TRAFFIC SIGNAL OPTIMIZATION PILOT AGREEMENT

36005

This Traffic Signal Optimization Pilot Agreement ("Agreement") for Project X (as defined in Exhibit A) is made and entered into this 11th day of August 2021 ("Effective Date"), by and between the City of Long Beach, a municipal corporation of the State of California ("City"), Mercedes-Benz Research & Development North America, Inc., a Delaware corporation ("MBRDNA") and Xtelligent, Inc., a Delaware corporation ("Xtelligent"). Each of City, Xtelligent and MBRDNA are sometimes referred to as a "Party" and collectively as the "Parties".

RECITALS

A. WHEREAS, City desires to work with MBRDNA and Xtelligent on a short term, collaborative pilot for specialized services and unique skills needed to develop, deploy and test specific MBRDNA Connected and Automated Vehicles ("CAV") and Xtelligent's Cooperative Intelligent Transportation System ("C-ITS") on City's traffic signal communications system and infrastructure for traffic signal control ("Pilot");

B. WHEREAS, City selected Xtelligent and Daimler Urban Mobility Solutions in accordance with City's administrative procedures and City determined that Xtelligent and Daimler Urban Mobility Solutions are qualified and experienced in performing these specialized services;

B. WHEREAS, after the selection of Daimler Urban Mobility Solutions, the Pilot moved from Daimler Urban Mobility Solutions to MBRDNA .

D. WHEREAS, City desires to have Xtelligent and MBRDNA perform these specialized services as part of the Pilot, and Xtelligent and MBRDNA are willing and able to do so under the terms and conditions in this Agreement; and

E. WHEREAS, the purpose of this Agreement is to (1) set forth the terms and conditions for Xtelligent and MBRDNA's temporary access to City's traffic infrastructure, and (2) study and demonstrate how CAVs can be incorporated into a multi-model environment to better understand impacts to safety, data, transit, and community engagement with connected and automated vehicles.

NOW, the Parties agree as follows:

SECTION 1. PILOT

The Parties agree to participate in the Pilot, the scope of which is described in Exhibit A.

SECTION 2. RIGHT TO USE CITY TRAFFIC SIGNAL DATA

A. Right to Use; City Responsibility.

1. City's role in the Pilot is to provide access to traffic signal data and infrastructure. "Traffic Signal Data" is the data provided by City to Xtelligent and MBRDNA, including the data that resides within the traffic signal controllers and provides continuous (once per second) secure one-way real-time traffic signal data. Only anonymized data will be provided by City. "Infrastructure" refers to roadways, curb spaces, signage, traffic lights, and other publicly owned property not owned by Xtelligent or MBRDNA.

2. City acknowledges that it must maintain the Infrastructure in reasonable repair as it otherwise would in the ordinary course of business, and that the Pilot requires the Infrastructure to be kept in reasonable repair. Nothing in this Agreement is intended to alter City's obligations to maintain Infrastructure owned by City.

B. Right to Use; Xtelligent and MBRDNA Responsibilities.

1. Xtelligent and MBRDNA agree that to the extent data is collected as part of the Pilot using various in-vehicle technologies, and to the extent such data is displayed to the vehicle occupant in the driver's seat, that individual will not make any use of the data such that it would cause a distraction.

2. Traffic Signal Data provided from City to Xtelligent and MBRDNA is not recorded or stored in any manner by the City. However, Xtelligent and MBRDNA may electronically record and store Traffic Signal Data provided by City to Xtelligent and MBRDNA under this Agreement, at Xtelligent's and MBRDNA's sole cost (to be split equally between Xtelligent and MBRDNA) for the duration of the Agreement. The recorded or stored Traffic Signal Data may be used by Xtelligent and MBRDNA to establish vehicle-to-infrastructure messaging and computing, fine-tune and update MBRDNA's automated vehicle software, and analyze the benefits of the Pilot. In addition, Xtelligent and MBRDNA may each aggregate, excerpt, summarize or form conclusions from Traffic Signal Data. Xtelligent and MBRDNA will not provide raw Traffic Signal Data to any third party or sell Traffic Signal Data, including but not limited to anonymous and aggregate Traffic Signal Data, to any third party without prior approval. Xtelligent and MBRDNA will not use Traffic Signal Data for any unlawful purpose.

3. Xtelligent and MBRDNA understand that City is subject to the California Public Records Act ("Act"). The purpose of the Act is to give the public access to information that enables them to monitor the functioning of their government. The Act generally provides a right to the public to inspect and make copies of public records during business hours. Traffic Signal Data recorded or stored by Xtelligent and MBRDNA, as provided by City without any modifications, under this Agreement may constitute a "public record" and may be subject to inspection and disclosure requirements under the Act. If City receives a request under the Act for inspection or copies of Traffic Signal Data, and Xtelligent and MBRDNA record or store Traffic Signal Data as provided and without any modifications, Xtelligent will use good faith efforts to provide City a copy of the recorded or stored Traffic Signal Data within ten (10) business days of City's request, in a comma-separated values (CSV)

format that includes a description of all data fields. Neither MBRDNA nor Xtelligent are required or obligated to record or store any Traffic Signal Data. City grants to Xtelligent and MBRDNA a worldwide, non-exclusive, royalty-free, paid-up, perpetual, sublicenseable right to use, modify, reproduce, make derivative works of, develop from and exploit in any manner whatsoever all reports, documents, data, information or other materials provided by City including all related intellectual property rights. Any derivative work created by Xtelligent or MBRDNA using Traffic Signal Data, which is not provided to the City, will not be considered a public record and will not be subject to disclosure.

SECTION 3. INDEPENDENT DEVELOPMENT AND NON-EXCLUSIVITY

Each Party agrees that the other Parties have the right to independently develop products that may compete with the other Parties' products without use of the other Parties' Confidential Information or Xtelligent or MBRDNA Intellectual Property (defined in Section 5(B)).

SECTION 4. CONFIDENTIAL INFORMATION

A. "Confidential Information" means any information of or relating to the disclosing Party or disclosing Party's Affiliates that becomes known to the receiving Party through disclosure, observation or otherwise, and that is designated as confidential by the disclosing Party or disclosing Party's Affiliates, including without limitation, nonpublic information regarding products, services, programs, features, data, techniques, technology, code, ideas, inventions, research, testing, methods, procedures, know-how, trade secrets, business and financial information and other activities of the disclosing Party or disclosing Party's Affiliates and marked as "confidential" by the disclosing Party. The failure to so label any information that is released by the City will constitute a complete waiver of any and all claims for damages caused by any release of the information. Receiving Party will, however, undertake best efforts to treat as confidential any information reasonably understood to be confidential given the nature of the information and circumstances surrounding its disclosure. "Affiliates" of a Party means agents, officers, employees, contractors (at any tier) and any entity directly or indirectly controlling or controlled by or under direct or indirect common control with such Party.

B. All Confidential Information remains the property of the disclosing Party, and no license or other right in any Confidential Information is granted hereby, except to the extent expressly provided in the Agreement. The receiving Party will keep the Confidential Information strictly confidential, will not publish or disclose any Confidential Information to any third party, and will take all reasonable precautions to prevent its unauthorized dissemination, both during and after the Term of this Agreement. The receiving Party will limit its internal distribution of Confidential Information to its and its Affiliates' personnel who have a need to know such information for purposes of this Agreement, and the receiving Party will take steps to ensure that dissemination is so limited. The receiving Party will not use any of the disclosing Party's Confidential Information for any purpose except to carry out its obligations and exercise its rights expressly granted in the Agreement. Receiving party will be liable for its Affiliates' compliance with the terms of this Agreement.

