



20101 SW Birch Street, Suite 250, Newport Beach, CA 92660, (949) 851-1600, www.platescan.com

Greg Hutson
Public Safety Coordinator
City of Irving Technology Department
Irving Police Department
825 W. Irving Blvd
Irving, TX 75060

March 31, 2009

Mr. Hutson:

RFO#-FY200-2009-7717 - Automatic License Plate Readers

Thank you for the opportunity to present our quotation for License Plate Readers for the City of Irving.

PlateScan is a proven leader in providing license plate recognition to law enforcement in the United States, including the FBI through our relationship with In-Q-Tel. Our systems are being used in Arizona, California, Connecticut, Hawaii, Maryland, Massachusetts, Nevada, New Mexico, New York, New Jersey, North Carolina, Puerto Rico, South Carolina, Texas and Wisconsin with great success. PlateScan is the ALPR leader here in Texas and, hopefully, the attached information will show you why.

Our systems have been used to

- protect access to mission critical homeland security facilities
- help detect serious serial criminal activity
- find and recover stolen vehicles
- assist in surveillance for narcotics teams
- reveal parking scofflaws
- help protect our international borders.

In conjunction with our back office data management product, PlateScan Connect, we will provide the City of Irving with the most up-to-date and comprehensive system for gathering and analyzing license plate information. We meet all the software, hardware, functional, training and management requirements listed in the RFO. For our company profile, please see attached Company Background in the Overview of Project section.

I have attached three separate proposals that I believe fit your Agency's needs. All three offer the requested four camera system for the patrol vehicles, but I have offered three different portable systems. Quote 09-02A and 09-03A are for two and three camera portable infrared systems, respectively, with the computer is mounted in a hard shell case.

It is my understanding that the portable unit is for your auto theft unit. So, with that in mind, I have also attached Quote 09-01A, which I feel would not only meet their needs, but due to pricing, offers the opportunity for additional auto theft investigators to be provided with systems.

PlateScan

RFO for License Plate Recognition

Vendor has attached detailed system specifications, features, and contracts (Yes / No) Yes

Price Summary:

| | Quote 1A | Quote 2A | Quote #A |
|---|------------------|------------------|------------------|
| Sub-Total Cost for Shipping and Handling: | \$ Included | Included | Included |
| Sub-Total Cost for Hardware: | \$ 47,295 | \$ 60,995 | \$ 60,300 |
| Sub-Total Cost for Software: | \$ Included | Included | Included |
| Sub-Total Cost for Professional Services: | \$ 4,000 | \$ 4,750 | \$ 4,750 |
| Total Cost: | \$ 51,295 | \$ 65,745 | \$ 65,050 |

Price valid through date: July 31, 2009

Delivery Time Frame from Date of Order: 6-8 weeks from date of purchase order

Warranty and Support Narrative:

Description: Initial one year of coverage from date of installation included in base system price. Additional two years of coverage has been included in bid.

Coverage Periods (24x7x365, 8-5M-F,...): Telephone support available 8:30am- 8:00pm CT. Replacement parts will be shipped overnight. On-site service, if necessary, will be provided.

Optional Items (Hardware / Software Options and Upgrades, Optional Services, Support and Maintenance Options)

| Item | Description | Unit Price | S/H Price | Modification / Comments |
|------|----------------------------------|------------|-----------|-------------------------|
| 1 | 2-Year Ext Warranty for Quote 1A | \$12,770 | | |
| 2 | 2-Year Ext Warranty for Quote 2A | \$16,468 | | |
| 3 | 2-Year Ext Warranty for Quote 3A | \$16,280 | | |

Cooperative Purchasing Arrangement

Should any other governmental entity(ies) that has(have) entered into an inter-local cooperative purchasing agreement with the City of Irving decide to participate in this solicitation, would you, the vendor, agree that all terms, conditions, specifications and pricing agreed to in this solicitation would also apply to the additional participating entity(ies)?

X YES

 NO

If you, the vendor, checked "YES" above, you agree that the other governmental entities wishing to participate in this solicitation will be eligible, but not obligated, to purchase materials/services under the contract(s) awarded as a result of this solicitation. All purchases by a governmental entity other than the City of Irving shall be billed directly to that governmental entity and paid for by that governmental entity. The City of Irving will not be responsible for payment of another governmental entity's invoices. Each governmental entity will order their material/services as needed.

The Following Compliance Needs To Be Met Unless Otherwise Specified In The Return Of Request For Quote.

- Note 1: All components should be brand new equipment with manufacturer's latest version of software, bios, package and warranty. All part number, feature code (P/N) listed should be corresponding to the manufacturer's part number.
- Note 2: The City of Irving is Tax-Exempt. Tax Number is 75-6000566.
- Note 3: This is a Solicitation for Written Price Quote only. This RFO is not an Order for Purchase.
- Note 4: The City of Irving reserves the right to purchase the above equipment in quantities less than requested or as part of a phased ordering process.

- Note 5: Product names used in this Request are for identification purposes only, and may be trademarks of their respective companies.
- Note 6: All systems (Servers and Workstations) need to be EPA Energy Star System Regulatory Compliance.
- Note 7: All systems need to have 24 Hours Technical Support. (Unless otherwise stated)
- Note 8: All systems need to have a minimum of 3 Years Warranty, Overnight Replacement of Defective Parts, Service and Support (1st year on-site), and 30 days money back guarantee.
- Note 9: All components will need to meet City's Year 2000 Compliant Standard, which means, with respect to information technology, that the information technology accurately processes date/time data (including, but not limited to, calculating, comparing, and sequencing) from, into and between the twentieth and twenty-first centuries, and the years 1999 and 2000, and leap year calculations, to the extent that other information technology, used in connection with the subject information technology, properly exchanges date/time data with it.

