

MASTER AGREEMENT

Basic Information

Contractor	Xerox Corporation
Contractor's Address	601 Montgomery Street, Suite 770, San Francisco, CA 94111, c/o Scott Reiber
City's Address	Office of Contract Administration - Purchasing Department City and County of San Francisco City Hall, Room 430 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4685
Commencement Date	April 1, 2019
Length of Term	The Master Agreement shall be three (3) years with two (2) options to extend the term of the Master Agreement for periods of one (1) year each.
Individual Equipment Leases	Individual Equipment Leases shall have a term of three (3), four (4) or five (5) years plus renewals. No Individual Equipment Lease including any authorized extensions shall exceed five (5) years.
Individual Rental Agreements	Individual Rental Agreements shall have a term from one (1) month to no more than twelve (12) months, with a no-fee cancellation right on 30 days' notice.
Renewal Term	In no case shall the term of the Master Agreement, any Individual Equipment Lease, or any extension or renewal exceed ten years. Board of Supervisors approval is required for contracts in excess of ten years. No Individual Rental Agreement may extend more than eleven (11) months beyond the term of the Master Agreement.
Purchase Option	As defined in Article 3, Term, 3.5, <u>Purchase Option</u> of this Master Agreement.

MASTER AGREEMENT

The foregoing Basic Information is incorporated into and made a part of this Agreement (to be defined below). Except where it is specifically stated in the Master Agreement that other terms set forth in the Proposal are more favorable to the City and therefore control, and if there is any conflict between provisions, the provisions of the Master Agreement shall govern, followed in order by the provisions of the Equipment Schedule, the provisions of the RFP (solely with respect to the scope of work, specifications and pricing), and finally the provisions of the Proposal.

This Master Agreement (the "Agreement") made as of the date specified in Article 3 in the City and County of San Francisco, State of California, by and between the Person specified in the Basic Information ("Contractor") and the City and County of San Francisco, a municipal corporation ("City"), acting by and through its Director of Purchasing.

WITNESSETH:

WHEREAS, City desires to lease, rent or purchase certain Equipment (as hereinafter defined) and Contractor desires to lease, rent or sell such Equipment to City.

WHEREAS, City desires to have Contractor service and maintain such Equipment.

NOW, WHEREFORE, in consideration of the promises and mutual covenants contained in this Agreement and for the other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

ARTICLE 1

DEFINITIONS AND OTHER TERMS

1.1 **Specific Terms.** Unless the context otherwise requires, the following capitalized terms (whether singular or plural) shall have the meanings set forth below:

"Basic Information" shall mean the Basic Information set forth at the beginning of this Agreement.

"Business Day" means any day other than a City holiday, a Saturday, Sunday or day upon which banks in the State of California are authorized or required to be closed.

"City" or "the City" means the City and County of San Francisco, a municipal corporation, acting by and through both its Director of the Office of Contract Administration or the Director's designated agent, hereinafter referred to as "Purchasing."

"Commencement Date" for any items or item of equipment means the commencement date specified in the applicable supplemental Basic Information.

“Consumable Supplies” Supplies utilized in the normal use of a copier, including toner, developer, fuser agent, sumps, and preventative maintenance kits. Consumable supplies shall not include staples or paper.

“Contractor” means **Xerox Corporation**, 601 Montgomery Street, Suite 770, San Francisco, CA 94111.

“Controller” shall mean the Controller of the City and County of San Francisco.

“Duty Cycle” means the maximum number of letter-sized pages or impressions that an MFD device can print in one month in standard mode without failing (peak usage, not on a continual basis).

“Equipment” shall mean the totality of the copier-based MFDs (including any documentation related thereto) leased, rented, or purchased by the City and County of San Francisco and/or its individual departments from Contractor pursuant to this Agreement.

“Equipment Schedule” shall mean the mutually agreed upon ordering request form and encumbrance document which includes, at a minimum, the Equipment description and quantity, the lease or rental term and the price of each individual order under the Master Agreement. The Parties agree that the “individual equipment lease” and “individual rental agreements” will be in the Equipment Schedule rather than in free-standing separate agreements.

“Event of Default” shall mean each of the events set forth in Sections 12.1 and 13.1.

“Fair Market Value” shall mean the fair market lease, rental, or purchase value that would be obtained in an arm’s-length transaction between an informed and willing buyer and an informed and willing seller, both under no compulsion, respectively, to lease, rent, or sell, and neither of which is related to Contractor or City, for the purchase of the Equipment in question.

“HRC” shall mean the City’s Human Rights Commission or its successor for implementation of Administrative Code 14B, the Contracts Monitoring Division, a division of the Office of the City Administrator.

“Lease” means the acquisition of an MFD, all associated optional Equipment and related software, features, delivery, installation, removal, training, all maintenance, including drum replacement, and all consumable supplies for a fixed period of time at a fixed payment per month. Consumable supplies do not include paper and staples. A lease may include additional charges for copies over and above a monthly copy allowance (“click fees”).

“Lease Agreement” or **“Individual Equipment Lease”** is defined as the contract memorializing the acquisition of an MFD, all associated optional Equipment and related software, features, delivery, installation, removal, training, all maintenance, including drum replacement, and all consumable supplies for a fixed period of time at a fixed payment per month. Consumable supplies do not include paper and staples. A Lease Agreement may include additional charges for copies over and above a monthly copy allowance (“click fees”). For

purposes of this Agreement, a Lease Agreement is a purchase order that results from an Equipment Schedule.

“Lease Term” shall mean the length of time as designated in increments of three (3), four (4) or five (5) years for an Equipment order.

“Liens” shall mean all judgments, materialmen’s liens, mechanics’ liens, claims, demands, encumbrances and other liens of whatever nature or character, but excluding any liens or encumbrances created by or through Contractor.

“Losses” shall mean any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, judgments, fees, expenses and costs of whatever kind and nature (including legal fees and expenses and costs of investigation, of prosecuting or defending any Loss described above) whether or not such Loss be founded or unfounded, of whatever kind and nature.

“Multi-Function Device” (MFD) is a product marketed as a Copier and performs the core functions of a printer, scanner, and Copier. An MFD may have a physically integrated form factor, or it may consist of a combination of functionally integrated components. MFD copy functionality is considered to be distinct from single-sheet convenience copying functionality sometimes offered by fax machines. This definition includes products marketed as MFDs, and “multi-function products” (MFPs).

“Person” means an individual, partnership, corporation, association, trust or any other legal entity.

“Party” and “Parties” mean the City and Contractor either collectively or individually.

“Payment” means the payment for any item of Equipment that City is required to make to Contractor under this Agreement as set forth in the applicable Equipment Schedule.

“Payment Date” means the date the Payment for any item of Equipment is due.

“Rental” is defined as the acquisition of an MFD, all associated optional Equipment and related software, features, delivery, installation, removal, training, all maintenance, including drum replacement, and all consumable supplies on a month-to-month basis at a fixed payment per month. Consumable supplies do not include paper and staples. Rental may include additional charges for copies over and above a monthly copy allowance (“click fees”). The maximum period for a month-to-month rental shall be twelve (12) months.

“Rental Agreement” is defined as the contract memorializing the acquisition of an MFD, all associated optional Equipment and related software, features, training, all maintenance, including drum replacement, and all consumable supplies on a month-to-month basis at a fixed payment per month. Consumable supplies do not include paper and staples. Rent may include additional charges for copies over and above a monthly copy allowance (“click fees”). The maximum period for a month-to-month rental shall be twelve (12) months. For purposes of this Agreement, a Rental Agreement is a purchase order that results from an Equipment Schedule.

“Rental Term” shall mean the length of time, as designated in increments of one (1) month and not exceeding a total of twelve (12) months, for an Equipment order.

“Request for Proposal” or “RFP” means RFP # 96104, the City’s Request for Proposals for the Lease, Rental and/or Purchase of Multi-Function Copier Devices issued October 5, 2018.

“Segment” Segment is defined as the subset of MFD Equipment substantially complying with the specifications listed in Contractor’s submitted Appendix C, “Technical Specifications,” such as the range of rated product speed, expressed as pages per minute (PPM); black-and-white or color printing capability; and monthly volume of printed pages or impressions at which an MFD Equipment is expected to produce.

“Term” shall mean the length of the Master Agreement and any exercised options to renew.

“Uptime” is defined as the percent of available work time, considered 8:00 AM to 5:00 PM on business days, for which a piece of Equipment is in full working order and without functional limitation.

Additional Terms. The terms “approval”, “acceptable”, “consent” or “satisfactory” or similar terms shall mean approved by, acceptable to, consented to or satisfactory to City, acting through the department or commission recommending this Agreement below. The terms “include”, “included” or “including” and similar terms shall be deemed to be followed by the words “without limitation.” The use of the term “Successor” or “assign” herein refers only to a successor or assign expressly permitted under Article 15.

1.2 **References to this Agreement.** References to this Agreement include: (a) this Master Agreement and (b) any and all appendices including but not limited to Appendix B; Pricing Matrix, exhibits, other schedules attached hereto and (c) any and all statutes, ordinances, regulations or other documents expressly incorporated by reference herein; and (d) any and all amendments, modifications, or supplements hereto made in accordance with Section 19.14. Equipment Schedules (sometimes referred to as “Supplemental Basic Information,” “Equipment Leases” and/or “Rentals” or “Rental Agreements” entered into under this Agreement shall incorporate this Agreement by reference and be governed by its terms.

1.3 **Order of Precedence.** In cases of conflict, the order of precedence shall be as follows: first, Agreement (i.e. Master Agreement and all appendices), second, the applicable Equipment Schedule (sometimes referred to as “Supplemental Basic Information,” “Equipment Leases” and/or “Rentals” or “Rental Agreements”), third, the Request for Proposal, and fourth, Contractor’s Response to the Request for Proposal, and with respect to the third and fourth precedence, solely with respect to specifications and pricing, as applicable.

ARTICLE 2

EQUIPMENT SCHEDULES

2.1 **Delivery of Equipment.** Contractor shall cause each item of Equipment to be delivered at the delivery address specified in the Supplemental Basic Information within fourteen (14) business days after the City orders the specified unit, unless as otherwise mutually agreed upon in writing by requesting City department and Contractor. All transportation costs and other expenses, if any, incurred in connection with the delivery of Equipment shall be the responsibility of the Contractor, except where City and Contractor agree that delivery requires unusual and excessive rigging costs. In that case, additional charges will be negotiated with the ordering department at the time the order is placed. Contractor has affirmatively represented that this Agreement does not include software development or require the purchase by City of any software license. If, during the term of the Master Agreement, the City orders any item from Contractor that requires a software license, the Parties agree to enter in to a software license agreement in substantially the form of the City's Form P-545 as it may be amended from time to time.

2.2 **Installation.** Any Equipment that requires installation as indicated in the Supplemental Basic Information, shall be installed by Contractor or its authorized representative. Installation shall take place in accordance with plans and specifications approved by City and in accordance with all applicable laws, rules and regulations. Contractor shall obtain any permits or licenses required for the installation for the Equipment, unless City otherwise agrees in writing. It shall be the Contractor's responsibility to examine such delivery site specified in the Supplemental Basic Information and to advise the City of any electrical, safety, space or special requirements that are to be met prior to delivery of Equipment. It shall be the City's responsibility to have the site properly prepared for the delivery of Equipment. All costs and expenses incurred in connection with installation of the Equipment shall be the responsibility of Contractor.

Contractor agrees that the City may, upon reasonable written notice to Contractor, relocate the Equipment, or any item or items thereof, to any location or locations that the City requests, at the City's sole discretion and at no additional charge to City.

2.3 **Training.** Training shall be provided to the personnel of the delivery sites on the same day, or on a date mutually agreed upon in writing by City department and Contractor following the delivery of the Equipment. Additional training shall be provided as often as required at no additional cost to the City. Training, at a minimum, should be provided on three levels to City staff:

- a. IT Network Administrator
- b. Key Operator or Department Lead (Train the Trainer)
- c. Administrative or General Training

2.4 **Software and Software Licenses.** Contractor shall affirmatively confirm that their Equipment does not require software development or require the purchase of any software

license by the City. All necessary software and software licenses needed to operate the MFDs is included in MFD Equipment prices.

2.5 **Maintenance.**

a. Principal office location of customer service and maintenance staff shall be within 100 miles (driving distance) of San Francisco City limits.

b. **Responsibility.** Price paid under this Agreement shall include the cost for the Equipment including but not limited to the MFD and all features, delivery, installation, removal, software if any, training, all maintenance, including drum replacement, and all consumable supplies. Consumable supplies shall include but not be limited to toner, developer, fuser agent, sumps and preventive maintenance kits but shall exclude paper. Staples are to be offered and priced as an optional feature. The Contractor shall provide preventive and remedial maintenance service from 8:00 a.m. to 5:00 p.m., Monday through Friday, except on City holidays. All preventive maintenance shall be performed in accordance with the manufacturer's specifications. The City shall not be charged for copies made by the Contractor's technicians during maintenance service. Contractor shall provide access to an online portal for City end users to request service, maintenance, and consumables other than paper.

c. **Response Time.** Repeated service calls for the same recurring problems will not be tolerated by the City. If the Contractor's technician fails to repair a serious recurring problem, the City may select to have the Equipment immediately replaced with another unit that is acceptable to City, at the cost of Contractor. The City may invoke these provisions related to "a serious recurring problem" for any problem that prevents the Equipment from performing according to specifications that is not rectified after three service calls. The replacement of a piece of Equipment shall not alter the term of the Individual Equipment Lease or Rental Agreement applicable to the unit being replaced. The maximum service response time for any Equipment problem shall be 4 working hours from the time the service request is initiated; if the problem is not rectified by the third service call for the same problem or such later time as City may allow, the City shall notify Contractor in writing that the Equipment has a serious recurring problem requiring Equipment replacement, and Contractor shall provide an equivalent replacement machine no later than three days after receipt of City's notification. If replacement takes longer than three business days, Contractor shall provide a credit to City equal to 1/30 of the monthly lease or rental fee for that piece of Equipment for each 24 business hours that the Equipment was not in service. Response time shall not include the period that is not considered the City's normal working hours or the period of time in which the service technician takes to repair the Equipment. Each service call shall be documented by the Contractor in the form of a service call report, a copy of which shall be left with the using department. This service call report shall, at a minimum, indicate the date and time of the service and a description of the needed repair. The response times listed in this section are minimum requirements. If the Contractor's Proposal contains response times and/or benefits that exceed these minimum requirements, the Contractor shall be bound by the terms of the Proposal. All replacement Equipment shall be required to be added to the lease documents and reported to the Office of Contract Administration.

d. **Support and Technical Staff Changes.** Contractor shall provide ten (10) working days' advance notification to all affected end user City departments upon any proposed

change to a support or technical staff serving this Agreement. Contact information for the new contact, including name, email address, and phone number shall be provided at time of notification.

e. **Uptime Reports.** On a quarterly basis, Contractor shall provide the City a machine Uptime report, which shall indicate the using department, model number, serial number, and description of each machine at that location, the install date of each machine, total number of service calls for each machine, the response time for each machine on a service call, the total downtime and the total percent uptime of each installed machine. Contractor shall keep Equipment in working order 98% of the available work time. Failure by Contractor to maintain a 98% Uptime standard will be grounds for requiring the Contractor to replace the Equipment at Contractor's expense with a like or better unit and provide a credit to City of 1/30 of the monthly lease or rental fee for that piece of Equipment for each 24 business hours that the Equipment was not in service. The 98% standard listed in this section is a minimum requirement. If the Contractor's Proposal contains standards and/or benefits that exceed these minimum requirements, the Contractor shall be bound by the terms of the Proposal.

f. **Reporting, Quarterly and Ad Hoc**

1. **Quarterly Reporting.** Contractor will be required to provide standardized quarterly reports detailing the performance of each lease, rental unit or unit under maintenance identified by serial number. The quarterly report shall include the following information:

- a. Department – City department that has leased the unit.
- b. Location – City department physical location where the unit resides.
- c. Model Number – Model number of the leased unit.
- d. Serial Number – Unique identifier of the leased unit.
- e. ENERGY STAR Unique ID – Unique seven-digit number assigned by EPA to a model or set of models with unique performance characteristics.
- f. Lease Term – Beginning date and end date of the leased unit.
- g. Department Contact – Name, email, and phone number of City employee point of contact for leased unit.
- h. Contractor Contact – Name, email, and phone number of Contractor's employee responsible for any issue on leased unit.
- i. Lease Amount – Total monthly lease payment for the leased unit without taxes.
- j. Cost per Page (BW) – Cost per page for each black and white printed page.
- k. Cost per Page (Color) – Cost per page for each color printed page.
- l. Meter Reading (BW) – Meter count for the current reporting period for black and white pages.

- m. Meter Reading (Color) – Meter count for the current reporting period for color pages.
- n. Total Monthly Service Calls – Number of service calls per month for report period.
- o. Date of Service Call – Date for each service call for report period.
- p. Type of Service Call – Reason for each service call for report period.
- q. Total Downtime Hours – Total number of hours leased unit was unavailable for use due to maintenance needs for report period.
- r. Uptime – Percent of time machine was available for use for report period.
- s. Monthly Duty Cycle – Maximum monthly volume the leased unit was assessed at.
- t. Recommended Average Monthly Volume – Expected regular monthly volume the leased unit was assessed at.

2. **Ad Hoc.** Contractor shall provide on-line reporting functionality that includes the ability for each individual user department to run a variety of ad hoc tracking, usage, performance, and maintenance/Uptime reports for leased, rented, and/or purchased MFD unit by that individual user department. Available data fields shall include no less than those fields provided in the above section, “Quarterly Reporting.”

2.6 **No Exclusivity.** Nothing contained in this Agreement shall be deemed to grant Contractor an exclusive right during the term of this Agreement to supply City with any Equipment or any minimum volume of Equipment. City reserves the right, at its sole discretion, to lease, rent or purchase similar or different Equipment from any other supplier or contractor that may be used contemporaneously with any item of Equipment provided hereunder.

ARTICLE 3

TERM

3.1 **Effective Date of Agreement.** The term of this Agreement shall be from April 1, 2019 to March 31, 2022. In addition the City, at its sole discretion, shall have the option to extend the term of this Agreement for up to two (2), one (1) year periods, for a total term of up to five (5) years.

3.2 **Term for Each Equipment Lease or Rental.** Subject to Section 4.4 (“Certification of Controller”), the term of each Equipment Lease or Rental shall commence with respect to such Equipment when the Contractor has installed the Equipment, the Equipment has successfully run all diagnostic routines and production checks, and made the Equipment available for use by the City. Such term shall end at 11:59 P.M. San Francisco time on the Expiration Date certified in the applicable Equipment Lease or Rental.

3.3 **Duration of this Agreement.** The Master Agreement shall have a 3-year term with the option to renew, in the sole discretion of the City, for up to 2 additional 1-year terms. Individual Equipment Leases shall have a term of 3, 4 or 5 years plus renewals. No Individual Equipment Lease including any authorized extensions shall exceed 5 years. Individual Rental Agreements shall have a term of 1 month not to exceed a total of 12 months. The period beginning with the effective date of the Master Agreement and ending on expiration date of the last expiring Individual Equipment Lease(s) and/or Individual Equipment Rental(s) shall not exceed ten years, unless the City's Board of Supervisors specifically approves a longer term as to the Master Agreement or any individual Equipment Lease. This Agreement shall be incorporated in all Equipment Leases and Rentals, and its terms remain in effect as to those individual Equipment Leases or Rentals until each such individual agreement has expired or been terminated. If no Equipment Schedule has been executed and delivered within one (1) year after the date of this Agreement specified in the Basic Information, then this Agreement shall automatically be terminated and neither Contractor nor City shall have any rights or obligations hereunder.