C. Exceptions. Receiving Party's obligations of confidentiality and non-use will not apply to any information that (i) is or becomes generally known to the public without breach of any obligation owed to the disclosing Party, (ii) was known to the receiving Party prior to its disclosure by the disclosing Party as evidenced by contemporaneous documentation, (iii) is rightfully received by receiving Party from a third party without any obligation of confidentialityand without a breach of any obligation owed to disclosing Party, or (iv) was independently developed by receiving Party without use of or reference to any of disclosing Party's Confidential Information. If a receiving Party is required by law to make any disclosure prohibited or otherwise constrained by this Agreement, receiving Party will (i) provide disclosing Party with prompt written notice of such requirement so that disclosing Party may seek a protective order or other appropriate relief; and (ii) cooperate with disclosing Party in obtaining such an order or other appropriate relief or in taking legally available steps to resist or narrow such requirement. If such protective order or appropriate relief is denied or otherwise not obtained, receiving Party will furnish only that portion of the Confidential Information that is, in the reasonable opinion of its counsel, legally compelled. City will honor a disclosing Party's designation of a document as "confidential" provided that disclosing Party agrees to indemnify and defend the City for honoring the designation.

SECTION 5. OWNERSHIP OF MATERIALS/INTELLECTUAL PROPERTY

A. All reports, documents, data, information, or other materials provided by City to Xtelligent or MBRDNA, or any other person engaged directly or indirectly by Xtelligent or MBRDNA, under this Agreement will be and remain the property of City without restriction. City grants to Xtelligent and MBRDNA a worldwide, non-exclusive, sublicensable, royalty-free, paid-up, perpetual right to use, modify, reproduce, make derivative works of, develop from and exploit in any manner whatsoever all Traffic Signal Data provided by City provided Xtelligent and MBRDNA will not sell or disclose City's raw Traffic Signal Data to third parties.

B. It is not anticipated that City will receive any Xtelligent or MBRDNA Intellectual Property (as defined below). All intellectual property related to the vehicles, software, and any other necessary mobility-related equipment on the vehicles or facilities utilized for the vehicles for the Pilot, including firmware, source code and algorithms, and all intellectual property, including know how and trade secrets ("Xtelligent and MBRDNA Intellectual Property") will be fully and completely owned by Xtelligent and MBRDNA as those rights exist between Xtelligent and MBRDNA. City agrees and acknowledges that it has no rights, licenses or claims to any Xtelligent and MBRDNA Intellectual Property or Confidential Information.

SECTION 6. REPORTS

Xtelligent will provide to City reports regarding the services and information described in Exhibit A. Xtelligent will endeavor to provide reports to City without Confidential Information so that City can present the reports in a public meeting. If reports must contain Confidential Information, City, Xtelligent and MBRDNA will meet to determine how to

generate a report suitable for presentation at a public meeting.

SECTION 7. LIABILITY

Neither Xtelligent nor MBRDNA, nor their respective agents, officers, employees or contractors, are liable for any (1) damage from any cause whatsoever to Infrastructure except to the extent that damage is caused by a breach of this Agreement, or the negligence of Xtelligent or MBRDNA or their respective agents, officers, employees or contractors; or (2) damage, injury, cost or expense from any cause whatsoever arising out of or related to the Infrastructure or defects on the Infrastructure, except to the extent that damage is caused by a breach of this Agreement, or the negligence of Xtelligent or MBRDNA or their respective agents, officers, employees or contractors. No Party will be liable for any consequential, indirect, exemplary, special or incidental damages, including any lost data and lost profits, even if advised of the possibility of such damages.

SECTION 8. INDEMNIFICATION AND CONTRIBUTION

A. Xtelligent will defend, indemnify, and hold harmless City, its Commissions and Boards, and its officials, employees, and agents against any third party demands, claim, causes of action, liability, loss, liens, damage, costs, and expenses (collectively "Claims") to the extent such Claim arises out of or is in any way connected with Xtelligent's breach of its obligations of this Agreement and from the negligence of Xtelligent, its employees, agents, or subcontractors, either as a sole or contributory cause, sustained by any person or entity. If the joint, concurring, comparative fault or negligence of City gives rise to the Claims then the obligation to indemnify City will be proportionally reduced by City's respective degree of fault or negligence. Xtelligent will not withhold defense and/or indemnification of Claims on the basis of several liability or shared fault. This indemnity provision survives expiration or sooner termination of this Agreement. The foregoing does not modify or change City's responsibility for the Infrastructure.

B. If any Claim paid or payable by Xtelligent under Section 8.A above is proved by Xtelligent to have arisen in whole or in part from MBRDNA Test Fleet Data (as defined in Section 5 of the Scope of Pilot in Exhibit A) provided by MBRDNA to Xtelligent, or from MBRDNA test fleet vehicles owned and operated by MBRDNA as part of the Pilot, then MBRDNA will contribute to the amount paid or payable by Xtelligent and/or the City as a result of such Claim in such proportion as is appropriate to reflect the relative fault of MBRDNA in connection with the state of facts proved to have given rise to such Claim. This contribution provision survives expiration or sooner termination of this Agreement. The foregoing does not modify or change City's responsibility for the Infrastructure.

SECTION 9. INSURANCE

As a condition precedent to the effectiveness of this Agreement, MBRDNA and Xtelligent will procure and maintain at MBRDNA and Xtelligent's expense for the duration of this Agreement, from an insurance company that is admitted to write insurance in the State

of California or that has a rating of or equivalent to an A:VIII by A.M. Best and Company, the following insurance:

A. Commercial general liability insurance equivalent in coverage scope to ISO CG 00 01 10 93 naming the City of Long Beach and its officials, employees, and agents as additional insureds on a form equivalent in coverage scope to ISO CG 20 26 11 85 from and against claims, demands, causes of action, expenses, costs, or liability for injury to or death of persons, or damage to or loss of property arising out activities performed by or on behalf of the MBRDNA or Xtelligent in an amount not less than One Million Dollars (US $1,000,000) per occurrence and Two Million Dollars (US $2,000,000) in general aggregate.

B. Workers' compensation coverage as required by the Labor Code of the State of California and Employer's liability insurance with minimum limits of One Million Dollars (US $1,000,000) per accident or occupational illness. The policy will be endorsed with a waiver of the insurer's right of subrogation against the City of Long Beach and its officials, employees, and agents.

C. Commercial automobile liability insurance equivalent in coverage scope to ISO CA 00 01 06 92 in an amount not less than One Million Dollars (US $1,000,000) combined single limit (CSL) covering Symbol 1 ("any auto").

D. Professional liability or errors and omissions liability insurance in an amount not less than One Million Dollars ($1,000,000) per claim and in aggregate covering the engineering, traffic engineering, planning, or other professional services provided pursuant to this Agreement. The requirements of this provision 8.D. do not apply to MBRDNA.

E. Umbrella liability insurance on a following form basis insurance with respect to provisions 9.A. and 9.C., including, but not limited to, additional insured coverage, if provided, in an amount not less than Four Million Dollars ($4,000,000) per claim arising out activities performed by or on behalf of this Agreement. The requirements of this provision 9.E. do not apply to Xtelligent.

The above insurance requirements have been deemed appropriate here because of the limited and contained scope of this Pilot as outlined in Exhibit A.

