

PROFESSIONAL SERVICES AGREEMENT

Between

The Traffic Safety Group, 42988 Fairgrounds Rd, Leonardtown, MD 20650

And

The Town of Cottage City, Maryland, 3820 40th Ave, Cottage City, MD 20722

This Professional Services Agreement “Agreement” is entered into as of January 14, 2026, by and between the All American MD, LLC trading as The Traffic Safety Group (“Contractor or TSG”), a Maryland limited liability company, and the Town of Cottage City, a municipal corporation of the State of Maryland (the “Town”). The Contractor and the Town may be referred to individually as “Town,” “Contractor,” or “TSG,” and collectively as the “Parties.”

1. Purpose

1.1 The purpose of this Agreement is for Contractor to provide citation review, approval or rejection processing, administrative support, and fine and fee recovery coordination for the Town’s automated speed, red-light, and stop sign enforcement systems. Primarily this contract will provide the terms and conditions for providing Ombudsman, Speed Monitoring System Operator and Program Administrator duties to free the Cottage City Police Department from dedicating limited personnel needed for community policing to perform these supporting duties.

1.2 Including within the purpose of this Agreement is to provide additional services relating to debt collection that may compliment the Town’s debt collection efforts through its retained municipal debt collector and governed by a separate Fee Schedule referenced hereinbelow. The Town of Cottage City currently has approximately \$2 Million in bad debt (i.e., unpaid citations with late and other fees accrued) that may be recovered.

2. Scope of Services

2.1 Citation Review and Approval.

a. Receive violation data, images, and metadata from the Town’s enforcement vendor or vendors.

b. Review each citation for clarity, accuracy, and legal sufficiency under Maryland Transportation Article, §21-809, Ordinance 2021-03 (as amended) and related laws associated with municipal civil infractions related to parking and automated traffic enforcement systems.

c. Approve or reject citations within the vendor platform.

d. Return approved citations to the vendor for notice issuance.

e. Designate an employee or agent of the Contractor to serve as the civilian Program Administrator and Ombudsman for the Town's automated enforcement program.

f. Respond to citizen inquiries before court involvement and resolve erroneous violations with the vendor directly in accordance with state law and Town policies.

g. TSG shall employ, engage and maintain legal agency with natural individuals and the Town shall, by resolution, designate specific TSG personnel (by name and title) as the Program Administrator and Ombudsman, acting as appointed officials under the Town's authority pursuant to TR, § 21-809 and Ordinance 2021-03.

2.2 Program Administration, Speed Monitoring System Operator and Ombudsman Services.

a. In accordance with the Maryland Automated Speed Enforcement Reform Act of 2014 (Chapter 15, Acts of 2014; codified in Transportation Article §21-809 and §21-810 of the Annotated Code of Maryland), each local jurisdiction operating automated traffic enforcement systems is required to designate a civilian Program Administrator, a Speed Monitoring System Operator and an Ombudsman to ensure the lawful operation, oversight, and accountability of its enforcement program. These roles are mandated to preserve the integrity of citation issuance, prevent conflicts of interest, and provide an independent point of contact for the public to resolve disputes and verify citation accuracy. Recent legislation permits a speed camera operating jurisdiction to assign a trained civilian to review and approve speed camera citations.

b. The Program Administrator is responsible for ensuring that all citations issued through automated enforcement systems comply with the evidentiary and procedural requirements of State law prior to approval. The duties of the Program Administrator are further defined in TR, §21-809(b)(5).

c. The Speed Monitoring System Operator is required by TR, §21-809 to operate the Town's speed monitoring systems, to fill out and sign a daily set-up log for a speed monitoring system, to provide a certificate alleging that a violation has occurred and the requirements under said section to complete training by a manufacturer of speed monitoring systems in the procedures for setting up and operating the speed monitoring system and, if requested by the violator, to testify at trial. Said section further mandates that the speed monitoring system operator successfully perform or review and evaluate the manufacturer-specified daily self-test of the speed monitoring system prior to producing a recorded image and other duties described in TR, §21-809 or as required by ordinance.