3.4 **Individual Equipment Lease Renewal Option.** City may, at least thirty (30) calendar days prior to the end of the initial term or renewal term, give Contractor written notice of its election to renew a Lease Agreement. At the conclusion of an Individual Equipment Lease, the City may renew the in-place Equipment as follows and as mutually agreed to with the Contractor:

a. Upon lease expiration, the City has the option to extend an individual Lease Agreement with a 1- or 2-year lease extension, so long as the total lease term does not exceed 5 years. Upon notice from City, Contractor shall provide a quote for lease extension. The quote shall be for a monthly lease payment not to exceed 50 percent of the original monthly lease rate and shall include the same base monthly maintenance component that was in effect during the original lease. Any optional features in effect during the original lease shall be included at no additional monthly charge.

b. If City fails to exercise its option to renew as herein provided, Contractor shall, subject to Section 3.5, be free to lease or sell the Equipment on or after the end of the initial term or current renewal term.

3.5 **Purchase Option.** City shall have the option to purchase all or any portion of the Equipment on the last day of the initial term or current renewal term of an Individual Equipment Lease or Rental Agreement for a purchase price equal to the Fair Market Value thereof as of the date of purchase. Such option shall be exercised by written notice to Contractor at least forty-five (45) calendar days prior to the last day of the initial term or current renewal term. Fair Market Value of the Equipment shall be determined by mutual agreement of Contractor and City within fifteen (15) calendar days after receipt by Contractor of the notice from City. Upon the purchase of any item of Equipment pursuant to this Section 3.5, all of Contractor's right, title and interest in and to such Equipment, and any improvements or additions to such Equipment, shall be automatically transferred directly to City, free and clear of all liens or other encumbrances created by or through Contractor and all interests of Contractor. Contractor shall execute and deliver, upon the request of City, such bills of sale and any other documents, certificates or statements reasonably necessary in connection with such transfer. If City fails to exercise its option under this Section 3.5, the Contractor shall, subject to Section 3.4, be free to sell or lease the Equipment on or after the end of the initial term or the current renewal term.

3.6 **Termination for Convenience.** City shall have the option, in its sole discretion, to terminate the Master Agreement, at any time during the term hereof, for convenience and without cause. City shall exercise this option by giving Contractor 30 days' prior written notice of termination. The notice shall specify the date on which termination shall become effective. For purposes of clarification, the Parties agree that this Section 3.6 applies solely to the Master Agreement and does not apply to the Parties' rights and obligations under Individual Equipment Lease or Rental Agreements entered into under the Master Agreement (which are addressed in Section 3.7, below).

3.7 **Termination for Convenience – Individual Equipment Lease Agreements.** City may terminate all or any Individual Equipment Lease(s) for City's convenience and without cause at any time by giving Contractor thirty days written notice of such termination. In the event the City decides to terminate all or part of any Individual Equipment Lease for convenience the following payment formula shall apply: City shall pay the remaining balance due on the Lease Term less any unearned charges, including but not limited to interest, and/or maintenance. Within 10 days after City makes this payment Contractor shall remove the terminated Equipment.

3.8 **Termination for Convenience – Individual Rental Agreements.** City may terminate all or any Individual Equipment Rental Agreement(s) for City's convenience and without cause at any time by giving Contractor thirty days written notice of such termination without incurring a Termination Fee or any other fee.

ARTICLE 4

PAYMENTS

4.1 **Amount.** City shall pay to Contractor for the Equipment Payments in the amount set forth in Appendix B (the "Pricing Matrix" for Equipment). All pricing shall remain the same or less for the Agreement period. Leases and Rentals shall be fixed at a monthly amount and/or a cost per copy charge for the term of the lease or rental, plus any Equipment options or upgrades. The lease or rental price shall include, but not be limited to, preorder assistance with a needs assessment and analysis for departments, recommendations, Equipment, all maintenance (including drum replacement), service, supplies (paper and staples excluded), on-going analysis of office Equipment environments, reports, implementation of fleet management, installation, training and delivery. Any renewals or extensions shall be charged as set forth in Section 3.4. Each Payment shall be paid on the Payment Date specified in the Equipment Lease or Rental. Payments shall include the cost per month of the copier and features and delivery. Unless otherwise specified by Contractor in writing, each Payment shall be sent to Contractor at the address for notices specified in Article 16. If any Equipment Lease or Rental should expire or terminate before the end of any period covered by the applicable Payment, such Payment shall be prorated on a per diem basis based on the actual number of calendar days falling within such period.

4.2 **Payment Dates; Statements.** At least fifteen (15) days prior to the Payment date for each item of Equipment hereunder, Contractor shall provide to City departments listed in the

Supplemental Basic Information a statement setting forth the total amount due and payable on such Payment Date including any applicable discounts. Should Contractor fail to receive any Payment when due and payable, Contractor shall within five (5) days of the Payment Date send written notice thereof to City. Notwithstanding the foregoing requirement, City's receipt of the foregoing billing statement and notices from Contractor is not a condition precedent to City's obligation to make the required Payments when due and payable. Additionally, the City may request and the Contractor shall provide for monthly, quarterly or combined billing and/or electronic billing for City departments with Equipment from Contractor.

4.3 **Risk of Non-Appropriation for Funds.**

Termination upon Non-Appropriation. Every Individual Equipment Lease and Rental under this Agreement will terminate without penalty, liability, or expense of any kind to City at the end of any fiscal year in the event funds are not appropriated for the next succeeding fiscal year. City has appropriated sufficient funds for the first fiscal year (July 1, 2018 – June 30, 2019) to make the payments scheduled to come due for that year under Individual Equipment Leases and Rentals. If funds are not appropriated to continue payments in a subsequent fiscal year, then the City may terminate the affected Individual Equipment Leases and Rentals as of the last day for which funds were appropriated. The Parties reasonably expect that payments due under Individual Equipment Leases and Rentals will be paid from annual appropriations of the City. However, City shall incur no obligation under any Individual Equipment Lease or Rentals for any period of time for which funds are not appropriated, and such Individual Equipment Lease and Rental will terminate, without penalty, liability, or expense of any kind as of the last day for which funds were appropriated. Without limitation of the foregoing, termination of any and all Individual Equipment Leases and Rentals upon non-appropriation shall not be subject to the Termination Fee set forth in Section 3.7. Termination of Individual Equipment Leases and Rentals upon non-appropriation shall not constitute an Event of Default by City. In the event of non-appropriation, City will make best efforts to provide thirty (30) days prior written notice to Contractor.

Upon termination of Individual Equipment Leases and Rentals upon non-appropriation, City shall immediately surrender possession of all Equipment obtained thereunder. Contractor shall have the right to repossess the Equipment without being subject to an action for trespass, conversion, or recovery by City of any funds previously received under such Individual Equipment Leases and/or Rentals.

4.4 **Certification of Controller.** No City funds shall be available under this Agreement or Individual Equipment Lease and Rental until prior written authorization certified by Controller. In addition, as set forth in San Francisco Administrative Code Section 21.19:

a. The City's obligation hereunder shall not at any time exceed the amount certified by the Controller for the purpose and period stated in such certification.

b. Except as may be provided by City ordinances governing emergency procedures, officers and employees of the City are not authorized to request, and City is not required to reimburse the Contractor for, commodities or services beyond the agreed upon contract scope unless the changed scope is authorized by amendment and approved as required by law.

c. Officers and employees of the City are not authorized to offer or promise, nor is the City required to honor, any offered or promised additional funding in excess of the maximum amount of funding for which the contract is certified without certification of the additional amount by the Controller.

d. The Controller is not authorized to make payments on any contract for which funds have not been certified as available in the budget or by supplemental appropriation.

4.5 **Supersedure of Conflicting Provisions.** IN THE EVENT OF ANY CONFLICT BETWEEN SECTION 4.3 OR 4.4. ON THE ONE HAND, AND ANY OTHER PROVISION OF THIS AGREEMENT, ANY INDIVIDUAL EQUIPMENT LEASE OR RENTAL AGREEMENT OR ANY OTHER DOCUMENT OR COMMUNICATION RELATING TO THIS AGREEMENT, ON THE OTHER HAND, THE TERMS OF SECTIONS 4.3 AND 4.4 SHALL GOVERN.

4.6 **Payments Not a Debt.** City shall pay the Payments required under this Agreement exclusively from legally available funds. City intends, and Contractor understands, that the obligations of City to make any and all Payments and other additional payments shall constitute a current expense of City and shall not in any way be construed to be a debt of City in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by City, nor shall any terms or conditions contained herein constitute a pledge of the general tax revenues, funds or monies of City.

4.7 **Maximum Compensation.** In no event shall the total compensation for all Individual Equipment Leases, Rentals, and purchases entered into under this Agreement exceed \$6,000,000.00 (Six million dollars and no cents).

4.8 **Pricing.** Contract pricing for each Equipment model under this Agreement is set forth in Appendix B (the "Pricing Matrix" for Equipment), which is hereby incorporated into this Agreement. If Contractor replaces listed models with new models during the term of the Agreement, Contractor shall promptly notify City so that Appendix B can be updated with the new model information. All pricing shall remain the same or less for the Agreement period. Any substitutions of new models must be approved by the City and priced at the original model price. If the new model will offer significantly different functionality, except in the case of a change that results in an existing optional feature becoming a standard feature, the Parties shall negotiate appropriate price adjustments upward or downward. During the term of this Agreement, including any extensions thereof, Contractor represents that it will use best efforts to ensure that the prices set forth in Appendix B (as it may be amended from time to time) do not exceed the pricing that it offers to other customers of similar size, volume and service.

4.9 **Getting paid for goods and/or services from the City.**

a. All City vendors receiving new contracts, contract renewals, or contract extensions must sign up to receive electronic payments through the City's Automated Clearing House (ACH) payments service/provider. Electronic payments are processed every business day and are safe and secure. To sign up for electronic payments, visit www.sfgov.org/ach.

b. The following information is required to sign up: (i) The enroller must be their company's authorized financial representative, (ii) the company's legal name, main telephone number and all physical and remittance addresses used by the company, (iii) the company's U.S. federal employer identification number (EIN) or Social Security number (if they are a sole proprietor), and (iv) the company's bank account information, including routing and account numbers.

ARTICLE 5 EQUIPMENT

5.1 **Title.** Subject to Section 3.5, title to the Equipment shall at all times be retained by Contractor. City shall not have any right, title or interest in the Equipment except the right to quiet enjoyment as expressly set forth in Section 5.11 while under lease or rental. If requested by Contractor, City shall affix and maintain, at Contractor's expense, in a prominent position on each unit of Equipment, plates, tags or identifying labels indicating Contractor's ownership of the Equipment. If, however, the City exercises its option to purchase any of the Equipment as specified in Section 3.5, Contractor shall transfer title to such Equipment to the City.

5.2 **Liens.** City shall keep the Equipment and all parts thereof free from any and all Liens. Should a Lien attach to any Equipment, Contractor shall have the right to take any necessary steps to defend against any and all actions or proceedings questioning or threatening the validity of Contractor's interest in the Equipment by providing the City thirty (30) days written notice to comply therewith; provided, however, that, in defending against any such actions or proceedings, Contractor shall not be deemed to have waived or released City from liability of or on account of any of its covenants contained herein, or from its liability hereunder to defend the validity hereof and to perform such covenants.

5.3 **Personal Property.** During the term of this Agreement, the Equipment shall remain personal property and shall not be deemed to be affixed to or a part of real property on which the Equipment may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter becomes in any manner physically affixed or attached to real property or any building thereon.

5.4 **Relocation.** Upon reasonable written notice to Contractor, City may relocate all or any unit of the leased or rented Equipment to any location or locations that the City requests, at City's sole discretion and cost. City shall be responsible for any loss or damage to Equipment caused by relocation, unless the relocation services are provided by the Contractor.

Should City request Contractor to provide relocation services, Contractor shall provide a separate price quote for any Equipment relocation prior to performing the actual service. All Equipment relocations must be arranged and/or approved in advance by Contractor (which approval shall not be unreasonably withheld) unless the relocation is associated with City's exercise of its Equipment purchase option and City receives title to the Equipment to be moved. While the Equipment is being relocated, the City remains responsible for all lease or rental payments associated with the unit, if any.

5.5 Presentation and Demonstration of Equipment.

a. Contractor shall, upon request, provide the City a complete catalog of products and services offered to the City in an electronic format that, at a minimum, displays model and brief description of the model, optional accessories for that model, average monthly volume, cost per copy, if any, and if applicable, excess per copy charge.

b. The City may request at any time, a demonstration of any copiers prior to the ordering of the Equipment. Demonstration units requested shall be at no cost to the City and must be offered for a maximum of 30 calendar days. In addition, there shall be no delivery and removal cost to the City. The City shall sign the Contractor's form relieving the City from any liabilities for this period of time.

5.6 Alterations, Additions and Attachments.

a. Contractor, at its own expense, shall make such alterations, additions or attachments to the Equipment as may be required from time to time to comply with the requirements of the law as soon as practicable after any such requirements. Unless City purchases the Equipment pursuant to Section 3.5, Contractor shall retain title to all parts incorporated into the Equipment pursuant to this Section 5.6 (a) except as set forth below.

b. With Contractor's prior written consent, which shall not be unreasonably withheld, City may, at its own expense, from time to time, make such alterations, additions or attachments to the Equipment as City deems desirable in the proper conduct of its business, including, without limitation removal of parts which City deems obsolete or no longer suitable or appropriate for use on the Equipment; provided, however, that no such alteration, addition or attachment shall change the nature or use of the Equipment from that for which it was originally designed, impair the operation of the Equipment or decrease the then-current value, estimated residual value, remaining useful life or utility of the Equipment as determined immediately prior to the alteration, addition or attachment. Any parts to be incorporated in the Equipment as a result of any such alterations, additions or attachment by City must be in addition to, and not in replacement of or substitution for, any parts originally included in the Equipment or required to be incorporated in the Equipment pursuant to the terms of Section 5.6 (a) or Section 6. City shall retain title to all such parts and shall remove such parts at the end of the term of the applicable Equipment Schedule.

5.7 Environmental Requirements. Contractor should comply with the requirements of the San Francisco Environmental Code Precautionary Principle Policy. Providing Equipment which does not meet any or all of the Environmental performance requirements specified in this Section 5.7 shall be cause for cancellation of a commitment made for Equipment and will be grounds for the cancellation of the Agreement at no cost to the City.

a. EPEAT Gold Registered Products

All products provided to City departments throughout the term of this Agreement shall be registered as EPEAT-Gold compliant or equivalent.

Contractor shall immediately replace any Equipment found installed which does not meet these standards at no cost to City and shall either immediately replace the noncomplying Equipment with complying Equipment or refund all lease or rental payments attributable to the nonconforming Equipment to City.

b. **Duplex Operation Enabled and set as Default.** Contractor provides MFD Equipment that is capable of operating in duplex mode. Contractor shall set duplex (double-sided printing) as default mode of operation for all MFD Equipment provided to the City during the life of this Agreement.

c. **Toner Cartridge and Toner Bottle Recycling Program.** All toner cartridges and bottles provided by Contractor under this Agreement shall be 100% recyclable in San Francisco's existing curbside recycling programs or be recycled through the Contractor's own cartridge/bottle take back and recycling program. Acceptable recyclables in San Francisco are listed here: <https://www.recology.com/recology-san-francisco/what-goes-where/>.

On the day of installation of any Equipment, the Contractor shall provide written instructions to City department users on the process to recycle toner cartridges and bottles.

d. **Ability to use 100% Post-Consumer Waste Recycled Paper.** Per the City's Environment Code, the City has a goal to maximize the use of recycled content. All MFD Equipment and service contracts provided under this Agreement shall be compatible with 100% post-consumer waste (PCW) recycled content paper as well as multiple weights of paper at the time of installation. Providing Equipment that is unable to function reliably at an Uptime of 98% using 100% PCW and multiple paper weights shall be cause for cancellation of a commitment made for Equipment and will be grounds for cancellation of the Agreement.

5.8 **Return of Equipment.** Upon expiration or termination of the applicable Individual Equipment Lease or Rental Agreement, City shall return possession of the Equipment (except Equipment that has been purchased by City) to Contractor in the condition in which the Equipment is required to be maintained according to this Agreement, normal wear and tear excepted. City shall remove all parts attached to the Equipment, pursuant to Section 5.6. (b) (unless Contractor otherwise agrees in writing) and shall repair any damage to the Equipment caused by such removal. At Contractor's sole expense, Contractor shall cause the Equipment to be removed and transported from the applicable City location. If Contractor fails to accept and remove the Equipment within fifteen (15) days after such termination or expiration, City shall have the right (but no obligation) to remove the Equipment and place it in any storage facility within the geographical boundaries of the City, at Contractor's sole expense. Contractor shall hold City free and harmless from any expense or damage of any kind associated or occasioned thereby or arising therefrom.

5.9 **Upgrades.**

a. **Upgrades of Individual Leased or Rented Equipment.** City may, after an initial six months of any Individual Equipment Lease or Rental Agreement for any machine, choose to upgrade or downgrade to Equipment in a different Segment. In the event of an upgrade, the department will pay whatever City contract rate exists for the replacement machine

for the remaining term of the original Agreement. In the event of a downgrade, the department shall pay the contract rate applicable to the replacement Equipment for the remaining term of the original Agreement.

b. **Upgrades to In-Place Individual Equipment Leases.** City may choose to upgrade leased Equipment. If the upgrade of the Equipment is the addition of new features and/or accessories and does not require the replacement of the existing unit, the City shall pay an increased City contract rate reflecting the added accessories to the existing Equipment for the remaining term of that Individual Equipment Lease. The calculation for the added features and/or accessories would be determined by calculating a payment that is coterminous with the remaining months on the existing lease. Pricing for upgrades of existing technology or new technology not set forth in Appendix B, "Pricing Matrix," shall be negotiated on a case by case basis.

5.10 **High Speed Equipment.** The City intends to limit the number of high-speed units to applications requiring that level of output. For the purposes of this section, high speed shall mean Equipment capable of producing copies at a rate greater than seventy-five (75) copies per minute. These machines may be installed only upon express prior approval of the Office of Contract Administration. Any Equipment found installed without such prior approval shall be returned to Contractor at no cost to City and all lease payments shall be refunded.

5.11 **Quiet Enjoyment.** Provided the City is not in default of this Agreement or any Individual Equipment Lease or Rental Agreement, Contractor shall guarantee and shall not disturb the City's quiet use and enjoyment of the Equipment during the term of this Agreement and each applicable Equipment Lease or Rental Agreement.

5.12 **Inspection by Contractor.** With at least five (5) business days prior notice, Contractor shall have the right, during normal business hours (9:00 AM to 5:00 PM Pacific Time), subject to applicable law, to enter upon the premises where the Equipment is located to inspect or to observe use of the Equipment.

ARTICLE 6

AUDITS; NOTICE OF CHANGES PENALTIES FOR FALSE CLAIMS

6.1 **Inspection and Audit.** Contractor shall make available to City, its employees and authorized representatives, during regular business hours, all files, records, books, invoices, documents and other data relating to this Agreement or the Equipment. Contractor shall permit City, its employees and authorized representatives to inspect, audit, examine and make excerpts and transcripts from any of the foregoing. To the extent any of the foregoing are not located within ten (10) miles of the geographic boundaries of City, Contractor shall make them available, within forty-eight (48) hours after any request by City within such physical boundaries or within ten (10) miles thereof. Contractor shall maintain such data and records in an accessible location and condition for a period of not less than five years after final payment under this Agreement or until final audit has been resolved, whichever is later.

6.2 **Notification of Changes in Circumstances.** Contractor shall notify City immediately of any change of circumstances that would cause any of the representations and warranties contained in Article 8 to be false or misleading at any time during the term of this Agreement.

