - 1. That person or organization is an additional insured solely for liability due to your negligence specifically resulting from "your work" for the additional insured which is the subject of the written contract or written agreement. No coverage applies to liability resulting from the sole negligence of the additional insured.
  - 2. The Limits of Insurance applicable to the additional insured are those specified in the written contract or written agreement or in the Declarations of this policy, whichever is less. These Limits of Insurance are inclusive of, and not in addition to, the Limits of Insurance shown in the Declarations.
- 3. The coverage provided to the additional insured by this endorsement and paragraph f. of the definition of "insured contract" under DEFINITIONS (Section V) do not apply to "bodily injury" or "property damage" arising out of the "products-completed operations hazard" unless required by the written contract or written agreement.
- 4. The insurance provided to the additional insured does not apply to "bodily injury," "property damage," or "personal and advertising injury" arising out of an architect's, engineer's, or surveyor's rendering of or failure to render any professional services including:
  - a. The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
  - b. Supervisory, or inspection activities performed as part of any related architectural or engineering activities.
- C. As respects the coverage provided under this endorsement, **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** are amended as follows:



1. The following is added to the Duties In The Event of Occurrence, Offense, Claim or Suit Condition:
  - e. An additional insured under this endorsement will as soon as practicable:
    - (1) Give written notice of an occurrence or an offense to us which may result in a claim or "suit" under this insurance;
    - (2) Tender the defense and indemnity of any claim or "suit" to any other insurer which also has insurance for a loss we cover under this Coverage Part; and
    - (3) Agree to make available any other insurance which the additional insured has for a loss we cover under this Coverage Part.
  - f. We have no duty to defend or indemnify an additional insured under this endorsement until we receive written notice of a claim or "suit" from the additional insured.
2. Paragraph 4.b. of the Other Insurance Condition is deleted and replaced with the following:
  4. **Other Insurance**
    - b. **Excess Insurance**

This insurance is excess over any other insurance naming the additional insured as an insured whether primary, excess, contingent or on any other basis unless a written contract or written agreement specifically requires that this insurance be either primary or primary and noncontributing.

# ACORD CERTIFICATE OF LIABILITY INSURANCE

CSR KM  
REDFL-1

DATE (MM/DD/YYYY)  
03/09/06

**PRODUCER**  
Crist Elliott Machette Ins.  
License #OB17224  
2201 Broadway, Suite 725  
Oakland CA 94612  
Phone: 510-832-8000 Fax: 510-832-5054

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**INSURED**  
  
Redflex Traffic Systems, Inc.  
15020 N. 74th St.  
Scottsdale AZ 85260

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: ZURICH, NA	
INSURER B: State Compensation Fund	
INSURER C: FIREMAN'S FUND INS. COS.	21873
INSURER D: Admiral Insurance Company	
INSURER E:	

**RECEIVED**

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

MAR 13 2006

CITY CLERK  
CITY OF VISTA, CA

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	<input checked="" type="checkbox"/> GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> <b>Empl Benefits Lia</b> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input checked="" type="checkbox"/> LOC	CPO370334101	03/15/06	03/15/07	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Emp Ben. 1,000,000
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	CPO370334101	03/15/06	03/15/07	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC AGG \$
A	<input type="checkbox"/> EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$10,000	UMB534574801	03/15/06	03/15/07	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 ExcessUMB \$ see below \$ \$
B	<input checked="" type="checkbox"/> WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	157341806 (CA)	02/06/06	02/06/07	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OFFI-ER E.L. EACH ACCIDENT \$ 1000000 E.L. DISEASE - EA EMPLOYEE \$ 1000000 E.L. DISEASE - POLICY LIMIT \$ 1000000
D	<input type="checkbox"/> OTHER <input checked="" type="checkbox"/> Errors & Omissions	EO00000224002	05/26/05	05/26/06	Limit/clm 2,000,000 Ded/clm 2,500

*03/22/06*

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS  
 (C) SHX00069302131 3/15/06 TO 3/15/07 \$9,000,000 xs liability  
 Certificate holder is additional insured on a primary, non contributory basis for general liability arising directly or indirectly from services performed on their behalf by the named insured.

**CERTIFICATE HOLDER**

**CANCELLATION**

VISTA-1  
  
City of Vista  
600 Eucalyptus Ave.  
Vista CA 92085-1988

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.  
 AUTHORIZED REPRESENTATIVE  
*Robert J. Manone*



ZURICH

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
CPO370334101	03/15/06	03/15/07	03/15/06		\$n/a	\$n/a

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the:  
**Commercial General Liability Coverage Part**