Company Information

| | | | |
|----------------------|--------------------------|-------------|--|
| Legal Company Name: | PlateScan, Inc. | Address: | 20101 SW Birch St., Suite 250 Newport Beach, CA 92660 |
| Purchasing Program: | | Program ID: | |
| Representative Name: | Ken Mackenzie | Title: | Law Enforcement Liaison |
| Email: | kmackenzie@platescan.com | Phone: | 214-882-3877 |
| Signature: | <i>Ken Mackenzie</i> | Date: | 03/31/09 |

www.platescan.com

PlateScan

Ken MacKenzie

Southwest Regional Law Enforcement Liaison

kmackenzie@platescan.com

T: 214.882.3877 F: 214.594.5588

3767 Forest Lane Suite 124 Dallas, TX 75244

This system is our color camera system that works off any existing compatible MDC. The software and system works identical to the infrared system, but cameras do require ambient lighting at night, which includes headlights, parking lot and street lights, etc. This unit is ideal for auto theft investigators, because unlike an infrared unit, one color camera can cover several lanes of traffic.

In the investigative application, most agencies use one camera on the front windshield and the second can either be on a side window or rear window. Also unlike an infrared camera, color cameras can be placed inside of the vehicle and are far more covert.

PlateScan is proud to offer the City of Irving the following prices:

Quote 1A: Two 4 camera mobile systems and one 2 color camera system using any existing compatible MDC (if needed, an MDC -Panasonic Toughbook CF-74 can be added for approximately \$3,400): \$51,295

Quote 2A: Two 4 camera mobile systems and one 2 infrared/1 color camera portable: \$65,745

Quote 3A: Two 4 camera mobile systems and one 2 infrared camera portable system: \$65,050

PlateScan's CPU based systems are compatible with all brand MDC systems and our color camera MDC based systems are compatible with MDC's for a one camera system and most MDC's for a two camera system. Additionally, we are a partner company with both Panasonic and Redflex Traffic Systems.

This response is good for 120 days. We look forward to working with you on this project.

Respectfully submitted,



Ken MacKenzie
Southwest Regional Law Enforcement Liaison
PlateScan, Inc
3767 Forest Lane, Ste 124-1162
Dallas, TX 75244
214-882-3877
kmackenzie@platescan.com



Automatic License Plate Recognition System

CLIENT: City of Irving
825 W. Irving Blvd
Irving, TX 75060
ATTENTION: Greg Hutson
QUOTE REF: Irving, TX PD 09-01A

20101 SW Birch Street, Suite 250, Newport Beach, CA 92660

DATE: 03/31/09

CONTACT: Ken MacKenzie
kmackenzie@platescan.com
214-882-3877

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|----------|--|------------------------|------------------------------|
| 2 | "PlateScan" mobile 4-camera ALPR system (SYS-3+1-CR) Each includes: Mobile Data Computer with trunk mounts (PS PPU20A) GPS Receiver (PS GPS1) Cameras capable of reading 4 lanes of traffic simultaneously, consisting of: 3 dual IR/color overview cameras (PSC R7), externally mounted and 1 color camera (PSC C2), mounted internally A software package (PS TX) comprising: Windows XP Operating system, PlateScan License Plate Recognition system, Police user interface software, manual entry software, local database software Each includes: Wiring loom, light bar mounting brackets, external and internal camera mounts and all necessary cables, connectors and installation and user manuals | \$ 21,000.00 | \$ 42,000.00 |
| 1 | "PlateScan" mobile 2-camera ALPR system (SYS-P-2-C) Each includes: GPS Receiver (PS GPS1) Color cameras (PSC-C2) capable of reading 2 lanes* of traffic A software package (PS TX) installed on an existing compatible MDC comprising: PlateScan License Plate Recognition system, Police user interface software, manual entry software, local database software Includes: Internal camera mounts, frame grabbers, cables and installation and user manuals * color camera can be manually moved to cover multiple lanes | \$ 5,295.00 | \$ 5,295.00 |
| 3 | "PlateScan" Data Analysis Module (PS-DAM) This central repository of data downloaded onto an existing server running MS-SQL includes the following features: The ability to search and archive data downloaded either from a memory stick or wirelessly Each plate patch and vehicle image will be stored and be searchable either as a full or partial plate. The date, time and GPS coordinates of every license plate scanned will be stored and mapped. | Included | N/C |
| 2 | Installation and training-mobile systems PlateScan engineer will install systems at your facility. LE Liaison will train the primary users. Includes travel and accommodations. | 2,500.00 | \$ 5,000.00 |
| 1 | Installation and training - portable system Discount if all three installations are performed at once. | 1,750.00 (2,750.00) | \$ 1,750.00 \$ (2,750.00) |
| | Annual License Fees | | NONE |

All prices are in US dollars and are exclusive of taxes. These prices are based on the systems being networked to an existing in-car Mobile Data Computer (MDC) running Windows XP or 2000. Where such a system does not exist, we can supply a touch-screen, keyboard and mounts for an additional \$1,650 per vehicle.

| | |
|------------------|---------------------|
| SUBTOTAL | \$ 51,295.00 |
| TAX RATE | 0.000% |
| SALES TAX | - |
| TOTAL | \$ 51,295.00 |

TERMS: 40% on order, 60% on delivery
DELIVERY: Within 8 weeks of order
MAINT.: The system is supplied with a one year warranty on all hardware and software, including any upgrades issued during that time. Further annual maintenance to cover all hardware and software is available at 13.5% of the capital purchase cost. (\$6,384.83)

THIS PROPOSAL IS VALID FOR 120 DAYS FROM DATE LISTED ABOVE.

