

Approval of Parkmobile Agreement

June 26, 2019

The Honorable Mayor Fournier and
Members of the City Commission:

In November 2014, the city introduced the Parkmobile app to pay by phone for parking. During that time, we have expanded from 48 spaces to over 1500 spaces. The number of phone transactions for May 2019 was 27,566 and continues to grow. Parkmobile is used in a number of nearby communities and garages to include: City of Birmingham, City of Dearborn, 313 Parking in Detroit (private operator), Premier Parking in Detroit (private operator), City of Grosse Pointe, City of Grosse Pointe Park, Village of Milford, Mt Clemens, City of Pontiac, City of Rochester, North Main Square in Royal Oak.

During the last five years we have been operating under a trial agreement. Staff is recommending approval of a two-year agreement (Attachment 1) as the city's pay by phone app. We have talked to other providers of this service and their rate structure is the same. The city bears no cost for this service all fees are paid by the user. We have experienced growing pains with the introduction of the Parkmobile app. However, most if not all the issues deal with other aspects of the parking system. Since those issues have been resolved, staff is now recommending approval of the agreement.

The following resolution is recommended for adoption:

Be it resolved, the city commission approves the agreement between Parkmobile and the City of Royal Oak to provide pay by phone parking services.

Respectfully submitted,
Greg Rassel
Director of the Departments of
Public Services and Recreation

Approved,



Corrigan O'Donohue
Acting City Manager and Chief of Police

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PARKING SERVICES AGREEMENT

THIS PARKING SERVICES AGREEMENT (this “Agreement”) is made and entered into as of this 10th day of June, 2019 (the “Effective Date”), by and among **PARKMOBILE, LLC**, a Delaware limited liability company (“Parkmobile”), and **CITY OF ROYAL OAK**, a Michigan municipality (“Client”).

RECITALS:

WHEREAS, Parkmobile is engaged in the business of providing integrated solutions for the management of all parking-related matters, including providing a system for the payment of on-street and off-street parking through proprietary mobile applications; and

WHEREAS, Parkmobile and Client desire to enter into a mutually beneficial arrangement, pursuant to which Parkmobile will market through Parkmobile Applications, Sites and other Parkmobile owned or controlled assets, mobile parking services to Client, upon the terms and subject to the conditions contained herein rates.

NOW, THEREFORE, in consideration of the terms, conditions, covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, and in order to effectuate the above arrangement, the parties hereto agree as follows:

ARTICLE 1 DEFINITIONS

Except as otherwise specifically indicated in this Agreement, the following terms have the following meanings in this Agreement (such meanings to be applicable equally to the singular and plural forms of the terms defined):

1.1 “Application” means Parkmobile’s proprietary mobile applications, websites and other properties as Parkmobile may develop for the purpose of, among other things, scheduling, starting, extending and completing Transactions and making payment for all related charges and fees, including but not limited to on-street and off-street parking, etc.

1.2 “IVR System” means Parkmobile’s interactive voice response system.

1.3 “Law” means any applicable law, regulation, legal or regulatory process of any government agency, rule or regulation, or official interpretation thereof that governs or relates to this Agreement, the Services, the Platform or the parties’ respective businesses.

1.4 “Minimum Reporting Elements” means the information and data related to the Transactions as described in Schedule 4 attached to this Agreement.

1.5 “Transaction” means a Member’s purchase through the Platform of the right to use a parking space, charging station or other service for a certain period of time.

1.6 “Parking Fee” means, for each Transaction, the amount set by Client for a given Transaction.

1.7 “Platform” means Parkmobile’s Application; Services; Site; IVR System; Parkmobile’s backend technologies, functions, servers, databases; parking management systems; and Parkmobile’s other products, services, content, features, technologies, functions, applications, and related websites or other applications; and any future updates, changes, revisions or additions thereto, that are related to the management of Transactions.

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1.8 “Report” means a detailed statement of information related to the Transactions, as more particularly described in Schedule 2 to this Agreement.

1.9 “Member Fee” means the fees applicable to the Services, as set forth on Schedule 3. Schedule 3 may be updated from time to time in writing upon the mutual agreement of the parties to reflect any changes or modifications in the Fees payable hereunder.

1.10 “Services” means the provision of solutions and resources to market, sell, process, track, redeem, and manage Transactions, as further defined in Schedule 1.

1.11 “Site” means any website owned or controlled by Parkmobile.

1.12 “Total Price” means the total amount to be charged to the Member for each type of Transaction, including the Parking Fee and any Member Fee or other fees which may be charged in accordance with Schedule 3

1.13 “Transaction” means a Member’s purchase through the Platform of the right to use a parking space, charging station, or other service for a certain period of time.

1.14 “Transaction Data” means all data other than Member Data related to a Member’s parking session, including, time, Total Price, rate paid and other information related to the parking transaction.

1.15 “Member” means the individual Member using the Platform other than Client.

1.16 “Member Data” means all data collected from Members in the process of registering Members and in connection with their usage of the Platform.