6.3 **Submitting False Claims; Monetary Penalties.** The full text of San Francisco Administrative Code Chapter 21, Section 21.35, including the enforcement and penalty provisions, is incorporated into this Agreement. Pursuant to San Francisco Administrative Code §21.35, any contractor or subcontractor who submits a false claim shall be liable to the City for the statutory penalties set forth in that section. A contractor or subcontractor will be deemed to have submitted a false claim to the City if the contractor or subcontractor: (a) knowingly presents or causes to be presented to an officer or employee of the City a false claim or request for payment or approval; (b) knowingly makes, uses, or causes to be made or used a false record or statement to get a false claim paid or approved by the City; (c) conspires to defraud the City by getting a false claim allowed or paid by the City; (d) knowingly makes, uses, or causes to be made or used a false record or statement to conceal, avoid, or decrease an obligation to pay or transmit money or property to the City; or (e) is a beneficiary of an inadvertent submission of a false claim to the City, subsequently discovers the falsity of the claim, and fails to disclose the false claim to the City within a reasonable time after discovery of the false claim.

ARTICLE 7

TAXES

7.1 **Contractor to Pay All Taxes.** Except for any applicable California sales and use taxes, Contractor shall pay to the appropriate governmental authority, as and when due, any and all taxes, fees, assessments or other governmental charges, including possessory interest taxes levied upon or in connection with this Agreement, the Equipment or any of the activities contemplated by this Agreement.

7.2 **Use of City Real Property.** If at any time under this Agreement or the Services Agreement Contractor obtains any right to the possession, occupancy or use of City real property for private gain, the following provisions shall apply:

a. Contractor, on behalf of itself and any subcontractors, successors and assigns, recognizes and understands that this Agreement may create a possessory interest subject to property taxation and Contractor, and any subcontractor, successor or assign, may be subject to the payment of such taxes.

b. Contractor, on behalf of itself and any subcontractors, successors and assigns, further recognizes and understands that the creation, extension, renewal, or assignment of this Agreement may result in a "change in ownership" for purposes of real property taxes, and therefore may result in a revaluation of any possessory interest created hereunder. Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report on behalf of the City to the County Assessor the information required by Revenue and Taxation Code section 480.5, as amended from time to time, and any successor provision.

c. Contractor, on behalf of itself and any permitted successors and assigns, recognizes and understands that other events also may cause a change or ownership of the possessory interest and result in the revaluation of the possessory interest. (see, e.g., Rev. & Tax Code section 64, as amended from time to time). Contractor accordingly agrees on behalf of itself and its permitted successors and assigns to report any change in ownership to the County Assessor, the State Board of Equalization or other public agency as required by law.

d. Contractor shall provide such other information as may be requested by City to enable City to comply with any reporting requirements under applicable law with respect to possessory interests.

ARTICLE 8

REPRESENTATIONS AND WARRANTIES

Contractor represents and warrants each of the following as of the date of this Agreement and at all times throughout the term of this Agreement:

8.1 **Valid Existence; Licenses and Permits.** Contractor is a duly formed legal entity, validly existing and in good standing under the laws of the jurisdiction of its formation. Contractor is qualified to do business in the State of California and has obtained all necessary licenses, permits, approvals and authorizations necessary or proper in order to perform Contractor's obligations hereunder.

8.2 **Authorization; Enforceability.** Contractor has duly authorized by all necessary action the execution, delivery and performance of this Agreement. Contractor has duly executed and delivered this Agreement and this Agreement constitutes a legal, valid and binding obligation of Contractor, enforceable against Contractor in accordance with the terms hereof.

8.3 **No Misstatements.** No document furnished or to be furnished by Contractor to City in connection with this Agreement or any other document relating to any of the foregoing, contains or will contain any untrue statement of material fact or omits or will omit a material fact necessary to make the statements contained therein not misleading, under the circumstances under which any such statement shall have been made.

8.4 **No Conflict of Interest.** Contractor is familiar with the provisions of Section 15.103 of City's Charter, Article III, Chapter 2 of City's Campaign and Governmental Conduct Code and Section 87100 *et seq.* and Section 1090 *et seq.* of the California Government Code, and knows of no facts which constitute a violation of such provisions, and further agrees promptly to notify the City if it becomes aware of any such fact during the term of this Agreement.

8.5 **Vendor Warranties.** If Contractor is not a manufacturer, dealer or vendor of the Equipment, then Contractor hereby assigns to City during the term of this Agreement, and irrevocably appoints City its agent and attorney-in-fact during the term of this Agreement to assert from time to time, whatever claims and rights, including warranties of the Equipment, which Contractor may have against the manufacturer, dealer or vendor of the Equipment.

8.6 **Warranty – Merchantability and Fitness.** Contractor warrants that all Equipment furnished to the City under this Agreement are merchantable and fit for the particular purpose for which Contractor knows, or has reason to know City sought to procure them.

ARTICLE 9

INDEMNIFICATION AND GENERAL LIABILITY

9.1 **Indemnification.** Contractor shall indemnify, protect, defend and hold harmless the City and its officers, agents and employees (hereinafter referred to in this Section 9 as "City") from and against any and all Losses arising from, in connection with or caused by: (a) a material breach of this Agreement by Contractor; (b) a material breach of any representation or warranty of Contractor contained in this Agreement; (c) any personal injury caused, directly by any act or omission of Contractor or its employees, subcontractors or agents; (d) any property damage caused, directly by any act or omission of Contractor or its employees, subcontractors or agents; (e) the use, misuse or failure of any equipment (other than the Equipment) or facility used by Contractor, or by any of its employees, subcontractors or agents, regardless of whether such equipment or facility is furnished, rented or loaned to Contractor by the City; (f) any tax, fee, assessment or other charge for which Contractor is responsible under Article 7; or (g) any infringement of patent rights, copyright, trade secret or any other proprietary right or trademark, and all other intellectual property claims of any Person in consequence of the use by the City of any goods or services furnished to the City in connection with this Agreement. Notwithstanding the foregoing, Contractor shall have no obligation under the immediately preceding sentence with respect to any Loss that is caused by the active negligence or willful misconduct of the City and is not contributed to by any act or omission (including any failure to perform any duty imposed by law) by Contractor or its employees, subcontractors or agents. In addition, Contractor shall have no obligation to indemnify City for intellectual property infringement as described in subsection (g) above to the extent the claim of infringement is attributable to City's modification of software provided by Contractor (or imbedded in Contractor's goods), if any, where such modification was not previously approved by Contractor, or City's combination of Contractor's software with software other than software provided by Contractor, without Contractor's prior authorization.

9.2 **Duty to Defend; Notice of Loss.** Contractor acknowledges and agrees that its obligation to defend the City under Section 9.1: (a) is an immediate obligation, independent of its other obligations hereunder; (b) applies to any Loss which actually or potentially falls within the scope of Section 9.1, regardless of whether the allegations asserted in connection with such Loss are or may be groundless, false or fraudulent; and (c) arises at the time the Loss is tendered to Contractor by the City and continues at all times thereafter. The City shall give Contractor prompt notice of any Loss under Section 9.1 and Contractor shall have the right to defend, settle and compromise any such Loss, provided, however, that no delay on the part of City in notifying Contractor shall relieve Contractor from any obligation hereunder unless (and then solely to the extent) such failure materially impairs Contractor's ability to defend such Loss, (ii) subject to Contractor's obligation to reimburse City's reasonable costs of same, City agrees to assist Contractor in the defense of the Loss by providing information and witnesses, as needed to the extent there is no material conflict of interest, and (iii) Contractor has sole control over resolution

of the Loss, however, that Contractor will not consent to the entry of any judgment or enter into any settlement with respect to the Loss without the prior written consent of City, which consent will not be unreasonably withheld, unless the judgment or proposed settlement involves only the payment of money damages by Contractor and does not impose any obligation upon City and Contractor obtains the full and complete release of City; City shall have the right to have any suit or proceeding monitored by counsel of City's choice and at its expense. If Contractor does not assume the defense of a Loss as required above, (i) City may defend against, and consent to the entry of any judgment or enter into any settlement with respect to the claim in any manner it reasonably may deem appropriate, and City need not consult with, or obtain any consent from, Contractor, and (ii) Contractor will remain responsible for any Losses City may suffer resulting from, arising out of, relating to, in the nature of, or caused by the claim to the fullest extent provided in this Section.

9.3 LIMITATION ON LIABILITY OF CITY. CITY'S OBLIGATIONS UNDER THIS AGREEMENT SHALL BE LIMITED TO THE PAYMENTS REQUIRED UNDER ARTICLE 4. NOTWITHSTANDING ANY OTHER PROVISION CONTAINED IN THIS AGREEMENT OR ANY OTHER DOCUMENT OR COMMUNICATION RELATING TO THIS AGREEMENT, IN NO EVENT SHALL CITY BE LIABLE, REGARDLESS OF WHETHER ANY CLAIM IS BASED ON CONTRACT OR TORT, FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES, INCLUDING LOST PROFITS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR ANY SERVICES OR GOODS FURNISHED IN CONNECTION WITH THIS AGREEMENT.

9.4 LIMITATION ON LIABILITY OF CONTRACTOR.
NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, AND EXCEPT AS PROVIDED IN THIS SECTION 9.4, CONTRACTOR'S LIABILITY FOR ANY SPECIAL, CONSEQUENTIAL, INDIRECT OR INCIDENTAL DAMAGES OR FOR DAMAGES CAUSED BY CONTRACTOR'S NEGLIGENCE, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES PERFORMED IN CONNECTION WITH THIS AGREEMENT SHALL NOT EXCEED SIX MILLION DOLLARS (\$6,000,000). CONTRACTOR'S LIABILITY LIMIT SET FORTH HEREIN SHALL NOT APPLY TO (1) CONTRACTOR'S INDEMNIFICATION OBLIGATIONS UNDER SECTION 9.1 OF THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO, CONTRACTOR'S OBLIGATION TO INDEMNIFY AND DEFEND CITY PURSUANT TO THE INFRINGEMENT INDEMNIFICATION OBLIGATIONS EXPRESSED THEREIN, (2) DAMAGES CAUSED BY CONTRACTOR'S GROSS NEGLIGENCE OR INTENTIONAL OR WILLFUL MISCONDUCT, (3) LIMIT CLAIMS OR GENERAL DAMAGES THAT FALL WITHIN THE REQUIRED INSURANCE COVERAGES SET FORTH IN ARTICLE 10 OF THIS AGREEMENT, (4) STATUTORY DAMAGES SPECIFIED IN THIS AGREEMENT, AND (5) WRONGFUL DEATH CAUSED BY CONTRACTOR.

ARTICLE 10

INSURANCE

10.1 **Insurance.** Without in any way limiting Contractor's liability pursuant to the "Indemnification" section of this Agreement, Contractor must maintain in force, during the full term of the Agreement and until the expiration of the last expiring Individual Equipment Lease or Rental, insurance in the following amounts and coverages:

- a. Workers' Compensation, in statutory amounts, with Employers' Liability Limits not less than \$1,000,000 each accident, injury, or illness; and
- b. Commercial General Liability Insurance with limits not less than \$1,000,000 each occurrence and \$2,000,000 general aggregate for Bodily Injury and Property Damage, including Contractual Liability, Personal Injury, Products and Completed Operations; and
- c. Commercial Automobile Liability Insurance with limits not less than \$1,000,000 each occurrence Combined Single Limit for Bodily Injury and Property Damage, including Owned, Non-Owned and Hired auto coverage, as applicable; and
- d. Professional liability insurance, applicable to Contractor's profession, with limits not less than \$1,000,000 each claim with respect to negligent acts, errors or omissions in connection with the Services; and
- e. Property insurance on an all-risk form (excluding earthquake coverage) in an amount equal to the amount specified in the **Supplemental Basic Information**, which is one hundred percent (100%) of the replacement value of the Equipment. Such amount shall be adjusted annually upon renewal of the policy to ensure consistent full replacement value. Contractor shall be solely responsible for any deductibles under its insurance policy(s); and
- f. Contractor shall maintain in force during the full life of the Agreement Cyber and Privacy Insurance with limits of not less than \$10,000,000 per occurrence. Such insurance shall include coverage for liability arising from theft, dissemination, and/or use of confidential information, including but not limited to, bank and credit card account information or personal information, such as name, address, social security numbers, protected health information or other personally identifying information, stored or transmitted in electronic form.

10.2 Commercial General Liability and Commercial Automobile Liability Insurance policies must be endorsed to provide:

- a. Name as Additional Insured the City and County of San Francisco, its Officers, Agents, and Employees only for claims arising out of the acts or omissions of Contractor in the performance of the services under the contract.
- b. That such policies are primary insurance to any other insurance available to the Additional Insureds, with respect to any claims arising out of this Agreement, and that insurance applies separately to each insured against whom claim is made or suit is brought.

10.3 All policies shall be endorsed to provide thirty (30) days' advance written notice to the City of cancellation for any reason, intended non-renewal, or reduction in coverages. Notices shall be sent to the City address set forth in Article I6, entitled "Notices and Other Communications."

10.4 Should any of the required insurance be provided under a claims-made form, Contractor shall maintain such coverage continuously throughout the term of this Agreement and, without lapse, for a period of three years beyond the expiration of this Agreement, to the effect that, should occurrences during the contract term give rise to claims made after expiration of the Agreement, such claims shall be covered by such claims-made policies.

10.5 Should any of the required insurance be provided under a form of coverage that includes a general annual aggregate limit or provides that claims investigation or legal defense costs be included in such general annual aggregate limit, such general annual aggregate limit shall be double the occurrence or claims limits specified above.

10.6 Should any required insurance lapse during the term of this Agreement, requests for payments originating after such lapse shall not be processed until the City receives satisfactory evidence of reinstated coverage as required by this Agreement, effective as of the lapse date. If insurance is not reinstated, the City may, at its sole option, terminate this Agreement effective on the date of such lapse of insurance.

10.7 Before commencing any Services, Contractor shall furnish to City certificates of insurance and additional insured policy endorsements with insurers with ratings comparable to A-, VIII or higher, that are authorized to do business in the State of California, and that are satisfactory to City, in form evidencing all coverages set forth above. Approval of the insurance by City shall not relieve or decrease Contractor's liability hereunder.

10.8 The Workers' Compensation policy(ies) shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

10.9 If Contractor will use any subcontractor(s) to provide Services, Contractor shall require the subcontractor(s) to provide all necessary insurance and to name the City and County of San Francisco, its officers, agents and employees and the Contractor as additional insureds.

10.10 Equipment Title, Risk of Loss. The City shall have no right, title, or interest in Leased or Rental.

ARTICLE 11

DAMAGE, DESTRUCTION AND CONDEMNATION

11.1 **Equipment Title.** The City shall have no right, title, or interest in Leased or Rental Equipment except the use and maintenance rights as provided herein or to any additions,

repairs, replacements or modifications thereto. Title to the Equipment shall remain with Contractor. City agrees to keep the Equipment free and clear of all liens and claims.

11.2 **Liability for Damage to Equipment.** It is understood and agreed that the City is responsible for loss of or damage to any Contractor-owned Equipment involved, only as caused by the negligent or wrongful actions of City's officers, agents and employees.

ARTICLE 12

EVENTS OF DEFAULT BY CITY; REMEDIES

12.1 **Events of Default.** The occurrence of any one or more of the following events shall constitute an "Event of Default" by City under this Agreement:

a. **Failure to Pay.** City fails to make any Payment when due and payable, and such failure continues for more than fifteen (15) Business Days after notice and opportunity to cure thereof from Contractor; provided, however, that no Event of Default shall occur if such failure to pay was due to City's failing to appropriate sufficient funds to make the required Payment.

b. **Failure to Pay Other Charges.** City fails to make any other payment required under this Agreement when due and payable, and such failure continues for more than forty-five (45) days after notice and opportunity to cure thereof from Contractor; provided, however, that no Event of Default shall occur if such failure to pay was due to City failing to appropriate sufficient funds to make the required payment.

c. **Nonmonetary Breach.** City fails to keep, observe or perform any material term, covenant or condition (other than as specifically enumerated in Subsections 12.1(a) and 12.1(b)) contained in this Agreement to be kept or performed by City and such failure shall have continued for more than sixty (60) days after City receives written notice thereof from Contractor.

d. **Voluntary Insolvency.** City (i) is generally not paying its debts as they become due, (ii) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, (iii) makes an assignment for the benefit of its creditors, (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of City or of any substantial part of City's property or (v) takes action for the purpose of any of the foregoing.

e. **Involuntary Insolvency.** Without consent by City, a court or government authority enters an order, and such order is not vacated within sixty (60) days, (i) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Contractor or with respect to any substantial part of Contractor's property, (ii) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other

debtors' relief law of any jurisdiction or (iii) ordering the dissolution, winding-up or liquidation of City.

12.2 **Remedies Upon Event of Default.** Upon and during the continuance of an Event of Default by City, Contractor may do any of the following, individually or in combination with any other remedy:

a. Contractor may take whatever action at law or in equity may appear necessary or desirable to collect the Payments then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of City under this Agreement.

b. Contractor may retake possession of the Equipment with respect to which there is an Event of Default by City, and sell or lease such Equipment, holding City liable for all Payments on such Equipment up to the effective date of repossession.

12.3 **Remedies Nonexclusive.** Each of the remedies provided for in this Article 12 may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations, including the right to bring suit for damages. The remedies contained herein are in addition to all other remedies available to Contractor at law or in equity by statute or otherwise and the exercise of any such remedy shall not preclude or in any way be deemed to waive any other remedy.

ARTICLE 13

EVENTS OF DEFAULT BY CONTRACTOR; REMEDIES

13.1 **Events of Default.** The occurrence of any one or more of the following events shall constitute an "Event of Default" by Contractor under this Agreement:

a. **False Statement.** Any statement, representation or warranty contained in this Agreement or in any other document submitted to City under this Agreement is found by City to be false or misleading.

b. **Failure to Perform Other Covenants; Breach of Warranty.** Contractor fails to perform or breaches any warranty, agreement, provision or covenant of this Agreement to be performed or observed by Contractor as and when performance or observance is due and such failure or breach continues for a period of thirty (30) days after the date on which such performance or observance is due.

c. **Voluntary Insolvency.** Contractor (i) is generally not paying its debts as they become due, (ii) files, or consents by answer or otherwise to the filing against it of, a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction, (iii) makes an assignment for the benefit of its creditors, (iv) consents to the appointment of a custodian, receiver, trustee or other officer with similar powers of Contractor or

of any substantial part of Contractor's property or (v) takes action for the purpose of any of the foregoing.

d. **Involuntary Insolvency.** Without consent by Contractor, a court or government authority enters an order, and such order is not vacated within fifteen (15) days, (i) appointing a custodian, receiver, trustee or other officer with similar powers with respect to Contractor or with respect to any substantial part of Contractor's property, (ii) constituting an order for relief or approving a petition for relief or reorganization or arrangement or any other petition in bankruptcy or for liquidation or to take advantage of any bankruptcy, insolvency or other debtors' relief law of any jurisdiction or (iii) ordering the dissolution, winding-up or liquidation of Contractor.

13.2 **Remedies Upon Event of Default.** Upon and during the continuance of an Event of Default by Contractor hereto, the City may do any of the following, individually or in combination with any other remedy:

a. **Termination.** City may terminate this Agreement. Such termination shall not waive any rights or remedies of City hereunder. For purposes of clarification, no termination fee shall apply to termination upon event of Contractor Default by City under this Section 13.2.

b. **Legal Action.** City may take whatever action at law or in equity necessary or desirable to enforce performance and observance of any obligation, agreement or covenant of Contractor under this Agreement.

c. **Right to Cure.** The City shall have the right (but no obligation) to cure any Event of Default by the Contractor. All amounts expended by the City in effecting such cure shall be deemed Losses hereunder and shall accrue interest from the date of incidence at the maximum rate permitted by law.

13.3 **Remedies Nonexclusive.** Each of the remedies provided for in this Article 13 may be exercised individually or in combination with any other remedy available hereunder or under applicable laws, rules and regulations, including the right to bring suit for damages. The remedies contained herein are in addition to all other remedies available to City at law or in equity by statute or otherwise and the exercise of any such remedy shall not preclude or in any way be deemed to waive any other remedy.