d. The Ombudsman provides citizens with an impartial channel for review and correction of potential administrative errors. Inclusion of these functions within this Agreement is therefore necessary to ensure the Town's compliance with Maryland law, to maintain transparency and public confidence, and to lawfully delegate these administrative and oversight duties to qualified civilian personnel acting under the Town's authority. The

Speed Camera Ombudsman shall report the number of citations reviewed each month to the Cottage City Commission and the disposition thereof. The duties of the Ombudsman (the “Designee”) are further defined in TR, §21-809(b)(1)(x).

e. TSG acknowledges and certifies it is independent from RedSpeed Maryland, LLC and any speed monitoring system contractor, with no shared ownership, control, or financial incentives beyond this Agreement or any agreement expressly mandated and sanctioned by this agreement. TSG shall disclose any and all other affiliations.

2.3 Exclusions: Except as stated herein regarding the Speed Monitoring System Operator, the Contractor shall not be responsible for court appearances, testimony, or representation in any adjudicatory proceeding since these remain the responsibility of the Town or its designated law-enforcement personnel. Except as stated herein, Contractor shall not be responsible for generating monthly or quarterly activity reports since program performance and operational statistics are tracked by the automated enforcement vendor, which also provides the Town with detailed billing and performance data as part of its regular reporting cycle. Contractor shall not be responsible for the direct receipt or handling of fine payments. For clarity, TSG may support post-issuance enforcement and coordination of outstanding violations as described in Section 11 but shall not itself act as the collecting entity or custodian of funds.

3. Compensation and Cost Neutrality

3.1 Contractor shall be compensated \$1.74 per processed violation regardless of the fine amount. This reflects a preferred rate extended to the Town of Cottage City since the standard \$2.00 per-violation processing rate for TSG has been automatically reduced based on the Town’s existing relationship with RedSpeed Maryland, LLC. The total \$1.74 per-processed-violation fee covers TSG's citation review and related services (\$1.50 to TSG) plus a small processing/remittance fee to RedSpeed (\$0.24). This means that \$0.24 shall be paid to RedSpeed specifically for handling the TSG remittance of compensation under this contract apart from any compensation agreed to under the existing RedSpeed contract with the Town. This compensation for services rendered under this agreement represents consideration for providing the various services stated herein including but not limited to legally mandated Ombudsman and Program Administrator duties.

3.2 The total per-violation cost shall be 1.74 dollars, consisting of 1.50 dollars payable to Contractor and 0.24 dollars payable to RedSpeed Maryland, LLC for processing and remittance.

3.3 Invoicing and Vendor Authorization. Invoices shall be based on citation statistics recorded by RedSpeed Maryland, LLC, or any other vendor providing automated traffic enforcement solutions to the Town. The Town authorizes RedSpeed Maryland, LLC, or any successor or alternate vendor, to remit payment for these services directly to TSG through vendor pass-through processing. All invoices and related vendor billing statements shall clearly identify this charge as “TSG Service Fee.”

3.4 Cost Neutrality. This Agreement is and shall remain entirely cost-neutral to the Town. All compensation to Contractor shall be paid solely from vendor pass-through funds derived from citation revenues processed by RedSpeed Maryland, LLC or other vendors. If citation revenues in any billing period are insufficient to cover the full amount owed, the unpaid balance shall carry forward and be satisfied from available funds collected in the next billing period or, if necessary, from cumulative available funds at the end of the calendar or fiscal year, consistent with RedSpeed's or any other automated traffic enforcement system providers standard reconciliation procedures. At no time shall the Town be required to expend general funds, advance payments, or incur any negative balance to fulfill payment obligations. Contractor agrees that payment shall be limited strictly to available vendor pass-through revenues as described herein.

3.5 Violator-Funded Program and State Reporting. The Town acknowledges and affirms that the automated enforcement program is a violator-funded solution, with administrative and operational costs paid from citation revenue rather than municipal general funds. The Town recognizes that all costs associated with this Agreement shall be classified as direct administrative costs for purposes of the State of Maryland SMS-1 report and may be included as allowable deductions in accordance with State reporting requirements.

