

AGREEMENT

This agreement, made and entered into this **15th day of April, 2008**, by and between the City of Key West, herein after called "City" and **Synchromatics**, hereinafter called the "Contractor."

WITNESSETH:

The Contractor, in consideration of the sum to be paid him/her by the City and of the covenants and agreements herein contained, hereby agrees at his own proper cost and expense to do all work and furnish all materials, equipment, and technical support for the installation, implementation, and interfacing of all components of the Real Time Passenger Information System as outlined in the Request for Proposal made by the City and in full compliance with the contract documents contained herein.

The bidding requirements, including the signed copy of this Agreement, Performance Bond, Payment Bond, and Exhibits 1 through 9, are hereby referred to and by reference made a part of this Contract as fully and completely as if the same were fully set forth herein and are mutually cooperative therewith.

In consideration of the performance of the work as set forth in these Contract Documents, the City agrees to pay to the Contractor the amount bid in the Proposal, as adjusted in accordance with the Contract Documents, or as otherwise herein provided, and to make such payment in the manner and at the times provided in the Contract Documents.

The Contractor agrees to complete the work within the time specified and to accept as full payment hereunder the amounts computes as determined by the Contract Documents and based on the said Proposal.

The Contractor agrees to remedy all defects appearing in the work or developing in the materials furnishes and the workmanship performed under this Contract during the warranty period after the date of final acceptance of the work by the City, and further agrees to indemnify and save the City harmless form any costs encountered in remedying such defects.

It is agreed that the Contractor will complete the installation and set up of the Real Time Passenger Information System in the agreed upon calendar days as set forth in Exhibit 5 / Timeline from the date the notice to proceed is issued. Payment to Contractor will be issued within 30 calendar days from mutually agreed upon completion of the Contract.

IN WITNESS WHEREOF, we, the parties hereto, each herewith subscribe the same this 15th day of April, 2008.

CITY OF KEY WEST

CONTRACTOR: SYNCHROMATICS CORP

By [Signature]
5-21-08

By JOSH BIGELOW [Signature]

Title: Director, KWDoT

Title CEO

Approved as to Form: [Signature]
Shawn D. Smith, City Attorney

PERFORMANCE BOND

BOND NO. PRF08908919
AMOUNT: \$4,600.00

KNOW ALL MEN BY THESE PRESENTS, that in accordance with Florida Statutes Section 255.05, Synchromatics Corporation with offices at 547 North Martel Avenue, Los Angeles, CA 90036 hereinafter called the CONTRACTOR (Principal), and Fidelity and Deposit Company of Maryland with offices at 999 Third Avenue, #3350, Seattle, WA 98104 a corporation duly organized and existing under and by virtue of the laws of the State of Maryland, hereinafter called the SURETY, and authorized to transact business within the State of Florida, as SURETY, are held and firmly bound unto **CITY OF KEY WEST**, represented by its _____, hereinafter called the CITY (Obligee), in the sum of: Two Hundred Thirty Thousand and No/ 100 DOLLARS (\$230,000.00), lawful money of the United States of America, for the payment of which, well and truly be made to the CITY, the CONTRACTOR and the SURETY bind themselves and each of their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents as follows:

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT:

WHEREAS, the CONTRACTOR has executed and entered into a certain Contract hereto attached, with the CITY, dated April 15, 2008, to furnish at his own cost, charges, and expense all the necessary materials, equipment, and/or labor in strict and express accordance with said Contract and the Contract Documents as defined therein, all of which is made a part of said Contract by certain terms and conditions in said Contract more particularly mentioned, which Contract, consisting of the various Contract Documents is made a part of this Bond as fully and completely as if said Contract Documents were set forth herein;

NOW THEREFORE, the conditions of this obligation are such that if the above bounden CONTRACTOR:

1. Shall in all respects comply with the terms and conditions of said Contract and his obligation thereunder, including the Contract Documents, being made a part of this bond by reference, at the times and in the manner prescribed in the contract; and
2. Promptly makes payments to all claimants, as defined in Section 255.05(1), Florida Statutes, supplying CONTRACTOR with labor, materials, or supplies, used directly or indirectly by CONTRACTOR in the prosecution of the work provided for in the contract; and
3. Pays CITY all losses, costs, expenses, damages, attorney's fees, including appellate proceedings, injury or loss of whatever kind and however arising including, without

limitation, delay damages to which said CITY may be subject by reason of any wrongdoing, misconduct, want of care or skill, negligence, failure of performance, breach, failure to petition within the prescribed time, or default, including patent infringements, on the part of said CONTRACTOR, his agents or employees, in the execution or performance of said Contract; and

4. Performs the guarantee of all work and materials furnished under the contract for the time specified in the contract, then this obligation shall be void; otherwise, to remain in full force and effect for the term of said Contract.

AND, the said Surety for value received, hereby stipulates and agrees that no change involving any extension of time, or addition to the terms of the Contract Documents, or to the work to be performed, or materials to be furnished thereunder shall affect said obligation of said Surety on this Bond, and the said Surety does hereby waive notice of any such changes, extension of time, alterations, or additions of the terms of the Contract Documents, or to the work.