ARTICLE 14

DISCLOSURE OF INFORMATION AND DOCUMENTS

14.1 **Proprietary or Confidential Information of City.** Contractor understands and acknowledges that, in the performance of this Agreement or in contemplation thereof, Contractor may have access to private or confidential information that may be owned or controlled by City and that such information may contain proprietary or confidential information, the disclosure of which to third parties may be damaging to City. Contractor agrees that all information disclosed by City to Contractor shall be held in confidence and used only in the performance of this

Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent business person would use to protect its own proprietary data.

14.2 Sunshine Ordinance. Contractor acknowledges and agrees that this Agreement is subject to Section 67.24(e) of the San Francisco Administrative Code, which provides that contracts, including this Agreement, Contractor's bids, responses to Requests for Proposals (RFPs) and all other records of communications between City and persons or entities seeking contracts, shall be open to inspection immediately after a contract has been awarded. Nothing in such Section 67.24(e) (as it exists on the date hereof) requires the disclosure of a private person's or organization's net worth or other proprietary financial data submitted for qualification for a contract or other benefit until and unless that person or organization is awarded the contract or benefit. All information provided by Contractor which is covered by such Section 67.24(e) (as it may be amended from time to time) will be made available to the public upon request.

14.3 Independent Contractor; Payment of Employment Taxes and Other Expenses.

14.3.1 Independent Contractor. For the purposes of this Article 4, "Contractor" shall be deemed to include not only Contractor, but also any agent or employee of Contractor. Contractor acknowledges and agrees that at all times, Contractor or any agent or employee of Contractor shall be deemed at all times to be an independent contractor and is wholly responsible for the manner in which it performs the services and work requested by City under this Agreement. Contractor, its agents, and employees will not represent or hold themselves out to be employees of the City at any time. Contractor or any agent or employee of Contractor shall not have employee status with City, nor be entitled to participate in any plans, arrangements, or distributions by City pertaining to or in connection with any retirement, health or other benefits that City may offer its employees. Contractor or any agent or employee of Contractor is liable for the acts and omissions of itself, its employees and its agents. Contractor shall be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, FICA, income tax withholdings, unemployment compensation, insurance, and other similar responsibilities related to Contractor's performing services and work, or any agent or employee of Contractor providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between City and Contractor or any agent or employee of Contractor. Any terms in this Agreement referring to direction from City shall be construed as providing for direction as to policy and the result of Contractor's work only, and not as to the means by which such a result is obtained. City does not retain the right to control the means or the method by which Contractor performs work under this Agreement. Contractor agrees to maintain and make available to City, upon request and during regular business hours, accurate books and accounting records demonstrating Contractor's compliance with this section. Should City determine that Contractor, or any agent or employee of Contractor, is not performing in accordance with the requirements of this Agreement, City shall provide Contractor with written notice of such failure. Within five (5) business days of Contractor's receipt of such notice, and in accordance with Contractor policy and procedure, Contractor shall remedy the deficiency. Notwithstanding, if City believes that an action of Contractor, or any agent or employee of Contractor, warrants immediate remedial action by Contractor, City shall contact Contractor and provide Contractor in writing with the reason for requesting such immediate action.

14.3.2 Payment of Employment Taxes and Other Expenses. Should City, in its discretion, or a relevant taxing authority such as the Internal Revenue Service or the State Employment Development Division, or both, determine that Contractor is an employee for purposes of collection of any employment taxes, the amounts payable under this Agreement shall be reduced by amounts equal to both the employee and employer portions of the tax due (and offsetting any credits for amounts already paid by Contractor which can be applied against this liability). City shall then forward those amounts to the relevant taxing authority. Should a relevant taxing authority determine a liability for past services performed by Contractor for City, upon notification of such fact by City, Contractor shall promptly remit such amount due or arrange with City to have the amount due withheld from future payments to Contractor under this Agreement (again, offsetting any amounts already paid by Contractor which can be applied as a credit against such liability). A determination of employment status pursuant to the preceding two paragraphs shall be solely for the purposes of the particular tax in question, and for all other purposes of this Agreement, Contractor shall not be considered an employee of City. Notwithstanding the foregoing, Contractor agrees to indemnify and save harmless City and its officers, agents and employees from, and, if requested, shall defend them against any and all claims, losses, costs, damages, and expenses, including attorneys' fees, arising from this section.

ARTICLE 15

ASSIGNMENTS

15.1 No Assignment. Neither Contractor nor City shall, either directly or indirectly, assign, transfer, hypothecate, sublet or delegate all or any portion of this Agreement or any of its rights, duties or obligations hereunder without the prior written consent of the other Party, which shall not be unreasonably withheld. This Agreement shall not, nor shall any interest herein, be assignable as to the interest of Contractor involuntarily or by operation of law without the prior written consent of City. A change of ownership or control of Contractor or a sale or transfer of substantially all of the assets of Contractor shall be deemed an assignment for purposes of this Agreement.

15.2 No Public or Private Offerings. Without limiting the scope of Section 15.1, Contractor shall not effect a private or public offering of certificates of participation, municipal securities or other debt instruments representing fractionalized interest in this Agreement without first obtaining the written consent of City, as such consent shall be approved as to form by City Attorney. City shall have the right to require Contractor to satisfy any conditions City imposes before it consents to any offering of any such certificates, securities or instruments, including approval by City's Board of Supervisors.

15.3 Agreement Made in Violation of this Article. Any agreement made in violation of Section 15.1 or 15.2 shall confer no rights on any Person and shall automatically be null and void.

15.4 Assignor Retains Responsibility. No assignment or transfer pursuant to this Article 15 shall relieve the assigning Party of liability for the performance by any assignee or transferee of all of the covenants, terms and conditions contained in this Agreement.

ARTICLE 16

NOTICES AND OTHER COMMUNICATIONS

16.1 **Requirements.** Unless otherwise specifically provided herein, all notices, consents, directions, approvals, instructions, requests and other communications which may affect either Party's performance hereunder shall be in writing, shall be addressed to the person and address set forth in the **Basic Information** and shall be (a) deposited in the U.S. mail, first class, certified with return receipt requested and with appropriate postage, (b) hand delivered or (c) sent via facsimile (if a facsimile number is provided in the **Basic Information**). Any other non-essential communications may be by telephone or email. Any notice of default must be sent by registered mail. Either Party may change the address to which notice is to be sent by giving written notice thereof to the other Party. If email notification is used, the sender must specify a receipt notice.

16.2 **Notice to Controller.** Whenever Contractor delivers to City any notice, certificate or other communication relating to an Event of Default by City or an event which (after notice or any grace period) may become an Event of Default, Contractor shall also concurrently provide a copy of such notice to the Office of the Controller at 1 Dr. Carlton B. Goodlett Place, Rm. 316, San Francisco, CA 94102-4685 by the same means as that used for sending the original notice.

16.3 **Effective Date.** All communications that must be in writing pursuant to Section 16.1 shall become effective on the date of receipt. Such date of receipt shall be determined by: (a) if mailed, the return receipt, completed by the U.S. Postal Service; (b) if sent via hand delivery, a receipt executed by a duly authorized agent of the Party to whom the notice was sent; or (c) if sent via facsimile, the date of telephonic confirmation of receipt by a duly authorized agent of the Party to whom the notice was sent or, if such confirmation is not reasonably practicable, the date indicated in the facsimile machine transmission report of the Party giving such notice.

16.4 **Change of Address.** From time to time any Party hereto may designate a new address for purposes of this Article 16 by notice to the other Party.

ARTICLE 17

COMPLIANCE

17.1 **Local Business Enterprise Utilization; Liquidated Damages.** (Please note that the Contract Monitoring Division of the Office of the City Administrator has assumed responsibilities under law previously held by the Human Rights Commission for implementing the LBE Ordinance. All references in this Agreement to the Human Rights Commission shall be understood to refer to the City Administrator and the Contract Monitoring Division, as applicable.)

a. **The LBE Ordinance.** Contractor shall comply with all the requirements of the Local Business Enterprise and Non-Discrimination in Contracting Ordinance set forth in

Chapter 14B of the San Francisco Administrative Code as it now exists or as it may be amended in the future (collectively the "LBE Ordinance"), provided such amendments do not materially increase Contractor's obligations or liabilities, or materially diminish Contractor's rights, under this Agreement. Such provisions of the LBE Ordinance are incorporated by reference and made a part of this Agreement as though fully set forth in this section. Contractor's willful failure to comply with any applicable provisions of the LBE Ordinance is a material breach of Contractor's obligations under this Agreement and shall entitle City, subject to any applicable notice and cure provisions set forth in this Agreement, to exercise any of the remedies provided for under this Agreement, under the LBE Ordinance or otherwise available at law or in equity, which remedies shall be cumulative unless this Agreement expressly provides that any remedy is exclusive. In addition, Contractor shall comply fully with all other applicable local, state and federal laws prohibiting discrimination and requiring equal opportunity in contracting, including subcontracting.

b. **Compliance and Enforcement.** If Contractor willfully fails to comply with any of the provisions of the LBE Ordinance, the rules and regulations implementing the LBE Ordinance, or the provisions of this Agreement pertaining to LBE participation, Contractor shall be liable for liquidated damages in an amount equal to Contractor's net profit on this Agreement, or 10% of the total amount of this Agreement, or \$1,000, whichever is greatest. The Director of the City's Human Rights Commission or any other public official authorized to enforce the LBE Ordinance (separately and collectively, the "Director of HRC") may also impose other sanctions against Contractor authorized in the LBE Ordinance, including declaring the Contractor to be irresponsible and ineligible to contract with the City for a period of up to five years or revocation of the Contractor's LBE certification. The Director of HRC will determine the sanctions to be imposed, including the amount of liquidated damages, after investigation pursuant to Administrative Code §14B.17. By entering into this Agreement, Contractor acknowledges and agrees that any liquidated damages assessed by the Director of the HRC shall be payable to City upon demand. Contractor further acknowledges and agrees that any liquidated damages assessed may be withheld from any monies due to Contractor on any contract with City. Contractor agrees to maintain records necessary for monitoring its compliance with the LBE Ordinance for a period of three years following termination or expiration of this Agreement, and shall make such records available for audit and inspection by the Director of HRC or the Controller upon request.

17.2 Nondiscrimination; Penalties

a. **Contractor Shall Not Discriminate.** In the performance of this Agreement, Contractor agrees not to discriminate against any employee, City and County employee working with such contractor or subcontractor, applicant for employment with such contractor or subcontractor, or against any person seeking accommodations, advantages, facilities, privileges, services, or membership in all business, social, or other establishments or organizations, on the basis of the fact or perception of a person's race, color, creed, religion, national origin, ancestry, age, height, weight, sex, sexual orientation, gender identity, domestic partner status, marital status, disability or Acquired Immune Deficiency Syndrome or HIV status (AIDS/HIV status), or association with members of such protected classes, or in retaliation for opposition to discrimination against such classes.

b. **Subcontracts.** Contractor shall incorporate by reference in all subcontracts the provisions of Sections 12B.2(a), 12B.2(c)-(k), and 12C.3 of the San Francisco Administrative Code (copies of which are available from Purchasing) and shall require all subcontractors to comply with such provisions. Contractor's failure to comply with the obligations in this subsection shall constitute a material breach of this Agreement.

c. **Nondiscrimination in Benefits.** Contractor does not as of the date of this Agreement and will not during the term of this Agreement, in any of its operations in San Francisco, on real property owned by San Francisco, or where work is being performed for the City elsewhere within the United States, discriminate in the provision of employee benefits between employees with domestic partners and employees with spouses, and/or between the domestic partners and spouses of such employees, subject to the conditions set forth in Section 12B.2(b) of the San Francisco Administrative Code.

d. **Condition to Contract.** As a condition to this Agreement, Contractor shall execute the "Chapter 12B Declaration: Nondiscrimination in Contracts and Benefits" form (form HRC-12B-101) with supporting documentation and secure the approval of the form by the San Francisco Human Rights Commission.

e. **Incorporation of Administrative Code Provisions by Reference.** The provisions of Chapters 12B and 12C of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Contractor shall comply fully with and be bound by all of the provisions that apply to this Agreement under such Chapters of the Administrative Code, including but not limited to the remedies provided in such Chapters. Without limiting the foregoing, Contractor understands that pursuant to Section 12B.2(h) of the San Francisco Administrative Code, a penalty of \$50 for each person for each calendar day during which such person was discriminated against in violation of the provisions of this Agreement may be assessed against Contractor and/or deducted from any payments due Contractor.

17.3 **MacBride Principles--Northern Ireland.** Pursuant to San Francisco Administrative Code Section 12.F.5, City urges companies doing business in Northern Ireland to move towards resolving employment inequities, and encourages such companies to abide by the MacBride Principles. City urges San Francisco companies to do business with corporations that abide by the MacBride Principles.

17.4 **Tropical Hardwood and Virgin Redwood Ban.** Pursuant to San Francisco Administrative Code Section 12I.5(b), City urges all Contractors not to import, purchase, obtain, or use for any purpose, any tropical hardwood, tropical hardwood wood product, virgin redwood or virgin redwood wood product.

17.5 **Alcohol and Drug-Free Workplace.** City reserves the right to deny access to, or require Contractor to remove from, City facilities personnel of any Contractor or subcontractor who City has reasonable grounds to believe has engaged in alcohol abuse or illegal drug activity which in any way impairs City's ability to maintain safe work facilities or to protect the health and well-being of City employees and the general public. City shall have the right of final approval for the entry or re-entry of any such person previously denied access to, or removed from, City facilities. Illegal drug activity means possessing, furnishing, selling, offering,

purchasing, using or being under the influence of illegal drugs or other controlled substances for which the individual lacks a valid prescription. Alcohol abuse means possessing, furnishing, selling, offering, or using alcoholic beverages, or being under the influence of alcohol.

17.6 Omitted by agreement of Parties. (**Resource Conservation**).

17.7. **First Source Hiring Program**

a. Incorporation of Administrative Code Provisions by Reference. The provisions of Chapter 83 of the San Francisco Administrative Code are incorporated in this Section by reference and made a part of this Agreement as though fully set forth herein. Contractor shall comply fully with, and be bound by, all of the provisions that apply to this Agreement under such Chapter, including but not limited to the remedies provided therein. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 83.

b. First Source Hiring Agreement. As an essential term of, and consideration for, any contract or property contract with the City, not exempted by the FSHA, the Contractor shall enter into a first source hiring agreement (“agreement”) with the City, on or before the effective date of the contract or property contract. Contractors shall also enter into an agreement with the City for any other work that it performs in the City. Such agreement shall:

(1) Set appropriate hiring and retention goals for entry level positions. The employer shall agree to achieve these hiring and retention goals, or, if unable to achieve these goals, to establish good faith efforts as to its attempts to do so, as set forth in the agreement. The agreement shall take into consideration the employer's participation in existing job training, referral and/or brokerage programs. Within the discretion of the FSHA, subject to appropriate modifications, participation in such programs may be certified as meeting the requirements of this Chapter. Failure either to achieve the specified goal, or to establish good faith efforts will constitute noncompliance and will subject the employer to the provisions of Section 83.10 of this Chapter.

(2) Set first source interviewing, recruitment and hiring requirements, which will provide the San Francisco Workforce Development System with the first opportunity to provide qualified economically disadvantaged individuals for consideration for employment for entry level positions. Employers shall consider all applications of qualified economically disadvantaged individuals referred by the System for employment; provided however, if the employer utilizes nondiscriminatory screening criteria, the employer shall have the sole discretion to interview and/or hire individuals referred or certified by the San Francisco Workforce Development System as being qualified economically disadvantaged individuals. The duration of the first source interviewing requirement shall be determined by the FSHA and shall be set forth in each agreement, but shall not exceed 10 days. During that period, the employer may publicize the entry level positions in accordance with the agreement. A need for urgent or temporary hires must be evaluated, and appropriate provisions for such a situation must be made in the agreement.

(3) Set appropriate requirements for providing notification of available entry level positions to the San Francisco Workforce Development System so that the System

may train and refer an adequate pool of qualified economically disadvantaged individuals to participating employers. Notification should include such information as employment needs by occupational title, skills, and/or experience required, the hours required, wage scale and duration of employment, identification of entry level and training positions, identification of English language proficiency requirements, or absence thereof, and the projected schedule and procedures for hiring for each occupation. Employers should provide both long-term job need projections and notice before initiating the interviewing and hiring process. These notification requirements will take into consideration any need to protect the employer's proprietary information.

(4) Set appropriate record keeping and monitoring requirements. The First Source Hiring Administration shall develop easy-to-use forms and record keeping requirements for documenting compliance with the agreement. To the greatest extent possible, these requirements shall utilize the employer's existing record keeping systems, be nonduplicative, and facilitate a coordinated flow of information and referrals.

(5) Establish guidelines for employer good faith efforts to comply with the first source hiring requirements of this Chapter. The FSHA will work with City departments to develop employer good faith effort requirements appropriate to the types of contracts and property contracts handled by each department. Employers shall appoint a liaison for dealing with the development and implementation of the employer's agreement. In the event that the FSHA finds that the employer under a City contract or property contract has taken actions primarily for the purpose of circumventing the requirements of this Chapter, that employer shall be subject to the sanctions set forth in Section 83.10 of this Chapter.

(6) Set the term of the requirements.

(7) Set appropriate enforcement and sanctioning standards consistent with this Chapter.

(8) Set forth the City's obligations to develop training programs, job applicant referrals, technical assistance, and information systems that assist the employer in complying with this Chapter.

(9) Require the developer to include notice of the requirements of this Chapter in leases, subleases, and other occupancy contracts.

c. **Hiring Decisions.** Contractor shall make the final determination of whether an Economically Disadvantaged Individual referred by the System is "qualified" for the position.

d. **Exceptions.** Upon application by Employer, the First Source Hiring Administration may grant an exception to any or all of the requirements of Chapter 83 in any situation where it concludes that compliance with this Chapter would cause economic hardship.

e. **Liquidated Damages.** Contractor agrees:

- (1) To be liable to the City for liquidated damages as provided in this section;
- (2) To be subject to the procedures governing enforcement of breaches of contracts based on violations of contract provisions required by this Chapter as set forth in this section;
- (3) That the contractor's commitment to comply with this Chapter is a material element of the City's consideration for this contract; that the failure of the contractor to comply with the contract provisions required by this Chapter will cause harm to the City and the public which is significant and substantial but extremely difficult to quantify; that the harm to the City includes not only the financial cost of funding public assistance programs but also the insidious but impossible to quantify harm that this community and its families suffer as a result of unemployment; and that the assessment of liquidated damages of up to \$5,000 for every notice of a new hire for an entry level position improperly withheld by the contractor from the first source hiring process, as determined by the FSHA during its first investigation of a contractor, does not exceed a fair estimate of the financial and other damages that the City suffers as a result of the contractor's failure to comply with its first source referral contractual obligations.
- (4) That the continued failure by a contractor to comply with its first source referral contractual obligations will cause further significant and substantial harm to the City and the public, and that a second assessment of liquidated damages of up to \$10,000 for each entry level position improperly withheld from the FSHA, from the time of the conclusion of the first investigation forward, does not exceed the financial and other damages that the City suffers as a result of the contractor's continued failure to comply with its first source referral contractual obligations;
- (5) That in addition to the cost of investigating alleged violations under this Section, the computation of liquidated damages for purposes of this section is based on the following data:

(a) The average length of stay on public assistance in San Francisco's County Adult Assistance Program is approximately 41 months at an average monthly grant of \$348 per month, totaling approximately \$14,379; and

(b) In 2004, the retention rate of adults placed in employment programs funded under the Workforce Investment Act for at least the first six months of employment was 84.4%. Since qualified individuals under the First Source program face far fewer barriers to employment than their counterparts in programs funded by the Workforce Investment Act, it is reasonable to conclude that the average length of employment for an individual whom the First Source Program refers to an employer and who is hired in an entry level position is at least one year;

therefore, liquidated damages that total \$5,000 for first violations and \$10,000 for subsequent violations as determined by FSHA constitute a fair, reasonable, and conservative attempt to quantify the harm caused to the City by the failure of a contractor to comply with its first source referral contractual obligations.