3.6 Contractor shall invoice monthly, and payment shall be made Net 30 following receipt of vendor disbursement from RedSpeed Maryland, LLC or any other designated vendor.

4. Term and Termination

4.1 The term of this Agreement is three years from the Effective Date.

4.2 The Agreement shall automatically renew for successive one-year terms unless terminated for cause.

4.3 Termination for cause requires written notice and a 30-day opportunity to cure.

4.4 Termination with or without cause may occur with 30-days' notice if the Cottage City Commission ends or discontinues its speed camera program after passing legislation to do so to protect the health, safety and welfare of the Town.

5. Confidentiality and Compliance

5.1 Contractor shall protect all PII, MVA data, photographic evidence, and law-enforcement data; comply with CJIS standards, DPPA (Driver's Privacy Protection Act), Maryland Public Safety and Transportation Articles, and Town policies; and not disclose or sell data to any third party without written authorization except as required by law.

5.2 The Town shall provide system access through its contracted speed camera enforcement vendor; acknowledge that citation approval may be performed by civilian

personnel in accordance with Maryland law; and has no responsibility for vendor integration or technology setup.

6. Mutual Indemnification

6.1 Each Party, as the Indemnifying Party, agrees to defend, indemnify, and hold harmless the other Party and its officers, employees, agents, and representatives from and against any and all claims, damages, liabilities, losses, and expenses including reasonable attorney fees arising out of or related to the Indemnifying Party's own negligence, willful misconduct, or material breach of this Agreement. This mutual indemnification survives termination or expiration.

7. Independent Contractor and No Employment Relationship

7.1 TSG is and shall remain an independent contractor. Nothing in this Agreement creates an employer-employee relationship, partnership, or joint venture between TSG and the Town.

8. Subcontracting Authority

8.1 TSG may subcontract with reputable vendors or professionals for legal services, court filings, administrative work, and other specialized tasks necessary to maintain compliance with applicable state, local, and federal laws. TSG remains responsible for subcontractor performance and shall ensure that subcontractors meet the confidentiality and data protection standards of this Agreement. TSG may enter into a contract with the Town's speed camera vendor to carry out its obligations under this Agreement.

9. Disputes

In the event of any dispute, controversy, or claim arising out of or relating to this Agreement, the Parties agree to first engage in good-faith negotiations to resolve the matter informally. If the dispute cannot be resolved through informal discussion, the Parties shall participate in non-binding mediation conducted by a mutually agreed-upon mediator located in Prince George's County, Maryland, with the costs of mediation shared equally between the Parties. If mediation fails to resolve the dispute within sixty (60) days of initiation, either Party may pursue litigation exclusively in a court of competent jurisdiction within Prince George's County, Maryland. The Parties expressly waive the right to a jury trial and agree that this Agreement and any dispute hereunder shall be governed by and construed in accordance with the laws of the State of Maryland, without regard to conflict-of-law principles. Participation in mediation shall be a condition precedent to filing any legal action, except where immediate injunctive relief is reasonably necessary to prevent irreparable harm.

10. Jurisdiction and Amendments

10.1 This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland, and venue for any legal action shall lie in Prince George's County, Maryland. Neither Party may assign or transfer this Agreement or any rights or obligations without the prior written consent of the other Party. This document represents the entire agreement between the Parties and supersedes all prior discussions, representations, or agreements, whether oral or written. No amendment or modification shall be valid unless in writing and signed by both Parties. All notices required or permitted shall be provided in writing and delivered either by certified mail or by email with receipt confirmation to the addresses designated by each Party.

11. Support for Outstanding Violations and Municipal Debt Collection

11.1 Designation as Authorized Agent. For the limited purpose of assisting with the collection and enforcement of outstanding violations and related municipal debts, the Town designates TSG as an authorized agent of the Town. This authorization extends solely to activities undertaken in support of the Town's lawful collection and traffic enforcement programs.

11.2 Scope of Authority. TSG is not a collection agency. TSG may coordinate and collaborate with authorized collection entities including the State of Maryland Central Collection Unit and its legal subcontractors to pursue the recovery of ripe municipal debt. This includes but is not limited to debt arising from automated traffic enforcement violations, parking enforcement violations, and any other municipal civil infraction subject to lawful enforcement or recovery.