1.17 “Net Parking Revenue” mean the Total Price generated by Members, less Member Fees charged by Parkmobile, Transaction Processing Fee, bank transfer and other third-party fees.

1.18 “Transaction Processing Fee” means merchant processing and gateway fees at \$.15 plus 3% of the Parking Fee per authorized Transaction.

1.19 “Emerging Payment Revenue” means the Total Price by Members less Member Fees charged by Parkmobile, Transaction Processing Fees, bank transfer and other third-party fees if applicable.

1.20 “Parking Service Agreement” means Parkmobile’s document entitled “Service Agreement” or other document bearing a similar title, or may refer to any similar document setting forth the applicable pricing, Service description, and additional terms and conditions which is executed or otherwise acknowledged by you in writing and, in any case, also includes all current and subsequent amendments, modifications or supplements thereto as such are implemented from time to time upon the written agreement of the parties. All Parking Service Agreements incorporate fully these Terms (as amended from time to time) without limitation, restriction, or qualification.

ARTICLE 2 SERVICES

2.1 Services Provided by Parkmobile. During the Term (as defined herein), Parkmobile shall direct its personnel to perform the services for Client as described on Schedule 1 hereof (as amended, modified or supplemented from time to time upon the mutual written agreement of the parties, the “Services”). Parkmobile shall render the Services faithfully and to the best of its ability and in compliance with all applicable law, regulation, legal or regulatory process or government agency, rules or regulations (collectively, “Law”), devoting such time as is reasonably necessary to provide the Services. The precise times and manner of the performance of Services shall be as reasonably requested by Client, consistent with a schedule to be reasonably agreed upon from time to time by Parkmobile and Client. In connection with Parkmobile’s performance of the

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Services, Parkmobile shall be subject to, and agrees to abide by, such policies, procedures, directions and restrictions as Client may reasonably establish from time to time.

If Client requires additional work that is not included in this Agreement, Parkmobile and Client shall negotiate the additional work, mutually agree on the amount of additional compensation, and memorialize the terms in either a separate written contract or an amendment to this Agreement.

2.2 Help and Support. Parkmobile agrees to use its reasonable efforts to assist Client with any technical support that Client may reasonably require in relation to using the Services. In furtherance of the foregoing, Parkmobile agrees to provide Client with preventative maintenance, corrective maintenance, adaptive maintenance and online, on-site and telephone support, in each case to the extent reasonably necessary for Parkmobile to provide the Services pursuant to this Agreement. In the event a party becomes aware of any errors or interruptions in the Services, each party shall notify the other Party.

2.3 Error Corrections. In the event of any errors or interruptions in the Services, Parkmobile shall use commercially reasonable efforts to repair or restore that portion of the Services as promptly as possible. Repair may take the form, at the option of Parkmobile, as the case may be, of: (i) corrected software applicable to the Services; (ii) corrected materials in hard copy or electronic form describing the use and operation of the software applicable to the Services, including any manuals and programming tools; (iii) instructions or procedures to bypass the problem until a more permanent correction can be implemented; or (iv) correction/clarification of the functional definition of the Services.

2.4 No Performance Warranty. The Services are provided to Client “AS IS” with no warranty of any kind. Notwithstanding the foregoing, Parkmobile shall provide the Services in accordance with the service levels set forth on Schedule 2, as the same may be amended from time to time, upon written agreement of the parties.

2.5 Reservation of Rights. All rights not expressly granted to Client herein are reserved to Parkmobile. All intellectual property rights related to the Services, as well as any additional services, software, technology or systems developed by Parkmobile, belong to Parkmobile.

2.6 Publicity of Services. All brochures and promotional materials to be distributed by Client in connection with the Services shall be in a form mutually agreed upon by the parties.

2.7 Cooperation. Each party shall reasonably cooperate with the other party to permit such party to perform its duties and obligations under this Agreement in a timely manner.

2.8 Exclusivity. Parkmobile shall be the exclusive mobile parking service provider for Client during the Term of this Agreement.

2.9 Authority of the Parties. Each party acknowledges and agrees that it has no authority to act on behalf of the other party other than as set forth in this Agreement or to enter into any contract or to incur any liability on behalf of the other party, except with prior written consent of an authorized officer of such party. Each party covenants that it shall not at any time represent, either orally or in writing, that it has any right, power or authority with respect to the other party not expressly granted to the other party by such party.

2.10 Technology Sublicense. Parkmobile hereby grants Client the nonexclusive, non-transferable, non-sub-licensable, revocable right and sublicense to use the proprietary technology that relates to the Services (the “Technology”) in connection with the Services. Client shall not use the Technology for any use other than in connection with the Services. Client acknowledges and agrees that (a) Parkmobile shall be its exclusive source of the Technology for the Term; and (b) all Services obtained by Client shall use the Technology as necessary. Client has no interest in or right to use the Technology or any improvements thereto or modifications thereof except as set forth herein. In all instances, Client’s use of the Technology shall inure to Parkmobile’s benefit. During the Term or at any time thereafter, Client shall not commit, or cause any third party to commit,

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any act challenging, contesting or impairing or attempting to impair Parkmobile's right, title and interest in and to the Technology or the validity thereof.