(6) That the failure of contractors to comply with this Chapter, except property contractors, may be subject to the debarment and monetary penalties set forth in Sections 6.80 et seq. of the San Francisco Administrative Code, as well as any other remedies available under the contract or at law; and

Violation of the requirements of Chapter 83 is subject to an assessment of liquidated damages in the amount of \$5,000 for every new hire for an Entry Level Position improperly withheld from the first source hiring process. The assessment of liquidated damages and the evaluation of any defenses or mitigating factors shall be made by the FSHA.

f. Subcontracts. Any subcontract entered into by Contractor shall require the subcontractor to comply with the requirements of Chapter 83 and shall contain contractual obligations substantially the same as those set forth in this Section.

17.8 **Compliance with Laws.** Without limiting the scope of any of the preceding sections of this Article 17, Contractor shall keep itself fully informed of City's Charter, codes, ordinances and regulations and all state, and federal laws, rules and regulations affecting the performance of this Agreement and shall at all times comply with such Charter codes, ordinances, and regulations rules and laws.

17.9 **Reserved.**

17.10 **Limitations on Contributions.** Through execution of this Agreement, Contractor acknowledges that it is familiar with section 1.126 of the City's Campaign and Governmental Conduct Code, which prohibits any person who contracts with the City for the rendition of personal services, for the furnishing of any material, supplies or equipment, for the sale or lease of any land or building, or for a grant, loan or loan guarantee, from making any campaign contribution to (1) an individual holding a City elective office if the contract must be approved by the individual, a board on which that individual serves, or the board of a state agency on which an appointee of that individual serves, (2) a candidate for the office held by such individual, or (3) a committee controlled by such individual, at any time from the commencement of negotiations for the contract until the later of either the termination of negotiations for such contract or six months after the date the contract is approved. Contractor acknowledges that the foregoing restriction applies only if the contract or a combination or series of contracts approved by the same individual or board in a fiscal year have a total anticipated or actual value of \$50,000 or more. Contractor further acknowledges that the prohibition on contributions applies to each prospective party to the contract; each member of Contractor's board of directors; Contractor's chairperson, chief executive officer, chief financial officer and chief operating officer; any person with an ownership interest of more than 20 percent in Contractor; any subcontractor listed in the bid or contract; and any committee that is sponsored or controlled by Contractor. Additionally, Contractor acknowledges that Contractor must inform each of the persons described in the preceding sentence of the prohibitions contained in Section 1.126. Contractor further agrees to provide to City the names of each person, entity or committee described above.

17.11 Prohibition on Political Activity with City Funds.

In accordance with San Francisco Administrative Code Chapter 12.G, Contractor may not participate in, support, or attempt to influence any political campaign for a candidate or for a ballot measure (collectively, "Political Activity") in the performance of the services provided under this contract. Contractor agrees to comply with San Francisco Administrative Code Chapter 12.G and any implementing rules and regulations promulgated by the City's Controller. The terms and provisions of Chapter 12.G are incorporated herein by this reference. In the event Contractor violates the provisions of this section, the City may, in addition to any other rights or remedies available hereunder, (i) terminate this contract, and (ii) prohibit Contractor from bidding on or receiving any new City contract for a period of two (2) years. The Controller will not consider Contractor's use of profit as a violation of this section.

17.12 Consideration of Criminal History in Hiring and Employment Decisions.

a. Contractor agrees to comply fully with and be bound by all of the provisions of Chapter 12T, "City Contractor/Subcontractor Consideration of Criminal History in Hiring and Employment Decisions," of the San Francisco Administrative Code ("Chapter 12T"), including the remedies provided, and implementing regulations, as may be amended from time to time. The provisions of Chapter 12T are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the Chapter 12T is available on the web at <http://sfgov.org/olse/fco>. Contractor is required to comply with all of the applicable provisions of 12T, irrespective of the listing of obligations in this Section. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12T.

b. The requirements of Chapter 12T shall only apply to a Contractor's or Subcontractor's operations to the extent those operations are in furtherance of the performance of this Agreement, shall apply only to applicants and employees who would be or are performing work in furtherance of this Agreement, and shall apply when the physical location of the employment or prospective employment of an individual is wholly or substantially within the City of San Francisco. Chapter 12T shall not apply when the application in a particular context would conflict with federal or state law or with a requirement of a government agency implementing federal or state law.

17.13 Reserved.

17.14 Requiring Minimum Compensation for Covered Employees.

a. Contractor agrees to comply fully with and be bound by all of the provisions of the Minimum Compensation Ordinance (MCO), as set forth in San Francisco Administrative Code Chapter 12P (Chapter 12P), including the remedies provided, and implementing guidelines and rules. The provisions of Sections 12P.5 and 12P.5.1 of Chapter 12P are incorporated herein by reference and made a part of this Agreement as though fully set forth. The text of the MCO is available on the web at www.sfgov.org/olse/mco. A partial listing of some of Contractor's obligations under the MCO is set forth in this Section. Contractor is required to comply with all the provisions of the MCO, irrespective of the listing of obligations in this Section.

b. The MCO requires Contractor to pay Contractor's employees a minimum hourly gross compensation wage rate and to provide minimum compensated and uncompensated time off. The minimum wage rate may change from year to year and Contractor is obligated to keep informed of the then-current requirements. Any subcontract entered into by Contractor shall require the subcontractor to comply with the requirements of the MCO and shall contain contractual obligations substantially the same as those set forth in this Section. It is Contractor's obligation to ensure that any subcontractors of any tier under this Agreement comply with the requirements of the MCO. If any subcontractor under this Agreement fails to comply, City may pursue any of the remedies set forth in this Section against Contractor.

c. Contractor shall not take adverse action or otherwise discriminate against an employee or other person for the exercise or attempted exercise of rights under the MCO. Such actions, if taken within 90 days of the exercise or attempted exercise of such rights, will be rebuttably presumed to be retaliation prohibited by the MCO.

d. Contractor shall maintain employee and payroll records as required by the MCO. If Contractor fails to do so, it shall be presumed that the Contractor paid no more than the minimum wage required under State law.

e. The City is authorized to inspect Contractor's job sites and conduct interviews with employees and conduct audits of Contractor

f. Contractor's commitment to provide the Minimum Compensation is a material element of the City's consideration for this Agreement. The City in its sole discretion shall determine whether such a breach has occurred. The City and the public will suffer actual damage that will be impractical or extremely difficult to determine if the Contractor fails to comply with these requirements. Contractor agrees that the sums set forth in Section 12P.6.1 of the MCO as liquidated damages are not a penalty, but are reasonable estimates of the loss that the City and the public will incur for Contractor's noncompliance. The procedures governing the assessment of liquidated damages shall be those set forth in Section 12P.6.2 of Chapter 12P.

g. Contractor understands and agrees that if it fails to comply with the requirements of the MCO, the City shall have the right to pursue any rights or remedies available under Chapter 12P (including liquidated damages), under the terms of the contract, and under applicable law. If, within 30 days after receiving written notice of a breach of this Agreement for violating the MCO, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Contractor fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, the City shall have the right to pursue any rights or remedies available under applicable law, including those set forth in Section 12P.6(c) of Chapter 12P. Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to the City.

h. Contractor represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the MCO.

i. If Contractor is exempt from the MCO when this Agreement is executed because the cumulative amount of agreements with this department for the fiscal year is less than

\$25,000, but Contractor later enters into an agreement or agreements that cause contractor to exceed that amount in a fiscal year, Contractor shall thereafter be required to comply with the MCO under this Agreement. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between the Contractor and this department to exceed \$25,000 in the fiscal year.

17.15 Requiring Health Benefits for Covered Employees.

Contractor agrees to comply fully with and be bound by all of the provisions of the Health Care Accountability Ordinance (HCAO), as set forth in San Francisco Administrative Code Chapter 12Q, including the remedies provided, and implementing regulations, as the same may be amended from time to time. The provisions of section 12Q.5.1 of Chapter 12Q are incorporated by reference and made a part of this Agreement as though fully set forth herein. The text of the HCAO is available on the web at www.sfgov.org/olse. Capitalized terms used in this Section and not defined in this Agreement shall have the meanings assigned to such terms in Chapter 12Q.

- a. For each Covered Employee, Contractor shall provide the appropriate health benefit set forth in Section 12Q.3 of the HCAO. If Contractor chooses to offer the health plan option, such health plan shall meet the minimum standards set forth by the San Francisco Health Commission.
- b. Notwithstanding the above, if the Contractor is a small business as defined in Section 12Q.3(e) of the HCAO, it shall have no obligation to comply with part (a) above.
- c. Contractor's failure to comply with the HCAO shall constitute a material breach of this Agreement. City shall notify Contractor if such a breach has occurred. If, within 30 days after receiving City's written notice of a breach of this Agreement for violating the HCAO, Contractor fails to cure such breach or, if such breach cannot reasonably be cured within such period of 30 days, Contractor fails to commence efforts to cure within such period, or thereafter fails diligently to pursue such cure to completion, City shall have the right to pursue the remedies set forth in 12Q.5.1 and 12Q.5(f)(1-6). Each of these remedies shall be exercisable individually or in combination with any other rights or remedies available to City.
- d. Any Subcontract entered into by Contractor shall require the Subcontractor to comply with the requirements of the HCAO and shall contain contractual obligations substantially the same as those set forth in this Section. Contractor shall notify City's Office of Contract Administration when it enters into such a Subcontract and shall certify to the Office of Contract Administration that it has notified the Subcontractor of the obligations under the HCAO and has imposed the requirements of the HCAO on Subcontractor through the Subcontract. Each Contractor shall be responsible for its Subcontractors' compliance with this Chapter. If a Subcontractor fails to comply, the City may pursue the remedies set forth in this Section against Contractor based on the Subcontractor's failure to comply, provided that City has first provided Contractor with notice and an opportunity to obtain a cure of the violation.
- e. Contractor shall not discharge, reduce in compensation, or otherwise discriminate against any employee for notifying City with regard to Contractor's noncompliance or anticipated noncompliance with the requirements of the HCAO, for opposing any practice

proscribed by the HCAO, for participating in proceedings related to the HCAO, or for seeking to assert or enforce any rights under the HCAO by any lawful means.

f. Contractor represents and warrants that it is not an entity that was set up, or is being used, for the purpose of evading the intent of the HCAO.

g. Contractor shall maintain employee and payroll records in compliance with the California Labor Code and Industrial Welfare Commission orders, including the number of hours each employee has worked on the City Contract.

h. Contractor shall keep itself informed of the current requirements of the HCAO.

i. Contractor shall provide reports to the City in accordance with any reporting standards promulgated by the City under the HCAO, including reports on Subcontractors and Subtenants, as applicable.

j. Contractor shall provide City with access to records pertaining to compliance with HCAO after receiving a written request from City to do so and being provided at least ten business days to respond.

k. Contractor shall allow City to inspect Contractor's job sites and have access to Contractor's employees in order to monitor and determine compliance with HCAO.

l. City may conduct random audits of Contractor to ascertain its compliance with HCAO. Contractor agrees to cooperate with City when it conducts such audits.

m. If Contractor is exempt from the HCAO when this Agreement is executed because its amount is less than \$25,000 (\$50,000 for nonprofits), but Contractor later enters into an agreement or agreements that cause Contractor's aggregate amount of all agreements with City to reach \$75,000, all the agreements shall be thereafter subject to the HCAO. This obligation arises on the effective date of the agreement that causes the cumulative amount of agreements between Contractor and the City to be equal to or greater than \$75,000 in the fiscal year.

17.16 Omitted by Agreement of the Parties (Food Service Waste Reduction Requirements).

17.17 Cooperative Drafting. This Agreement has been drafted through a cooperative effort of both Parties, and both Parties have had an opportunity to have the Agreement reviewed and revised by legal counsel. No Party shall be considered the drafter of this Agreement, and no presumption or rule that an ambiguity shall be construed against the Party drafting the clause shall apply to the interpretation or enforcement of this Agreement.

17.18 Compliance with Americans with Disabilities Act. Contractor acknowledges that, pursuant to the Americans with Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to the disabled public. Contractor shall provide the Equipment and Services

specified in this Agreement in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. Contractor agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Agreement and further agrees that any violation of this prohibition on the part of Contractor, its employees, agents or assigns will constitute a material breach of this Agreement.

ARTICLE 18

DATA AND SECURITY

18.1 Nondisclosure of Private, Proprietary or Confidential Information.

a. If this Agreement requires City to disclose "Private Information" to Contractor within the meaning of San Francisco Administrative Code Chapter 12M, Contractor and subcontractor shall use such information only in accordance with the restrictions stated in Chapter 12M and in this Agreement and only as necessary in performing the Services. Contractor is subject to the enforcement and penalty provisions in Chapter 12M.

b. In the performance of Services, Contractor may have access to City's proprietary or confidential information, the disclosure of which to third parties may damage City. If City discloses proprietary or confidential information to Contractor, such information must be held by Contractor in confidence and used only in performing the Agreement. Contractor shall exercise the same standard of care to protect such information as a reasonably prudent contractor would use to protect its own proprietary or confidential information.

18.2 Data Security upon Decommissioning and Removal of MFD Equipment.

a. Contractor shall provide for End-of-Life security measures in conformance with National Institute of Standards and Technology (NIST) Guidelines for Media Sanitation (SP 800-88 Rev 1, 2014) as periodically amended or updated, necessary to ensure the removal of all data, including but not limited to template forms, copied and scanned images, print jobs, email addresses, and PIN numbers that might be stored in the device prior to removal of any MFD Equipment that has been in service under this Agreement.

b. No less than 30 days prior to the scheduled end of any MFD Equipment lease or rental, Contractor shall provide written notification to the leasing or renting City department's point of contact. The notice shall provide the lease or rental end date and list every option available to the department upon expiration, including but not limited to lease or rental extension, purchase, month-to-month rental, removal and replacement, removal without replacement, etc. Each available option shall be described in full to include pricing, functionality, and lease or rental terms that are in accordance with Contractor's Agreement with the City. Any removal of MFD Equipment from City service shall include the data security processes described in Section 18.2.a. and the written approval of the IT Administrator for the ordering department.

18.3 Business Associate Agreement. With respect to information covered by the U.S. Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), a Business Associate Agreement ("BAA") is attached as Appendix A.

The Parties acknowledge that CITY is a Covered Entity as defined in the Healthcare Insurance Portability and Accountability Act of 1996 ("HIPAA") and is required to comply with the HIPAA Privacy Rule governing the access, transmission, and storage of health information.

The Parties acknowledge that Contractor will render services under this contract that include possession or knowledge of identifiable Protected Health Information (PHI), such as health status, health care history, or payment for health care history obtained from CITY. Specifically, Contractor will do one or more of the following:

- Create PHI
- Receive PHI
- Maintain PHI
- Transmit PHI and/or
- Access PHI

The BAA in Appendix A will be required and shall be incorporated into the Agreement by reference as though fully set forth herein.

ARTICLE 19

MISCELLANEOUS

19.1 **No Waiver.** No waiver by either Party of any default or breach of this Agreement by the other Party shall be implied from any failure to take action on account of such default if such default persists or is repeated. No express waiver by either Party shall affect any default other than the default specified in the waiver and shall be operative only for the time and to the extent therein stated. Waivers of any covenant, term or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval of any action requiring further consent or approval shall not be deemed to waive or render unnecessary the consent or approval to or of any subsequent similar act.

19.2 **Administrative Remedy for Agreement Interpretation.** Should any question arise as to the meaning or intent of this Agreement, the question shall, prior to any other action or resort to any other legal remedy, be referred to the City's Director of Purchasing, who shall decide the true meaning and intent of the Agreement. Such decision shall be the City's final administrative determination but in no way shall limit a Party's right to seek any other remedy at law or equity.

19.3 **Governing Law; Venue.** The formation, interpretation and performance of this Agreement shall be governed by the laws of the State of California, without regard to its conflict of laws principles. Venue for all litigation relative to the formation, interpretation and performance of this Agreement shall be in San Francisco.

19.4 **Headings.** All article and section headings and captions contained in this Agreement are for reference only and shall not be considered in construing this Agreement.

19.5 **Entire Agreement.** This Agreement sets forth the entire Agreement between the Parties, and supersedes all other oral or written provisions, other than any express warranty contained in any written materials (including any bid or proposal documents) delivered to City in connection herewith.

19.6 **Signatory Authority.** Upon request of City, Contractor shall deliver to City a copy of the corporate resolution(s) authorizing the execution, delivery and performance of this Agreement, certified as true, accurate and complete by the secretary or assistant secretary of Contractor.

19.7 **Time.** Time is of the essence in this Agreement.

19.8 **Further Assurances.** From and after the date of this Agreement, Contractor agrees to do such things, perform such acts, and make, execute, acknowledge and deliver such documents as may be reasonably necessary or proper and usual to complete the transactions contemplated by this Agreement and to carry out the purpose of this Agreement in accordance with this Agreement.

19.9 **Severability.** Should the application of any provision of this Agreement to any particular facts or circumstances be found by a court of competent jurisdiction to be invalid or unenforceable, then (a) the validity of other provisions of this Agreement shall not be affected or impaired thereby, and (b) such provision shall be enforced to the maximum extent possible so as to effect the intent of the Parties and shall be reformed without further action by the Parties to the extent necessary to make such provision valid and enforceable.

19.10 **Successors; No Third-Party Beneficiaries.** The terms of this Agreement shall be binding upon, and inure to the benefit of, the Parties hereto and their successors and assigns. Nothing in this Agreement, whether express or implied, shall be construed to give any Person (other than the Parties hereto and their respective successors and assigns and, in the case of Article 9, the Indemnification and General Liability) any legal or equitable right, remedy or claim under or in respect of this Agreement or any covenants, conditions or provisions contained herein.

19.11 **Reserved**

19.12 **Waiver of Personal Liability.** No member of City's Board of Supervisors nor any elected official, officer, agent or employee of City shall be individually or personally liable for the Payments or any other payments coming due hereunder or be subject to any personal liability or accountability by reason of this Agreement.

19.13 **Survival of Terms.** The obligations of Contractor and the terms of the following provisions of this Agreement shall survive and continue following expiration or termination of this Agreement: Sections 6.1 and 6.3, Article 7, Article 9, Article 10, Article 14, Article 15, Article 16, Article 18 and this Article 19.

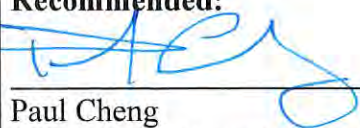
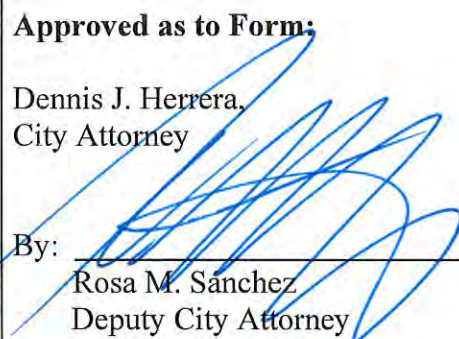
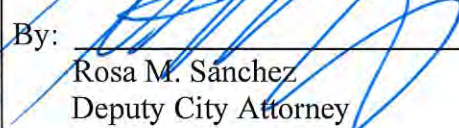

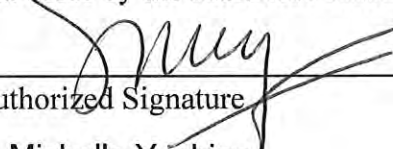
19.14 **Modification.** This Agreement may not be modified, nor may compliance with any of its terms be waived, except by written instrument executed and approved in the same manner as this Agreement.