Any self-insurance program or self-insurance retention must be approved separately in writing by City and will protect City and its officials, employees, and agents in the same manner and to the same extent as they would have been protected had the policy or policies not contained retention provisions. MBRDNA and Xtelligent will provide at least twenty (20) days prior written notice to City in case of any suspension or cancellation of any insurance required under the Agreement, and will be primary and not contributing to any other insurance or self-insurance maintained by City.

Any subcontractors MBRDNA or Xtelligent may use in performance of this Agreement will be required to indemnify City to the same extent as MBRDNA and Xtelligent and to maintain insurance in compliance with the provisions of this section.

MBRDNA and Xtelligent will deliver to City certificates of insurance and original endorsements for approval as to sufficiency and form prior to the start of performance. The certificates and endorsements (where necessary) for each insurance policy will contain the original signature of a person authorized by that insurer to bind coverage on its behalf. "Claims-made" policies are not acceptable unless City Risk Manager determines that "Occurrence" policies are not available in the market for the risk being insured. If a "Claims-made" policy is accepted, it must provide for an extended reporting period of not less than three (3) years. Such insurance as required will not be deemed to limit any party's liability relating to performance under this Agreement. Any modification or waiver of the insurance requirements will be made only with the approval of City Risk Manager. The procuring of insurance will not be construed as a limitation on liability or as full performance of the indemnification provisions of this Agreement.

SECTION 10. COMPLIANCE WITH APPLICABLE LAWS

City, Xtelligent and MBRDNA will comply with all applicable federal, state and local governmental laws, rules and regulations.

SECTION 11. ARTIFICAL INTELLIGENCE

Xtelligent and MBRDNA must implement and adhere to processes, internal guidelines and principles that foster responsible use of artificial intelligence, explainability, privacy protection as well as safety and reliability if applying any form of artificial intelligence (including machine learning). Industry standards or ethical principles, such as the Ethics guidelines for trustworthy AI from the EU or the Recommendation on Artificial Intelligence from the OECD, can serve as reference.

SECTION 12. DATA SECURITY

A. Any data provided by MBRDNA and processed and shared by Xtelligent with City will be shared with City on an anonymized, aggregate basis,

A. Xtelligent agrees to the terms and conditions in the California Consumer Privacy Act Data Processing Addendum, attached and incorporated as Exhibit B.

SECTION 13. TERM

The term of this Agreement commences on the Effective Date set forth above, and expires December 2022 ("Term"), unless earlier terminated pursuant to the terms of this Agreement.

SECTION 14. TERMINATION

A. If any Party terminates the Agreement, the Agreement will be terminated with respect to all Parties.

B. Termination of Agreement by Any Party for Convenience. Any Party may terminate the Agreement without cause upon ninety (90) days prior written notice to the other Parties.

C. Termination of Agreement by Any Party for Breach. The Agreement may be terminated by any Party in the event of another Party's material breach or default in performance of any of its obligations, and such breach or default is not cured within thirty (30) days after that Party's receipt of timely written notice of the breach. No Party to the Agreement is obligated to perform its obligations until the breach or default is cured.

D. Use of Traffic Signal Data. City acknowledges that Xtelligent and MBRDNA have been granted by City certain rights to use Traffic Signal Data as specified under Section 2. Xtelligent's and MBRDNA's right to use Traffic Signal Data in accordance with the terms of this Agreement survive expiration or sooner termination of the Agreement.

SECTION 15. NOTICES

Except as otherwise specifically set forth and allowed under the Agreement, all notices required to be given or which may be given by any Party to the others is deemed effective upon receipt when (1) served personally on City, Xtelligent or MBRDNA, (2) made in writing and deposited in the United States Mail, certified mail, return receipt requested, postage prepaid, or (3) when sent by electronic mail and addressed to the respective Parties at their addresses set forth below, or at such other address as any Party will hereafter inform the other Parties:

To CITY: 411 West Ocean Boulevard
Long Beach, California 90802
Attn: City Manager
[insert email]

with a copy to the City Engineer and the Department of Technology and Innovation (Attention: Ryan Kurtzman) at the same address.

To Xtelligent: Michael Lim
525 S Hewitt St
Los Angeles, CA 90049 USA

To MBRDNA: ATTN: Alex Schaab
Mercedes-Benz Research & Development North America, Inc.
340 N. Pastoria Ave
Sunnyvale, CA 94085 USA

AND

Mercedes-Benz Research & Development North America, Inc.
Legal Department
309 N. Pastoria Ave
Sunnyvale, CA 94085 USA
dw_624-legal_attorneys@daimler.com

SECTION 16. ASSIGNMENT

No Party may voluntarily or by operation of law, assign, transfer, mortgage, sublet, or otherwise transfer or encumber all or any part of its interest in this Agreement, without the prior written consent of the other Parties, which will not be unreasonably withheld. City's prior written consent will not be required with respect to an assignment to an entity which is controlled by, controls, or is under common control with, Xtelligent or MBRDNA, a sale of corporate shares of capital stock in Xtelligent or MBRDNA in connection with an initial public offering of Xtelligent's or MBRDNA's stock on a nationally-recognized stock exchange, an assignment of the Agreement to an entity which acquires all or substantially all of the stock or assets of Xtelligent or MBRDNA, or an assignment of this Agreement to an entity which is the resulting entity of a merger or consolidation of Xtelligent or MBRDNA during the term of this Agreement. Upon an assignment, Xtelligent or MBRDNA, as applicable, must provide City with written notice of the assignment. Furthermore, for the avoidance of doubt, the purchase by investors of Xtelligent's or MBRDNA's stock or warrants or other rights convertible to equity in Xtelligent or MBRDNA will not constitute an assignment requiring City's prior written consent. The rights and liabilities of Xtelligent and MBRDNA will bind and inure to the benefit of Xtelligent's and MBRDNA's respective successors and permitted assigns.

SECTION 17. GOVERNING LAW

This Agreement must be construed by, and in accordance with, the laws of the State of California.

SECTION 18. VENUE

If suit is brought by any Party to this Agreement, the Parties agree that venue must be exclusively vested in the state courts of the County of Los Angeles, or if federal jurisdiction is appropriate, exclusively in the United States District Court for the Central District of California, Los Angeles, California.

SECTION 19. NOT AGENT OF CITY

Neither anything in this Agreement nor any acts of Xtelligent or MBRDNA authorize Xtelligent or MBRDNA or any of their respective Affiliates to act as agent, contractor, joint venturer or employee of City for any purpose.

SECTION 20. CONFLICT OF INTEREST

Xtelligent and MBRDNA will avoid all conflicts of interest or the appearance of conflict of interest in performance of this Agreement.

SECTION 21. GIFTS

A. Xtelligent and MBRDNA are familiar with City's prohibition against the acceptance of any gift by a City officer or designated employee, which is prohibited by the City of Long Beach's Code fo Ethics and the California Political Reform Act.

B. Xtelligent and MBRDNA each agree not to offer any City officer or designated employee any gift prohibited by Section 20 above.

SECTION 22. DISQUALIFICATION OF FORMER EMPLOYEES

Xtelligent and MBRDNA are familiar with the provisions relating to the disqualification of former officers and employees of City in matters connected with former duties, or official responsibilities, as set forth in Long Beach Municipal Code Section 2.09 ("Revolving Door Ordinance"). Neither Xtelligent nor MBRDNA will knowingly utilize, either directly or indirectly any current or former officer, employee, or agent of City to perform services under this Agreement, if ,in the performance of those services, the officer, employee, or agent would be in violation of the Revolving Door Ordinance.