ARTICLE 3 FEES; EXPENSES

3.1 Fees. The fees (the “Fees”) applicable to the Services, are set forth on Schedule 3. Schedule 3 may be updated from time to time in writing upon the mutual agreement of the parties to reflect any changes or modifications in the Fees payable hereunder. For each Transaction, Parkmobile shall charge the Member the Total Price. If Parkmobile is the Merchant of Record (“MOR”), Client shall provide to Parkmobile a Client Electronic Funds Authorization Form (Schedule 6), W-9, and copy of a voided check or bank letter with account info (“Distribution Information”) prior to remittance. Parkmobile will retain all Client funds without penalty until Parkmobile receives distribution information from Client. Thereafter, Parkmobile shall remit Net Parking Revenue to Client on a monthly basis. Client hereby appoints Parkmobile as its limited agent to accept and process payments in connection with the Services and acknowledges that receipt of payment from Users in connection with the Services by Parkmobile shall be deemed the same as receipt by Client itself.

3.2 Payment. If Client is the MOR, payment is due not later than thirty (30) days after invoice. Late payment interest of ten percent (10%) per annum may be assessed by Parkmobile on any payment past due, in which case such interest shall accrue from the payment due date to the date payment is received.

3.3 Taxes. Parkmobile’s prices do not include sales, use, revenue or excise taxes, and accordingly, in addition to the price specified herein, the amount of any sales, use, excise or other similar tax applicable to the Services provided hereunder shall be paid by Client, or, in lieu thereof, Client shall provide Parkmobile with a tax exemption certificate issued by the appropriate taxing authority.

3.4 Billing Disputes. Client shall not be entitled to suspend payment of any disputed invoices. Any disputes must be submitted to Parkmobile in writing and with an explanation of the reason for the dispute. In the event that any payment dispute is resolved in favor of Client, Parkmobile shall credit Client on the immediately subsequent invoice issued to Client.

3.5 Expenses. Except as otherwise provided herein, Parkmobile shall not charge Client any costs for the integration of its system(s) or for the management of the project and the Services. Parkmobile shall charge Client for ordinary, necessary and reasonable third-party costs only on direct cost basis and only after the prior approval of Client.

ARTICLE 4 TERM; TERMINATION

4.1 Term. The initial term of this Agreement shall commence as of the Effective Date and terminate on June 30, 2021 (the “Initial Term”). Following the Initial Term, the Agreement shall be automatically extended for consecutive one (1) year renewal terms (each a “Renewal Term”), provided that neither party gives written notice to the other of its intent not to renew this Agreement at least sixty (60) days prior to the expiration of the then-current Renewal Term. The date on which this Agreement is terminated or expires as provided herein is called the “Termination Date,” and the period from the Effective Date through the Termination Date is herein called the “Term.”

4.2 Termination for Cause.

(a) Either party may terminate this Agreement and the rights granted herein if the other party breaches any of the provisions of this Agreement and (i) fails to remedy such breach within forty-five (45) days after receiving written notice thereof, or (ii) provided the breach does not relate to a monetary

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obligation, fails to (A) commence a good faith action to remedy such breach within five (5) days after receiving written notice thereof, and (B) diligently pursue such action to conclusion.

(b) Should either party (i) make a general assignment for the benefit of creditors; (ii) institute liquidation proceedings or proceedings to be adjudicated as voluntarily bankrupt; (iii) consent to the filing of a petition of bankruptcy against it; (iv) be adjudicated by a court of competent jurisdiction as being bankrupt or insolvent; (v) seek reorganization under any bankruptcy act; (vi) consent to the filing of a petition seeking such reorganization; or (vii) have a decree entered against it by a court of competent jurisdiction appointing a receiver, liquidator, trustee, or assignee in bankruptcy or in an insolvency covering all or substantially all of such party's property or providing for the liquidation or dissolution of such party's property or business affairs; then, in any such event, the other party, at its option and without prior notice, may terminate this Agreement effective immediately.

4.3 Effect of Termination.

(a) Upon termination or expiration of this Agreement, (i) each party shall promptly return to the other party or destroy all of such other party's Confidential Information in its possession or control; and (ii) any licenses granted hereunder shall immediately expire unless stated otherwise, and (iii) Client shall discontinue all use of the Technology and intellectual property of Parkmobile.

(b) Upon termination or expiration of this Agreement, (i) Client shall pay to Parkmobile any portion of the Fees then accrued and properly payable under this Agreement; (ii) Client shall promptly return to Parkmobile all materials in its possession provided by Parkmobile or otherwise created or produced by Parkmobile in connection with the performance of the Services hereunder; and (iii) Client shall discontinue all use of the Technology and intellectual property of Parkmobile.