19.15 **Appendices**. The following appendices are hereby attached and incorporated into this Agreement as though fully set forth herein and together form the complete Agreement between the Parties:

Appendices:

- A: Business Associate Agreement
- B: Pricing Matrix
- C: Scope of Work and Technical Specifications

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date specified in the **Basic Information**.

CITY	CONTRACTOR: Xerox Corporation
Recommended:  Paul Cheng Senior Administrative Analyst OCA / Purchasing	By signing this Agreement, I certify that I comply with the requirements of the Minimum Compensation Ordinance, which entitle Covered Employees to certain minimum hourly wages and compensated and uncompensated time off.
Approved as to Form: Dennis J. Herrera, City Attorney  By:  Rosa M. Sanchez Deputy City Attorney	I have read and understood paragraph 17.3, the City's statement urging companies doing business in Northern Ireland to move towards resolving employment inequities, encouraging compliance with the MacBride Principles, and urging San Francisco companies to do business with corporations that abide by the MacBride Principles.
Approved:  Alaric Degrafinied Purchaser and Director, Office of Contract Administration	 Authorized Signature Michelle Yoshino Printed Name General Manager, State of CA Title Xerox Corporation Company Name 601 Montgomery, Suite 770 Address San Francisco, CA 94111 City, State, Zip 714-262-8854 Phone Number 16-0468020 Federal Employer ID Number 0000008015 Supplier Number

Appendix A
Business Associate Agreement

This Business Associate Agreement (“BAA”) supplements and is made a part of the agreement by and between the City and County of San Francisco, the Covered Entity (“CE”), and **Xerox Corporation** (“Contractor”), the Business Associate (“BA”), dated **April 1, 2019** (“Agreement”). To the extent that the terms of the Agreement are inconsistent with the terms of this BAA, the terms of this BAA shall control.

RECITALS

A. CE, by and through the Office of Contract Administration (“OCA”) and any CE department utilizing this Agreement, wishes to disclose certain information to BA pursuant to the terms of the Agreement, some of which may constitute Protected Health Information (“PHI”) (defined below).

B. For purposes of the Agreement and this BAA, CE requires Contractor, even if Contractor is also a covered entity under HIPAA, to comply with the terms and conditions of this BAA as a BA of CE.

C. CE and BA intend to protect the privacy and provide for the security of PHI disclosed to BA pursuant to the Agreement in compliance with the Health Insurance Portability and Accountability Act of 1996, Public Law 104-191 (“HIPAA”), the Health Information Technology for Economic and Clinical Health Act, Public Law 111-005 (“the HITECH Act”), and regulations promulgated there under by the U.S. Department of Health and Human Services (the “HIPAA Regulations”) and other applicable laws, including, but not limited to, California Civil Code §§ 56, et seq., California Health and Safety Code § 1280.15, California Civil Code §§ 1798, et seq., California Welfare & Institutions Code §§5328, et seq., and the regulations promulgated there under (the “California Regulations”).

D. As part of the HIPAA Regulations, the Privacy Rule and the Security Rule (defined below) require CE to enter into an agreement containing specific requirements with BA prior to the disclosure of PHI, as set forth in, but not limited to, Title 45, Sections 164.314(a), 164.502(a) and (e) and 164.504(e) of the Code of Federal Regulations (“C.F.R.”) and contained in this BAA.

E. BA enters into agreements with CE that require the CE to disclose certain identifiable health information to BA. The parties desire to enter into this BAA to permit BA to have access to such information and comply with the BA requirements of HIPAA, the HITECH Act, and the corresponding Regulations.

In consideration of the mutual promises below and the exchange of information pursuant to this BAA, the parties agree as follows:

1. Definitions.

a. **Breach** means the unauthorized acquisition, access, use, or disclosure of PHI that compromises the security or privacy of such information, except where an unauthorized person to whom such information is disclosed would not reasonably have been able to retain such information, and shall have the meaning given to such term under the HITECH Act and HIPAA

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Business Associate Agreement

Regulations [42 U.S.C. Section 17921 and 45 C.F.R. Section 164.402], as well as California Civil Code Sections 1798.29 and 1798.82.

b. Breach Notification Rule shall mean the HIPAA Regulation that is codified at 45 C.F.R. Part 164, Subpart D.

c. Business Associate is a person or entity that performs certain functions or activities that involve the use or disclosure of protected health information received from a covered entity, but other than in the capacity of a member of the workforce of such covered entity or arrangement, and shall have the meaning given to such term under the Privacy Rule, the Security Rule, and the HITECH Act, including, but not limited to, 42 U.S.C. Section 17938 and 45 C.F.R. Section 160.103.

d. Covered Entity means a health plan, a health care clearinghouse, or a health care provider who transmits any information in electronic form in connection with a transaction covered under HIPAA Regulations, and shall have the meaning given to such term under the Privacy Rule and the Security Rule, including, but not limited to, 45 C.F.R. Section 160.103.

e. Data Aggregation means the combining of Protected Information by the BA with the Protected Information received by the BA in its capacity as a BA of another CE, to permit data analyses that relate to the health care operations of the respective covered entities, and shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.

f. Designated Record Set means a group of records maintained by or for a CE, and shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.

g. Electronic Protected Health Information means Protected Health Information that is maintained in or transmitted by electronic media and shall have the meaning given to such term under HIPAA and the HIPAA Regulations, including, but not limited to, 45 C.F.R. Section 160.103. For the purposes of this BAA, Electronic PHI includes all computerized data, as defined in California Civil Code Sections 1798.29 and 1798.82.

h. Electronic Health Record means an electronic record of health-related information on an individual that is created, gathered, managed, and consulted by authorized health care clinicians and staff, and shall have the meaning given to such term under the HITECH Act, including, but not limited to, 42 U.S.C. Section 17921.

i. Health Care Operations shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.501.

j. Privacy Rule shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and E.

k. Protected Health Information or PHI means any information, including electronic PHI, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an

Appendix A
Business Associate Agreement

individual; or the past, present or future payment for the provision of health care to an individual; and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual, and shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 C.F.R. Sections 160.103 and 164.501. For the purposes of this BAA, PHI includes all medical information and health insurance information as defined in California Civil Code Sections 56.05 and 1798.82.

l. Protected Information shall mean PHI provided by CE to BA or created, maintained, received or transmitted by BA on CE's behalf.

m. Security Incident means the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information or interference with system operations in an information system, and shall have the meaning given to such term under the Security Rule, including, but not limited to, 45 C.F.R. Section 164.304.

n. Security Rule shall mean the HIPAA Regulation that is codified at 45 C.F.R. Parts 160 and 164, Subparts A and C.

o. Unsecured PHI means PHI that is not secured by a technology standard that renders PHI unusable, unreadable, or indecipherable to unauthorized individuals and is developed or endorsed by a standards developing organization that is accredited by the American National Standards Institute, and shall have the meaning given to such term under the HITECH Act and any guidance issued pursuant to such Act including, but not limited to, 42 U.S.C. Section 17932(h) and 45 C.F.R. Section 164.402.

2. Obligations of Business Associate.

a. User Training. The BA shall provide, and shall ensure that BA subcontractors provide, training on PHI privacy and security, including HIPAA and HITECH and its regulations, to each employee or agent that will access, use or disclose Protected Information, upon hire and/or prior to accessing, using or disclosing Protected Information for the first time, and at least annually thereafter during the term of the Agreement. BA shall maintain, and shall ensure that BA subcontractors maintain, records indicating the name of each employee or agent and date on which the PHI privacy and security trainings were completed. BA shall retain, and ensure that BA subcontractors retain, such records for a period of seven years after the Agreement terminates and shall make all such records available to CE within 15 calendar days of a written request by CE.

b. Permitted Uses. BA may use, access, and/or disclose Protected Information only for the purpose of performing BA's obligations for, or on behalf of, the City and as permitted or required under the Agreement and BAA, or as required by law. Further, BA shall not use Protected Information in any manner that would constitute a violation of the Privacy Rule or the HITECH Act if so used by CE. However, BA may use Protected Information as necessary (i) for the proper management and administration of BA; (ii) to carry out the legal responsibilities of BA; (iii) as required by law; or (iv) for Data Aggregation purposes relating to the Health Care Operations of CE [45 C.F.R. Sections 164.502, 164.504(e)(2), and 164.504(e)(4)(i)].

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Business Associate Agreement

c. Permitted Disclosures. BA shall disclose Protected Information only for the purpose of performing BA's obligations for, or on behalf of, the City and as permitted or required under the Agreement and BAA, or as required by law. BA shall not disclose Protected Information in any manner that would constitute a violation of the Privacy Rule or the HITECH Act if so disclosed by CE. However, BA may disclose Protected Information as necessary (i) for the proper management and administration of BA; (ii) to carry out the legal responsibilities of BA; (iii) as required by law; or (iv) for Data Aggregation purposes relating to the Health Care Operations of CE. If BA discloses Protected Information to a third party, BA must obtain, prior to making any such disclosure, (i) reasonable written assurances from such third party that such Protected Information will be held confidential as provided pursuant to this BAA and used or disclosed only as required by law or for the purposes for which it was disclosed to such third party, and (ii) a written agreement from such third party to immediately notify BA of any breaches, security incidents, or unauthorized uses or disclosures of the Protected Information in accordance with paragraph 2 (n) of this BAA, to the extent it has obtained knowledge of such occurrences [42 U.S.C. Section 17932; 45 C.F.R. Section 164.504(e)]. BA may disclose PHI to a BA that is a subcontractor and may allow the subcontractor to create, receive, maintain, or transmit Protected Information on its behalf, if the BA obtains satisfactory assurances, in accordance with 45 C.F.R. Section 164.504(e)(1), that the subcontractor will appropriately safeguard the information [45 C.F.R. Section 164.502(e)(1)(ii)].

d. Prohibited Uses and Disclosures. BA shall not use or disclose Protected Information other than as permitted or required by the Agreement and BAA, or as required by law. BA shall not use or disclose Protected Information for fundraising or marketing purposes. BA shall not disclose Protected Information to a health plan for payment or health care operations purposes if the patient has requested this special restriction, and has paid out of pocket in full for the health care item or service to which the Protected Information solely relates [42 U.S.C. Section 17935(a) and 45 C.F.R. Section 164.522(a)(1)(vi)]. BA shall not directly or indirectly receive remuneration in exchange for Protected Information, except with the prior written consent of CE and as permitted by the HITECH Act, 42 U.S.C. Section 17935(d)(2), and the HIPAA regulations, 45 C.F.R. Section 164.502(a)(5)(ii); however, this prohibition shall not affect payment by CE to BA for services provided pursuant to the Agreement.

e. Appropriate Safeguards. BA shall take the appropriate security measures to protect the confidentiality, integrity and availability of PHI that it creates, receives, maintains, or transmits on behalf of the CE, and shall prevent any use or disclosure of PHI other than as permitted by the Agreement or this BAA, including, but not limited to, administrative, physical and technical safeguards in accordance with the Security Rule, including, but not limited to, 45 C.F.R. Sections 164.306, 164.308, 164.310, 164.312, 164.314 164.316, and 164.504(e)(2)(ii)(B). BA shall comply with the policies and procedures and documentation requirements of the Security Rule, including, but not limited to, 45 C.F.R. Section 164.316, and 42 U.S.C. Section 17931. BA is responsible for any civil penalties assessed due to an audit or investigation of BA, in accordance with 42 U.S.C. Section 17934(c).

f. Business Associate's Subcontractors and Agents. BA shall ensure that any agents and subcontractors that create, receive, maintain or transmit Protected Information on behalf of BA, agree in writing to the same restrictions and conditions that apply to BA with respect to such PHI and implement the safeguards required by paragraph 2.f. above with respect

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to Electronic PHI [45 C.F.R. Section 164.504(e)(2) through (e)(5); 45 C.F.R. Section 164.308(b)]. BA shall mitigate the effects of any such violation.

g. Accounting of Disclosures. Within ten (10) calendar days of a request by CE for an accounting of disclosures of Protected Information or upon any disclosure of Protected Information for which CE is required to account to an individual, BA and its agents and subcontractors shall make available to CE the information required to provide an accounting of disclosures to enable CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.528, and the HITECH Act, including but not limited to 42 U.S.C. Section 17935 (c), as determined by CE. BA agrees to implement a process that allows for an accounting to be collected and maintained by BA and its agents and subcontractors for at least six (6) years prior to the request. However, accounting of disclosures from an Electronic Health Record for treatment, payment or health care operations purposes are required to be collected and maintained for only three (3) years prior to the request, and only to the extent that BA maintains an Electronic Health Record. At a minimum, the information collected and maintained shall include: (i) the date of disclosure; (ii) the name of the entity or person who received Protected Information and, if known, the address of the entity or person; (iii) a brief description of Protected Information disclosed; and (iv) a brief statement of purpose of the disclosure that reasonably informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure [45 C.F.R. 164.528(b)(2)]. If an individual or an individual's representative submits a request for an accounting directly to BA or its agents or subcontractors, BA shall forward the request to CE in writing within five (5) calendar days.

h. Access to Protected Information. BA shall make Protected Information maintained by BA or its agents or subcontractors in Designated Record Sets available to CE for inspection and copying within (5) days of request by CE to enable CE to fulfill its obligations under state law [Health and Safety Code Section 123110] and the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.524 [45 C.F.R. Section 164.504(e)(2)(ii)(E)]. If BA maintains Protected Information in electronic format, BA shall provide such information in electronic format as necessary to enable CE to fulfill its obligations under the HITECH Act and HIPAA Regulations, including, but not limited to, 42 U.S.C. Section 17935(e) and 45 C.F.R. 164.524.

i. Amendment of Protected Information. Within ten (10) days of a request by CE for an amendment of Protected Information or a record about an individual contained in a Designated Record Set, BA and its agents and subcontractors shall make such Protected Information available to CE for amendment and incorporate any such amendment or other documentation to enable CE to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 C.F.R. Section 164.526. If an individual requests an amendment of Protected Information directly from BA or its agents or subcontractors, BA must notify CE in writing within five (5) days of the request and of any approval or denial of amendment of Protected Information maintained by BA or its agents or subcontractors [45 C.F.R. Section 164.504(e)(2)(ii)(F)].

j. Governmental Access to Records. BA shall make its internal practices, books and records relating to the use and disclosure of Protected Information available to CE and to the

Appendix A Business Associate Agreement

Secretary of the U.S. Department of Health and Human Services (the "Secretary") for purposes of determining BA's compliance with HIPAA [45 C.F.R. Section 164.504(e)(2)(ii)(I)]. BA shall provide CE a copy of any Protected Information and other documents and records that BA provides to the Secretary concurrently with providing such Protected Information to the Secretary.

k. Minimum Necessary. BA, its agents and subcontractors shall request, use and disclose only the minimum amount of Protected Information necessary to accomplish the intended purpose of such use, disclosure, or request. [42 U.S.C. Section 17935(b); 45 C.F.R. Section 164.514(d)]. BA understands and agrees that the definition of "minimum necessary" is in flux and shall keep itself informed of guidance issued by the Secretary with respect to what constitutes "minimum necessary" to accomplish the intended purpose in accordance with HIPAA and HIPAA Regulations.

l. Data Ownership. BA acknowledges that BA has no ownership rights with respect to the Protected Information.

m. Notification of Breach. BA shall notify CE within 5 calendar days of any breach of Protected Information; any use or disclosure of Protected Information not permitted by the BAA; any Security Incident (except as otherwise provided below) related to Protected Information, and any use or disclosure of data in violation of any applicable federal or state laws by BA or its agents or subcontractors. The notification shall include, to the extent possible, the identification of each individual whose unsecured Protected Information has been, or is reasonably believed by the BA to have been, accessed, acquired, used, or disclosed, as well as any other available information that CE is required to include in notification to the individual, the media, the Secretary, and any other entity under the Breach Notification Rule and any other applicable state or federal laws, including, but not limited, to 45 C.F.R. Section 164.404 through 45 C.F.R. Section 164.408, at the time of the notification required by this paragraph or promptly thereafter as information becomes available. BA shall take (i) prompt corrective action to cure any deficiencies and (ii) any action pertaining to unauthorized uses or disclosures required by applicable federal and state laws. [42 U.S.C. Section 17921; 42 U.S.C. Section 17932; 45 C.F.R. 164.410; 45 C.F.R. Section 164.504(e)(2)(ii)(C); 45 C.F.R. Section 164.308(b)]

n. Breach Pattern or Practice by Business Associate's Subcontractors and Agents. Pursuant to 42 U.S.C. Section 17934(b) and 45 C.F.R. Section 164.504(e)(1)(iii), if the BA knows of a pattern of activity or practice of a subcontractor or agent that constitutes a material breach or violation of the subcontractor or agent's obligations under the Agreement or this BAA, the BA must take reasonable steps to cure the breach or end the violation. If the steps are unsuccessful, the BA must terminate the contractual arrangement with its subcontractor or agent, if feasible. BA shall provide written notice to CE of any pattern of activity or practice of a subcontractor or agent that BA believes constitutes a material breach or violation of the subcontractor or agent's obligations under the Contract or this BAA within five (5) calendar days of discovery and shall meet with CE to discuss and attempt to resolve the problem as one of the reasonable steps to cure the breach or end the violation.

3. Termination.

Appendix A
Business Associate Agreement

a. Material Breach. A breach by BA of any provision of this BAA, as determined by CE, shall constitute a material breach of the Agreement and this BAA and shall provide grounds for immediate termination of the Agreement and this BAA, any provision in the Agreement to the contrary notwithstanding. [45 C.F.R. Section 164.504(e)(2)(iii).]

b. Judicial or Administrative Proceedings. CE may terminate the Agreement and this BAA, effective immediately, if (i) BA is named as defendant in a criminal proceeding for a violation of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws or (ii) a finding or stipulation that the BA has violated any standard or requirement of HIPAA, the HITECH Act, the HIPAA Regulations or other security or privacy laws is made in any administrative or civil proceeding in which the party has been joined.

c. Effect of Termination. Upon termination of the Agreement and this BAA for any reason, BA shall, at the option of CE, return or destroy all Protected Information that BA and its agents and subcontractors still maintain in any form, and shall retain no copies of such Protected Information. If return or destruction is not feasible, as determined by CE, BA shall continue to extend the protections and satisfy the obligations of Section 2 of this BAA to such information, and limit further use and disclosure of such PHI to those purposes that make the return or destruction of the information infeasible [45 C.F.R. Section 164.504(e)(2)(ii)(J)]. If CE elects destruction of the PHI, BA shall certify in writing to CE that such PHI has been destroyed in accordance with the Secretary's guidance regarding proper destruction of PHI.

d. Civil and Criminal Penalties. BA understands and agrees that it is subject to civil or criminal penalties applicable to BA for unauthorized use, access or disclosure or Protected Information in accordance with the HIPAA Regulations and the HITECH Act including, but not limited to, 42 U.S.C. 17934 (c).

e. Disclaimer. CE makes no warranty or representation that compliance by BA with this BAA, HIPAA, the HITECH Act, or the HIPAA Regulations or corresponding California law provisions will be adequate or satisfactory for BA's own purposes. BA is solely responsible for all decisions made by BA regarding the safeguarding of PHI.

4. Amendment to Comply with Law. The parties acknowledge that state and federal laws relating to data security and privacy are rapidly evolving and that amendment of the Agreement or this BAA may be required to provide for procedures to ensure compliance with such developments. The parties specifically agree to take such action as is necessary to implement the standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations and other applicable state or federal laws relating to the security or confidentiality of PHI. The parties understand and agree that CE must receive satisfactory written assurance from BA that BA will adequately safeguard all Protected Information. Upon the request of either party, the other party agrees to promptly enter into negotiations concerning the terms of an amendment to this BAA embodying written assurances consistent with the updated standards and requirements of HIPAA, the HITECH Act, the HIPAA regulations or other applicable state or federal laws. CE may terminate the Agreement upon thirty (30) days written notice in the event (i) BA does not promptly enter into negotiations to amend the Agreement or this BAA when requested by CE pursuant to this section or (ii) BA does not enter into an amendment to the Agreement or this

Appendix A
Business Associate Agreement

BAA providing assurances regarding the safeguarding of PHI that CE, in its sole discretion, deems sufficient to satisfy the standards and requirements of applicable laws.