All prices are in US dollars and are exclusive of taxes. These prices are based on the systems being networked to an existing in-car Mobile Data Computer (MDC) running Windows XP or 2000. Where such a system does not exist, we can supply a touch-screen, keyboard and mounts for an additional \$1,650 per vehicle.

| | |
|-----------|--------------|
| SUBTOTAL | \$ 65,745.00 |
| TAX RATE | 0.000% |
| SALES TAX | - |
| TOTAL | \$ 65,745.00 |

TERMS: 40% on order, 60% on delivery
DELIVERY: Within 8 weeks of order
MAINT.: The system is supplied with a one year warranty on all hardware and software, including any upgrades issued during that time. Further annual maintenance to cover all hardware and software is available at 13.5% of the capital purchase cost. (\$8,234)

THIS PROPOSAL IS VALID FOR 120 DAYS FROM DATE LISTED ABOVE.

PlateScan

QUOTATION

Automatic License Plate Recognition System

20101 SW Birch Street, Suite 250, Newport Beach, CA 92660

CLIENT: City of Irving
825 W. Irving Blvd
Irving, TX 75060

DATE: 03/31/09

ATTENTION: Greg Hutson
QUOTE REF: Irving, TX PD 09-03A

CONTACT: Ken MacKenzie
kmackenzie@platescan.com
214-882-3877

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|----------|--|------------------------|------------------------------|
| 2 | "PlateScan" mobile 4-camera ALPR system (SYS-3+1-CR) Each includes: Mobile Data Computer with trunk mounts (PS PPU20A) GPS Receiver (PS GPS1) Cameras capable of reading 4 lanes of traffic simultaneously, consisting of: 3 dual IR/color overview cameras (PSC R7), externally mounted and 1 color camera (PSC C2), mounted internally A software package (PS TX) comprising: Windows XP Operating system, PlateScan License Plate Recognition system, Police user interface software, manual entry software, local database software Each includes: Wiring loom, light bar mounting brackets, external and internal camera mounts and all necessary cables, connectors and installation and user manuals | \$ 21,000.00 | \$ 42,000.00 |
| 1 | PlateScan Portable 2 camera ALPR system-SYS-EP-2-R Each includes: Mobile Data Computer mounted in hardshell Case (PS PPU20A) GPS Receiver (PS GPS1) Cameras capable of reading 2 lanes of traffic simultaneously, consisting of: 2 dual IR/color overview cameras (PSC R7) A software package (PS TX) installed on an existing compatible MDC comprising: PlateScan License Plate Recognition system, Police user interface software, manual entry software, local database software Includes: window camera mounts, cables and installation and user manuals | \$ 18,300.00 | \$ 18,300.00 |
| 3 | "PlateScan" Data Analysis Module (PS-DAM) This central repository of data downloaded onto an existing server running MS-SQL includes the following features: The ability to search and archive data downloaded either from a memory stick or wirelessly. Each plate patch and vehicle image will be stored and be searchable either as a full or partial plate. The date, time and GPS coordinates of every license plate scanned will be stored and mapped. | Included | N/C |
| 2 | Installation and training-mobile systems PlateScan engineer will install systems at your facility. LE Liaison will train the primary users. Includes travel and accommodations. | 2,500.00 | \$ 5,000.00 |
| 1 | Installation and training - portable system Discount if all three installations are performed at once. | 1,750.00 (2,000.00) | \$ 1,750.00 \$ (2,000.00) |
| | Annual License Fees | | NONE |
| SUBTOTAL | | | \$ 65,050.00 |
| TAX RATE | | | 0.000% |

All prices are in US dollars and are exclusive of taxes. These prices are based on the systems being networked to an existing in-car Mobile Data Computer (MDC) running Windows XP or 2000. Where such a system does not

exist. we can supply a touch-screen, keyboard and mounts for an additional \$1,650 per vehicle

SALES TAX

TOTAL

| | | |
|----|-----------|---|
| | | - |
| \$ | 65,050.00 | |

TERMS: 40% on order, 60% on delivery

DELIVERY: Within 8 weeks of order

MAINT.: The system is supplied with a one year warranty on all hardware and software, including any upgrades issued during that time. Further annual maintenance to cover all hardware and software is available at 13.5% of the capital purchase cost. (\$8,140)

THIS PROPOSAL IS VALID FOR 120 DAYS FROM DATE LISTED ABOVE.

References

National Security Agency:
NSA Police, Fort Meade, MD
301-688-6339

Los Angeles Police Department:
Sgt. David Podesta
Los Angeles Police Department, Los Angeles, CA
32305@lapd.lacity.org
310-444-0743

San Jose Police Department:
Lt. Dale Morgan
San Jose Police Department, San Jose, CA
dale.morgan@sanjoseca.gov
408-277-4728

NJ Office of Domestic Preparedness:
Det. Tony Del Duca, Commander
Essex-Union Auto Theft Task Force, Newark, NJ
dukes0032@msn.com
908-298-7840

Sacramento Police Department:
Mark Bateson
Sacramento Police Department, Sacramento, CA
Mbateson@pd.cityofsacramento.org
916-765-3030

TEXAS AGENCIES

Baytown Police Department
Sgt. Roger Park (Police Field Personnel)
Roger.park@baytown.org
Rene Valdez (IT Manager)
rene.valdez@baytown.org
832-929-6658

Dallas Police Department
Sgt. Mike Coleman
michael.coleman1@dpd.ci.dallas.tx.us
214-671-4993

Galveston County Sheriff's Department
Lt. Tommy Hansen (Police Management)
Tommy.Hansen@co.galveston.tx.us
409-766-4500
Danny Shepherd (Police Field Personnel)
Sheppard.danny@co.galveston.tx.us
409-766-4500

Harris County Sheriff's Department
Bill Herr (IT)
William.Herr@Sheriff.hctx.net
281-290-2144

Houston Police Department
Capt. Mark Fougrousse (Police Management)
Mark.Fougrousse@cityofhouston.net
713-417-9951
Carlos Salas (IT Manager)
CarlosF.Salas@CityOfHouston.net
713-247-5773

Lewisville Police Department
Captain Todd Taylor (Police Management)
Chris Lee (IT)
972-219-5042
ttaylor@cityoflewisville.com
CLee@cityoflewisville.com