(c) Notwithstanding the exercise by any party of its rights under this Article 3, no termination of this Agreement shall relieve either party of its liability for the payment or performance of any obligation accrued prior to the Termination Date (including any indemnification obligation arising hereunder, whether or not notice of such indemnification claim has been given before such termination, or of any rights or obligations under any other provisions, which, by their meaning or content, are intended to survive the termination hereof).

ARTICLE 5 ADDITIONAL COVENANTS OF THE PARTIES

5.1 Confidentiality.

(a) Each party (sometimes referred to herein as a "receiving party") acknowledges that all information and trade secrets relating to any of the other party's products and the services hereunder, including, without limitation, pricing, software, business and financial information, marketing and promotion plans, any changes or improvements therein, including any cost savings measures, is the confidential and proprietary information of such other party ("Confidential Information"). Except as otherwise set out herein, neither party shall disclose any Confidential Information of the other party to any third party or use it for its own benefit or the benefit of a third party, and each party shall take all commercially reasonable measures to protect the confidentiality of Confidential Information of the other party and prevent its disclosure to others.

(b) Each receiving party may disclose the Confidential Information of the disclosing party to its affiliates and their respective employees and agents who are directly involved in the performance of this Agreement, who have a need to know and who are obligated to honor the restrictions on disclosure and use of such Confidential Information set forth in this Agreement (the persons to whom such disclosure is permissible being collectively known as "Representatives"). Each party shall be responsible for any breach of this Section 4.1 by its Representatives. The parties shall not disclose, without the prior written consent of the disclosing party, any of such disclosing party's Confidential Information that it has learned either during the

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course of this Agreement or in discussions and proposals leading up to this Agreement, except as may be required by Law. The parties shall not use the Confidential Information of a disclosing party for any purpose other than that for which it was disclosed.

(c) Each Party's Confidential Information shall remain the property of each respective party. Upon any termination or expiration of this Agreement, each party shall return to the other party the other party's original version of all Confidential Information of such other party in document form, including any electronic media version, such as CD-ROM or computer disk, and shall confirm to such other party in writing that all such documents and things have been so provided and that all copies thereof have been destroyed subject to compliance with applicable Law. The term "Confidential Information" shall not apply to: (i) any information that is or becomes available in the public domain without breach of this Agreement; (ii) information that a party can demonstrate was known prior to receipt from the other party; or (iii) information that was subsequently received from a third party

(d) To the extent any receiving party determines it necessary or advisable to (i) file a copy of this Agreement with a governmental agency including the United States Securities and Exchange Commission, or (ii) make disclosure of Confidential Information of the disclosing party pursuant to a court order or otherwise in accordance with Law, the receiving party and/or its legal counsel shall (a) provide prompt written notice of such expected impending filing or disclosure to the disclosing party, (b) use reasonable best efforts and work with the disclosing party and its counsel to obtain confidential treatment of relevant portions of this Agreement, including, without limitation, product and service specifications and pricing information prior to any such filing or disclosure and (c) disclose in such filing or disclosure only what is required by Law or judicial process as to both manner and content.

(e) Each party agrees that irreparable damage would occur, and that monetary damages would be an insufficient remedy at law, in the event that any of the provisions of this Section 4.1 were not performed by the other party in accordance with the terms hereof and that each party shall be entitled to specific performance of the terms hereof, in addition to any other remedy at law or equity.

(f) Each party's obligation with respect to the Confidential Information of a disclosing party shall expire three (3) years after the termination or expiration of this Agreement; provided, however, that each party's obligations with respect to the trade secrets of a disclosing party shall remain in effect throughout the Term and at all times thereafter, but only for so long as such information remains a trade secret.

5.2 Information. Subject to Section 5.1 and any applicable Laws and privileges, each party covenants and shall provide the other party with all information regarding itself and the transactions under this Agreement that the other party reasonably believes is required to comply with all applicable Law and to satisfy the requesting party's obligations hereunder. Any information owned by one party that is provided to any other party pursuant to this Agreement shall remain the property of the providing party. Unless specifically set forth herein, nothing contained in this Agreement shall be construed as granting or conferring rights of license or otherwise in any such information.

5.3 Records. Each party shall maintain and retain records related to the provision of the Services under this Agreement consistent with such party's historical policies regarding retention of records. As needed from time to time during the period in which Services are provided, and upon termination of the provision of any Service, unless otherwise prohibited by applicable Law, the parties shall provide each other with records related to the provision of the Services under this Agreement to the extent that (a) such records exist in the ordinary course of business, and (b) such records are reasonably necessary for the requesting party to comply with its obligations under this Agreement or applicable Law.

5.4 Status Meetings. On periodic basis, but not less than quarterly, an appropriate representative of each party shall conduct a joint meeting to discuss the status of the Services, as well as to answer questions, gather information and resolve disputes that may occur from time to time. It is the expectation of the parties

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that the representatives of the parties shall communicate directly with one another and work directly with one another to ensure that all Services provided hereunder are completed on a timely and complete basis. All meetings pursuant to this Section 4.4 may be face to face, video or telephonic meetings as may be agreed upon by the parties. Each party shall bear its own costs of attending or participating in such meetings.