5. Reimbursement for Fines or Penalties. In the event that CE pays a fine to a state or federal regulatory agency, and/or is assessed civil penalties or damages through private rights of action, based on an impermissible use or disclosure of PHI by BA or its subcontractors or agents, then BA shall reimburse CE in the amount of such fine or penalties or damages within thirty (30) calendar days from City's written notice to BA of such fines, penalties or damages.

**Appendix B
Pricing Matrix**

OCA TC 96104
Supplier Contract ID 1000013425

Contract pricing shall remain fixed for the duration of the contract term, including for any models introduced via Model Succession.

Contractor: Xerox Corporation

Segment A: BW/LOW VOLUME		Monthly Lease Cost	Month-to-Month Rental Cost	Cost per Page - BW	Cost per Page - Color
	Manufacturer				
12-Month Rental	Xerox B405DN	--	\$81.76	0.009	
36-Month Lease		\$23.85	--	0.009	
48-Month Lease		\$18.89	--	0.009	
60-Month Lease		\$15.94	--	0.009	

Purchase Price	\$770.00
Monthly Maintenance Cost	\$0 base, CPC only

Optional Feature	Monthly Cost
<i>(Add additional lines as needed.)</i>	
Staples (per box)	NA
Add'l Paper Tray (36)	\$5.14
Add'l Paper Tray (48)	\$4.07
Add'l Paper Tray (60)	\$3.43
Stand/Storage (36)	\$10.19
Stand/Storage (48)	\$8.07
Stand/Storage (60)	\$6.81
Full Menu Price Sheet	Attached

**Appendix B
Pricing Matrix**

OCA TC 96104
Supplier Contract ID 1000013425

Contract pricing shall remain fixed for the duration of the contract term, including for any models introduced via Model Succession.

Contractor: **Xerox Corporation**

Segment B: BW MID VOLUME		Monthly Lease Cost	Month-to-Month Rental Cost	Cost per Page - BW	Cost per Page - Color
12-Month Rental	Xerox B8045H	--	\$553.63	0.0044	
36-Month Lease		\$155.90	--	0.0044	
48-Month Lease		\$123.46	--	0.0044	
60-Month Lease		\$104.18	--	0.0044	

Purchase Price	\$5,011.00
Monthly Maintenance Cost	\$0 base, CPC only

Optional Feature	Monthly Cost
<i>(Add additional lines as needed.)</i>	
Staples (per box)	Included
Office Finisher (36)	\$17.45
Office Finisher(48)	\$13.83
Office Finisher (60)	\$11.66
Hole Punch (36)	\$3.92
Hole Punch (36)	\$3.11
Hole Punch (36)	\$2.62
Fax Board (36)	\$13.06
Fax Board (48)	\$10.34
Fax Board (60)	\$8.73
Full Menu Price Sheet	Attached

**Appendix B
Pricing Matrix**

OCA TC 96104
Supplier Contract ID 1000013425

Contract pricing shall remain fixed for the duration of the contract term, including for any models introduced via Model Succession.

Contractor: **Xerox Corporation**

Segment C: BW HIGH VOLUME		Monthly Lease Cost	Month-to-Month Rental Cost	Cost per Page - BW	Cost per Page - Color
	Manufacturer				
12-Month Rental	B8055H	--	\$556.61	0.0044	
36-Month Lease		\$158.12	--	0.0044	
48-Month Lease		\$125.71	--	0.0044	
60-Month Lease		\$106.39	--	0.0044	

Purchase Price	\$5,181.00
Monthly Maintenance Cost	\$0 base, CPC only

Optional Feature	Monthly Cost
<i>(Add additional lines as needed.)</i>	
Staples (per box)	Included
Office Finisher (36)	\$17.45
Office Finisher(48)	\$13.83
Office Finisher (60)	\$11.66
Hole Punch (36)	\$3.92
Hole Punch (36)	\$3.11
Hole Punch (36)	\$2.62
Fax Board (36)	\$13.06
Fax Board (48)	\$10.34
Fax Board (60)	\$8.73
Full Menu Price Sheet	Attached

**Appendix B
Pricing Matrix**

OCA TC 96104
Supplier Contract ID 1000013425

Contract pricing shall remain fixed for the duration of the contract term, including for any models introduced via Model Succession.

Contractor: Xerox Corporation

Segment D: COLOR LOW VOLUME		Monthly Lease Cost	Month-to-Month Rental Cost	Cost per Page - BW	Cost per Page - Color
12-Month Rental	C405DN	--	\$88.38	0.0079	0.074
36-Month Lease		\$25.73	--	0.0079	0.074
48-Month Lease		\$19.77	--	0.0079	0.074
60-Month Lease		\$16.20	--	0.0079	0.074

Purchase Price	\$795.00
Monthly Maintenance Cost	\$0 base, CPC only

Optional Feature	Monthly Cost
<i>(Add additional lines as needed.)</i>	
Staples (per box)	NA
Add'l Paper Tray (36)	\$6.15
Add'l Paper Tray (48)	\$4.73
Add'l Paper Tray (60)	\$3.87
Stand/Storage (36)	\$6.15
Stand/Storage (48)	\$4.73
Stand/Storage (60)	\$3.87
Full Menu Price Sheet	Attached

**Appendix B
Pricing Matrix**

OCA TC 96104
Supplier Contract ID 1000013425

Contract pricing shall remain fixed for the duration of the contract term, including for any models introduced via Model Succession.

Contractor: Xerox Corporation

Segment E: COLOR MID VOLUME

	Manufacturer	Monthly Lease Cost	Month-to-Month Rental Cost	Cost per Page - BW	Cost per Page - Color
12-Month Rental	C8045H	--	\$462.88	0.0044	0.0396
36-Month Lease		\$136.65	--	0.0044	0.0396
48-Month Lease		\$110.93	--	0.0044	0.0396
60-Month Lease		\$95.63	--	0.0044	0.0396

Purchase Price	\$3,971.00
Monthly Maintenance Cost	\$0 base, CPC only

Optional Feature	Monthly Cost
<i>(Add additional lines as needed.)</i>	
Staples (per box)	Included
Office Finisher (36)	\$20.73
Office Finisher(48)	\$16.41
Office Finisher (60)	\$13.85
Hole Punch (36)	\$5.45
Hole Punch (36)	\$4.32
Hole Punch (36)	\$3.64
Fax Board (36)	\$13.06
Fax Board (48)	\$10.34
Fax Board (60)	\$8.73
Full Menu Price Sheet	Attached

**Appendix B
Pricing Matrix**

OCA TC 96104
Supplier Contract ID 1000013425

Contract pricing shall remain fixed for the duration of the contract term, including for any models introduced via Model Succession.

Contractor: Xerox Corporation

Segment F: COLOR HIGH VOLUME		Monthly Lease Cost	Month-to-Month Rental Cost	Cost per Page - BW	Cost per Page - Color
12-Month Rental	C8055H	--	\$465.42	0.0044	0.0396
36-Month Lease		\$207.72	--	0.0044	0.0396
48-Month Lease		\$168.92	--	0.0044	0.0396
60-Month Lease		\$145.82	--	0.0044	0.0396

Purchase Price	\$4,076.00
Monthly Maintenance Cost	\$0 base, CPC only

Optional Feature	Monthly Cost
<i>(Add additional lines as needed.)</i>	
Staples (per box)	Included
Office Finisher (36)	\$20.73
Office Finisher(48)	\$16.41
Office Finisher (60)	\$13.85
Hole Punch (36)	\$5.45
Hole Punch (36)	\$4.32
Hole Punch (36)	\$3.64
Fax Board (36)	\$13.06
Fax Board (48)	\$10.34
Fax Board (60)	\$8.73
Full Menu Price Sheet	Attached

**Appendix B
Pricing Matrix**

Contract pricing shall remain fixed for the duration of the contract term, including for any models introduced via Model Succession.

----- Periodic Base Charge -----

Product	Descriptions/Accessories	CPM	36-Month Option	48-Month Option	60-Month Option	B/W Prints Included	Color Prints Included	B/W Print Charge	Color Print Charge	Supplies Included
B405DN	VersaLink B405 B/W Multifunction Printer, Print/Copy/Scan/Fax, Letter/Legal, up to 47PPM, 2-Sided Print, USB/Ethernet, 550-Sheet Paper Tray, 150-Sheet Multipurpose Tray, 60-Sht DADF (Single-Pass Duplex), 110V	47	\$23.85	\$18.89	\$15.94	0	0	\$0.0090	N/A	NA
	MAY Choose One of the Following:									
	1DAYAIR2 -Next Day Air Delivery to Customer		\$2.18	\$1.73	\$1.46					
	DRCINST -Carrier Delivery & Install		\$0.00	\$0.00	\$0.00					
	-MAY Choose One of the Following:									
	SIPR-RDR2 -SIPRNet DoD Netwk Enable & Card Reader		\$12.49	\$10.72	\$9.67					
	SMRT-RDR1 -Smart Card Reader		\$4.74	\$3.75	\$3.17					
	6RX -Productivity Kit with 16GB SSD		\$10.19	\$8.07	\$6.81					
	FORNINTR -Foreign Interface Device		\$11.90	\$9.42	\$7.95					
	HC-KNO2 -Healthcare MFP (8XC)		\$15.60	\$12.77	\$11.09					
	RFIDKIT2 -RFID Card Reader for C405		\$7.46	\$5.92	\$4.99					
	SCN2SE-5 -Scan to PC Desktop 5 Seat Licenses		\$9.07	\$7.18	\$6.06					
	SCNPRO5 -Scan to PC Desktop PRO 5 Seats		\$30.31	\$24.00	\$20.25					
	STNDSTORE -Stand with Storage		\$10.19	\$8.07	\$6.81					
	UNICODE -Xerox Internat'l Print (Prod Kit Req'd)		\$6.51	\$5.15	\$4.35					
	WCTRAY1 -550 Sheet Feeder		\$5.14	\$4.07	\$3.43					
	WCTRAY2 -550 Sheet Feeder		\$5.14	\$4.07	\$3.43					
	WCTRAY3 -550 Sheet Feeder		\$5.14	\$4.07	\$3.43					
	WIFIVL -Wireless Accessory		\$1.67	\$1.32	\$1.12					

B8045H	AltaLink B8045 Multifunctional Copier/Printer/Color Scanner with 200 Sheet SPDH, 4 trays (4,600 sheets), 100 sheet Bypass Tray, 4GB Memory, Network Accounting Enablement, Server Fax Enablement, Internet Fax, Data Security Kit (Image Overwrite, Encryption, McAfee Enhanced Security, Cisco TrustSec), EIP, Scanning Kit, PostScript, Xerox Copier Assistant Enablement, Initialization Kit. Billing Impression Mode Enabled Each print made on this Equipment that is Larger than 145 Square Inches (e.g., 11 x 17 = 187 square inches) Will Register as 2 Prints on the Meter..	45	\$155.90	\$123.46	\$104.18	0	0	\$0.0044	N/A	Yes
	MUST Choose One of the Following:									
	OCT-B80 -Offset Catch Tray		\$2.72	\$2.16	\$1.82					
	OFC-B80 -Ofc Fin w 50 Pg Stplr and Horiz Xport		\$17.45	\$13.83	\$11.66					
	OFCBM-B80 -Ofc Fin w Booklet Maker 50 Pg Stplr		\$55.22	\$43.74	\$36.91					
	MAY Choose One of the Following:									
	FAX-1LINE -1 Line Fax		\$13.06	\$10.34	\$8.73					
	FAX-2LINE -2 Line Fax		\$30.51	\$24.16	\$20.39					
	-MAY Choose One of the Following:									
	SIPR-RDR -SIPRNet DoD Netwk Enable & Card Reader		\$12.49	\$10.72	\$9.67					
	SMARTDR -CAC Reader and Enablement Kit		\$8.33	\$7.42	\$6.89					
	2HPLGL -2 Hole Punch Kit		\$3.92	\$3.11	\$2.62					
	3HOLEPCH -3-Hole Punch		\$3.92	\$3.11	\$2.62					
	CONVSTPL3 -50 Sheet Convenience Stapler with Shelf		\$7.67	\$6.07	\$5.12					
	ENVKIT2 -Envelope Tray 50 Capacity		\$4.33	\$3.42	\$2.89					

**Appendix B
Pricing Matrix**

Contract pricing shall remain fixed for the duration of the contract term, including for any models introduced via Model Succession.

---- Periodic Base Charge ----

Product	Descriptions/Accessories	CPM	36-Month Option	48-Month Option	60-Month Option	B/W Prints Included	Color Prints Included	B/W Print Charge	Color Print Charge	Supplies Included
	HC-KNO2 -Healthcare MFP (8XC)		\$15.60	\$12.77	\$11.09					
	HICAPFDR -3300 Sheet High Capacity Feeder		\$21.68	\$17.18	\$14.49					
	MCAFEIIC -McAfee Integrity Control Enablement		\$10.87	\$8.62	\$7.27					
	RFID-B80 -Programmable RFID Card Reader		\$10.46	\$8.92	\$7.99					
	SCN2SE25 -Scan to PC Desktop 25 Seats		\$9.07	\$7.18	\$6.06					
	SCN2SE-5 -Scan to PC Desktop 5 Seat Licenses		\$9.07	\$7.18	\$6.06					
	SCNPRO25 -Scan to PC Desktop PRO 25 Seats		\$46.09	\$36.50	\$30.80					
	SCNPRO5 -Scan to PC Desktop PRO 5 Seats		\$30.31	\$24.00	\$20.25					
	UNICODE -Xerox International Print Kit		\$6.51	\$5.15	\$4.35					
	WC59FI -Foreign Interface Device		\$3.82	\$3.02	\$2.55					
	WIRELESS -Wireless Print Kit		\$2.04	\$1.62	\$1.36					
	XPS-ENBL -XPS Enablement Kit		\$8.14	\$6.45	\$5.44					
B8055H	AltaLink B8055 Multifunctional Copier/Printer/Color Scanner with 200 Sheet SPDH, 4 trays (4,600 sheets), 100 sheet Bypass Tray, 4GB Memory, Network Accounting Enablement, Server Fax Enablement, Internet Fax, Data Security Kit (Image Overwrite, Encryption, McAfee Enhanced Security, Cisco TrustSec), EIP, Scanning Kit, PostScript, Xerox Copier Assistant Enablement, Initialization Kit. Billing Impression Mode Enabled Each print made on this Equipment that is Larger than 145 Square Inches (e.g., 11 x 17 = 187 square inches) Will Register as 2 Prints on the Meter..	55	\$158.21	\$125.71	\$106.39	0	0	\$0.0044	N/A	Yes
	MUST Choose One of the Following:									
	OCT-B80 -Offset Catch Tray		\$2.72	\$2.16	\$1.82					
	OFC-B80 -Ofc Fin w 50 Pg Stplr and Horiz Xport		\$17.45	\$13.83	\$11.66					
	OFCBM-B80 -Ofc Fin w Booklet Maker 50 Pg Stplr		\$55.22	\$43.74	\$36.91					
	MAY Choose One of the Following:									
	FAX-1LINE -1 Line Fax		\$13.06	\$10.34	\$8.73					
	FAX-2LINE -2 Line Fax		\$30.51	\$24.16	\$20.39					
	-MAY Choose One of the Following:									
	SIPR-RDR -SIPRNet DoD Netwk Enable & Card Reader		\$12.49	\$10.72	\$9.67					
	SMARTDR -CAC Reader and Enablement Kit		\$8.33	\$7.42	\$6.89					
	2HPLGL -2 Hole Punch Kit		\$3.92	\$3.11	\$2.62					
	3HOLEPCH -3-Hole Punch		\$3.92	\$3.11	\$2.62					
	CONVSTPL3 -50 Sheet Convenience Stapler with Shelf		\$7.67	\$6.07	\$5.12					
	ENVKIT2 -Envelope Tray 50 Capacity		\$4.33	\$3.42	\$2.89					
	HC-KNO2 -Healthcare MFP (8XC)		\$15.60	\$12.77	\$11.09					
	HICAPFDR -3300 Sheet High Capacity Feeder		\$21.68	\$17.18	\$14.49					
	MCAFEIIC -McAfee Integrity Control Enablement		\$10.87	\$8.62	\$7.27					
	RFID-B80 -Programmable RFID Card Reader		\$10.46	\$8.92	\$7.99					
	SCN2SE25 -Scan to PC Desktop 25 Seats		\$9.07	\$7.18	\$6.06					
	SCN2SE-5 -Scan to PC Desktop 5 Seat Licenses		\$9.07	\$7.18	\$6.06					
	SCNPRO25 -Scan to PC Desktop PRO 25 Seats		\$46.09	\$36.50	\$30.80					
	SCNPRO5 -Scan to PC Desktop PRO 5 Seats		\$30.31	\$24.00	\$20.25					
	UNICODE -Xerox International Print Kit		\$6.51	\$5.15	\$4.35					
	WC59FI -Foreign Interface Device		\$3.82	\$3.02	\$2.55					
	WIRELESS -Wireless Print Kit		\$2.04	\$1.62	\$1.36					

**Appendix B
Pricing Matrix**

Contract pricing shall remain fixed for the duration of the contract term, including for any models introduced via Model Succession.

----- Periodic Base Charge -----

Product	Descriptions/Accessories	CPM	36-Month Option	48-Month Option	60-Month Option	B/W Prints Included	Color Prints Included	B/W Print Charge	Color Print Charge	Supplies Included
	XPS-ENBL -XPS Enablement Kit		\$8.14	\$6.45	\$5.44					
C405DN	VersaLink C405 Color Multifunction Printer, Print/Copy/Scan/Fax, Letter/Legal, Up to 36ppm, 2-Sided Print, USB/Ethernet, 550-Sheet Tray, 150 Sheet Multi-Purpose Tray, 50-Sheet DADF (Single-Pass Duplex), 110V, Solutions & Cloud Enabled	36	\$25.73	\$19.77	\$16.20	0	0	\$0.0090	\$0.0990	NA
	MAY Choose One of the Following:									
	1DAYAIR2 -Next Day Air Delivery to Customer		\$2.18	\$1.73	\$1.46					
	DRCINST -Carrier Delivery & Install		\$0.00	\$0.00	\$0.00					
	-MAY Choose One of the Following:									
	SIPR-RDR2 -SIPRNet DoD Netwk Enable & Card Reader		\$12.49	\$10.72	\$9.67					
	SMRT-RDR1 -Smart Card Reader		\$4.74	\$3.75	\$3.17					
	7RX -Productivity Kit with 320GB HDD		\$10.19	\$8.07	\$6.81					
	FORNINTR -Foreign Interface Device		\$11.90	\$9.42	\$7.95					
	HC-KNO2 -Healthcare MFP (8XC)		\$15.60	\$12.77	\$11.09					
	LB1 -550-Sheet Feeder Adjustable to A4/Legal		\$10.19	\$8.07	\$6.81					
	RFIDKIT2 -RFID Card Reader for C405		\$7.46	\$5.92	\$4.99					
	SCN2SE-5 -Scan to PC Desktop 5 Seat Licenses		\$9.07	\$7.18	\$6.06					
	SCNPRO5 -Scan to PC Desktop PRO 5 Seats		\$30.31	\$24.00	\$20.25					
	STNDSTORE -Stand with Storage		\$10.19	\$8.07	\$6.81					
	UNICODE -Xerox Internat'l Print (Prod Kit Req'd)		\$6.51	\$5.15	\$4.35					
	WIFIVL -Wireless Accessory		\$1.67	\$1.32	\$1.12					
C8045H	AltaLink C8045 Color Multifunction Printer (45/45 PPM) with 130 Sheet Single-Pass DADF, high capacity tandem tray (2 trays x 520 sheets, trays 3 & 4 = 2,000 sheets), 100 Sheet Bypass Tray, Dual OCT (2x250), EIP, PostScript, Data Security, McAfee Embedded Security, Network Accounting, Scan-to / Print-from USB, NFC, Initialization Kit, 1 Additional Waste Toner Container, Billing Impression Mode enabled Each print made on this Equipment that is Larger than 145 Square Inches (e.g., 11 x 17 = 187 square inches) Will Register as 2 Prints on the Meter..	45	\$136.65	\$110.93	\$95.63	0	0	\$0.0044	\$0.0396	Yes
	MAY Choose One of the Following:									
	BRFB-C80 -BR Booklet w2/3 Hole & Horiz Xport		\$65.41	\$51.80	\$43.72					
	BRF-C80 -BR Finisher w2/3 Hole & Horiz Xport		\$40.08	\$31.75	\$26.80					
	OFC-C80 -Office Finisher LX		\$20.73	\$16.41	\$13.85					
	MAY Choose One of the Following:									
	FAX-1LINE -1 Line Fax		\$13.06	\$10.34	\$8.73					
	FAX-2LINE -2 Line Fax		\$30.51	\$24.16	\$20.39					
	-MAY Choose One of the Following:									
	SIPR-RDR -SIPRNet DoD Netwk Enable & Card Reader		\$12.49	\$10.72	\$9.67					
	SMARTDR -CAC Reader and Enablement Kit		\$8.33	\$7.42	\$6.89					
	CZFOLDC80 -BR Finisher C/Z Fold Req Power Cord		\$88.63	\$70.19	\$59.23					
	EFIBUNDL1 -Spot-On Auto Trap Hot Fldr Virt Print		\$56.69	\$44.89	\$37.89					
	EFI-FLDER - EFI Hot Folders / Virtual Printers		\$33.91	\$26.87	\$22.66					
	EFI-PROF -EFI Profile Suite 4.X		\$74.99	\$59.39	\$50.12					
	EFISERV1 -DFI EFI Fiery Network Server		\$102.09	\$80.86	\$68.23					

**Appendix B
Pricing Matrix**

Contract pricing shall remain fixed for the duration of the contract term, including for any models introduced via Model Succession.