Mesquite Police Department:
Lt. David Faaborg (Police Management)
jramsay@mesquitelocal.org
972-216-6250
Todd Dover (IT)
tdover@ci.mesquite.tx.us
972-216-4173

Mission Police Department
Jim Borman (IT)
missiontxpdit@rgv.rr.com
956-854-5090

Plano Police Department:
Barbara Smith (Police Management)
barbarasm@plano.gov
972-941-2277

Richardson Police Department
Det. Bryan Ray (Police Field Personnel)
Chris Newell (IT)
972-238-3800
brian.ray@cor.gov
christopher.newell@cor.gov

Tyler City Marshall's Office
Marshall Jay Hudnall (Police Management)
jhudnall@tylertexas.com
903-531-1266
Jeremy English (IT)
jenglish@tylertexas.com
903-531-1111

City of Irving, Texas

Bid Name: **ALPR**

Bid Number: **2008-2009-7717**

Bid Due Date: **04/01/09**

Vendor Name: **PLATESCAN, INC**

ATTACHMENT C – TO BE RETURNED WITH YOUR RESPONSE

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor or other person doing business with local governmental entity

This questionnaire is being filed in accordance with chapter 176 of the Local Government Code by a person doing business with the governmental entity.

By law this questionnaire must be filed with the records administrator of the local government not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.

A person commits an offense if the person violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

OFFICE USE ONLY

Date Received

1 Name of person doing business with local governmental entity.

Kenneth B. MacKenzie

2 ☐ Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than September 1 of the year for which an activity described in Section 176.006(a), Local Government Code, is pending and not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3 Name each employee or contractor of the local governmental entity who makes recommendations to a local government officer of the governmental entity with respect to expenditures of money AND describe the affiliation or business relationship.

NONE

4 Name each local government officer who appoints or employs local government officers of the governmental entity for which this questionnaire is filed AND describe the affiliation or business relationship.

No Affiliation

City of Irving, Texas

Bid Name: ALPR

Bid Number: 2008-2009-7717

Bid Due Date: 04/01/09

Vendor Name: PLATESCAN, INC

FORM CIQ

Page 2

CONFLICT OF INTEREST QUESTIONNAIRE

For vendor or other person doing business with local governmental entity

- 5 Name of local government officer with whom filer has affiliation or business relationship. (Complete this section only if the answer to A, B, or C is YES.**

This section, item 5 including subparts A, B, C & D, must be completed for each officer with whom the filer has affiliation or other relationship. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income from the filer of the questionnaire? ☐ Yes ☐ No

B. Is the filer of the questionnaire receiving or likely to receive taxable income from or at the direction of the local government officer named in this section AND the taxable income is not from the local governmental entity? ☐ Yes ☐ No

C. Is the filer of this questionnaire affiliated with a corporation or other business entity that the local government officer serves as an officer or director, or holds an ownership of 10 percent or more? ☐ Yes ☐ No

D. Describe each affiliation or business relationship.

6

Kenneth MacKie
Signature of person doing business with the governmental entity

03/31/09

Date

Adopted 11/02/2005

SOFTWARE LICENSE AGREEMENT

THIS SOFTWARE LICENSE AGREEMENT ("**Agreement**") is entered into as of this ____ day of ____, 2009 (the "**Effective Date**") by and between PlateScan, Inc., with offices at 20101 Birch Street, Suite 250, Newport Beach, California 92660 ("**PlateScan**") and _____, with offices at _____ ("**Licensee**").

RECITALS

A. PlateScan is the owner of its proprietary PlateScan[®] software (along with all accompanying documentation, the "**Software**").

B. PlateScan desires to grant to Licensee and Licensee desires to obtain from PlateScan a nonexclusive license to use the Software solely in accordance with the terms and on the conditions set forth in this Agreement.

AGREEMENT

THEREFORE, in consideration of the premises, agreements, covenants, representations and warranties herein contained, and for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, PlateScan and Licensee agree as follows:

1. LICENSES

1.1 Use of the Software. Subject to the terms and conditions of this Agreement, PlateScan hereby grants to Licensee a limited, non-exclusive and non-transferable right to use the Software in accordance with the limitations set forth in this Agreement. PlateScan shall deliver the Software to Licensee in object code format on a date to be mutually agreed after the mutual execution of this Agreement. Without PlateScan's prior written consent, Licensee shall not be permitted to use the Software in any manner except in connection with Licensee's application identified in *Exhibit A* (the "**Licensee Application**").

1.2. Restrictions. Licensee shall not: (i) sublicense, transfer, lend, rent, assign, or otherwise convey the Software to any third party; (ii) create "Derivative Works" (as such term is defined in Section 6) of the Software; (iii) use the software for any purpose other than in connection with the Licensee Application as permitted hereunder; or (iv) copy the Software except as expressly authorized under this Agreement. In the event that Licensee desires to use the software for any application other than the Licensee Application, such use shall be subject to PlateScan's prior written consent in each instance, and shall be subject to the payment of an additional licensing fee to PlateScan in an amount to be determined by PlateScan at the time of Licensee's request

2. INTEGRATION/ADDITIONAL SERVICES.

PlateScan shall provide such reasonable assistance as is necessary to integrate the software to operate other than in the manner contemplated in the specifications attached hereto as *Exhibit A* (the "**Specifications**"). Any assistance provided by PlateScan beyond the scope of the Specifications at any time, shall be subject to additional fees

at a rate to be agreed upon when the request for assistance is made.

3. MODIFICATION OF SOFTWARE. In the event that Licensee modifies the object code of the Software in any manner or the method of installation, other than expressly permitted in the Specifications, all such modification shall be performed at Licensee's sole risk. As a matter of clarity, in the event of any modification of the Software by Licensee, (i) PlateScan shall have no liability for the failure of the Software to perform as intended, (ii) PlateScan shall have no obligation to render any support or assistance with the Software to correct such modification or improve the operability of the License Application, and (iii) all warranties offered by PlateScan hereunder (or as may be required by law) shall be null and void.

