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**SUBSIDY AGREEMENT BY AND BETWEEN
THE CITY OF ARCADIA AND RING LLC**

This Agreement is made and entered into this 28th day of November, 2018 by and between the City of Arcadia, a charter city organized under the Constitution and laws of the State of California with its principal place of business at 240 West Huntington Drive, Arcadia, California 91066-6021 ("City") and Ring LLC, a Delaware limited liability company, with its principal place of business at 1523 26th Street, Santa Monica, California 90404 ("Consultant") (herein "Agreement"). City and Consultant are sometimes hereinafter individually referred to as "Party" and hereinafter collectively referred to as the "Parties".

RECITALS

WHEREAS, Consultant produces security cameras and video doorbells for residential use which link smartphone users to their doorbell when the camera is activated by motion or someone ringing the doorbell.

WHEREAS, with this technology, the homeowner has the capability to see, hear and speak to visitors through their smartphones, tablets or desktops.

WHEREAS, the City desires to collaborate with Consultant to establish a grant program whereby City residents can purchase Consultant's security cameras and video doorbells for use at residences within the City at a discounted price to enhance security and safety in the community.

WHEREAS, the grant program will be operated on a first-come-first-served basis.

WHEREAS, the City Council finds that the dedication of public funds under this Agreement will serve the safety of City residents, an issue of important public purpose.

OPERATIVE PROVISIONS

NOW, THEREFORE, in consideration of the mutual promises and covenants made by the Parties and contained herein and other consideration, the value and adequacy of which are hereby acknowledged, the Parties agree as follows:

1. **Recitals are Part of Agreement.** The preceding Recitals are part of this Agreement.
2. **Consultant Services.** Consultant will perform the following Services:
 - a. Consultant will collaborate with the City on the distribution and marketing of the Ring Video Doorbell 2, Ring Video Doorbell Pro, Ring Spotlight Cam Wired, Ring Spotlight Cam Battery, and Ring Floodlight Cam and any other accessories (each, a "Product" and collectively, the "Products") to residents of Arcadia ("Residents").

- b. During the Promotional Period, as defined in Section 4 below, Consultant will directly provide 500 unique promotional codes (Promotional Codes) to Residents with a \$100.00 discount of the sales price for one (1) of the following products at checkout:

- i. Ring Video Doorbell 2;
- ii. Ring Video Doorbell Pro;
- iii. Ring Spotlight Cam Wired;
- iv. Ring Spotlight Cam Battery;
- v. Ring Floodlight Cam; or
- vi. Ring Alarm.

Each Resident is entitled to only one Promotional Code. Each Promotional Code may only be used once per household. Only codes sent to the resident through Consultant communications channels will be valid. In order to apply the Promotional Code, the zip code of the shipping address for the Product must be 91006, 92007, 32077, 91732 or 91780.

Residents who are interested in obtaining the Promotional Code must contact the City's Program Administrator in order to receive the code.

Ring reserves the right to cancel or change the Promotional Code or limit the number of order per household in the event it suspects that the Promotional Code is being abused (including bulk purchases).

The Consultant shall notify City in writing when 300 (60%) of the Codes have been redeemed.

- c. During the Promotional Period, as defined in Section 4 below, Consultant will directly provide Residents with a discount code valued at \$30.00 dollars per product to apply towards the purchase of any of the products listed in section 2.b above with a limit of two products per checkout.
- d. During the Promotional Period, as defined in Section 5 below, Consultant will directly provide Residents with an accessories discount valued at a twenty percent (20%) discount towards any 3 accessory listed on the company's website. This does not apply to the Ring Video Recording Services or non-Ring accessories.
- e. Consultant will fulfill orders for Products when Residents provide information and payment required using the information required for Consultant to complete delivery of the Product (including name, address, email address, etc.). Standard delivery shall be in accordance with Ring.com (as of the date hereof, orders over twenty dollars (\$20.00) ship

free of charge). Consultant will use commercially reasonable efforts to ship the Products within three (3) business days from date the order was placed.

- f. Consultant will provide product and user support to Residents who purchase Products, including warranty for the security device(s) and, if the resident chooses to, the option to hire someone to install the device(s). These options will be provided at checkout at the user's expense.
- g. Consultant will provide marketing support and materials for City to distribute to Residents, such as brochures and flyers.
- h. Consultant shall contribute fifty dollars (\$50.00) of the one-hundred dollar (\$100.00) discount specified in section 2.b above.
- i. Within thirty days after the end of the Promotional Period, as set forth in Section 4 below, Consultant will provide the City with an accounting statement (the "Accounting Statement") setting forth the number of Products purchased using the Promotional Code during the Promotional Period, as set forth in Section 4 below, and such other information reasonably requested by City to enable the Parties to determine the City's required City contribution amount, as specified in Section 3.a below.