**SCHEDULE**

**RECEIVED**

**MAR 13 2006**

**Name of Person or Organization**

City of Vista, CA

*Handwritten signature and date: 3/22/06*

CITY CLERK  
CITY OF VISTA, CA

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A. **WHO IS AN INSURED (Section II)** is amended to include as an insured the person or organization shown in the **SCHEDULE** above whom you are required to add as an additional insured on this policy under a written contract or written agreement.
- B. The insurance provided to the additional insured applies only to "bodily injury", "property damage" or "personal and advertising injury" covered under **Section I, Coverage A, BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and **Coverage B, PERSONAL AND ADVERTISING INJURY LIABILITY**, but only if:
  - 1. The "bodily injury" or "property damage" results from your negligence; and
  - 2. The "bodily injury", "property damage" or "personal and advertising injury" results directly from:
    - a. Your ongoing operations; or
    - b. "Your work" completed as included in the "products-completed operations hazard", performed for the additional insured, which is the subject of the written contract or written agreement.
- C. However, regardless of the provisions of paragraphs A. and B. above:
  - 1. We will not extend any insurance coverage to the additional insured person or organization:
    - a. That is not provided to you in this policy; or
    - b. That is any broader coverage than you are required to provide to the additional insured person or organization in the written contract or written agreement; and
  - 2. We will not provide Limits of Insurance to the additional insured person or organization that exceed the lower of:
    - a. The Limits of Insurance provided to you in this policy; or The Limits of Insurance you are required to provide in the written contract or written agreement.
- D. The insurance provided to the additional insured does not apply to:
  - 1. "Bodily injury", "property damage" or "personal and advertising injury" that results solely from negligence of the additional insured; or
  - 2. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering or failure to render any professional architectural, engineering or surveying services including:
    - a. The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
    - b. Supervisory, inspection, architectural or engineering activities.
- E. The additional insured must see to it that:
  - 1. We are notified as soon as practicable of an "occurrence" or offense that may result in a claim;
  - 2. We receive written notice of a claim or "suit" as soon as practicable; and
  - 3. A request for defense and indemnity of the claim or "suit" will promptly be brought against any policy issued by another insurer under which the additional insured also has rights as an insured or additional insured.

F. The insurance provided by this endorsement is primary insurance and we will not seek contribution from any other insurance available to the person or organization shown in the Schedule unless the other insurance is provided by a contractor other than you for the same operations and job location. Then we will share with that other insurance by the method described in paragraph 4.c. of **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**.

Any provisions in this Coverage Part not changed by the terms and conditions of this endorsement continue to apply as written.



# ACORD CERTIFICATE OF LIABILITY INSURANCE

CSR KM  
REDFL-1

DATE (MM/DD/YYYY)  
02/06/06

**PRODUCER**  
Crist Elliott Machette Ins.  
License #OB17224  
2201 Broadway, Suite 725  
Oakland CA 94612  
Phone: 510-832-8000 Fax: 510-832-5054

**INSURED**  
  
Redflex Traffic Systems, Inc.  
15020 N. 74th St.  
Scottsdale AZ 85260

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Zurich NA	
INSURER B: Texas Workers Compensation	
INSURER C: Admiral Insurance Company	
INSURER D: State Compensation Fund	
INSURER E: FIREMAN'S FUND INS. COS.	21873

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	X	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> <b>Empl Benefits Lia</b> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	CPO 370334100	03/15/05	03/15/06	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 Emp Ben. 1,000,000
A		<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	CPO 370334100	03/15/05	03/15/06	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC AGG \$
		<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				
A		<b>EXCESS/UMBRELLA LIABILITY</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$10,000	UMB534493500 - SEE ATTACHED	03/15/05	03/15/06	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000 \$ \$ \$
C	D	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	SBP0001154838 (TX) 157341806 (CA)	02/07/05 02/06/06	02/07/06 02/06/07	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1000000 E.L. DISEASE - EA EMPLOYEE \$ 1000000 E.L. DISEASE - POLICY LIMIT \$ 1000000
C		<b>OTHER</b> <b>Errors &amp; Omissions</b>	EO00000224002	05/26/05	05/26/06	Limit/clm 2,000,000 Ded 2,500/clm

CA WORKERS COMPENSATION RENEWAL ONLY

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS**  
 Certificate holder is additional insured on a primary, non contributory basis for general liability arising directly or indirectly from services performed on their behalf by the named insured.

### CERTIFICATE HOLDER

VISTA-1  
**RECEIVED**  
 FEB - 9 2006  
 CITY CLERK  
 CITY OF VISTA

City of Vista  
 600 Eucalyptus Ave.  
 Vista CA 92085-1988

### CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE  
*Robert M. Manone*

**NOTEPAD:**

INSURED'S NAME Reflex Traffic Systems, Inc.

RED71-1

PAGE 2

CSR KM

DATE 02/06/06

(E) EXCESS LIABILITY POLICY # XTM00077066702 \$9,000,000 EXCESS OVER  
ZURICH'S \$11,000,000 FOR A TOTAL OF \$20,000,000  
EFFECTIVE 10/26/05 TO 3/15/06

# ACORD CERTIFICATE OF LIABILITY INSURANCE

OP ID OR  
REDFL-1

DATE (MM/DD/YYYY)  
05/24/05

**PRODUCER**  
Crist Elliott Machette Ins.  
License #OB17224  
2201 Broadway, Suite 725  
Oakland CA 94612  
Phone: 510-832-8000 Fax: 510-832-5054

**INSURED**  
Redflex Traffic Systems, Inc.  
15020 N. 74th St.  
Scottsdale AZ 85260

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: Zurich NA	
INSURER B: State Compensation Fund	
INSURER C: Admiral Insurance Company	
INSURER D:	
INSURER E:	