4. SECURITY ACKNOWLEDGEMENT. Licensee acknowledges that PlateScan has neither responsibility for nor control of the communications lines used to access the Software because such lines are provided by Licensee or a third party provider, and that the security of transmissions to and from the Software is not the responsibility of PlateScan.

5. LICENSE FEES

5.1 Fees. In consideration of the rights granted in Section 1 above, Licensee shall pay to PlateScan the license fee (the "**License Fee**") identified in *Exhibit A*. All amounts payable hereunder by Licensee shall be payable in United States Dollars without deductions or charges of any kind. Checks shall be made payable to PlateScan and shall be forwarded to PlateScan at the following address:

PlateScan, Inc.
20101 Birch Street, Suite 250,
Newport Beach, CA 92660
Attention: Mark Kelly

5.2 Payment Terms. All payments shall be due within thirty (30) days of completion of acceptance and testing and upon receipt of final invoice.

6. PROPRIETARY RIGHTS. PlateScan and its successors, privies and assigns shall exclusively own all now known or hereafter existing rights of every kind and nature throughout the universe (including, but not limited to, all copyrights, patents, trademarks, trade names, service names, service marks, and design rights, and all renewals and extensions thereof.) in and to the Software and all related artwork, fonts, logos and designs (collectively, the "PlateScan Properties"). Further, PlateScan shall solely and exclusively own any "Derivative Works" created by Licensee or a third party from the use of either the object code or the source code of the Software. For purposes of this Agreement, "Derivative Work" shall be defined as set forth in the Copyright Law of the U.S., Title 17 U.S.C. § 101 *et seq.* Licensee shall not have or acquire any right, title, or interest in the PlateScan Properties, the Software (or any Derivative Works thereof) or such other materials provided by PlateScan under any circumstances whatsoever. Licensee shall, and shall cause any parties acting under it in relation to this Agreement, to execute any and all documents and do such other acts requested at any time by PlateScan as may be required to evidence, confirm and/or further effect PlateScan's ownership of the PlateScan Properties pursuant to this Agreement.

7. CONFIDENTIALITY

7.1 Defined. By virtue of this Agreement, Licensee may have access to information that is confidential to PlateScan ("Confidential Information"). Confidential Information shall include but not be limited to the Software performance and operation, algorithms, formulas, methods, know-how, processes, designs, new products under development by PlateScan, developmental work, prospective customer names, the terms and pricing under this Agreement, and all information clearly identified in writing at the time of disclosure as confidential.

7.2 Exceptions. Confidential Information shall not include information that (a) is or becomes a part of the public domain through no wrongful act or omission of Licensee; (b) was in Licensee's lawful possession prior to the disclosure and had not been obtained by Licensee either directly or indirectly from PlateScan; (c) is lawfully disclosed to Licensee by a third party without restriction on disclosure; or (d) is independently developed by Licensee without reference to the Confidential Information.

7.3 Use and Nondisclosure. Licensee agrees to hold PlateScan's Confidential Information in confidence during the term of this Agreement and for a period of five years after termination of this Agreement. Licensee agrees not to make the Confidential Information available in any form to any third party or to use the Confidential Information for any purpose other than the implementation of this Agreement, with the exception that Licensee may disclose Confidential Information if required by law, requirement or order; provided, that Licensee will promptly notify the PlateScan of such request and cooperate with

PlateScan in its efforts to contest such request, requirement or order or to obtain confidential treatment of such Confidential Information. Licensee agrees to take all reasonable steps to ensure that Confidential Information is not disclosed or distributed by its employees or agents in violation of the terms of this Agreement.

8. WARRANTIES

8.1 Warranty for the Software. PlateScan warrants to Licensee that the Software actually licensed for use by Licensee shall substantially perform the functions described in the Specifications for one (1) year from date of first use. If the Software does not conform to the foregoing warranty, PlateScan shall, as PlateScan's sole and exclusive obligation and at its option, repair or replace the relevant Software or refund to Licensee a prorated portion of the License Fee paid for the relevant Software. NOTWITHSTANDING THE FOREGOING, PLATESCAN DOES NOT WARRANT THAT LICENSEE'S USE OF THE SOFTWARE SHALL BE UNINTERRUPTED OR ERROR-FREE.

8.2 Disclaimers. The above warranties of Section 8.1 do not cover the results of accident, abuse, neglect, improper testing, or vandalism caused by anyone other than PlateScan or PlateScan's authorized agents, acts of God, use contrary to the applicable specifications or instructions, or repair or modification to the Software by anyone other than PlateScan or PlateScan's authorized agents. EXCEPT AS EXPRESSLY PROVIDED IN THIS SECTION 8, PLATESCAN FURNISHES, AND LICENSEE ACCEPTS, THE SOFTWARE "AS IS," WITH NO WARRANTY, EXPRESS OR IMPLIED, AND THERE ARE EXPRESSLY EXCLUDED THE IMPLIED WARRANTIES OF TITLE, MERCHANTABILITY, NON-INFRINGEMENT, AND FITNESS FOR A PARTICULAR PURPOSE, AND ANY IMPLIED WARRANTIES ARISING FROM COURSE OF CONDUCT OR DEALING. THE STATED EXPRESS WARRANTIES ARE IN LIEU OF ALL OBLIGATIONS OR LIABILITIES ON THE PART OF PLATESCAN ARISING OUT OF, OR IN CONNECTION WITH, ANY SOFTWARE SUPPLIED UNDER THIS AGREEMENT. TO THE EXTENT THAT PLATESCAN MAY NOT, AS A MATTER OF APPLICABLE LAW, DISCLAIM ANY WARRANTY, THE SCOPE AND DURATION OF SUCH WARRANTY SHALL BE THE MINIMUM PERMITTED UNDER APPLICABLE LAW. LICENSEE ACKNOWLEDGES THAT THE FOREGOING DISCLAIMER IS A MATERIAL FACTOR IN DETERMINING THE AMOUNT OF THE LICENSE FEE PAID HEREUNDER.