3. **City Obligations.** The City agrees to do the following in furtherance of this Agreement:

- a. Within 30 days of its receipt of the Accounting Statement from Consultant, City shall pay Consultant an amount equal to fifty dollars (\$50.00) of the one-hundred (\$100.00) discount specified in section 2.b above for the first Product sold to each Resident household during the Promotional Period using a Promotional Code. No other Product is eligible for a City contribution. The maximum contribution payable by the City to Consultant shall not exceed twenty-five thousand dollars and no cents (\$25,000.000) under this Agreement.
- b. City may, at its own cost and expense, audit Consultant's applicable sales data to confirm the amount of the sales made under section 2.b above within one year of the end of the Promotional Period.
- c. During the Promotional Period, as defined in Section 4 below, the City agrees to make reasonable efforts to promote the program provided in this Agreement on the City's website, social media platforms, such as Facebook and Twitter; issue press release(s), and/or have brochures and flyers available at City Hall for the public.

4. **Promotional Period.** The Promotional Period shall commence on a date mutually agreed by the Parties. The Promotional Period shall expire upon the earlier of the following:
- a. 120 days after the commencement of the Promotional Period; or
 - b. The maximum contribution payable by the City of \$25,000.00 has been reached, as set forth in Section 3.a above.

Notwithstanding the foregoing, the City shall have the option to extend the Promotional Period if the maximum contribution payable by the City of \$25,000.00 has not been reached within 120 days after the commencement of the Promotional Period.

5. **Termination.** Each of the City and the Consultant reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to the other party, except that where termination is due to the fault of the non-terminating party, the period of notice may be such shorter time as may be determined by the terminating party.

6. **Indemnification.**

The Consultant shall indemnify, defend and hold harmless the City, its officers, officials, employees and volunteers from and against any and all third party claims, losses, liabilities, damages, costs or expenses, arising out of Consultant's negligence or willful misconduct in connection with performance of this Agreement.

The City shall indemnify, defend and hold harmless the Consultant, its officers and employees from and against any and all third party claims, losses, liabilities, damages, costs or expenses, arising out of City's negligence or willful misconduct in connection with performance of this Agreement.

7. **Independent Consultant.** Neither the City nor any of its employees shall have any control over the manner, mode or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth herein. City shall have no voice in the selection, discharge, supervision or control of Consultant's employees, servants, representatives or agents, or in fixing their number, compensation or hours of service. Consultant shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City. City shall not in any way or for any purpose become or be deemed to be a partner of Consultant in its business or otherwise or a joint venturer or a member of any joint enterprise with Consultant.


8. **Governing Law.** This Agreement shall be interpreted, construed and governed both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Los Angeles, State of California, or any other appropriate court in such county, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action. In the event of litigation in a U.S. District Court, venue shall lie exclusively in the Central District of California, in the County of Los Angeles, State of California.
9. **Notices.** Any notice, demand, request, document, consent, approval, or communication either party desires or is required to give to the other party or any other person shall be in writing and sent by email, in the case of the City, to bguthrie@arcadiaCA.gov and in the case of the Consultant, to August Cziment at a@ring.com and legal@ring.com. Either party may change its email address by notifying the other party of such change.
10. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.
11. **Integration; Amendment.** This Agreement including the attachments hereto is the entire, complete and exclusive expression of the understanding of the parties. It is understood that there are no oral agreements between the parties hereto affecting this Agreement and this Agreement supersedes and cancels any and all previous negotiations, arrangements, agreements and understandings, if any, between the parties, and none shall be used to interpret this Agreement. No amendment to or modification of this Agreement shall be valid unless made in writing and approved by the Consultant and by the City Council. The parties agree that this requirement for written modifications cannot be waived and that any attempted waiver shall be void.
12. **Severability.** In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder unless the invalid provision is so material that its invalidity deprives either party of the basic benefit of their bargain or renders this Agreement meaningless.
13. **Corporate Authority.** The persons executing this Agreement on behalf of the parties hereto warrant that (i) such party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said party, (iii) by so executing this Agreement, such party is formally bound to the

provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other Agreement to which said party is bound. This Agreement shall be binding upon the heirs, executors, administrators, successors and assigns of the parties.

[SIGNATURES ON FOLLOWING PAGE]

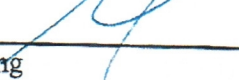
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first-above written.

CITY OF ARCADIA



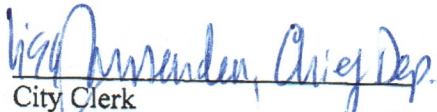
Dominic Lazzaretto
City Manager

RING LLC

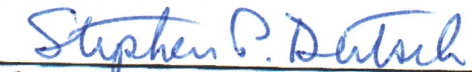
X 

Mel Tang
VP and Secretary
Date: Nov 20, 2018

ATTEST:




Vicki Jaramden, Chief Dep.
City Clerk



Stephen P. Deitsch
City Attorney

CONCUR:



Robert Guthrie
Chief of Police