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A X	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> <b>Empl Benefits Lia</b> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	CPO 370334100	03/15/05	03/15/06	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 <b>Empl Ben.</b> 1,000,000
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	CPO 370334100	03/15/05	03/15/06	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
A	<b>EXCESS/UMBRELLA LIABILITY</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$10,000	UMB534493500	03/15/05	03/15/06	EACH OCCURRENCE \$ 6,000,000 AGGREGATE \$ 6,000,000 \$ \$
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	157341805 (CA)	02/06/05	02/06/06	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 100000 E.L. DISEASE - EA EMPLOYEE \$ 100000 E.L. DISEASE - POLICY LIMIT \$ 100000
C	<b>Errors &amp; Omissions</b>	E000000224001	05/26/04	05/26/05	Limit/clm 2,000,000
C	<b>Errors &amp; Omissions</b>	E000000224002	05/26/05	05/26/06	Ded 2,500/clm

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS  
 Certificate holder is additional insured on a primary, non contributory basis for general liability arising directly or indirectly from services performed on their behalf by the named insured.

### CERTIFICATE HOLDER

City of Vista  
600 Eucalyptus Ave.  
Vista CA 92085-1988

**RECEIVED**  
MAY 27 2005  
CITY CLERK  
CITY OF VISTA, CA

### CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE  
*Robert M. Manone*

# ACORD CERTIFICAT OF LIABILITY INSURAN

CSR KM  
REDFL-1

DATE (MM/DD/YYYY)  
03/14/05

**PRODUCER**  
Crist Elliott Machette Ins.  
License #OB17224  
2201 Broadway, Suite 725  
Oakland CA 94612  
Phone: 510-832-8000 Fax: 510-832-5054

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

**INSURED**  
  
Redflex Traffic Systems, Inc.  
15020 N. 74th St.  
Scottsdale AZ 85260

**INSURERS AFFORDING COVERAGE** NAIC #

INSURER A: Zurich NA  
INSURER B: State Compensation Fund  
INSURER C: Admiral Insurance Company  
INSURER D:  
INSURER E:

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

**RECEIVED**  
**MAR 18 2005**

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	X	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> <b>Empl Benefits Lia</b> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	CPO 370334100	03/15/05	03/15/06	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 <b>Emp Ben.</b> 1,000,000
A		<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	CPO 370334100	03/15/05	03/15/06	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
A		<b>EXCESS/UMBRELLA LIABILITY</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$10,000	UMB534493500	03/15/05	03/15/06	EACH OCCURRENCE \$ 6,000,000 AGGREGATE \$ 6,000,000 \$ \$ \$
C		<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	157341805 (CA)	02/06/05	02/06/06	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1000000 E.L. DISEASE - EA EMPLOYEE \$ 1000000 E.L. DISEASE - POLICY LIMIT \$ 1000000
C		<b>OTHER</b> <b>Errors &amp; Omissions</b>	EO00000224001	05/26/04	05/26/05	Limit/clm 2,000,000 Ded 2,500/clm

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS**  
 Certificate holder is additional insured on a primary, non contributory basis for general liability arising directly or indirectly from services performed on their behalf by the named insured.


**CERTIFICATE HOLDER**

VISTA-1

City of Vista  
600 Eucalyptus Ave.  
Vista CA 92085-1988

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE  




ZURICH

### Additional Insured – Scheduled - Owners, Lessees or Contractors - Broad Form

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l. Prem	Return Prem.
CP0370334100	03/15/05	03/15/06	03/15/05		\$	\$

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

This endorsement modifies insurance provided under the:

**Commercial General Liability Coverage Part**

**SCHEDULE**

*Distalco*

**Name of Person or Organization**

City of Vista

**(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)**

- A. WHO IS AN INSURED (Section II)** is amended to include as an insured the person or organization shown in the **SCHEDULE** above whom you are required to add as an additional insured on this policy under a written contract or written agreement.
- B.** The insurance provided to the additional insured applies only to "bodily injury", "property damage" or "personal and advertising injury" covered under **Section I, Coverage A, BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and **Coverage B, PERSONAL AND ADVERTISING INJURY LIABILITY**, but only if:
  - 1. The "bodily injury" or "property damage" results from your negligence; and
  - 2. The "bodily injury", "property damage" or "personal and advertising injury" results directly from:
    - a. Your ongoing operations; or
    - b. "Your work" completed as included in the "products-completed operations hazard", performed for the additional insured, which is the subject of the written contract or written agreement.
- C.** However, regardless of the provisions of paragraphs **A.** and **B.** above:
  - 1. We will not extend any insurance coverage to the additional insured person or organization:
    - a. That is not provided to you in this policy; or
    - b. That is any broader coverage than you are required to provide to the additional insured person or organization in the written contract or written agreement; and
  - 2. We will not provide Limits of Insurance to the additional insured person or organization that exceed the lower of:

- a. The Limits of Insurance provided to you in this policy; or
  - b. The Limits of Insurance you are required to provide in the written contract or written agreement.
- D.** The insurance provided to the additional insured does not apply to:
1. "Bodily injury", "property damage" or "personal and advertising injury" that results solely from negligence of the additional insured; or
  2. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering or failure to render any professional architectural, engineering or surveying services including:
    - a. The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
    - b. Supervisory, inspection, architectural or engineering activities.
- E.** The additional insured must see to it that:
1. We are notified as soon as practicable of an "occurrence" or offense that may result in a claim;
  2. We receive written notice of a claim or "suit" as soon as practicable; and
  3. A request for defense and indemnity of the claim or "suit" will promptly be brought against any policy issued by another insurer under which the additional insured also has rights as an insured or additional insured.
- F.** The insurance provided by this endorsement is primary insurance and we will not seek contribution from any other insurance available to the person or organization shown in the Schedule unless the other insurance is provided by a contractor other than you for the same operations and job location. Then we will share with that other insurance by the method described in paragraph 4.c. of **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**.

Any provisions in this Coverage Part not changed by the terms and conditions of this endorsement continue to apply as written.

NOTEPAD:

INSURED'S NAME Reflex Traffic Systems, Inc.

REDFL-1

PAGE 2

CSR KM

DATE 02/04/05

WORKERS COMPENSATION RENEWED

*Dobson,*

*See next page →*

*rdg 2/22/05*

**RECEIVED**

FEB 07 2005

CITY CLERK  
CITY OF VISTA, CA

# ACORD CERTIFICAT OF LIABILITY INSURAN

CSR KM  
REDFL-1

DATE (MM/DD/YYYY)  
02/04/05

**PRODUCER**  
Crist Elliott Machette Ins.  
License #OB17224  
2201 Broadway, Suite 725  
Oakland CA 94612  
Phone: 510-832-8000 Fax: 510-832-5054

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**INSURED**  
  
Redflex Traffic Systems, Inc.  
Traffic Safety Systems  
15020 N. 74th St.  
Scottsdale AZ 85260

INSURERS AFFORDING COVERAGE		NAIC #
INSURER A:	St. Paul Insurance Companies	
INSURER B:	State Compensation Fund	
INSURER C:	Admiral Insurance Company	
INSURER D:		
INSURER E:		


**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	X	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Broadform PD GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	CK09402645	03/15/04	03/15/05	EACH OCCURRENCE	\$ 1,000,000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000
						MED EXP (Any one person)	\$ 5,000
						PERSONAL & ADV INJURY	\$ 1,000,000
						GENERAL AGGREGATE	\$ 2,000,000
						PRODUCTS - COMP/OP AGG	\$ 2,000,000
						Emp Ben.	1,000,000
A		<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	CK09402645	03/15/04	03/15/05	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
		<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
						OTHER THAN AUTO ONLY: EA ACC	\$
						AGG	\$
A		<b>EXCESS/UMBRELLA LIABILITY</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$10,000	CK09402645	03/15/04	03/15/05	EACH OCCURRENCE	\$ 6,000,000
						AGGREGATE	\$ 6,000,000
							\$
							\$
							\$
B		<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	157341805 (CA)	02/06/05	02/06/06	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER	
						E.L. EACH ACCIDENT	\$ 1,000,000
						E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
						E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
C		<b>Errors &amp; Omission Claims Made</b>	EO00000224001	05/26/04	05/26/05	Limit/clm	2,000,000
						Ded.	2,500/clm

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS  
 Certificate holder is additional insured on a primary, non contributory basis for general liability arising directly or indirectly from services performed on their behalf by the named insured.

**RECEIVED**  
FEB 07 2005

<b>CERTIFICATE HOLDER</b>  VISTA-1  City of Vista 600 Eucalyptus Ave. Vista CA 92085-1988	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
	CITY CLERK CITY OF VISTA, CA AUTHORIZED REPRESENTATIVE 



# ACORD CERTIFICATE F LIABILITY INSURANCE

OP ID TW  
REDFL-1

DATE (MM/DD/YYYY)  
06/02/04

**PRODUCER**  
Crist Elliott Machette Ins.  
License #OB17224  
2201 Broadway, Suite 725  
Oakland CA 94612  
Phone: 510-832-8000 Fax: 510-832-5054

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

**INSURED**  
  
Redflex Traffic Systems, Inc.  
Traffic Safety Systems  
15020 N. 74th St.  
Scottsdale AZ 85260

INSURERS AFFORDING COVERAGE	NAIC #
INSURER A: St. Paul Insurance Companies	
INSURER B: State Compensation Fund	
INSURER C: Admiral Insurance Company	
INSURER D:	
INSURER E:	