9. TERM AND TERMINATION

9.1 Term. The term of Licensee's right to use the Software in accordance with the provisions of this Agreement shall commence on the Effective Date and shall continue in perpetuity unless the Agreement is terminated in

accordance with the provision of Section 9.2 below.

9.2 Termination for Breach. PlateScan shall have the right to immediately terminate this Agreement if Licensee breaches any material term of this Agreement and fails to correct the breach within thirty (30) days following written notice from PlateScan specifying the breach. Notwithstanding the foregoing, Licensee's breach of Sections 1.1, 1.2 or 7 shall constitute a non-curable breach of this Agreement, and PlateScan may terminate this Agreement following thirty (30) days notice of such breach to Licensee.

9.3 Rights and Obligations Upon Termination. Upon termination this Agreement, all licenses granted hereunder shall immediately terminate and Licensee shall make no further use of Software, equipment, property, materials or other items (or any copies thereof) belonging to PlateScan and provided in connection with this Agreement. Upon termination of this Agreement, Licensee shall promptly pay PlateScan any amounts owed.

10. INDEMNIFICATION. Licensee shall, to the extent provided by law without waiving any rights, defenses or immunities available to it under the Texas Tort Claims Act, at its own expense, defend, indemnify and hold PlateScan and its affiliates, officers, directors, employees, agents and contractors harmless from (a) any breach of Licensee's obligations under Sections 1.1, 1.2, 6 and 7, and/or (b) from any claim or suit arising from any use of the Software in any manner that is not expressly permitted hereunder.

11. LIMITATION OF LIABILITY. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING LOST PROFITS OR REVENUE, LOST SAVINGS, LOSS OF USE OF THE SOFTWARE OR ANY COMPONENT THEREOF, BUSINESS INTERRUPTION, OR COST OF SUBSTITUTED FACILITIES, EQUIPMENT OR SERVICES, OR OTHER ECONOMIC LOSS ARISING OUT OF BREACH BY THE OTHER PARTY OF ANY OF ITS REPRESENTATIONS, WARRANTIES OR AGREEMENTS CONTAINED IN THIS AGREEMENT, WHETHER OR NOT SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, WHETHER OR NOT ANY LIMITED REMEDY FAILED OF ITS ESSENTIAL PURPOSE, AND WHETHER ANY CLAIM FOR RECOVERY IS BASED ON THEORIES OF CONTRACT, NEGLIGENCE OR TORT (INCLUDING STRICT LIABILITY). NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS AGREEMENT, IN NO EVENT SHALL PLATESCAN'S AGGREGATE LIABILITY TO LICENSEE, AND ANY OTHER THIRD PARTY, EXCEED THE AMOUNT ACTUALLY PAID TO PLATESCAN UNDER THIS AGREEMENT IN THE TWELVE (12) MONTHS PRIOR TO THE CLAIM OR ACTION, REGARDLESS OF THE FORM OF CLAIM OR

ACTION, UNLESS DAMAGES ARE THE RESULT OF GROSS NEGLIGENCE OR INTENTIONAL MISCONDUCT.

12. U.S. GOVERNMENT RESTRICTED RIGHTS If Licensee is acquiring the Software on behalf of any unit or agency of the United States Government, the following provisions apply. The Software constitutes a "commercial item," as that term is defined at Federal Acquisition Regulation (FAR) 2.101 (Oct. 1995), consisting of "commercial computer software" and "commercial computer software documentation," as such terms are used in FAR 12.212 (Sept. 1995), and is provided to the U.S. Government only as commercial software (with "Restricted Rights," if applicable). Use, duplication, or disclosure by the U.S. Government is subject to restrictions set forth in this Agreement and as provided in DFARS 227.7202-1(a) and 227.7202-3(a) (1995), DFARS 252.227-7013(c)(1)(ii) (OCT 1988), FAR 12.212(a) (1995), FAR 52.227-19, or FAR 52.227-14 (ALT III), as applicable.

13. GENERAL

13.1 Force Majeure. Neither party shall be liable hereunder by reason of any failure or delay in the performance of its obligations hereunder (except for the payment of money) on account of strikes, electrical or other shortages, riots, insurrection, fires, flood, storm, explosions, acts of God, war, governmental action, labor conditions, earthquakes, material shortages, or any other cause beyond the reasonable control of such party.

13.2 Independent Contractors. Nothing in this Agreement shall be construed as creating an employer-employee relationship, a partnership, or a joint venture between the parties.

13.3 Governing Law. This Agreement shall be governed by the laws of the State of Texas, and both Licensee and PlateScan consent to jurisdiction and venue in the state and federal courts sitting in the State of Texas and in particular, within Collin County, Texas.

13.4 Severability. If for any reason a court of competent jurisdiction finds any provision of this Agreement, or portion thereof, to be unenforceable, that provision of the Agreement will be enforced to the maximum extent permissible so as to affect the intent of the parties, and the remainder of this Agreement will continue in full force and effect. Failure by either party to enforce any provision of this Agreement will not be deemed a waiver of future enforcement of that or any other provision.

13.5 Modification and Waiver. No modification to this Agreement, nor any waiver of any rights, will be effective unless assented to in writing by the party to be charged, and the waiver of any breach or default shall not constitute a waiver of any other right hereunder or any subsequent breach or default.

13.6 Notices. All notices required or permitted under this Agreement will be in writing and delivered by confirmed facsimile transmission, by courier or overnight delivery service, or by certified mail, and in each instance will be deemed given upon receipt. All communications will be sent to the addresses set forth above or to such other address as may be specified by either party to the other in accordance with this Section. Either party may change its address for notices under this Agreement by giving written notice to the other party.

13.7 Assignment. Licensee shall not be permitted to assign or otherwise transfer this Agreement intentionally or by operation of law or otherwise, in whole or in part, without the prior written consent of PlateScan.