SECTION 23. ADVERTISING.

Xtelligent and MBRDNA will not use the name of City, its officials or employees in any advertising or solicitation for business or as a reference, without prior approval of the City Manager or designee. City and Xtelligent must not use Mercedes-Benz and Daimler names, trademarks, and logos, including but not limited to: "Mercedes-Benz Research & Development North America," "MBRDNA," "Mercedes-Benz," "Mercedes," "Maybach," "Smart," "AMG," the Three-Pointed Star Within a Circle logo, the Maybach logo, the Smart logo, the AMG logo, and any other marks or logos restricted by MBRDNA, for any purpose without MBRDNA's prior written consent, which may be provided at MBRDNA's sole discretion. City and Xtelligent must not issue any public statement, press release, marketing materials, or other forms of publicity relating to City or Xtelligent's relationship with MBRDNA or this Agreement, without MBRDNA's prior written consent, which may be provided at MBRDNA's sole discretion.

SECTION 24. MISCELLANEOUS

A. Whenever the singular number is used in this Agreement and when required by the context, the same includes the plural and the masculine gender includes the feminine and neuter genders.

B. This instrument contains all of the agreements and conditions entered into and made by and between the Parties and may not be modified orally, or in any manner, other than by an agreement in writing signed by all the Parties or their respective successors-in interest.

C. The headings of the paragraphs and sections of this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or intent of any provisions of this Agreement and must not be construed to affect

in any manner the terms and provisions of the Agreement,or the interpretation or construction of those terms and provisions. Lists of examples following "including", "e.g.", "such as", or "for example" are interpreted to include "without limitation", unless qualified by words such as "only" or "solely." This Agreement will be interpreted according to its plain meaning without presuming it should favor any Party.

D. In the event any covenant, condition or provision in the Agreement is held to be invalid by a court of competent jurisdiction, the invalidity of that covenant, condition or provision will not affect any other covenant, condition or provision, provided the invalidity of any covenant, condition or provision does not materially prejudice any Party in its respective rights and obligations contained in the valid covenants, conditions and provisions of this Agreement.

E. All exhibits and addenda referred to in the Agreement, and any exhibits or schedules which may from time to time be referred to in any duly executed amendment, are by reference incorporated and will be deemed a part of this Agreement.

F. This Agreement will be interpreted and construed only by the contents hereof, and there will be no presumption or standard of construction in favor of or against any Party.

G. Days, unless otherwise specified, will mean calendar days.

H. Whenever in this Agreement the approval or consent of a Party is required, that approval or consent must be in advance, in writing, and executed by a person having express authority to grant that approval or consent unless the terms of this Agreement specifically allow an oral approval or consent of a Party.

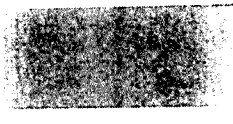
I. This Agreement may be executed simultaneously in one or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

J. The persons executing this Agreement represent and warrant that they are duly authorized to execute this Agreement in their individual or representative capacity as indicated.

K. A Party's failure to enforce any breach of any term, covenant or condition will not be deemed to be a waiver of those terms, covenants or conditions, or any subsequent breach of the same, or any other term, covenant or condition.

L. This Agreement represents the entire understanding of the Parties as to matters contained in the Agreement. No prior oral or written understanding is of any force or effect with respect to matters covered in the Agreement.

M. The provisions of Section 4 (Confidential Information), Section 5 (Ownership of Materials/Intellectual Property), Section 7 (Liability), Section 8 (Indemnification) and 18 (Venue) survive the termination or expiration of this Agreement.



N. If any Party fails to perform its obligations because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor materials, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, epidemic, pandemic, civil commotion, fire or other casualty, or other causes beyond the reasonable control of the Party obligated to perform, then that Party's performance will be excused for a period equal to the period of such cause for failure to perform.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

APPROVED AS TO FORM

By: _____
Deputy City Attorney

Date: August 25, 2021

"CITY"
City of Long Beach ,
a municipal corporation

By: Linda F Tatum
Name: LINDA F. TATUM
Title: ASST CITY MANAGER

Date: 8/26/2021

EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER

APPROVED:

By: _____
Name: _____
Title: _____

Date: _____

"XTELLIGENT"
Xtelligent, Inc., a Delaware corporation

By: _____
Name: Michael Lim
Title: Cofounder

Date: 8/11/2021

APPROVED:

By: _____
Name: Holger Endt
Title: Senior Manager

Date: 08/23/21

"MBRDNA"
Mercedes-Benz Research & Development North America, Inc., a Delaware corporation

By: _____
Name: Alexander Schaub
Title: _____

Date: 08/23/21

EXHIBIT A

SCOPE OF PILOT

Project X: Proposed Intelligent Traffic Signal Deployment in Long Beach

OVERVIEW

City, MBRDNA, and Xtelligent will develop, deploy, and test Connected and Automated Vehicles (CAV) and Cooperative Intelligent Transportation System (C-ITS) technology in Long Beach, CA. The project, designated Project X, will incorporate Xtelligent's intelligent traffic signal control technology, MBRDNA connected test vehicles, and the City of Long Beach's traffic signal communications system and infrastructure.

This project has the potential to improve the flow of traffic on a key corridor, prepare the City for a connected/autonomous future, and demonstrate emerging technology in a real-world environment.

All parties have agreed on deploying and testing the technology on up to 10 intersections (to be determined at project commencement) on the TBD corridor in Long Beach (Phase I). The corridor was selected because its traffic signal infrastructure meets the Xtelligent system's technical requirements. Furthermore, three Atlantic Ave intersections received an 'E' or 'F' level of service grade in the City's Mobility Element, indicating poor operation or forced flow of traffic, yet large untapped potential for the deployment of innovative signal technology.

The Pilot may be expanded more widely across the City (Phase II, optional) contingent upon the following: (1) the technology is proven to be safe and effective by meeting key project goals and metrics in this document, (2) permission to proceed is expressly provided by the City of Long Beach, and (3) collected data is analyzed upon conclusion of Phase I and meets the goals of this scope as indicated in the project goals and metrics within this document.

This provides an overview of activities, timeline, detail on the Xtelligent system function, safety, architecture, maintenance, and responsibilities. The document is organized into the following key sections:

1. Context
2. Scope and Cost
3. Operational Benefits
4. Project Goals and Metrics
5. Operational Details
6. System Safety
7. System Architecture
8. Project Timeline
9. Location
10. Responsibilities
11. Appendix

1. CONTEXT

Project X provides the City of Long Beach with an opportunity to safely test intelligent signal infrastructure that integrates CAVs while collecting data to support improved traffic flows. This

engagement will prepare Long Beach for automated vehicles and position the City to strategically capitalize on this new wave of future technology. It builds upon the transformative work completed to-date by City leadership, such as rider enhancements to the Metro A Line and the launch of the Long Beach Accelerator.

2. SCOPE AND COST

The two key functions proposed for implementation as part of Phase I of this project include:

1. Xtelligent's intelligent intersection control system, which will be allowed to adapt traffic signal timing at select intersections automatically based on City-approved priorities, if permission is granted by the City and the system can meet specified safety standards. For example, the City may leverage the system to request enhanced priority for certain vehicles or travel modes consistent with policy priorities. Operational details of the system are provided in the sections below.

2. Vehicle location data collected for and supplied to Xtelligent's system from MBRDNA's CAV fleet, traditional physical sensors (induction loops and/or video), and any other data sources available. Xtelligent will analyze collected data and provide the City with this information to inform transportation policy and traffic engineering decisions.