5.5 Privacy. Client agrees (a) to comply with all applicable Law; (b) that it will use reasonable security measures to safeguard the Personal Information (“PII”); and (c) not to disclose to others the PII. PII is any information that is collected, owned, or licensed that identifies or describes a person that can be directly linked to a specific individual.

5.5 Insurance. Parkmobile shall keep all of its insurable properties adequately insured against losses, damages and hazards as are customarily insured against by businesses engaging in similar activities or owning similar properties and at least the minimum amount required by applicable Law and any other agreement to which Parkmobile is a party or pursuant to which Parkmobile provides any services, including liability, property and business interruption insurance, as applicable.

5.7 Ownership of Intellectual Property. Client acknowledge and agree that Parkmobile or its licensors or providers are the owners of all right, title and interest in and to the Platform, Member Data, all websites owned by Parkmobile, all work product or deliverables, Parkmobile’s Intellectual Property and all appurtenant patent, copyright, trademark, trade secret and other intellectual property rights associated with the foregoing. To the extent Parkmobile provides any work product or deliverable to Client for Client’s direct use (e.g. material for inclusion on a Client-hosted website to direct Members to a Parkmobile Website or Reservation Demand Management System), Client is hereby granted a limited, revocable and personal right to use such work product or deliverable during the Term in accordance with any instructions Parkmobile provides. The provision of any such work product or deliverable to Client does not constitute a sale of such work product or deliverable to Client. Client shall not assign, sublicense, transfer, pledge, lease, rent or share any rights under the foregoing license to any third party unless expressly permitted in writing by Parkmobile. Client further agree that all work product or deliverable shall be treated as Parkmobile’s Confidential Information. For the avoidance of doubt, any work product or deliverable that is created or used by Parkmobile as part of providing the Services (e.g., a landing page for Client hosted by Parkmobile) shall not be subject to the foregoing license.

ARTICLE 6 REPRESENTATIONS AND WARRANTIES; INDEMNIFICATION

6.1 Representations and Warranties. Each of Parkmobile and Client hereby represents, warrants and covenants to the other party hereto as follows:

(a) It is duly organized and validly existing under the laws of the state of its incorporation and has full power and authority to carry on its business as it is now being conducted and to own and operate its properties and assets;

(b) The execution, delivery and performance of this Agreement by such party has been duly authorized by all requisite corporate or limited liability company action, as applicable;

(c) It has the power and authority to execute and deliver this Agreement and to perform its obligations hereunder; and

(d) The execution, delivery and performance by it of this Agreement and its compliance with the terms and provisions hereof do not and will not conflict with or result in a breach of any of the terms or provisions of or constitute a default under the provisions of its charter documents or bylaws, or any order, writ, injunction or decree of any court or governmental authority entered against it or by which any of its property is bound.

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6.2 Disclaimer of Warranties. THE SERVICES ARE PROVIDED “AS IS” AND WITH ALL FAULTS. CLIENT ACKNOWLEDGES AND AGREES THAT PARKMOBILE SHALL NOT BE LIABLE FOR ANY ERROR, OMISSION, DEFECT, DEFICIENCY OR NONCONFORMITY IN THE TRIAL PROGRAM OR SERVICES. WITHOUT LIMITING THE FOREGOING, CLIENT ASSUMES ALL RISKS ASSOCIATED WITH THE SERVICES. OTHER THAN AS SPECIFICALLY SET FORTH HEREIN, NEITHER OF THE PARTIES MAKES ANY REPRESENTATIONS, WARRANTIES OR GUARANTEES, EXPRESS OR IMPLIED, DIRECTLY OR INDIRECTLY, INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, WITH RESPECT TO, ARISING OUT OF, OR IN CONNECTION WITH THE SERVICES TO BE PERFORMED HEREUNDER BY SUCH PARTY OR THE RESULTS OBTAINED THEREBY.

6.3 Indemnification.

(a) **Indemnification by Parkmobile.** Parkmobile shall indemnify, defend and hold harmless Client, its affiliates, their respective successors and assigns, and their respective officers, directors, employees, consultants, agents and representatives from any liability, damage, diminution in value, loss, cost, claim or expense, including reasonable attorneys' fees and expenses that result from or arise out of: (i) the breach or inaccuracy of any of Parkmobile's representations or warranties in this Agreement; (ii) the breach of any of Parkmobile's covenants or agreements in this Agreement; or (iii) any violations of Law by Parkmobile in performing its obligations in connection with this Agreement.

