



INTERNATIONAL ROAD DYNAMICS INC.  
INTELLIGENT TRANSPORTATION SYSTEMS

## IRD Vehicle Pre-Clearance Program Service Agreement

This Sales and Service Agreement (AGREEMENT) is made by and between International Road Dynamics Inc. (IRD), as Transponder Administrators (TA) for the Alberta Motor Transport Association (AMTA)'s Vehicle Pre-clearance Program (VPP), and \_\_\_\_\_(CARRIER).

### Terms and Conditions:

1. IRD agrees to provide transponders and enrollment in the VPP to the CARRIER consistent with IRD's agreement with the AMTA and the AMTA's "Partner's in Compliance" (PIC) Council.
2. IRD's agreement with the AMTA is designed to ensure interoperability of our VPP with other state or provincially operated VPPs; as such, we will provide relevant enrollment information to such VPPs unless expressly advised otherwise by the CARRIER.
3. Additional Terms and Conditions continued on page 2.

For the following section, please check and initial each section as appropriate:

**CARRIER renting transponders agrees to the following:** \_\_\_\_\_ (Initial)

1. CARRIER agrees to pay IRD an annual rental fee of \$70.00 / transponder plus applicable taxes, this fee includes the provision of a transponder and VPP enrollment for a year.
2. Rented transponders must be returned to IRD within fifteen days of termination of VPP services. For all transponders not returned to IRD within fifteen days, IRD will charge CARRIER \$50.00 per transponder, plus applicable taxes, for the replacement of the unit.
3. IRD reserves the right to charge CARRIER a \$50.00 replacement fee, plus applicable taxes, for each lost or damaged transponders.
4. CARRIER agrees to return the transponders to IRD in the same condition as received, less normal wear.
5. IRD will replace any defective transponder that fails due to battery life, materials, or workmanship and will be responsible for the successful operation of the transponders. CARRIER will be responsible for the costs of shipping defective transponders to IRD.

**CARRIER purchasing transponders agrees to the following:** \_\_\_\_\_ (Initial)

1. CARRIER agrees to pay IRD \$50.00, plus applicable taxes, per purchased transponder plus an annual system access fee of \$56.00 per transponder plus applicable taxes.
2. IRD will replace any defective transponder that fails due to battery life, materials, or workmanship for two years from the date of sale. CARRIER will be responsible for the costs of shipping defective transponders to IRD.

**CARRIER using a transponder from another VPP agrees to the following:** \_\_\_\_\_ (Initial)

1. CARRIER has confirmed with its current VPP that it has the rights to use the transponder in this VPP.
2. CARRIER has confirmed that transponders CARRIER intends on using in this VPP are not owned, controlled, or assigned to another CARRIER.
3. CARRIER agrees to pay IRD the annual System Access fee of \$56.00 per transponder plus applicable taxes.
4. CARRIER agrees to indemnify and hold harmless IRD against all loss, damage, claims and expenses for any actions brought against IRD for CARRIER's use of an unauthorized transponder in this VPP.

### Terms and Conditions Accepted By:

Name (Printed): \_\_\_\_\_

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

Authorized Signature: \_\_\_\_\_

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



### Payment of Fees:

1. Rental or system access fees are payable to IRD on an annual basis and in advance of any services being provided through the VPP. These fees constitute the annual enrollment fee into the PIC VPP program.
2. The collection of fees is based on IRD's contract with the AMTA; as such, IRD reserves the right to adjust rental and system access fees set out herein no later than ninety days prior to the renewal of this AGREEMENT, but no sooner than March 2<sup>nd</sup>, 2010.
3. CARRIER acknowledges that the fees payable under this agreement are based on the allocation of risk set out in this agreement, including the assumption of risk by the CARRIER.
4. IRD will notify CARRIER of upcoming service payments no later than sixty days prior to the date payment is due.
5. CARRIERS wishing to continue in the VPP must have paid annual renewal fees to IRD on or before the renewal date to avoid discontinuation of services. Discontinued accounts will receive no warranties or services until due payments are made.
6. CARRIER agrees to pay IRD a \$20.00 per transponder reconnection fee for discontinued accounts before services will be restored.
7. Adding transponders to an existing account will be charged on a pro-rata basis to match the annual billing date of the initial AGREEMENT.

### Termination of Services:

1. CARRIER may at any time choose to withdraw from the VPP by informing IRD and AMTA of their desire to exit the program.
2. IRD will terminate the VPP services of any CARRIER whose account has remained in delinquency for a period of fifteen days or longer unless CARRIER and IRD have reached an agreement on payment.
3. CARRIER must return to IRD any rented property relating to the VPP within fifteen days of termination of services.
4. Any CARRIER that chooses to withdraw from or no longer qualifies for the VPP during the course of the annual billing cycle will not be credited or refunded any portion of rental or system access fees.
5. CARRIER agrees that IRD has the right to terminate this agreement at any time upon providing ninety days written notice to the CARRIER or immediately upon termination or non-renewal of IRD's contract as TA for the AMTA as per IRD's agreement with the AMTA.

### Indemnification:

1. IRD shall not be liable for any injury, loss, claim, or damage arising from the use or transportation of the transponders by the CARRIER, and the CARRIER shall indemnify and hold harmless IRD against all loss, damages, claims, and expenses which may arise out of any action for damages to property or persons pursuant to the use, operation, handling, or transportation of the transponders.
2. Both IRD and the CARRIER will hold each other harmless of any action or suit brought against either party by an outside party for the duration of this agreement.

### Proper Use:

1. Transponders will be installed in assigned vehicles within the CARRIER's fleet only.
2. CARRIER agrees not to use the transponders at any time in violation of any law, by-law, zoning restriction, ordinance, or regulation; for any use for which it is not reasonably intended.
3. CARRIER agrees not to transfer or assign the rights and obligations, which would not be reasonably upheld, under this agreement or to transfer or lend the transponders to another party without the prior written consent of IRD.

### Other:

1. As this AGREEMENT is between IRD and the CARRIER, it is the responsibility of the CARRIER to ensure that any employee or contractor of the CARRIER abides by the terms of this AGREEMENT. Breaches of this AGREEMENT by employees or contractors of the CARRIER will be the same consequences as breaches of the CARRIER.
2. This AGREEMENT and its performance shall be governed by the laws of the Province of Saskatchewan and the federal laws of Canada applicable therein.
3. IRD makes no representations or guarantees regarding CARRIER's ability to bypass VPP sites based on criteria established by AMTA.
4. IRD will respond to any performance related issue raised by CARRIER within one working day of notification of the issue. Notification will consist of a phone call to the IRD call center, by email, or by fax.

These terms and conditions contain the entire AGREEMENT between IRD and the CARRIER relating to the rental, purchase, and use of the transponders and supersede any prior understandings or agreements, whether oral or written, regarding this matter.