13.8 Entire Agreement. This Agreement and the Exhibit(s) attached hereto constitute the entire and exclusive agreement between the parties hereto with respect to the subject matter hereof and supersede any prior agreements between the parties with respect to such subject matter.

LICENSEE:

By: _____
Name: _____
Title: _____

PLATESCAN, INC.

By: _____
Name: Mark W.J. Kelly
Title: President & C.T.O

City of Irving, Texas

RFO Name: **AUTOMATED LICENSE PLATE READER**

RFO Number: **FY2008-2009-7717**

RFO Due Date: **04/01/09**

ATTACHMENT D (Form GFE-1)

GOOD FAITH EFFORT AFFIDAVIT

On January 11, 2007, the Irving City Council adopted a policy to equitably and conscientiously include Minority- and Women-owned Business Enterprises (M/WBE's) in the City procurement process for all basic goods, services, professional services, and construction solicitations. The City and its contractors shall not discriminate on the basis of race, color, religion, national origin, or sex in the award and performance of contracts. In consideration of this policy, the City of Irving has implemented the Good Faith Effort (GFE) Program.

M/WBE Participation Program

The GFE Program establishes subcontracting goals for all prospective bidders, proposers, and submitters to ensure a reasonable degree of M/WBE participation in City contracts. It is the goal of the City of Irving that a certain percentage of work under each contract be executed by one or more M/WBEs.

The following M/WBE participation goals have been established without consideration for a specific ethnicity or gender:

| Construction | Architectural & Engineering | Professional Services | Other Services | Goods |
|--------------|-----------------------------|-----------------------|----------------|--------|
| 30.00% | 28.00% | 33.00% | 20.00% | 10.00% |

The apparent low bidder/most advantageous proposer shall agree to meet the established goals or must demonstrate and document a "good faith effort" to include M/WBEs in subcontracting opportunities. The apparent low bidder/most advantageous proposer who fails to adequately document good faith efforts to subcontract or purchase significant material supplies from M/WBEs may be denied award of the contract by the City of Irving based on the contractor's failure to be a "responsive" bidder.

By signing below, I agree to provide the City of Irving with a completed copy of all forms required by the Good Faith Effort Program. I understand that if I fail to provide all of the required documents within five (5) business days after notification, my bid may be deemed "non-responsive" and I may be denied award of the contract.

PlateScan, Inc.

Typed or Printed Name of Company

Kenneth MacKenzie

Typed or Printed Name of Certifying Official of Company



Signature of Certifying Official of Company

Law Enforcement Liaison

Title

03/30/09

Date

| | | | |
|---|------------------------------|--|------------------------|
| City of Irving CERTIFICATE OF INSURANCE | | DATE (MM/DD/YY) | |
| PRODUCER | | THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO ADDITIONAL RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW | |
| INSURED | | COMPANIES AFFORDING COVERAGE | |
| PLATESCAN, INC. | | COMPANY A HARTFORD CASUALTY INS. CO. | |
| PLATESCAN, INC. | | COMPANY B STATE COMPENSATION INS. FUND | |
| | | COMPANY C | |
| | | COMPANY D | |
| COVERAGES | | | |
| THIS IS TO CERTIFY TO THE PURCHASING MANAGER THAT THE FOLLOWING POLICIES OF INSURANCE, SUBJECT TO THEIR TERMS, CONDITIONS AND EXCLUSIONS, HAVE BEEN ISSUED BY THE COMPANIES COVERING THE INSURED NAMED BELOW FOR THE TYPES OF OPERATIONS AND AT THE LOCATIONS DESCRIBED HEREIN. IT IS UNDERSTOOD AND AGREED THAT NONE OF THE POLICIES REFERENCED HEREIN WILL BE CANCELED, CHANGED, REDUCED IN COVERAGE, OR ALLOWED TO EXPIRE WITHOUT AT LEAST THIRTY (30) DAYS ADVANCE WRITTEN NOTICE BY CERTIFIED MAIL TO THE PURCHASING MANAGER AT THE ADDRESS LISTED UNDER CERTIFICATE HOLDER BELOW. | | | |
| TYPE OF LIABILITY | POLICY NUMBER | EFFECTIVE DATE | EXPIRATION DATE |
| GENERAL LIABILITY | 72 SBA-RB 8483 | 1/22/09 | 1/22/10 |
| COMM GEN LIABILITY | | | |
| CLAIMS MADE | | | |
| CITY ADDITIONAL INSURED | | | |
| AUTOMOBILE LIABILITY | 72 SBA-RB 8483 | 1/22/09 | 1/22/10 |
| ANY AUTO | | | |
| ALL OWNED AUTOS | | | |
| SCHEDULED AUTOS | | | |
| <input checked="" type="checkbox"/> HIRED AUTOS | | | |
| <input checked="" type="checkbox"/> NON-OWNED AUTOS | | | |
| CITY ADDITIONAL INSURED | | | |
| GARAGE LIABILITY | | | |
| ANY AUTO | | | |
| CITY ADDITIONAL INSURED | | | |
| EXCESS LIABILITY | | | |
| UMBRELLA FORM | | | |
| OTHER THAN UMBR | | | |
| CITY ADDITIONAL INSURED | | | |
| WORKERS' COMPENSATION EMPLOYER LIABILITY | 0001373-2007 | 5/2/05 | 5/2/09 |
| PROPRIETOR/PARTNERS/ INCLUDED | | | |
| EXECUTIVE OFFICER ARE | | | |
| INCL EXCL | | | |
| All Risk Builder's Risk | | | |
| CITY NAMED INSURED | | | |
| OTHER | | | |
| LIMITS (\$000) | | | |
| GENERAL AGGREGATE | | | \$2,000,000 |
| PRODUCTS-COMPPOP AGG | | | \$2,000,000 |
| PERSONAL & ADV INJURY | | | \$1,000,000 |
| EACH OCCURRENCE | | | \$1,000,000 |
| FIRE DAMAGE(any one fire) | | | \$200,000 |
| MED EXP (any one person) | | | \$10,000 |
| COMBINED SINGLE LIMIT | | | \$1,000,000 |
| BODILY INJURY (per person) | | | \$ |
| BODILY INJURY (per accident) | | | \$ |
| PROPERTY DAMAGE | | | \$ |
| AUTO ONLY-EA ACCIDENT | | | \$ |
| OTHER THAN AUTO ONLY | | | \$ |
| EACH ACCIDENT | | | \$ |
| AGGREGATE | | | \$ |
| EACH OCCURRENCE | | | \$ |
| AGGREGATE | | | \$ |
| STATUTORY LIMITS | | | 1,000,000 |
| EACH ACCIDENT | | | \$ |
| DISEASE - POLICY LIMIT | | | \$ |
| DISEASE -EACH EMPLOYEE | | | \$ |
| ENDORSEMENTS - PLEASE CHECK MARK WHICH ENDORSEMENTS HAVE BEEN ATTACHED TO THESE POLICIES | | | |
| Premises/Operations | Products/Contract Operations | CG 2503 Amended Aggregate Limit of Insurance per Project | Independent Contractor |
| Blank Contract/Harmless | Owner/Contractor Protective | Explosion, Collapse & Underground Damage (XCU) | OCCURRENCE POLICY |
| Extended Bodily Injury | Broad Form PD | Personal Injury, with employment exclusion deleted | ADDITIONAL INSURED |
| CERTIFICATE HOLDER | | CANCELLATION | |
| THE CITY OF IRVING has been named an additional insured by an endorsement to the coverages, other than Workers' Compensation and Employers' Liability, listed herein with regard to the insured's activities under this project and all premiums arising from the coverages herein shall be the responsibility of the insured. | | Should any of the above described policies be canceled before the expiration date thereof, the issuing company will mail at least thirty (30) days advance written notice to the certificate holder by certified mail. | |
| CONTRACTUAL LIABILITY | | SIGNATURE | |
| Subject to policy terms, conditions and exclusions, specific Contractual Liability coverage is provided as follows: <input checked="" type="checkbox"/> Only for liability assumed by the insured under its Contract with the City of Irving for the operations described herein. <input type="checkbox"/> All Contracts between the insured and the City of Irving | | Authorized Representative | |
| ACKNOWLEDGMENT | | | |
| On this _____ day of _____, 20____ personally appeared _____ an authorized representative of _____ (name of producer) known to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purpose of proving that the insured is covered by the policies of insurance indicated above. | | | |
| Notary Public in and for the State of _____ | | My Commission Expires _____ | |