(b) **Indemnification by Client.** Client shall indemnify, defend and hold harmless Parkmobile, its affiliates, their respective successors and assigns, and their respective officers, directors, employees, consultants, agents and representatives from any liability, damage, diminution in value, loss, cost, claim or expense, including reasonable attorneys' fees and expenses that result from or arise out of: (i) the breach or inaccuracy of any of Client's representations or warranties in this Agreement; (ii) the breach of any of Client's covenants or agreements in this Agreement; or (iii) any violations of Law or governmental rules or regulations by Client in performing its obligations in connection with this Agreement.

6.4 Limitation of Liability. TO THE FULLEST EXTENT PERMITTED BY LAW, THE AGGREGATE LIABILITY OF PARKMOBILE FOR ANY AND ALL LOSSES AND DAMAGES ARISING OUT OF ANY CAUSE WHATSOEVER (WHETHER SUCH CAUSE BE BASED IN CONTRACT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE) UNDER THIS AGREEMENT SHALL IN NO EVENT EXCEED AN AMOUNT EQUAL TO THE TOTAL AMOUNT PAID FOR THE SERVICES PURCHASED HEREUNDER. EACH PARTY HERETO AGREES THAT EACH OTHER PARTY SHALL NOT BE LIABLE TO SUCH PARTY OR ANYONE ACTING THROUGH SUCH PARTY UNDER ANY LEGAL THEORY (INCLUDING, WITHOUT LIMITATION, BREACH OF CONTRACT, STRICT LIABILITY, NEGLIGENCE OR ANY OTHER LEGAL THEORY) FOR INCIDENTAL, CONSEQUENTIAL, INDIRECT, SPECIAL OR EXEMPLARY DAMAGES ARISING OUT OF OR RELATING TO THIS AGREEMENT.

ARTICLE 7 MISCELLANEOUS

7.1 Force Majeure. Neither party shall be liable for failure or delay in performance of its obligations under this Agreement to the extent such failure or delay is caused by an act of God, act of a public enemy, war or national emergency, rebellion, insurrection, riot, epidemic, quarantine restriction, fire, flood, explosion, storm, earthquake, interruption in the supply of electricity, power or energy, terrorist attack, labor dispute or disruption, or other event beyond the reasonable control of such party and without the fault of or negligence by such party (each, a “Force Majeure Event”). If a party's performance under this Agreement is affected by a Force Majeure Event, such party shall give prompt written notice of such event to the other party, stating the date and extent of such suspension and the cause thereof, and shall at all times use commercially reasonable efforts to mitigate the impact of the Force Majeure Event on its performance under this Agreement;

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provided, that such party shall take measures to overcome the condition that are consistent in all material respects with the measures taken in connection with such party's business. The parties shall promptly confer, in good faith, on what action may be taken to minimize the impact, on both parties, of such condition. In the event of a Force Majeure Event that affects either or both parties' ability to perform under this Agreement, the parties agree to cooperate in good faith to resume the affected services as soon as commercially possible to the extent commercially reasonable.

7.2 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given when delivered (a) in person; (b) by any national overnight courier or other service providing evidence of delivery, or by registered or certified mail (postage prepaid, return receipt requested); or (c) by facsimile with a copy delivered the next business day by any overnight courier or other service providing evidence of delivery, to the respective parties at the following addresses:

To Parkmobile:

Parkmobile, LLC
1100 Spring Street NW, Suite 200
Atlanta, Georgia 30309
Attention: Jonathan Ziglar
Telephone: (404) 818-9036
Facsimile: (770) 818-9039
Email: legal@parkmobile.io

To Client:

City of Royal Oak
211 S. Williams Street
Royal Oak, MI 48067
Attention: Greg Rassel
Telephone: 248-246-3300
Email: GreggR@romi.gov

or to such other address (or fax number, if applicable) as the party to whom notice is given may have previously furnished to the others in writing in the manner set forth above (provided that notice of any change of address or fax number shall be effective only upon receipt thereof).

7.3 Independent Contractors. The parties are independent contractors under this Agreement, which shall not be construed to create any employment relationship, partnership, joint venture, franchisor-franchisee or agency relationship that did not already exist prior to the Effective Date, or to authorize any party to enter into any commitment or agreement binding on the other party except as expressly stated herein. The parties have no authority to make statements, warranties, or representations or to create any liabilities on behalf of the other.

7.4 Entire Agreement. This Agreement and the documents and schedules referred to herein contain the complete agreement between the parties hereto and supersede any prior understandings, agreements or representations by or between the parties, written or oral, which may have related to the subject matter hereof in any way; provided, however, that this provision is not intended to abrogate any other written agreement between the parties executed with or after this Agreement.

7.5 Amendment and Waiver. The parties hereto may not amend or modify this Agreement except as may be agreed upon by a written instrument executed by the parties hereto. No waiver of any provision hereunder or any breach or default thereof shall extend to or affect in any way any other provision or prior or subsequent breach or default.