Any action instituted by a claimant under this bond for payment must be in accordance with the notice and time limitation provisions in Section 255.05(2), Florida Statutes.

IN WITNESS WHEREOF, the above parties bounded together have executed this instrument this 21st day of May, 2008, the name and corporate seal of each corporate party being hereto affixed and those presents duly signed by its undersigned representative, pursuant to authority of its governing body.

(SEAL)

ATTEST

CONTRACTOR

By: 

(SEAL)

ATTEST

SURETY

By: 

David G. Harris, Attorney-in-Fact

PAYMENT BOND

BOND NO. PRF08908919

AMOUNT: Included in FP Bond

KNOW ALL MEN BY THESE PRESENTS, that in accordance with Florida Statutes Section 255.05, Synchromatics Corporation with offices at 547 North Martel Avenue, Los Angeles, CA 90036 hereinafter called the CONTRACTOR, (Principal), and Fidelity and Deposit Company of Maryland with offices at 999 Third Ave. #3350, Seattle, WA 98104 a corporation duly organized and existing under and by virtue of the laws of the State of Maryland, hereinafter called the SURETY, and authorized to transact business within the State of Florida, as SURETY, are held and firmly bound CITY OF KEY WEST, represented by its _____, hereinafter called the City (Obligee), in the sum of: Two Hundred Thirty Thousand and No/ 100 DOLLARS (\$230,000.00), lawful money of the United States of America, for the payment of which, well and truly be made to the CITY, and the CONTRACTOR and the SURETY bind themselves and each of their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents as follows:

THE CONDITION OF THE ABOVE OBLIGATION IS SUCH THAT:

WHEREAS, the CONTRACTOR has executed and entered into a certain Contract hereto attached, with the CITY, dated April 15, 2008, to furnish at his own cost, charges, and expense the necessary materials, equipment, and/or labor in strict and express accordance with said Contract and the Contract Documents as defined therein, all of which is made a part of said Contract by certain terms and conditions in said Contract more particularly mentioned, which Contract, consisting of the various Contract Documents is made a part of this Bond as fully and completely as if said Contract Documents were set forth herein;

NOW THEREFORE, the conditions of this obligation are such that if the above bounden CONTRACTOR shall in all respects comply with the terms and conditions of said Contract and his obligation thereunder, including the Contract Documents and further that if said CONTRACTOR shall promptly make payments to all claimants as defined in Section 255.05(1), Florida Statutes, supplying CONTRACTOR with labor, materials, equipment, or supplies used directly or indirectly by said CONTRACTOR or Subcontractors in the prosecution of the work provided for in said Contract, then this obligation shall be void; otherwise, to remain in full force and effect for the term of said Contract, including any and all guarantee periods as specifically mentioned in said Contract Documents.

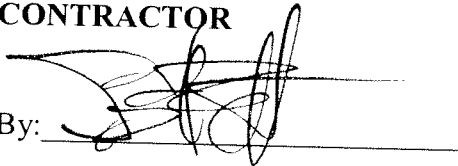
AND, the said SURETY for value received, hereby stipulates and agrees that no change involving any extension of time, or addition to the terms of the Contract or to the work to

be performed, or materials to be furnished thereunder, or in the Contract Documents shall affect said obligation of said SURETY on this Bond, and the said SURETY does hereby waive notice of any such changes, extension of time, alternations, or additions of the terms of the Contract, or to the work, or to the Contract Documents.

Any action instituted under this bond for payment must be in accordance with the notice and time limitation provisions in Section 255.05(2), Florida Statutes.

IN WITNESS WHEREOF, the above parties bounded together have executed this instrument this 21st day of May, 2008, the name and corporate seal of each corporate party being hereto affixed and those presents duly signed by its undersigned representative, pursuant to authority of its governing body.

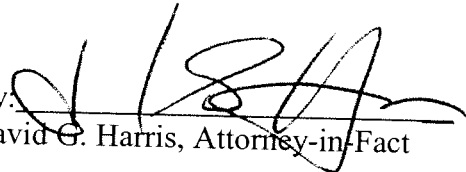
CONTRACTOR

By: 

(SEAL)

ATTEST

SURETY

By: 
David G. Harris, Attorney-in-Fact

(SEAL)

ATTEST

**Power of Attorney
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, a corporation of the State of Maryland, by WILLIAM J. MILLS, Vice President, and ERIC D. BARNES, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Company, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate, constitute and appoint **Stephanie WORDEN, David G. HARRIS, Jennifer E. DIRKING and Kimberley ROMAN, all of Walnut Creek, California, EACH** its true and lawful agent and Attorney-in-Fact to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, Md., in their own proper persons.** This power of attorney revokes that issued on behalf of Carolyne EMERY, Stephanie WORDEN, Robin P. NEWMAN, David G. HARRIS, dated April 23, 2003.

The said Assistant Secretary does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article VI, Section 2, of the By-Laws of said Company, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seal of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 1st day of February, A.D. 2007.