**RECEIVED**

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

JUN 08 2004

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	CITY CLERK CITY OF VISTA, CA	
A	X	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY CLAIMS MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	CK09402645	03/15/04	03/15/05	EACH OCCURRENCE	\$ 1,000,000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 100,000
						MED EXP (Any one person)	\$ 5,000
						PERSONAL & ADV INJURY	\$ 1,000,000
						GENERAL AGGREGATE	\$ 2,000,000
						PRODUCTS - COMP/OP AGG	\$ 2,000,000
						Emp Ben.	1,000,000
A		<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO ALL OWNED AUTOS SCHEDULED AUTOS HIRED AUTOS NON-OWNED AUTOS	CK09402645	03/15/04	03/15/05	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
		<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
						OTHER THAN AUTO ONLY: EA ACC	\$
						AGG	\$
A		<b>EXCESS/UMBRELLA LIABILITY</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$10,000	CK09402645	03/15/04	03/15/05	EACH OCCURRENCE	\$ 6,000,000
						AGGREGATE	\$ 6,000,000
							\$
							\$
							\$
B		<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	157341800 (CA)	02/06/04	02/06/05	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER	
						E.L EACH ACCIDENT	\$ 1,000,000
						E.L DISEASE - EA EMPLOYEE	\$ 1,000,000
						E.L DISEASE - POLICY LIMIT	\$ 1,000,000
C		<b>OTHER</b> Errors & Omission Claims Made	E000000224001	05/26/04	05/26/05	Limit/clm	2,000,000
						Ded.	2,500/clm

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS**  
 Certificate holder is additional insured on a primary, non contributory basis for general liability arising directly or indirectly from services performed on their behalf by the named insured.

**RECEIVED**

JUN - 7 2004

ENGINEERING DEPT

**CERTIFICATE HOLDER**  
  
VISTA-1  
  
City of Vista  
600 Eucalyptus Ave.  
Vista CA 92085-1988

**CANCELLATION**  
 SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.  
 AUTHORIZED REPRESENTATIVE  
*Robert M. Manone*

RECEIVED

JUN 08 2004

CITY CLERK  
CITY OF VISTA, CA

**ADDITIONAL PROTECTED PERSONS**

This endorsement changes your Commercial General Liability Protection.

There are two changes which are described below.

1. The following is added to the Who Is Protected Under This Agreement section. This change adds certain protected persons and limits their protection.

**Persons or organizations for your work as required by written contract.** Any person or organization that:

- is not otherwise a protected person under this agreement; and
- you agree in a written contract for insurance to add as an additional protected person under this agreement for your work; is a protected person. But only for covered injury or damage that results from your work for that person or organization.

However, such person or organization is a protected person only for the lesser of:

- the limits of coverage required by that written contract for insurance; or
- the limits of coverage available under this agreement.

But no such person or organization is a protected person for injury or damage that results from:

- that person's or organization's sole negligence; or
- the performance of, or failure to perform, architect, engineer, or surveyor professional services, if that person or organization is an architect, engineer, or surveyor.

*Written contract for insurance* means that part of any written contract or agreement in which you agree to add a person or organization as an additional protected person under this agreement that:

- was made before; and
- is in effect when; the bodily injury or property damage happens, or the personal injury offense or advertising injury offense is committed.

*Additional protected person* may also be called an additional insured in the written contract for insurance.

We explain the terms:

*7/22/04*

- your work in the Products and completed work total limit section; and
- architect, engineer or surveyor professional services in the Contract liability exclusion.

2. The following is added to the Other primary insurance section. This change broadens coverage.

We'll consider this insurance to be primary to and non-contributory with the insurance issued directly to additional protected persons listed below if:

- your contract specifically requires that we consider this insurance to be primary or primary and noncontributory; or
- you request before a loss that we consider this insurance to be primary or primary and non-contributory insurance.

**Other Terms**

All other terms of your policy remain the same.

**ACORD CERTIFICATE OF LIABILITY INSURANCE** CSR KM  
REDFL-1 DATE (MM/DD/YY)  
04/09/04

**PRODUCER**  
Crist Elliott Machette Ins.  
License #OB17224  
2201 Broadway, Suite 725  
Oakland CA 94612  
Phone: 510-832-8000 Fax: 510-832-5054

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**INSURERS AFFORDING COVERAGE**

**INSURED**  
  
**Redflex Traffic Systems, Inc.**  
15020 N. 74th St.  
Scottsdale AZ 85260

INSURER A: **Evanston Insurance Company**  
INSURER B:  
INSURER C:  
INSURER D:  
INSURER E:

**IMAGED**

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS								
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	<div style="font-size: 1.5em; font-weight: bold;">RECEIVED</div> <div style="font-size: 1.2em; font-weight: bold;">APR 13 2004</div> <div style="font-size: 1.1em; font-weight: bold;">CITY CLERK CITY OF VISTA, CA</div>			EACH OCCURRENCE \$ FIRE DAMAGE (Any one fire) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$								
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$								
	<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY: EA ACC \$ AGG \$								
	<b>EXCESS LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  <input type="checkbox"/> DEDUCTIBLE RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$								
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>				<table border="0" style="width: 100%;"> <tr> <td style="width: 70%;"><input type="checkbox"/> WC STATUTORY LIMITS</td> <td style="width: 30%;"><input type="checkbox"/> OTHER</td> </tr> <tr> <td>E. L. EACH ACCIDENT</td> <td>\$</td> </tr> <tr> <td>E. L. DISEASE - EA EMPLOYEE</td> <td>\$</td> </tr> <tr> <td>E. L. DISEASE - POLICY LIMIT</td> <td>\$</td> </tr> </table>	<input type="checkbox"/> WC STATUTORY LIMITS	<input type="checkbox"/> OTHER	E. L. EACH ACCIDENT	\$	E. L. DISEASE - EA EMPLOYEE	\$	E. L. DISEASE - POLICY LIMIT	\$
<input type="checkbox"/> WC STATUTORY LIMITS	<input type="checkbox"/> OTHER												
E. L. EACH ACCIDENT	\$												
E. L. DISEASE - EA EMPLOYEE	\$												
E. L. DISEASE - POLICY LIMIT	\$												
<b>A</b>	<b>Professional Liab. Errors &amp; Omission</b>	EO815123 POLICY EXTENDED	04/12/03	06/11/04	Per Claim \$1,000,000 Ded. 2,500/claim								

