

EXHIBIT I
Compensation and Pricing

During the Term of this Agreement, the City agrees to the below financial terms with BLS:

The City and BLS will split the revenue in accordance with the chart set forth below:

| Program | Percentage of Projected Revenue from Violation Fines (Contractor Owned Equipment) | |
|---------------------|--|--------------------------|
| Traffic Signal (25) | City of Knoxville: 52% | Blue Line Solutions: 48% |
| Speed Zone (100) | City of Knoxville: 52% | Blue Line Solutions: 48% |
| Noise (2) | City of Knoxville: 52% | Blue Line Solutions: 48% |

BLS will retain ownership of all System Equipment that it installs and utilizes throughout the term of this Agreement. The two parties shall share revenue from the paid Citations in accordance with the chart above. Specifically, the City's portion shall be 52% of all paid Citations, and BLS's portion shall be 48% of all paid Citations. No fees or charges will be assessed to the City for non-paid violations.

- 1. Program & System Fees.** Blue Line Solutions assumes all risk, costs & fees associated with, and required for all System installations, maintenance infrastructure, development, implementation, and ongoing support.
- 2. Legislative Change Affecting Compensation.** If legislative changes should limit or alter the structure or amount of fines levied for speed or red-light infractions, either Party may request to renegotiate the compensation as specified above. Any failure of the parties to agree on such compensation changes shall not be grounds for termination of this Agreement for cause.
- 3. Additional Warning Periods.** BLS will provide one (1) thirty-calendar-day warning period at no charge to the Municipality as part of this agreement. The fee for additional warnings shall be \$25.00 per processed warning and shall be subtracted from the Municipality's gross receipts of paid summonses.
- 4. Distribution of Collections.** No later than the 15th day of each month, BLS shall pay the City, from BLS's Knoxville bank account, the City's share of the collections from the preceding month. BLS will be responsible for providing the City a full accounting of the proceeding month's collections from which all payments were calculated.
- 5. Definition of "Received."** For the purposes of this Agreement and the Contract Documents, "received" shall mean that the Citation payment or partial Citation payment is collected and deposited into the account and, in the case of a check, the check is paid by the bank upon which it is drawn, and in the case of a credit card, payment is made by the credit card company.