ATTEST:

FIDELITY AND DEPOSIT COMPANY OF MARYLAND



Eric D. Barnes

Eric D. Barnes Assistant Secretary

William J. Mills

By: William J. Mills Vice President

State of Maryland }
City of Baltimore } ss:

On this 1st day of February, A.D. 2007, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came WILLIAM J. MILLS, Vice President, and ERIC D. BARNES, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself depose and saith, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and that the said Corporate Seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



Constance A. Dunn

Constance A. Dunn Notary Public
My Commission Expires: July 14, 2011

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Contra Costa

On May 21, 2008 before me, Jennifer E. Dirking, Notary Public, personally appeared David G. Harris who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that he/~~she~~/~~they~~ executed the same in his/~~her~~/~~their~~ authorized capacity(ies), and that by his/~~her~~/~~their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

(seal)

Signature Jennifer E. Dirking





Fidelity and Deposit Company of Maryland

Bond No. 8908919

GENERAL FORM STATUS INQUIRY

2/06/2009

Zurich
999 3rd Ave Suite #800
Seattle, WA 98104

CONTRACTOR: Syncromatics Corporation, 547 Martel Ave, Los Angeles, CA 90036

DESCRIPTION: Installation of Real Time Passenger Information System Contract date 4/18/2008

OWNER: City of Key West, Department of Transportation

CONTRACT PRICE: \$230,000 BOND(S) EFFECTIVE DATE: 4/15/2008

Without prejudicing your rights or affecting our liability under our bond(s) described above, we would appreciate as much of the following information as is now available.

Very truly yours,

By: Chris Bolla

1. IF CONTRACT COMPLETED, PLEASE STATE:

APPROXIMATE DATE OF COMPLETION OF WORK (OR FINAL DELIVERY) _____

FINAL CONTRACT PRICE \$ 230,000

2. IF CONTRACT UNCOMPLETED, PLEASE STATE:

APPROXIMATE PERCENTAGE OR DOLLAR AMOUNT OF CONTRACT COMPLETED OR DELIVERED _____ \$200,000

3. REMARKS: (IF ANY): Remaining portion of contract is waiting on action from the City. Contractor exceeded expectations and delivered additional functionality beyond what was required. - Contract agrees to continue support SVCS thru 04-2012.

NOTE: Contract includes svc./support and additional purchase options for 5 yr term 04-2012. Equipment all installed and operating well.

It is understood that the information contained herein is furnished as a matter of courtesy for the confidential use of the surety and is merely an expression of opinion. It is also agreed that in furnishing this information, no guaranty or warranty of accuracy or correctness is made and no responsibility is assumed as a result of reliance by the surety, whether such information is furnished by the owner or by an architect or engineer as the agent of the owner.

SIGNATURE *Myra H. Wittberg*
TITLE *Director, City of Key West DOT*

PLEASE RETURN INQUIRY TO:

FIDELITY & DEPOSIT COMPANY OF MARYLAND
Attention: Chris Bolla
999 3rd Avenue, Suite 800
Seattle, WA 98104
FAX: 1-866-223-6030

The City agrees that greater than 95% of contract obligation on equipment purchases and install is complete. All remaining is svc./support thru 04/2012.



HEFFERNAN INSURANCE BROKERS

A Member of the Heffernan Group

May 21, 2008

Synchromatics Corporation
547 North Martel Avenue
Los Angeles, CA 90036

BOND: P&P Bond - City of Key West - \$230,000
BOND NUMBER: PRF08908919

Dear Josh:

We are pleased to enclose the above bond. **Please sign the bond where it is indicated for signature before mailing the original bond to the appropriate party.**

We have enclosed an additional copy of the bond for your records, along with our invoice for the premium. Please return one copy of the invoice along with your payment in the envelope provided.

Should you have any questions, please do not hesitate to call. As always, we appreciate your business.

Sincerely,

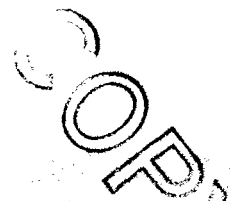
Jennifer Dirking
Bond Account Manager

Encl.

(WC) Heffernan Insurance Brkrs
 1350 Carlback Ave, Suite 200
 Walnut Creek, CA 94596
 Phone : 925-934-8500 Fax : 925-934-8278

INVOICE # 181320		Page 1
ACCOUNT NO: SYNCH-1-1001	OF QB	DATE 05/21/08
Contractor License Bonds		
POLICY # PRF08908919		
COMPANY Fidelity & Dep. Co of Maryland		
EFFECTIVE 05/21/08	EXPIRATION 05/21/09	BALANCE DUE ON 05/21/08

Synchromatics Corporation
 Josh
 547 North Martel Avenue
 Los Angeles, CA 90036



Itm #	Eff Date	Trm	Description	Amount
99G6YW05/21/08		NEW	Key West P&P Bond	
			P&P Bond - City of Key West - \$230,000	
			Fidelity & Dep. Co of Maryland	\$ 4,600.00
			Invoice Balance:	\$ 4,600.00

Please remit payment upon receipt of invoice.

*** PLEASE RETURN ONE COPY WITH YOUR REMITTANCE ***