Phase I of the project will include up to 10 signalized intersections on TBD and is expected to take approximately 10 months, but with the possibility of scaling or extension up to 18 months. A full timeline of Phase I is provided below.

Phase II of the project would entail a broader grid of intersections in another location in Long Beach and will be triggered based on mutual interest once Phase I is completed.

Cost to City of Long Beach: All activities referenced in this Scope of Pilot will be provided to the City at zero (0) cost, other than City staff time and use of existing/planned City infrastructure and equipment. See Section 7: System Architecture for City-provided equipment. See Section 10: Responsibilities for more information on expected impacts of this project to City staff time, which are minimal.

3. OPERATIONAL BENEFITS

Project X has the potential to bring significant innovation to the City's traffic signal networks and its transportation system. The project seeks to use a unique, distributed class of optimization algorithms for traffic flows on a system-wide level. Preliminary testing of Xtelligent's system points to 50%+ improvement in road network throughput and capacity, 15%+ energy efficiency gains, and proportionate GHG reduction per vehicle cooperating with the signal networks. The technology is also designed to integrate across agencies.

Furthermore, by enabling real-time wireless, bi-directional communication between vehicles and intelligent signal networks, Project X aims to facilitate traffic signal timing that caters to real-time movement towards operations without reliance on additional, expensive sensing infrastructure. Combined with multimodal and priority/preemption schemes (bus transit priority, emergency vehicle preemption, etc.), Project X – which includes hardware and software - has the potential to deliver the first fully compatible and jointly optimizable connected, multimodal, and automated vehicle traffic management system that can have significant day- to-day impact on the City's livability, sustainability, and safety.

Project X provides the City of Long Beach with the following benefits:

A. An opportunity for the City's traffic management staff to test advanced signal timing control algorithms that may enhance the staffs' ability to improve transportation flow.

B. An opportunity to test a resilient traffic management system that can adapt according to planned/unplanned events (i.e., crashes, sporting events) on a real-time, automatic basis.

C. An opportunity to enhance the City's traffic signal networks without having to make significant sensing infrastructure (i.e. induction loops) related capital investments or manual data collection, increasing the ROI for the City in the process.

D. An opportunity to test integration across multiple controller types and jurisdictions, unifying previously disparate systems that result in limited coordination and vendor capture for the City.

E. V2I/X2I integration enabling joint optimization for the City of Long Beach and vehicle operators, also potentially facilitating carpooling, bus transit, and zero emissions travel that can benefit the livability, sustainability, and safety for the City.

F. An opportunity to collect and analyze automated and anonymized data on traffic flows and patterns that will assist the City's traffic management staff in understanding mobility patterns within the selected corridors.

G. An opportunity to future proof the City for multimodal, connected, and automated vehicle advancements to actively benefit from and harness these technologies to improve outcomes for its constituents.

H. Advancement of the City's Smart City Initiative, including enhanced City ability to use technology and data to manage change and expand capacities to better the daily lives of Long Beach residents.

4. PROJECT GOALS AND METRICS

The primary goal of Phase I of Project X is to deploy and assess the operational benefits of Xtelligent's technology in the City. To that end, the City has selected the following preliminary goals:

Goal	Baseline	Target
Improve level of service	To be collected upon project commencement.	Mutually set based upon baseline, but the target is to maintain the baseline if it meets CA standards or improve the level if the baseline does not meet CA standards.
Improve vehicle throughput	To be collected upon project commencement.	Mutually set based upon baseline.
Reduce end-to-end vehicle travel time on selected corridor	To be collected upon project commencement.	Mutually set based upon baseline.

Improve transportation energy efficiency and GHG emissions	To be collected upon project commencement.	Mutually set based upon baseline.
Improve City staff's ability to enhance the City's traffic signal networks, as measured by City staff time and cost of capital investments and manual data collection	To be collected upon project commencement.	Mutually set based upon baseline.

Project X will evaluate these goals by enabling multiple testing scenarios, including the following:

1. Level of service/vehicle throughput/travel time: Pre- and post-project testing of end-to-end drive time along the specified corridor, including congestion analysis on up to 10 intersections to be determined at project commencement, vehicle speed analysis, analysis of direction of travel and travel time, and analysis of number of vehicles. Pre- and post-testing will take place during the same weekly days and times.
2. Shared modes of travel: Pre- and post-project testing of end-to-end drive time and on-time percentage for LB Transit fleet vehicles. *This scenario will not be tested in Phase I and is contingent upon agreement with Long Beach Transit.*

Additional areas of focus for Project X include the following:

1. Traffic safety: In 2016, the City of Long Beach initiated the Safe Streets Long Beach Initiative, which aims to eliminate traffic-related fatalities and serious injuries by 2026. The Safe Streets Long Beach Action Plan, adopted by the Long Beach City Council in 2020, identifies seven key actions, one of which is collection of mobility data to make better decisions. Project X supports this action. Safety is paramount to the success of this project, and all parties will demonstrate system safety before proceeding with signal adaptations.
2. Equity: The Long Beach Office of Equity educates and supports City staff and elected officials to advance equity and ensure that all Long Beach residents have what they need to thrive. By focusing on reducing congestion along the Atlantic Ave corridor, a cross-sectional north-south corridor that runs through several underserved communities, Project X has the potential to advance transportation equity in the City.
3. Scalability: If the Xtelligent system technology is proven safe and Project X meets the performance metrics above, the City may explore scaling this technology in other parts of Long Beach, as identified by project stakeholders.
4. Sustainability: Approximately 31% of Long Beach's production-based emissions come from on-road gasoline vehicles. Phase II of Project X which may explore prioritization of shared modes of travel is aligned with the City's Climate Action & Adaptation Plan recommendations, which includes increasing the frequency of public transit.
5. Mobility: The City's Mobility Element indicates Atlantic Ave as a 'transit-priority street,' and promotes signal prioritization as a solution to enhance transit service (p. 85). The Plan also promotes shorter travel times on primary automobile corridors (Policy 3-3) and use of transportation intelligence solutions (p. 93) to collect traffic data to enable

more efficient traffic planning, both of which are anticipated outcomes of Project X.

5. OPERATIONAL DETAILS

Xtelligent's intelligent traffic signal control technology uses the National Transportation Communications for ITS (Intelligent Transportation Systems) Protocol (NTCIP) Management Information Bases (MIB) to control signals based on its optimization algorithm. By setting "holds" and "force-offs," or by adjusting traffic pattern/plan times, the system can adjust and extend green times based on predefined criteria and in accordance with the City's traffic management operations. It is important to note that NTCIP holds and force-offs cannot shorten minimum green times, pedestrian walk times, yellow times, or red clearance times set by the City. It is inherently a safe system. In the event of communications failures or any other system failure, control is automatically reverted to the City's underlying timing plan which exists today.

Xtelligent's optimization algorithm has been developed over many years of research at the Massachusetts Institute of Technology (MIT) and the University of Southern California (USC) by Dr. Ketan Savla, and has been grant funded by the National Science Foundation (NSF), U.S. Department of Transportation (DOT), and the California Department of Transportation (CALTRANS). System development has been funded by the U.S. Department of Energy (DOE) as well. Xtelligent's novel approach maximizes traffic flow efficiency, resiliency, and scalability.