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7.6 Successors and Assigns. This Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns, except that neither this Agreement nor any of the rights, interests or obligations hereunder may be assigned or delegated by either party without the prior written consent of the other party (which consent shall not be unreasonably withheld); provided that Parkmobile may assign its rights, interests or obligations under this Agreement without the consent of Client to (i) any affiliate of Parkmobile or (ii) any lender to Parkmobile or its affiliates as security for borrowings.

7.7 Third-Party Beneficiaries. The parties to this Agreement do not intend this Agreement to benefit or create any right or cause of action in or on behalf of any person or entity other than Parkmobile and Client.

7.8 Severability. Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable Law, but if any provision of this Agreement is held to be prohibited by or invalid under applicable Law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

7.9 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Georgia, without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any other jurisdiction.

7.10 Arbitration. Should there be any ambiguity, contradiction or inconsistency in this Agreement, or should any disagreement or dispute arise between the parties in connection with this Agreement, the component representatives of the parties shall first attempt in good faith amicably to settle the matter by mutual negotiations. If such negotiations are unsuccessful, any controversy, dispute or claim arising out of, or in connection with, this Agreement must be settled by final and binding arbitration to be held exclusively in Atlanta, Georgia in accordance with the Commercial Arbitration Rules, as amended and in effect from time to time, of the American Arbitration Association (the “Rules”). The procedures and law applicable during the arbitration of any controversy, dispute or claim shall be both the Rules and the internal laws of the State of Georgia excluding, and without regard to, its or any other jurisdiction’s rules concerning any conflict of laws. The arbitrator shall have the power to order injunctive relief or provide further equitable remedies. All fees and expenses relating to the work performed by the arbitrator(s) shall be shared equally between the parties. Nothing in this paragraph shall prevent a party from seeking injunctive relief from any the state or federal courts located in Atlanta, Georgia. The parties consent to the exclusive jurisdiction and venue of such courts with respect to any matter not within the arbitrator’s jurisdiction. Any award of the arbitrator may be enforced in any court of competent jurisdiction.

7.11 No Strict Construction; Headings. The language used in this Agreement shall be deemed to be the language chosen by the parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any party. The headings used in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.

7.12 Counterparts; Delivery. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same instrument. The parties agree that this Agreement may be executed and delivered by facsimile or other electronic transmission.

(Signatures begin on following page)

Attachment 1

IN WITNESS WHEREOF, this Parking Services Agreement has been executed as of the day and year first above written.

“PARKMOBILE”:

PARKMOBILE, LLC

By: _____
Name: Jonathan Ziglar
Title: CEO

“CLIENT”:

CITY OF ROYAL OAK

By: _____
Name: _____
Title: _____

Attachment 1

SCHEDULE 1

SERVICES

Parkmobile offers a service to Client's parking customers ("Members") that facilitates the activation and payment of parking transactions using the Application. For use of the Application, a Service Fee per Transaction as reflected in Schedule 3 is charged.

Parkmobile accepts several electronic payment methods from Members:

- a. Traditional credit card payments are accepted with Visa, MasterCard, Discover, & AMEX ("Traditional Payments")
- b. Emerging Payments ("Emerging Payments"). Emerging payments represent the numerous alternative payment methods that have begun to hit the marketplace today. Mostly, these innovations involve the use of virtual account-based membership profiles that a customer can utilize to transact purchases based upon the member's individual payment preferences. Examples of emerging payments include PayPal, Parkmobile's Stored Value Wallet, ACH, MasterPass, and Visa checkout.

Members who are registered with Parkmobile can begin and, if applicable, end a parking transaction in a variety of ways: visiting the website of Parkmobile - www.parkmobile.com; calling an Intelligent Voice Response (IVR) 1-800 Number, or using Parkmobile's or its partners' mobile applications. In order to register and begin a parking event, Members simply provide the required information to create an account including credit card data and license plate number which is stored in a secure, PCI Level 1 compliant environment. Thereafter, subsequent parking visits only require the Member to enter or select the applicable parking duration options available for the location.

The tariff code of the parking area is indicated on parking signs or on parking meters. Enforcers of the Client check the validity of parking status real time against the Parkmobile database via a web service offering, free of charge to the Client, to determine if a valid parking right exists. This service can be accessed by using a handheld terminal or PDA.

The supply of handheld terminals (or PDA's) for enforcement and GSM cards for communication between the handheld terminals and the database and back-office systems are outside the scope of the Services.

Members can use Mobile Parking anywhere the Parkmobile mobile payment service is available.

All parking charges are charged to the preferred payment method of the Member. Members have real time access to an online account-based personal page accessible from www.parkmobile.io to check and print their parking history, receipts, and statements.

Attachment 1

SCHEDULE 2

SERVICE LEVELS

1. Operation, Management and Maintenance of the System

(a) Parkmobile shall use its best efforts not to perform maintenance during business hours. In emergency cases, adjustments to the system may also take place during hours for paid parking. If necessary, Parkmobile may perform maintenance of the system during business hours, provided Parkmobile provides Client with at least twenty-four (24) hours advance notice before the start of the work.

(b) Parkmobile makes a daily backup of data in the (local) database, which data are retained for three (3) months.