This Form to be Completed, Signed, and Notarized by Your Insurance Agency for Commercial General Liability and/or Workers' Comp and Return as follows:
 Fax To: Requester's Name: _____, Fax Number: _____, and then mail Original Form to:
 Requester's Name: _____, Dept. # _____, City of Irving, PO Box 152288, Irving TX 75015-2288
 Rev. 8/00



Automatic License Plate Recognition System

CLIENT: City of Irving
825 W. Irving Blvd
Irving, TX 75060
ATTENTION: Greg Hutson
QUOTE REF: Irving, TX PD 09-02A

20101 SW Birch Street, Suite 250, Newport Beach, CA 92660

DATE: 03/31/09

CONTACT: Ken MacKenzie
kmackenzie@platescan.com
214-882-3877

| QUANTITY | DESCRIPTION | UNIT PRICE | AMOUNT |
|----------|--|------------------------|------------------------------|
| 2 | <p>"PlateScan" mobile 4-camera ALPR system (SYS-3+1-CR) Each includes: Mobile Data Computer with trunk mounts (PS PPU20A) GPS Receiver (PS GPS1) Cameras capable of reading 4 lanes of traffic simultaneously, consisting of: 3 dual IR/color overview cameras (PSC R7), externally mounted and 1 color camera (PSC C2), mounted internally A software package (PS TX) comprising: Windows XP Operating system, PlateScan License Plate Recognition system, Police user interface software, manual entry software, local database software Each includes: Wiring loom, light bar mounting brackets, external and internal camera mounts and all necessary cables, connectors and installation and user manuals</p> | \$ 21,000.00 | \$ 42,000.00 |
| 1 | <p>PlateScan Portable 3 camera ALPR system-SYS-EP-2+1-CR Each includes: Mobile Data Computer mounted in HARDSHELL case (PS PPU20A) GPS Receiver (PS GPS1) Cameras capable of reading 3 lanes* of traffic simultaneously, consisting of: 2 dual IR/color overview cameras (PSC R7) 1 color camera (PSC-C2) mounted internally A software package (PS TX) installed on an existing compatible MDC comprising: PlateScan License Plate Recognition system, Police user interface software, manual entry software, local database software Includes: window camera mounts, cables and installation and user manuals * color camera can be manually moved to cover multiple lanes</p> | \$ 18,995.00 | \$ 18,995.00 |
| 3 | <p>"PlateScan" Data Analysis Module (PS-DAM) This central repository of data downloaded onto an existing server running MS-SQL includes the following features: The ability to search and archive data downloaded either from a memory stick or wirelessly. Each plate patch and vehicle image will be stored and be searchable either as a full or partial plate. The date, time and GPS coordinates of every license plate scanned will be stored and mapped.</p> | Included | N/C |
| 2 | <p>Installation and training-mobile systems PlateScan engineer will install systems at your facility. LE Liaison will train the primary users. Includes travel and accommodations.</p> | 2,500.00 | \$ 5,000.00 |
| 1 | <p>Installation and training - portable system Discount if all three installations are performed at once.</p> | 1,750.00 (2,000.00) | \$ 1,750.00 \$ (2,000.00) |
| | Annual License Fees | | NONE |