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

<b>CERTIFICATE HOLDER</b> City of Vista 600 Eucalyptus Ave. Vista CA 92085-1988	N	ADDITIONAL INSURED; INSURER LETTER:	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE: 
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ACORD

# CERTIFICATE OF LIABILITY INSURANCE

CSR KM  
REDFL-1

DATE (MM/DD/YY)

04/09/04

**PRODUCER**  
**Crist Elliott Machette Ins.**  
 License #OB17224  
 2201 Broadway, Suite 725  
 Oakland CA 94612  
 Phone: 510-832-8000 Fax: 510-832-5054

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

### INSURERS AFFORDING COVERAGE

**INSURED**  
  
**Redflex Traffic Systems, Inc.**  
 15020 N. 74th St.  
 Scottsdale AZ 85260

INSURER A: **Evanston Insurance Company**  
 INSURER B:  
 INSURER C:  
 INSURER D:  
 INSURER E:

### COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC	<div style="font-size: 2em; font-weight: bold;">RECEIVED</div> <div style="font-size: 1.5em; font-weight: bold;">APR 13 2004</div> <div style="font-size: 1.2em; font-weight: bold;">CITY CLERK CITY OF VISTA, CA</div> <div style="font-size: 1.5em; font-weight: bold; transform: rotate(-15deg); opacity: 0.5;">5/13/04</div>			EACH OCCURRENCE	\$
					FIRE DAMAGE (Any one fire)	\$
					MED EXP (Any one person)	\$
					PERSONAL & ADV INJURY	\$
					GENERAL AGGREGATE	\$
					PRODUCTS - COMP/OP AGG	\$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident)	\$
					BODILY INJURY (Per person)	\$
					BODILY INJURY (Per accident)	\$
					PROPERTY DAMAGE (Per accident)	\$
	<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
					OTHER THAN AUTO ONLY: EA ACC	\$
					AGG	\$
	<b>EXCESS LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE DEDUCTIBLE RETENTION \$				EACH OCCURRENCE	\$
					AGGREGATE	\$
						\$
						\$
						\$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>				WC STATUTORY LIMITS	OT-ER
					E.L. EACH ACCIDENT	\$
					E.L. DISEASE - EA EMPLOYEE	\$
					E.L. DISEASE - POLICY LIMIT	\$
A	<b>OTHER</b> <b>Professional Liab. Errors &amp; Omission</b>	<b>E0815123</b> <b>POLICY EXTENDED</b>	<b>04/12/03</b>	<b>06/11/04</b>	<b>Per Claim</b> <b>Ded.</b>	<b>\$1,000,000</b> <b>2,500/claim</b>

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

### CERTIFICATE HOLDER

N

ADDITIONAL INSURED; INSURER LETTER: \_\_\_\_\_

### CANCELLATION

**City of Vista**  
 600 Eucalyptus Ave.  
 Vista CA 92085-1988

VISTA-1

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

*Robert J. Manone*

ACORD

# CERTIFICATE OF LIABILITY INSURANCE

CSR KM  
REDFL-1

DATE (MM/DD/YY)  
03/12/04

**PRODUCER**  
**Crist Elliott Machette Ins.**  
 License #OB17224  
 2201 Broadway, Suite 725  
 Oakland CA 94612  
 Phone: 510-832-8000 Fax: 510-832-5054

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### INSURERS AFFORDING COVERAGE

**INSURED**  
  
**Redflex Traffic Systems, Inc.**  
**Traffic Safety Systems**  
 15020 N. 74th St.  
 Scottsdale AZ 85260

INSURER A: **St. Paul Insurance Companies**  
 INSURER B: **State Compensation Fund**  
 INSURER C: **Evanston Insurance Company**  
 INSURER D:  
 INSURER E:

### COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> <b>Per location agg.</b> GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	CK09402645	03/15/04	03/15/05	EACH OCCURRENCE	\$ 1,000,000
					FIRE DAMAGE (Any one fire)	\$ 100,000
					MED EXP (Any one person)	\$ 5,000
					PERSONAL & ADV INJURY	\$ 1,000,000
					GENERAL AGGREGATE	\$ 2,000,000
					PRODUCTS - COMP/OP AGG	\$ 2,000,000
					<b>Emp Ben.</b>	1,000,000
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	CK09402645	03/15/04	03/15/05	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
					BODILY INJURY (Per person)	\$
					BODILY INJURY (Per accident)	\$
					PROPERTY DAMAGE (Per accident)	\$
	<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
					OTHER THAN AUTO ONLY: EA ACC AGG	\$
A	<b>EXCESS LIABILITY</b> <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10,000	CK09402645	03/15/04	03/15/05	EACH OCCURRENCE	\$ 6,000,000
					AGGREGATE	\$ 6,000,000
						\$
						\$
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>	157341800 (CA)	02/06/04	02/06/05	<input checked="" type="checkbox"/> WC STATUTORY LIMITS	OTHER
					E.L. EACH ACCIDENT	\$ 1,000,000
					E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
C	<b>OTHER</b> <b>Errors &amp; Omissions</b> <b>Claims Made</b>	E0811329	04/12/03	04/12/04	Limit/clm	1,000,000
					Ded.	2,500/clm

*Handwritten:* 3/24/04

**DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS**  
 Certificate holder is additional insured on a primary, non contributory basis for general liability arising directly or indirectly from services performed on their behalf by the named insured.

<b>CERTIFICATE HOLDER</b>	<b>ADDITIONAL INSURED; INSURER LETTER:</b>	<b>CANCELLATION</b>
City of Vista 600 Eucalyptus Ave. Vista CA 92085-1988	VISTA-1	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
	<b>RECEIVED</b> MAR 17 2004	AUTHORIZED REPRESENTATIVE <i>Robert Mamone</i>

## ADDITIONAL PROTECTED PERSONS

This endorsement changes your Commercial General Liability Protection.

There are two changes which are described below.

1. The following is added to the Who Is Protected Under This Agreement section. This change adds certain protected persons and limits their protection.

**Persons or organizations for your work as required by written contract.** Any person or organization that:

- is not otherwise a protected person under this agreement; and
- you agree in a written contract for insurance to add as an additional protected person under this agreement for your work; is a protected person. But only for covered injury or damage that results from your work for that person or organization.

However, such person or organization is a protected person only for the lesser of:

- the limits of coverage required by that written contract for insurance; or
- the limits of coverage available under this agreement.

But no such person or organization is a protected person for injury or damage that results from:

- that person's or organization's sole negligence; or
- the performance of, or failure to perform, architect, engineer, or surveyor professional services, if that person or organization is an architect, engineer, or surveyor.

*Written contract for insurance* means that part of any written contract or agreement in which you agree to add a person or organization as an additional protected person under this agreement that:

- was made before; and
- is in effect when; the bodily injury or property damage happens, or the personal injury offense or advertising injury offense is committed.

*Additional protected person* may also be called an additional insured in the written contract for insurance.

We explain the terms:

- your work in the Products and completed work total limit section; and
- architect, engineer or surveyor professional services in the Contract liability exclusion.

2. The following is added to the Other primary insurance section. This change broadens coverage.

We'll consider this insurance to be primary to and non-contributory with the insurance issued directly to additional protected persons listed below if:

- your contract specifically requires that we consider this insurance to be primary or primary and noncontributory; or
- you request before a loss that we consider this insurance to be primary or primary and non-contributory insurance.

### Other Terms

All other terms of your policy remain the same.

**ACORD CERTIFICATE OF LIABILITY INSURANCE** CSR KM  
REDFL-1 DATE (MM/DD/YY)  
02/03/04


<b>PRODUCER</b> Crist Elliott Machette Ins. License #OB17224 2201 Broadway, Suite 725 Oakland CA 94612 Phone: 510-832-8000 Fax: 510-832-5054	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.
<b>INSURED</b>  Reflex Traffic Systems, Inc. Traffic Safety Systems 15020 N. 74th St. Scottsdale AZ 85260	<b>INSURERS AFFORDING COVERAGE</b>
	INSURER A: <b>OneBeacon Insurance Grp/Calif</b>
	INSURER B: <b>OneBeacon Insurance Grp/Calif</b>
	INSURER C: <b>State Compensation Fund</b>
	INSURER D: <b>Evanston Insurance Company</b>
	INSURER E:

**COVERAGES**

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INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	<input checked="" type="checkbox"/> GENERAL LIABILITY	QAR787938	02/06/03	03/15/04	EACH OCCURRENCE	\$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				FIRE DAMAGE (Any one fire)	\$ 100,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person)	\$ 5,000
					PERSONAL & ADV INJURY	\$ 1,000,000
					GENERAL AGGREGATE	\$ 2,000,000
					PRODUCTS - COMP/OP AGG	\$ 2,000,000
					<b>Emp Ben.</b>	1,000,000
					GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC	
B	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY	FAAX62096	02/06/03	03/15/04	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person)	\$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident)	\$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident)	\$
	<input type="checkbox"/> HIRED AUTOS					
<input type="checkbox"/> NON-OWNED AUTOS						
	<input type="checkbox"/> GARAGE LIABILITY					
	<input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$	
					OTHER THAN EA ACC \$	
					AUTO ONLY: AGG \$	
	<input type="checkbox"/> EXCESS LIABILITY				EACH OCCURRENCE \$	
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$	
	<input type="checkbox"/> DEDUCTIBLE				\$	
	<input type="checkbox"/> RETENTION \$				\$	
C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY	157341800 (CA )	02/06/03	03/15/04	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER	
					E.L. EACH ACCIDENT	\$ 1,000,000
					E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
					E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
D	OTHER	E0811329	04/12/03	04/12/04	Limit/clm	1,000,000
	Errors & Omissions Claims Made				Ded.	2,500/clm

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS  
 Certificate holder is additional insured on a primary, non contributory basis for general liability arising directly or indirectly from services performed on their behalf by the named insured.