Inputs to Xtelligent's algorithm will include pre-existing physical sensors such as induction loops and cameras (if available), and an exciting and novel input from MBRDNA connected test vehicles. This streaming location data from MBRDNA test vehicles will greatly enhance the very limited information available from local, physical sensors to greatly improve optimization and rational vehicular flow.

MBRDNA will be responsible only for enabling the integration of MBRDNA test vehicle fleet data with Xtelligent's traffic signal algorithms, and will provide the MBRDNA Test Fleet Data (defined below) to Xtelligent in accordance with the data flow diagrams attached as Exhibit B. Xtelligent will seek guidance from MBRDNA engineers to integrate MBRDNA Test Fleet Data with Xtelligent's C-ITS platform. MBRDNA engineering support will only be available Monday through Friday during regular business hours.

MBRDNA will only provide the following data to Xtelligent under this Pilot Agreement:

i. Timestamp
ii. GPS (Lat and Long)
iii. Speed
iv. Heading
v. Engine type (collectively, "MBRDNA Test Fleet Data")

Xtelligent is prohibited from selling or sharing MBRDNA Test Fleet Data to any third parties; provided that the foregoing will not prohibit Xtelligent from selling traffic management products to third parties that are informed by aggregated MBRDNA Test Fleet Data, including, without limitation, traffic signal timing control products. Xtelligent will delete all MBRDNA Test Fleet Data upon termination or expiration of this Pilot Agreement.

6. SYSTEM SAFETY

Although Project X introduces advanced algorithms to enable intelligent traffic signal timing

optimization, it still operates with existing traffic signal controllers and safety standards and tools that leverage decades of industry acceptance and safe operation. For instance, the Xtelligent system safely communicates with McCain, Econolite, Intelight, Siemens, and other conventional controllers which are well known, and industry accepted. The Xtelligent system does not modify key safety parameters, including minimum green times, pedestrian walk times, yellow times, red clearance times, or interfere with conflict monitors and emergency vehicle preemption technology unless approved in advance by City.

Xtelligent's technology has been deployed in three different agencies (State of Colorado, Greenwood Village, CO, and Fremont, CA), actively adjusting signal timing and testing for approximately 12 months across approximately 60 intersections without any safety issues or failures. More information about these other Xtelligent technology deployments can be found in the Appendix.

As a further measure to demonstrate safe operation, Project X will include a safety and functionality test at the start of Phase I, once Xtelligent has been granted test environment access to the Phase I intersections and has completed basic installation. The safety and functionality test will include the following steps:

No.	Test	Action
1	Demonstrate ability to extend green phase timing	Place phase hold extending green past the Max Green in the timing plan.
2	Demonstrate ability to shorten green phase timing	Place a phase Force-Off ending a green phase two seconds after min green expires either during congested traffic, while placing continuous calls on the relevant detectors, or by placing a Hold on the phase until the Force Off.
3	Minimum Green time protection	Demonstrate an inability to reduce minimum green times by placing a Force-Off command during Min Green time.
4	Pedestrian Walk protection	Demonstrate an inability to reduce pedestrian walk times by placing a Force-Off command during Pedestrian Walk or Flashing Don't Walk time.
5	Yellow/red time protection	Demonstrate an inability to reduce yellow/red times by observing Yellow and Red Clearance time after a Force Off is placed.

7. SYSTEM ARCHITECTURE

Project X Phase I requires the following City equipment to proceed:

A. NTCIP-compliant controller hardware and firmware (McCain Omni or equivalent) at selected project intersections
B. Network connection at selected project intersections
    1. Established by copper or fiber optic connection; or
    2. Established via local cellular modem
C. Local detection at selected project intersections (if available)
    1. Stop bar or advanced detection on all phases (video, induction loop, or radar)

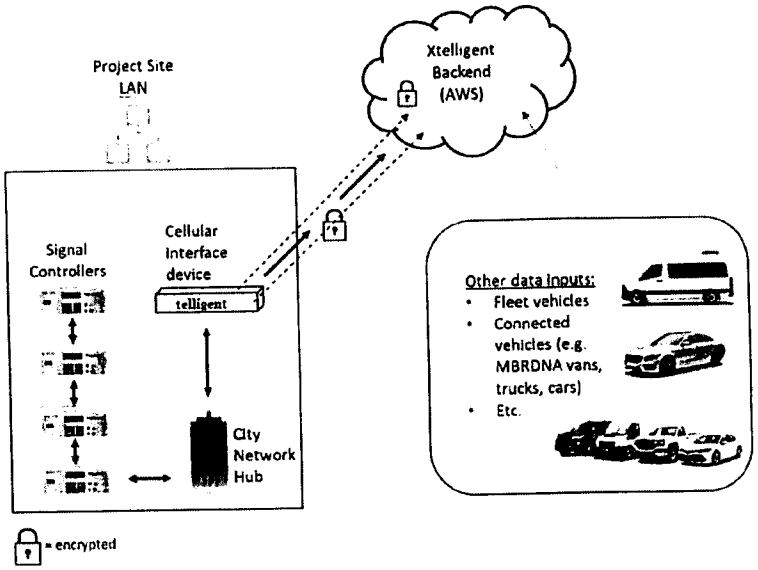
Project X Phase I requires Xtelligent to provide the following equipment to proceed:

A. One cellular-connected interface device located at the City fiber network hub cabinet, which will connect to all Project X intersections through that cabinet.
B. Software backend system, which is housed in Amazon Web Services (AWS), and contains a data and analytics platform

Project X Phase I requires the following MBRDNA components to proceed:

A. MBRDNA connected test vehicles

Figure I: Proposed system diagram for Long Beach:



8. PROJECT TIMELINE

Below is the proposed timeline for Phase I. Phase I of this project is 10 months and will consist of deploying Xtelligent hardware/software and collecting data with introduction of connected vehicle data inputs.

Phase I will not necessarily include any modification of green light timing on the proposed corridor. The system and its collected data will only be used to adaptively adjust the City's traffic signals upon mutual interest for limited duration and deployment at **Milestone 1**. Long-term deployment of adaptability will be only enabled upon mutual interest at **Milestone 2** as indicated below.

Timeframe	Action(s)	Responsible Parties
Month 1	Finalize and receive approval on Phase I scope	Xtelligent, City of Long Beach, MBRDNA

Timeframe	Action(s)	Responsible Parties
Month 2	Hold project kick-off meeting, which will include reaching consensus on project goals and metrics (baseline and target).	Xtelligent, City of Long Beach, MBRDNA
Month 2	Prepare equipment and software for installation	Xtelligent
Month 2	System installation	Xtelligent, City of Long Beach
Month 3	Initial test activation of system to collect data and begin data analysis in "listen-only" mode. No active timing changes will occur.	Xtelligent
Month 3	Safety and functionality test (see Safety section, above)	Xtelligent
Month 4	**Milestone 1**: Assess go/no-go for limited scope testing of algorithm in live environment, based on the safety and functionality test and express permission granted by the City of Long Beach.	Xtelligent, City of Long Beach, MBRDNA
Month 4 – Month 5	Integrate and activate Xtelligent system for selected intersections; Ongoing data analysis; Given City approval at **Milestone 1**, conduct initial live, limited scope activations, following the protocol below: 1. Live activations of Xtelligent system for approx. 1 hour with City staff present at one (1) intersection, followed by data analysis and confirmation from City staff of correct system functionality. 2. Live activations, continuous, during all non-peak hours of the day for one (1) day at one (1) intersection, followed by data analysis and confirmation from City staff of correct system functionality. 3. Live activations, continuous, during all hours, including peak, of the day for one (1) day at one (1) intersection followed by data analysis and confirmation from City staff of correct system functionality. 4. Live activations, continuous, during all hours, including peak, of the day for one (1) day at all intersections followed by data analysis and confirmation from City staff of correct system functionality.	Xtelligent, City of Long Beach