2. Errors and Interruptions

(a) When an error or interruption occurs in the Services, whichever party identifies the error or interruption shall inform the other party as soon as possible. Parkmobile shall confirm its receipt of such notification in writing. If any error or interruption cannot be repaired by Parkmobile within five (5) business days from the date when the error or interruption is reported to Parkmobile, then Parkmobile may issue a credit for the Services during such downtime. Time spent by Parkmobile to restore and support to interruptions and errors caused by Client and not attributable to Parkmobile shall be charged at the hourly rate of \$180.

(b) In the event that Client and Parkmobile disagree about whether an error or interruption has been resolved, Client and Parkmobile shall discuss in good faith and reach a mutual resolution regarding whether such error or interruption has occurred or been adequately resolved. If the parties agree that the problem was in fact an error or interruption, then Client shall not be entitled to a credit for the Software during the downtime.

3. Security and Authorization

Parkmobile shall protect and authenticate a limited number of representatives that shall have access to the system and confidential information. The parties shall respect and utilize security access codes.

4. Reports

- a. In addition to the Minimum Reporting Elements, Parkmobile shall provide Client access to several reports related to the Services via a web portal. All reports are available immediately. Those reports include;
- b. Parking Transaction Report: Ad hoc and automated reports that include all information related to parking reservations which can be used for operations and management.
- c. Payment Transaction Report: Ad hoc and automated reports that include payment information necessary for reconciliation.
- d. Daily Summary Reports which include all reservations for the previous date and the current date.

Attachment 1

SCHEDULE 3

FEES

Parkmobile shall charge the Client or Member a member fee of \$0.35 cents per transaction (“Member Fee”). Parkmobile shall pay Client \$0.10 per transaction (“Revenue Share”) and shall remit the Revenue Share on a yearly basis.

Traditional Payment Credit Card Fees/Merchant Processing/Other Third-Party Fees:

Parkmobile can pass real time authorized debit/credit card transactions daily in batch format to Parkmobile’s preferred payment processor, subsequently funded directly into a Parkmobile-controlled escrow account. In this scenario, Parkmobile acts as the MOR in the arrangement and passes Net Parking Revenues in accordance with Parkmobile’s standard settlement procedures to the Client.

Emerging Payments Fees

Parkmobile shall collect the Total Price for each Emerging Payment transaction and pass the Emerging Parking Revenue to the Client in accordance with Parkmobile’s standard settlement procedures.

Other Terms and Conditions

Parkmobile’s Member Fee does not cover any Transaction Processing Fees or other third party fees associated with the acceptance of Traditional or Emerging Payments.

Parkmobile reserves the right to pass through increases in third party transaction processing and related fees.

The use of mobile devices for enforcement as well as data plans are not part of this agreement.

Cost for initial standard stickers shall be borne exclusively by Parkmobile. Client will be responsible for all installation.

Cost of marketing shall be borne exclusively by Parkmobile based on Parkmobile’s standard marketing program. Parkmobile reserves the right to change its name, branding and signage at any time during the Term of this Agreement

Parkmobile reserves the right to increase Member Fees and Additional Service (as defined below) fees upon sixty (60) days written notice to Client.

Other development activities and additional services (listed below) for a fee at the request of and after written approval by Client as described below.

Additional Services:

1. Non-Integrated Gateway Service
2. Additional Marketing/Advertising
3. Customized Reporting
4. Custom Integration to 3rd parties
5. Citation/Enforcement support
6. Replacement Signage/Stickers
7. Additional Training
8. Zone & Rate structure changes after implementation
9. Event Override Solution
10. Self-Administration Service

Attachment 1

SCHEDULE 4

Minimum Reporting Elements

- 1) Time/Date when Transaction was completed (with time zone)
- 2) Time/Date range for parking purchased in Transaction (with time zone)
- 3) Total price charged to Member
- 4) Price breakdown
 - (a) Member Fee
 - (b) Parking Fee
- 5) Payment Method - Credit Card, PayPal, Samsung Pay, etc.

Attachment 1

SCHEDULE 5

PAYEE/CLIENT INFORMATION

CLIENT NAME:
ADDRESS:
CONTACT PERSON:
TELEPHONE NUMBER:
EMAIL:
SIGNATURE & TITLE OF AUTHORIZED OFFICIAL:

FINANCIAL INSTITUTION INFORMATION

BANK NAME:
ADDRESS:
CONTACT PERSON:
TELEPHONE:
EMAIL:
NINE DIGIT ROUTING TRANSIT NUMBER:
DEPOSITOR ACCOUNT TITLE:
DEPOSITOR ACCOUNT NUMBER:
TYPE OF ACCOUNT:

This authorizes Parkmobile, LLC to send credit entries (and appropriate debit and adjustment entries), electronically or by any other commercially accepted method, to the account indicated above and to other accounts specified by Client in the future (the "Account"). This authorizes the financial institution holding the Account to post all such