<b>CERTIFICATE HOLDER</b> City of Vista 600 Eucalyptus Ave. Vista CA 92085-1988	Y ADDITIONAL INSURED; INSURER LETTER:	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL <u>30</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.	AUTHORIZED REPRESENTATIVE  CITY CLERK CITY OF VISTA, CA
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POLICY NUMBER: QAR787938

COMMERCIAL GENERAL LIABILITY  
CG 20 10 10 93

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT  
CAREFULLY.**

**ADDITIONAL INSURED -- OWNERS, LESSEES OR  
CONTRACTORS (FORM B)**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.  
SCHEDULE

**Name of Person or Organization:**

SEE CERTIFICATE

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.

**AS RESPECTS REDFLEX TRAFFIC SYSTEMS, INC.**

With respect to the insurance afforded the additional insured, paragraph 4 of COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV) is deleted and replaced by the following:

4. Other insurance:
  - a. This insurance is primary, and our obligations are not affected by any other insurance carried by such additional insured whether primary, excess, contingent or on any other basis.
  - b. This additional provision applies only to the person or organization shown in the schedule.

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# ACORD CERTIFICATE OF LIABILITY INSURANCE

CSR KM  
REDFL-1

DATE (MM/DD/YY)  
12/05/03

**PRODUCER**  
Crist Elliott Mchette Ins.  
License #OB17224  
2201 Broadway, Suite 725  
Oakland CA 94612  
Phone: 510-832-8000 Fax: 510-832-5054

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

**INSURERS AFFORDING COVERAGE**

**INSURED**  
  
Redflex Traffic Systems, Inc.  
Traffic Safety Systems  
15020 N. 74th St.  
Scottsdale AZ 85260


- INSURER A: OneBeacon Insurance Grp/Calif
- INSURER B: OneBeacon Insurance Grp/Calif
- INSURER C: State Compensation Fund
- INSURER D: Evanston Insurance Company
- INSURER E:

**COVERAGES**

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	QAR787938	02/06/03	02/06/04	EACH OCCURRENCE	\$ 1,000,000
					FIRE DAMAGE (Any one fire)	\$ 100,000
					MED EXP (Any one person)	\$ 5,000
					PERSONAL & ADV INJURY	\$ 1,000,000
					GENERAL AGGREGATE	\$ 2,000,000
					PRODUCTS - COMPPOP AGG	\$ 2,000,000
					Emp Ben.	1,000,000
B	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	FAAX62096	02/06/03	02/06/04	COMBINED SINGLE LIMIT (Ea accident)	\$ 1,000,000
					BODILY INJURY (Per person)	\$
					BODILY INJURY (Per accident)	\$
					PROPERTY DAMAGE (Per accident)	\$
	<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
					OTHER THAN AUTO ONLY: EA ACC	\$
	<b>EXCESS LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE  <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE	\$
					AGGREGATE	\$
						\$
						\$
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>	157341800 (CA)	02/06/03	02/06/04	<input checked="" type="checkbox"/> WC STATUTORY LIMITS	OTHER
					E.L. EACH ACCIDENT	\$ 1,000,000
					E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
					E.L. DISEASE - POLICY LIMIT	\$ 1,000,000
D	<b>OTHER</b> Errors & Omissions Claims Made	BO811329	04/12/03	04/12/04	Limit/clm	1,000,000
					Ded.	2,500/clm

**DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS**  
 Certificate holder is additional insured on a primary, non contributory basis for general liability arising directly or indirectly from services performed on their behalf by the named insured.

<b>CERTIFICATE HOLDER</b>	<input checked="" type="checkbox"/> <b>ADDITIONAL INSURED; INSURER LETTER:</b>	<b>CANCELLATION</b>
VISTA-1  City of Vista 600 Eucalyptus Ave. Vista CA 92085-1988		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.  AUTHORIZED REPRESENTATIVE 

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT  
CAREFULLY.**

**ADDITIONAL INSURED -- OWNERS, LESSEES OR  
CONTRACTORS (FORM B)**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART.  
SCHEDULE**

**Name of Person or Organization:**

**CITY OF VISTA, CA**

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of your ongoing operations performed for that insured.

**AS RESPECTS REDFLEX TRAFFIC SYSTEMS, INC.**

With respect to the insurance afforded the additional insured, paragraph 4 of COMMERCIAL GENERAL LIABILITY CONDITIONS (Section IV) is deleted and replaced by the following:

4. Other insurance:

- a. This insurance is primary, and our obligations are not affected by any other insurance carried by such additional insured whether primary, excess, contingent or on any other basis.
- b. This additional provision applies only to the person or organization shown in the schedule.