Timeframe	Action(s)	Responsible Parties
Month 5	Integrate MBRDNA connected test vehicles	Xtelligent, MBRDNA
Month 5 – Month 6	Testing, refinement, evaluation of system with connected vehicles integrated, including testing for connectivity, control, and latency	Xtelligent
Month 6	**Milestone 2**: Assess go/no-go for integration of system into production, based upon demonstrated safety features and express permission granted by the City of Long Beach.	Xtelligent, City of Long Beach, MBRDNA
Month 6 – Month 9	Given City approval at **Milestone 2**, conduct live, full activations, following the protocol below: 1. Live activations, continuous, during all hours at all intersections, within the confines of limited areas of deployment, followed by data analysis and confirmation from City staff of correct system functionality. Testing, refinement, and evaluation, based on Project Goals and Metrics, above.	Xtelligent
Month 10	**Milestone 3**: Assess go/no-go for exploration of Phase II, based upon the system's ability to meet project goals and metrics and express permission granted by the City of Long Beach.	Xtelligent, City of Long Beach, MBRDNA
Month 10	Convene Phase I project wrap-up meeting for the project team to provide the City with advice on how traffic flows can be improved in the project area and lessons learned that can be scaled to the rest of the city.	Xtelligent, City of Long Beach, MBRDNA

Phase II: If all parties determine an interest in Phase II, a separate timeline will be developed. Phase II may include introduction of additional data sources such as Long Beach Transit vehicles, Long Beach City fleet vehicles, and other mobile sources such as e-scooters or city bikeshare vehicles, depending on availability of these sources. Phase II may also include deployment of the system at additional intersections across the City.

9. LOCATION

The TBD corridor has been selected as the location for Phase I deployment and testing. This will include up to 10 intersections subject to availability and readiness of the locations. This location will allow the project team to test the network effect of the technology from capacity (i.e., increased throughput), sustainability (i.e., increased energy efficiency), and mobility (i.e., connected fleets

optimization) enhancement perspectives.

TBD was selected as the location for Phase I because its signals contain both NTCIP-compliant controller hardware and firmware and connection to the City's communications network. TBD also contains a robust fiber network infrastructure, has a high-frequency Long Beach Transit line (Route 61) – which may be integrated as a data source in Phase II, and meets the high-level Project Goals and Metrics focused on social equity and mobility.

Phase II may include additional intersections across the City to form a contiguous grid, which will enable Xtelligent to test increased efficacy of the technology. (The technology is designed and optimized for grid network, rather than individual intersections or arterials.) As stated above, Phase II will be triggered based on ongoing interest from all project collaborators and resources available once Phase I is completed and an agreement signed by all parties.

10. RESPONSIBILITIES

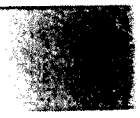
Project X aims to minimize the workload for the City, so City staff can focus on existing operations such as traffic operations and maintenance. Xtelligent will be responsible for the upfront and ongoing maintenance of the system, at the direction and oversight of the City. Additional responsibilities are explained below:

City

1. Provide guidance on Project X to ensure that the project addresses the needs of the City and that the project is implemented in a manner that accomplishes mutually stated and beneficial goals.
2. Provide minimal and regulated access to City traffic signal infrastructure, cabinets, and related technologies (in the test environment to begin) relevant for the project as described in this MOU (including installation of hardware) for the specified locations.
3. The City will not allow Xtelligent access to the entire City Traffic Signal Communications network, but instead only to test and production environment data pertaining to the specified intersections. For purposes of clarity, in no event will MBRDNA need access the City Traffic Signal Communications network.
4. The City will not permit Xtelligent to modify traffic signal timing in a way that conflicts or interferes with City emergency vehicle priority/preemption capabilities unless approved in advance by City.
5. The City reserves the right to terminate data collection and modify project goals at any time.

Xtelligent

1. Responsible for procuring and providing all hardware/software required to deploy C-ITS capabilities as defined in this MOU. This does not include the City equipment outlined in Section 7.
2. Responsible for all engineering, maintenance, and operations required to deploy C-ITS capabilities in Long Beach for the project, in close coordination with the City.
3. Assessment of the project sites, deployment, maintenance, and operation of the C-ITS technologies (including software updates).
4. Testing and evaluation of the C-ITS technology.
5. Provide the City with weekly update calls to provide information on progress, quickly address and resolve problems, and collaboratively work towards and assess established project goals and metrics.
6. Work with the City to provide data and reports to assist in refinement and optimization of the project to meet stated goals and evaluate the performance of the technology, with a priority being ad-hoc reports and raw data files. Data sharing platforms may include a data



visualization and analytics platform or leveraging of independent third-party evaluator tools sourced from national labs or non-profits.

7. Xtelligent has secured appropriate resources to execute on the deployment, development, and testing of the technology.
8. Xtelligent must delete all data provided to Xtelligent by MBRDNA for the Pilot Agreement upon termination or expiration of this Agreement.

MBRDNA

1. Responsible for providing access and engineering support (only during regular business hours) to enable communication from MBRDNA test vehicle fleets to the Xtelligent C-ITS platform; provided that the foregoing will not limit Xtelligent's access to MBRDNA Test Fleet Data that may be available from operations outside of regular business hours.
2. MBRDNA maintains a research and development (R&D) facility in Long Beach and will provide MBRDNA Test Fleet Data to Xtelligent to enable the Project. The number of vehicles to be included will be determined by MBRDNA at Project commencement.

Argonne National Laboratory & U.S. Department of Energy

1. Provide monitoring and evaluation support, as the funding agencies.

11. Appendix

XTELLIGENT BACKGROUND

Xtelligent was formed in 2016 to test, develop, and demonstrate advanced CAV and C-ITS technologies that were developed by MIT, USC, and Berkeley researchers with National Science Foundation (NSF), U.S. Department of Transportation (US DOT), California Department of Transportation (CA DOT), and U.S. Department of Energy (US DOE) funding. Xtelligent was specifically spun off from university labs and have been tasked by the US DOE to commercialize critical CAV/C-ITS technologies—this was done to enable wider deployment and adoption of such CAV/C-ITS technologies to benefit our nation's transportation performance, safety, energy efficiency, and environmental profile.

MBRDNA BACKGROUND

ARGONNE NATIONAL LABORATORY BACKGROUND

Argonne National Laboratory is a science and engineering research national laboratory operated by the University of Chicago Argonne LLC for the United States Department of Energy located in Lemont, Illinois, outside Chicago. It is the largest national laboratory by size and scope in the Midwest.

DATA; CYBERSECURITY AND PRIVACY

The project will abide by the latest global best practices concerning cybersecurity and privacy. Project X takes advantage of a decentralized approach to traffic management to mitigate against a single point of failure vulnerabilities characterizing the status quo systems, as well as enabling real-time adaptability to introduce significantly greater resiliency to cities in case of crashes and other disruptions that may occur within the road networks. Furthermore, all data will be anonymized, encrypted, and aggregated according to best cybersecurity and privacy practices according to the U.S. National Institute of Standards and Technology.