11.3 Vendor Cooperation. All vendors providing services to the Town in connection with parking or traffic enforcement programs including RedSpeed Maryland, LLC and any future vendors shall provide to TSG upon request all data and records necessary to facilitate lawful collections or enforcement actions including citation records, violator information, and other documentation needed to validate or pursue outstanding obligations.

11.4 Permitted Actions. TSG may assist the Town directly or through coordination with the State of Maryland CCU or its authorized legal subcontractors in pursuing lawful remedies including obtaining judgments, filing for wage garnishments, placing liens against property or assets, and executing other lawful recovery processes consistent with Maryland law and the Town Charter. Should TSG pursue any legal action with the State of Maryland CCU or its authorized legal subcontractors, it shall inform the Town Attorney each time it does so or provide a periodic report satisfactory to the Town.

11.5 Fee Structure. Fees and reimbursement for debt collection related activities shall be governed by a separate Fee Schedule (Addendum A) to be negotiated and jointly approved later. No fees shall be incurred or payable until that addendum has been approved by the Cottage City Commission and executed by the parties.

11.6 Compliance. TSG shall ensure that all activities performed under this section are consistent with any valid agreement with Municipal Collections of America, Inc. or any existing debt collection firm retained by the Town and fully comply with applicable Maryland laws including the State Finance and Procurement Article, Local Government Article, and the Maryland Consumer Debt Collection Act, and shall operate in a professional and ethical manner consistent with Town policies.

12. Disclaimer of Guarantee and Limitation of Liability

12.1 No Guarantee of Collection or Payment. TSG makes no guarantee or representation regarding the outcome, success rate, or timing of any collection efforts or fine payments pursued under this Agreement.

12.2 No Guarantee of Citation Outcomes. TSG makes no promises or representations concerning the number or percentage of violations that will be approved or rejected. All citation reviews shall be conducted strictly in accordance with Maryland law and approvals shall be issued only when violations meet the statutory and evidentiary standards applicable to automated enforcement systems.

12.3 Limitation of Liability. Neither Party shall be liable to the other for consequential, incidental, or indirect damages. Each Party's total liability shall be limited to amounts actually payable under this Agreement.

13. Insurance and Liability Coverage

13.1 Town Liability Coverage. The Town agrees to add TSG as an additional insured under its existing liability coverage programs, including general liability, public officials, and errors and omissions coverage, solely for the purposes of performing government-related services under this Agreement, including citation review and fine recovery processes.

13.2 Scope of Coverage. Coverage applies only to authorized actions performed in good faith within the scope of this Agreement. It does not extend to independent business activities, gross negligence, or willful misconduct by TSG or its personnel.

13.3 No Waiver of Sovereign Immunity. Nothing herein waives any rights or protections granted to the Town under the Local Government Tort Claims Act or other applicable laws.

13.4 Proof of Coverage. Before the performance, the Town shall provide TSG with a certificate or letter confirming its status as an additional insured.

14. Maryland Public Information Act Exemption

TSG is not a public agency and therefore not subject to the Maryland Public Information Act, State Government Article, Title 4. Any data, records, or information in TSG's

possession shall be treated as confidential and may be released only with the written authorization of the Town or as required by law, subpoena, or court order.

15. Independent Status Relative to Other Vendors

15.1 No Partnership or Joint Venture. This Agreement shall not be interpreted to create any partnership, joint venture, or agency relationship between TSG and any other vendor, contractor, or service provider of the Town, including RedSpeed Maryland, LLC or its affiliates.

15.2 Independent Service Providers. All parties providing services to the Town under separate contracts, including TSG and other vendors, are and shall remain independent entities. Each performs distinct functions in support of the Town's automated enforcement and public safety programs, and no party shall have authority to bind or represent another.

15.3 No Shared Liability. No provision of this Agreement shall be construed as creating shared liability, shared revenue, or shared responsibility between TSG and any other vendor. Each vendor or contractor engaged by the Town remains solely responsible for its own employees, actions, and contractual obligations.