Xtelligent, MBRDNA, and the City will develop a data sharing plan that can enable the City to manage and evaluate the project in line with the Project Goals and Metrics, while also abiding by best privacy

and cybersecurity industry and government best practices. This may include working with a third-party, independent research institution, universities, public laboratories, and non-profits.

Input data collected from the City's traffic management system, as well as performance metrics resulting directly from City traffic control system data via deployment of the Xtelligent system, will be managed by Xtelligent and provided to the City by Xtelligent as requested, with the expectation that all parties will work together to determine a feasible data sharing plan. The data originating directly from City traffic controllers (via deployment of the Xtelligent system) will only be used to adaptively adjust City traffic signals, pursuant to the activities referenced in this Exhibit A.

Data resulting from the City's traffic management system (due to Project X deployment and integration) will thereafter be owned by the City but provided free of charge to Xtelligent and MBRDNA based on availability of City staff to provide this data.

RECENT DEPLOYMENTS BY XTELLIGENT

Xtelligent has been deploying and refining its technology across three jurisdictions in California and Colorado: i) State of Colorado, ii) Greenwood Village, CO, and iii) Fremont, CA. Each jurisdiction has different IT networks, firewalls, vehicle detection, traffic signal controllers, and central systems. Xtelligent has demonstrated an ability to safely, flexibly, and successfully deploy its technology in each of the scenarios despite different conditions. Furthermore, results showed up to 21% improvement in green- time utilization at single, free mode intersections studied—this points to potentially significant improvements at the network level, believed to be approximately 50%+ in terms of capacity and throughput gains. Xtelligent is currently focused on completing and refining the coordinated ATCS system for network control.

Map of Installed Signals controlled by the State of Colorado, Greenwood Village (CO), and Fremont (CA):

State of Colorado + Greenwood Village, CO

Fremont, CA

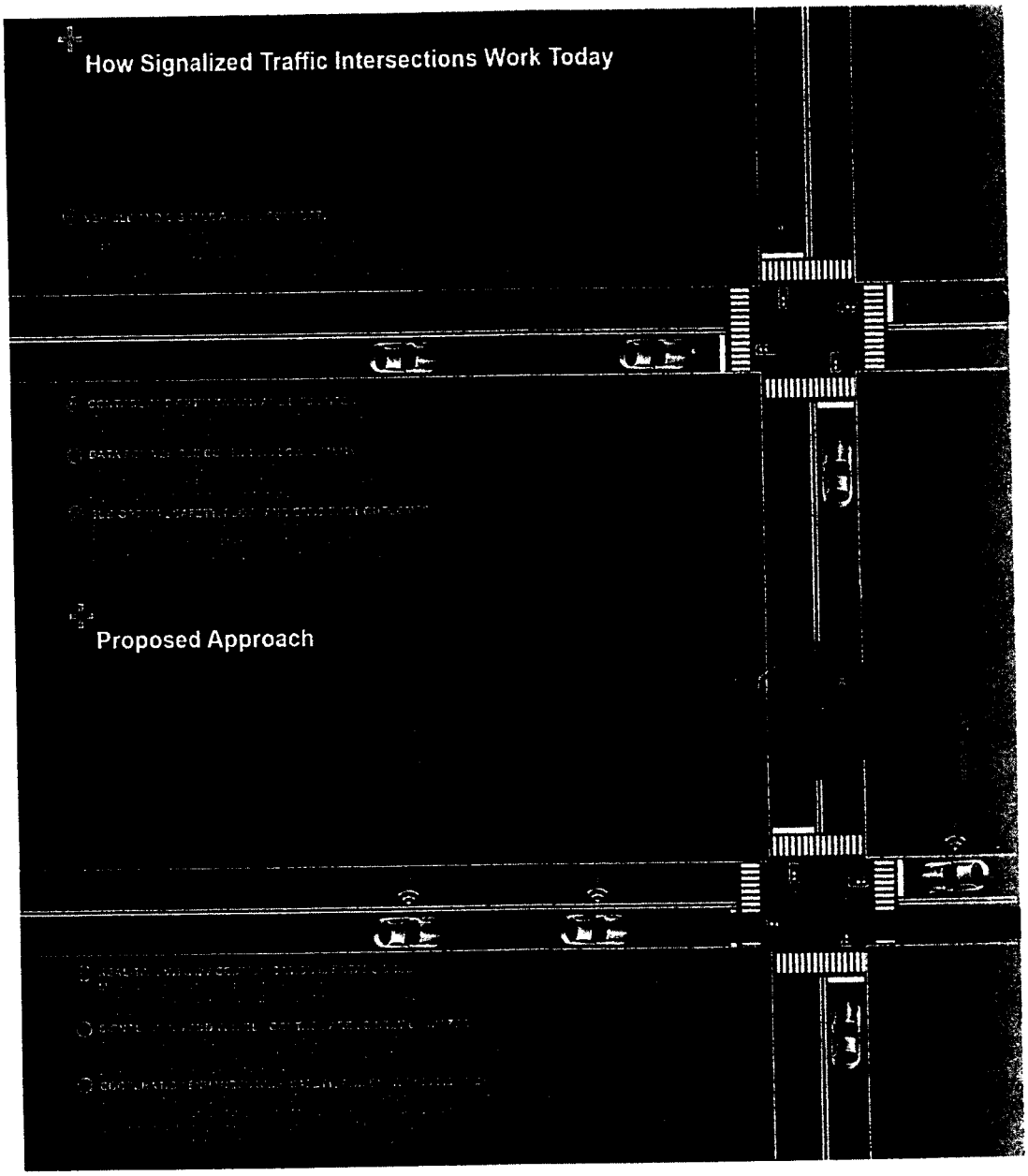

How Signalized Traffic Intersections Work Today
Proposed Approach

EXHIBIT B

California Consumer Privacy Act (CCPA) Data Processing Addendum

This CCPA Data Processing Addendum ("CCPA DPA") is incorporated into and forms part of the Pilot Agreement between the City of Long Beach, Mercedes-Benz Research & Development North America, Inc. ("MBRDNA") and Xtelligent, Inc. ("Xtelligent").

This CCPA DPA shall govern processing by Xtelligent of any personal data that is subject to the California Consumer Privacy Act, Cal, Civ. Code 1798.100 et seq., ("CCPA"), including any amendments, successor legislation, and implementing regulations that become effective on or after the effective date of the Pilot Agreement. In the event of a conflict between this CCPA DPA and the Pilot Agreement, this CCPA DPA will control when applicable. Capitalized terms identified in this CCPA DPA shall have the same meaning as defined in the CCPA unless otherwise noted. The parties agree as follows:

Xtelligent is a "Service Provider" (as defined in the CCPA) in the performance of its obligations pursuant to the Pilot Agreement and not a third party as described in the CCPA. Therefore, for the purposes of the CCPA, Xtelligent shall not:

I. Sell the personal data
II. Retain, use, or disclose CCPA personal data for any purpose other than for the specific purpose of providing the Services specified in the Pilot Agreement or as otherwise permitted by the CCPA. Specifically, Xtelligent acknowledges and agrees that it shall not retain, use, or disclose CCPA personal data for any commercial purpose, other than providing the Services.
III. Retain, use, or disclose CCPA personal data outside of the relationship between the parties to the Pilot Agreement.

Xtelligent certifies that it understands its obligations under the CCPA and will comply with them. Notwithstanding anything in the Pilot Agreement or other document, the parties acknowledge and agree that any MBRDNA provision of access to personal data is not part of and explicitly excluded from the exchange of consideration, or any other thing of value, between MBRDNA and Xtelligent.