15.4 Purpose. This provision preserves the independence of all entities operating under separate agreements while ensuring cooperative support of the Town's public safety objectives.

16. Maryland Public Information and Records Handling by Town

16.1 Nothing in this Agreement restricts the Town's obligations, if any, under the MPIA with respect to records in the custody of the Town. If the Town receives an MPIA request that implicates TSG materials, the Town will consult with TSG to the extent permitted by law before disclosure and will withhold confidential or exempt materials as permitted by law.

17. Survivability

17.1 If any provision of this Agreement is determined by a court of competent jurisdiction or other lawful authority to be invalid, unenforceable, or inconsistent with applicable federal, state, or local law, rule, or regulation, such provision shall be deemed automatically amended to the minimum extent necessary to achieve conformity with such law while preserving, to the greatest extent possible, the original intent of the Parties. If such an amendment is not possible, the provision shall be deemed severed, and all remaining provisions of this Agreement shall remain in full force and effect. The Parties expressly consent to any amendment or modification required by law, regulation, or procurement policy to maintain this Agreement in lawful standing and to ensure its continued enforceability.

18. Certifications and Assurances

18.1 All American MD, LLC d/b/a The Traffic Safety Group hereby certifies that it is a business entity duly organized, validly existing, and in good standing under the laws of the State of Maryland. The Traffic Safety Group further certifies that it is properly registered and authorized to conduct business within the State of Maryland, including the performance of municipal administrative and program management services under this Agreement. The Traffic Safety Group affirms that it holds all required licenses, registrations, and certifications necessary to perform the services described herein, and that it shall maintain such compliance and good standing throughout the term of this Agreement.

18.2 The Traffic Safety Group also certifies that it is not debarred, suspended, or otherwise prohibited from contracting with or performing services for any federal, state, or local governmental entity, and that it will promptly notify the Town of Cottage City of any change in this status during the term of this Agreement. The Traffic Safety Group further certifies that it has or will have and maintain a valid contract with RedSpeed Maryland, LLC or its successor to facilitate the small processing/remittance fee obligated to RedSpeed (\$0.24) as defined by this Agreement and will provide written assurances to the Town that it maintains such an arrangement.

18.3 The Town of Cottage City, Maryland, a municipal corporation duly organized and existing under the laws of the State of Maryland, hereby certifies that it has the full legal authority and capacity to enter into this Agreement and to perform all obligations set forth herein. The Town further certifies that the execution of this Agreement has been duly authorized in accordance with its Charter, ordinances, and applicable procurement laws, and that the individual signing on its behalf has been duly authorized to bind the Town. The Town affirms that this Agreement and the services contemplated herein are consistent with the Town's public purposes and within its lawful powers under Maryland law, and that all necessary resolutions, approvals, and certifications have been or will be properly executed to ensure full compliance with State and local requirements.

19. Entire Agreement

19.1 This Agreement, including all exhibits, addenda, and attachments hereto, constitutes the entire understanding and agreement between the Parties concerning the subject matter herein and supersedes all prior negotiations, discussions, representations, or agreements, whether written or oral. No statement, promise, condition, or understanding not contained in this Agreement shall be binding upon either Party. Any modification or amendment to this Agreement shall be effective only if made in writing and executed by authorized representatives of both Parties. The Parties acknowledge that they have read and fully understand this Agreement and agree to be bound by its terms as a complete and exclusive statement of their obligations and rights regarding the subject matter hereof.

20. Signatories

20.1 Both Parties affirm that this Agreement has been executed with full lawful authority and in compliance with their respective governing laws, charters, and procurement procedures. The execution and performance of this Agreement shall not be deemed ultra vires or beyond the legal power of either Party. Each Party represents that the individuals executing this Agreement on their behalf are duly authorized to bind their respective entities, and that this Agreement constitutes a lawful, valid, and enforceable obligation.

TOWN OF COTTAGE CITY, MARYLAND

By: _____
Name: _____
Title: _____
Date: _____

THE TRAFFIC SAFETY GROUP (trade name for All American MD, LLC)

By: _____
Name: _____
Title: _____
Date: _____