---- Periodic Base Charge ----

Product	Descriptions/Accessories	CPM	36-Month Option	48-Month Option	60-Month Option	B/W Prints Included	Color Prints Included	B/W Print Charge	Color Print Charge	Supplies Included
	EFI-SPOT -EFI Spot On		\$28.12	\$22.27	\$18.79					
	ENVELTRY -Envelope Feeder Tray		\$6.51	\$5.15	\$4.35					
	ETHUBKIT -Ethernet Hub Kit for Multi Connections		\$16.88	\$13.36	\$11.27					
	FINLX-3HP -2/3-Hole Punch		\$5.45	\$4.32	\$3.64					
	FINLX-BM -Booklet Maker Unit		\$17.42	\$13.80	\$11.64					
	HCFB2W -High Capacity Feeder (2000 Sheet)		\$17.45	\$13.83	\$11.66					
	HC-KNO2 -Healthcare MFP (8XC)		\$15.60	\$12.77	\$11.09					
	MCAFEEIC -McAfee Integrity Control Enablement		\$10.87	\$8.62	\$7.27					
	RFID-C80 -Programmable RFID Card Reader		\$10.46	\$8.92	\$7.99					
	SCN2SE25 -Scan to PC Desktop 25 Seats		\$9.07	\$7.18	\$6.06					
	SCN2SE-5 -Scan to PC Desktop 5 Seat Licenses		\$9.07	\$7.18	\$6.06					
	SCNPRO25 -Scan to PC Desktop PRO 25 Seats		\$46.09	\$36.50	\$30.80					
	SCNPRO5 -Scan to PC Desktop PRO 5 Seats		\$30.31	\$24.00	\$20.25					
	STAPLERKT -Convenience Stapler With Work Surface		\$8.14	\$6.45	\$5.44					
	UNICODE -Xerox International Print Kit		\$6.51	\$5.15	\$4.35					
	WIRELESS -Wireless Print Kit		\$2.04	\$1.62	\$1.36					
	XPS-ENBL -XPS Enablement Kit		\$8.14	\$6.45	\$5.44					
	YRC -Foreign Interface Kit		\$3.82	\$3.02	\$2.55					
C8055H	AltaLink C8055 Color Multifunction Printer (50/55 PPM) with 130 Sheet Single-Pass DADF, high capacity tandem tray (2 trays x 520 sheets, trays 3 & 4 = 2,000 sheets), 100 Sheet Bypass Tray, Dual OCT (2x250), EIP, PostScript, Data Security, McAfee Embedded Security, Network Accounting, Scan-to / Print-from USB, NFC, Initialization Kit, 1 Additional Waste Toner Container, Billing Impression Mode enabled Each print made on this Equipment that is Larger than 145 Square Inches (e.g., 11 x 17 = 187 square inches) Will Register as 2 Prints on the Meter..	55	\$138.82	\$113.06	\$97.75	0	0	\$0.0044	\$0.0396	Yes
	MAY Choose One of the Following:									
	BRFB-C80 -BR Booklet w2/3 Hole & Horiz Xport		\$65.41	\$51.80	\$43.72					
	BRF-C80 -BR Finisher w2/3 Hole & Horiz Xport		\$40.08	\$31.75	\$26.80					
	OFC-C80 -Office Finisher LX		\$20.73	\$16.41	\$13.85					
	MAY Choose One of the Following:									
	FAX-1LINE -1 Line Fax		\$13.06	\$10.34	\$8.73					
	FAX-2LINE -2 Line Fax		\$30.51	\$24.16	\$20.39					
	-MAY Choose One of the Following:									
	SIPR-RDR -SIPRNet DoD Netwk Enable & Card Reader		\$12.49	\$10.72	\$9.67					
	SMARTRDR -CAC Reader and Enablement Kit		\$8.33	\$7.42	\$6.89					
	CZFOLD80 -BR Finisher C/Z Fold Req Power Cord		\$88.63	\$70.19	\$59.23					
	EFIBUNDL1 -Spot-On Auto Trap Hot Fldr Virt Print		\$56.69	\$44.89	\$37.89					
	EFI-FLDER - EFI Hot Folders / Virtual Printers		\$33.91	\$26.87	\$22.66					
	EFI-PROF -EFI Profile Suite 4.X		\$74.99	\$59.39	\$50.12					
	EFISERV1 -DFI EFI Fiery Network Server		\$102.09	\$80.86	\$68.23					
	EFI-SPOT -EFI Spot On		\$28.12	\$22.27	\$18.79					
	ENVELTRY -Envelope Feeder Tray		\$6.51	\$5.15	\$4.35					
	ETHUBKIT -Ethernet Hub Kit for Multi Connections		\$16.88	\$13.36	\$11.27					
	FINLX-3HP -2/3-Hole Punch		\$5.45	\$4.32	\$3.64					
	FINLX-BM -Booklet Maker Unit		\$17.42	\$13.80	\$11.64					

**Appendix B
 Pricing Matrix**

Contract pricing shall remain fixed for the duration of the contract term, including for any models introduced via Model Succession.

----- Periodic Base Charge -----

Product	Descriptions/Accessories	CPM	36-Month Option	48-Month Option	60-Month Option	B/W Prints Included	Color Prints Included	B/W Print Charge	Color Print Charge	Supplies Included
	HCFB2W -High Capacity Feeder (2000 Sheet)		\$17.45	\$13.83	\$11.66					
	HC-KNO2 -Healthcare MFP (8XC)		\$15.60	\$12.77	\$11.09					
	MCAFEEIC -McAfee Integrity Control Enablement		\$10.87	\$8.62	\$7.27					
	RFID-C80 -Programmable RFID Card Reader		\$10.46	\$8.92	\$7.99					
	SCN2SE25 -Scan to PC Desktop 25 Seats		\$9.07	\$7.18	\$6.06					
	SCN2SE-5 -Scan to PC Desktop 5 Seat Licenses		\$9.07	\$7.18	\$6.06					
	SCNPRO25 -Scan to PC Desktop PRO 25 Seats		\$46.09	\$36.50	\$30.80					
	SCNPRO5 -Scan to PC Desktop PRO 5 Seats		\$30.31	\$24.00	\$20.25					
	STAPLERKT -Convenience Stapler With Work Surface		\$8.14	\$6.45	\$5.44					
	UNICODE -Xerox International Print Kit		\$6.51	\$5.15	\$4.35					
	WIRELESS -Wireless Print Kit		\$2.04	\$1.62	\$1.36					
	XPS-ENBL -XPS Enablement Kit		\$8.14	\$6.45	\$5.44					
	YRC -Foreign Interface Kit		\$3.82	\$3.02	\$2.55					

Appendix C Scope of Work and Technical Specifications

I. Scope of Work

This Scope of Work generally describes the City requirements and general functional areas necessary to perform this contract successfully. These requirements are not all inclusive.

Contractor shall supply high quality, new and unused current year model MFD Equipment that are being actively marketed. Contractor shall provide for delivery, installation, and removal of MFD Equipment; all consumables, with the exception of paper (pricing for staples should be included and listed as an optional feature); end-user training; software and software licenses; maintenance; technology upgrades; Model Succession; reporting; electronic billing; and the removal of MFD Equipment (those units owned by the City).

- A. **Technical Capabilities:** Contractor shall offer at least one MFD model per print speed-chromatic segment listed in this Appendix C, Scope of Work and Technical Specifications. Any model offered within a Segment shall substantially comply with the specifications listed in this Appendix C, Scope of Work and Technical Specifications.

The Contractor may offer a single MFD model across one or more print speed-chromatic Segments.

- B. **Equipment Assessment and Analysis:** Contractor shall provide City departments with an Equipment assessment analysis to provide quotations; and to provide recommendations to maximize the use of existing resources, for placement of MFDs to replace existing resources, and for coordination of MFDs with the City's data network and telecommunications infrastructure. Contractor's recommendations resulting from an Equipment assessment analysis shall fully comply with the Americans with Disabilities Act and any and all other applicable federal, state and local disability rights legislation.

- C. **Maintenance and Servicing of MFD Equipment:** Contractor shall employ a service network and technical staff that will provide a level of maintenance and support service to achieve an Uptime of 98% on all of the Contractor's MFD Equipment leased/rented/purchased by the City. Principal office location of customer service and maintenance staff shall be within 100 miles (driving distance) of San Francisco City limits.

- i. **Minimum Uptime Requirement:** Contractor shall keep Equipment in working order a minimum of 98% of the available work time. Failure by Contractor to maintain a 98% Uptime standard will be grounds for requiring the Contractor to replace the Equipment at Contractor's expense with a like or better unit and provide a credit to City of 1/30th of the monthly lease or rental fee for that piece of Equipment for each 24 business hours that the Equipment was not in service.

**Appendix C
 Scope of Work and Technical Specifications**

ii. **Uptime Reports:** See Section 2.5.e, Uptime Reports.

D. **Reporting:** See Section 2.5.f, Reporting, Quarterly and Ad Hoc.

E. **Online Portal Access:** Contractor shall provide web-based technologies that offer City end users remote functionalities that include but are not limited to online meter reading, online invoice reconciliation, online service and maintenance notifications, and online submissions of service requests, maintenance requests, and supply ordering requests.

Contractor shall establish and maintain, through periodic updates, a “real-time” online catalog of MFD Equipment along with City pricing for use by City departments. All contract pricing shall remain the same or less for the duration of the Agreement.

F. **Model Succession:** Contractor agrees to Model Succession, which means replacing units offered with succeeding models of at least equal functionality and at equal or lower pricing as originally established under this Agreement. Contractor shall make available to the City the newest available technology and upgrade existing leased units as requested during the term of any lease under this Agreement at no additional cost. Should an optional feature for a to-be-replaced model become a standard feature in a succeeding model, the monthly lease or rental price of the succeeding model shall not be increased to reflect the monthly price of that previously optional feature. All required software and software licenses needed to operate the MFDs as contracted and to remain legally compliant shall be included in MFD Equipment prices.

G. **Responsibility for Equipment:** City shall not be responsible for any damage to persons or property as a result of the use, misuse, or failure of any Equipment used by Contractor, or by any of its employees, even though such Equipment be furnished, rented, or loaned to Contractor by City.

II. Technical Specifications

A. Minimum Technical Specifications for All MFD Equipment

All MFD Equipment offered under this Agreement must meet all of the following minimum technical specifications as specified in the below Table 1, Minimum Technical Specifications for All MFD Equipment.

Table 1. Minimum Technical Specifications for All MFD Equipment

Core Items	Minimum Technical Specifications for ALL MFD Models	Meets Requirement
Functionality	Print, Copy, Scan	X

Appendix C
Scope of Work and Technical Specifications

Print Speed (impression per minute) Std mode	≥ 20	X
Print Resolution (dpi)	600 x 600	X
Scan Resolution (dpi)	300 x 300	X
Duplex set as Default	Yes	X
Paper Size	Letter, Legal, COM10	X
Paper Weight	Must accept paper between 18lbs and 24lbs at a minimum	X
Recycled Paper	Must accept 100% post-consumer waste recycled paper	X
Feeder Capacity (# sheets)	≥ 25	X
File Format	Scan & Email in PDF, TIFF, & JPG	X
Memory	≥ 256 MB RAM	X
Connections	USB 2.0 or 3.0, Ethernet	X
Self-Reporting of Page Count, Toner Level	Yes	X
Print Control Language Drivers	PCL5, PCL6, and PostScript	X
Accessibility	ADA Section 508 Compliant	X
EPEAT level	Gold or equivalent	X
Energy Saving Mode (minutes to go to low-power mode)	≤ 30	X
Secure Print	Yes	X
Business Security¹	Capable of settings for business security	

¹ Requirements for Business Security ensure that the MFD is able to:

- 1) Have patches applied to comply with the original equipment manufacturer's and software vendor's maintenance.
- 2) Delete or disable any software applications that are not required or approved for the operation of the MFD.
- 3) Disable all unneeded management protocols and services (such as DHCP, SMTP, and BOOTP).
- 4) Replace any default passwords with complex passwords.
- 5) Disable dial-in diagnostic capabilities.
- 6) Be remotely managed by only an authorized IT administrator personnel from specific (non-

Appendix C

Scope of Work and Technical Specifications

- publicized) Internet Protocol (IP) addresses.
- 7) Be configured to prevent unauthorized IT administrator personnel from altering the global configuration of the MFD.
 - 8) Disable the re-print feature at the discretion of authorized IT administrator personnel.
 - 9) Maintain its configuration state (passwords, service settings, etc.) after a power down or reboot occurs.

B. Technical Specifications by MFD Segment

Any MFD Equipment model offered within a Segment shall substantially comply with the specifications listed in Contractor's submitted Appendix C, Technical Specifications herein reproduced in the below Table 2, Technical Specifications by MFD Segment.

Table 2. Technical Specifications by MFD Segment

For the duration of this Agreement, any model offered within a Segment, including any models introduced via Model Succession, shall substantially comply with the specifications listed below.

Contractor:	SEGMENT						Remarks
	A	B	C	D	E	F	
Xerox Corporation	BW Low Volume	BW Mid Volume	BW High Volume	Color Low Volume	Color Mid Volume	Color High Volume	
	Print, Copy, Scan	47	45	55	36	45	
Print Speed (impression per minute) Std mode	≥ 20	Yes	Yes	Yes	Yes	Yes	Adjustable from 200 x 200 to standard 600 x 600
Print Resolution (dpi, list all)	600 x 600	Yes	Yes	Yes	Yes	Yes	Adjustable from 200 x 200 to 600 x 600, standard is 300 x 300
Scan Resolution (dpi, list all)	300 x 300	Yes	Yes	Yes	Yes	Yes	
Duplex set as Default	Yes	Yes	Yes	Yes	Yes	Yes	
Paper Size (list all)	Letter, Legal, COM10	Letter, Legal, Tabloid, Adjustable up to 12 x 18	Letter, Legal, Tabloid, Adjustable up to 12 x 18	Custom Sizes: 3 x 5 in. to 8.5 x 14 in.	Letter, Legal, Tabloid, Adjustable up to 12 x 18	Letter, Legal, Tabloid, Adjustable up to 12 x 18	
Paper Weight (list all)	Must accept paper between 18lbs and 24lbs at a minimum	16 to 80 lb.	16 to 80 lb.	16 to 80 lb.	16 to 80 lb.	16 to 80 lb.	Up to 80lb Cover
Recycled Paper (must accept 100% post-consumer waste recycled paper)	Yes	Yes	Yes	Yes	Yes	Yes	
Feeder Capacity (# sheets)	≥ 25	130 sheets	130 sheets	50 sheets	130 sheets	130 sheets	Exceeds requirement
File Format (list all)	Scan & Email in PDF, TIFF, & JPG	Scan & Email in PDF, TIFF, & JPG	Scan & Email in PDF, TIFF, & JPG	Scan & Email in PDF, TIFF, & JPG	Scan & Email in PDF, TIFF, & JPG	Scan & Email in PDF, TIFF, & JPG	
Memory	≥ 256 MB RAM	256 mb	256 mb	256 mb	256 mb	256 mb	
Connections (list all)	USB 2.0 or 3.0, Ethernet	USB 2.0	USB 2.0	USB 2.0	USB 2.0	USB 2.0	
Self-Reporting (list all)	Page Count, Toner Level	Yes	Yes	Yes	Yes	Yes	
Print Control Language Drivers (list all)	PCL5, PCL6, and PostScript	PCL5, PCL6, and PostScript	PCL5, PCL6, and PostScript	PCL5, PCL6, and PostScript	PCL5, PCL6, and PostScript	PCL5, PCL6, and PostScript	
Accessibility (ADA Section 508 Compliant)	Yes	Yes	Yes	Yes	Yes	Yes	
EPEAT level	Gold or equivalent	Gold	Gold	Gold*	Gold	Gold	* in final approval process
Energy Saving Mode (minutes to go to low-power mode)	≤ 30	up to 30 minutes	up to 30 minutes	up to 30 minutes	up to 30 minutes	up to 30 minutes	
Secure Print - by PIN Access (y/n)	Yes	Yes	Yes	Yes	Yes	Yes	Xerox Standard Accounting

Table 2. Technical Specifications by MFD Segment

For the duration of this Agreement, any model offered within a Segment, including any models introduced via Model Succession, shall substantially comply with the specifications listed below.

Contractor:	SEGMENT						Remarks
	A B/W Low Volume	B B/W Mid Volume	C B/W High Volume	D Color Low Volume	E Color Mid Volume	F Color High Volume	
Xerox Corporation							
General							
Minimum Requested Specification (if any)							
Printed Pages Allowed per Month	≥ 10,000 10,000	≥ 20,000 175,000	≥ 40,000 200,000	≥ 10,000 10,000	≥ 20,000 200,000	≥ 40,000 300,000	
Recommended Average Monthly Volume (# sheets)	5,000	8,000	10,000	5,000	8,000	10,000	
Monthly Duty Cycle for Standard Mode & Letter Size pages (max # pages/one month)	10,000	175,000	200,000	10,000	200,000	300,000	
Print Speed (8.5"x11" sheet)	≥ 30 PPM	≥ 40 PPM	≥ 50 PPM	≥ 30 PPM	≥ 40 PPM	≥ 50 PPM	
Technology (Inkjet, Laser, other)	47 Laser	45 Laser	55 Laser	36 Laser	45 Laser	55 Laser	
Finishing							
Collate set as Default (y/n)	Yes	Yes	Yes	Yes	Yes	Yes	
Stapling (y/n)	Yes	Yes	Yes	Yes	Yes	Yes	
Hole Punching (y/n, 2-hole, 3-hole)	Yes	Yes	Yes	Yes	Yes	Yes	Finisher
Auto Color Recognition (y/n)	Yes	Yes	Yes	Yes	Yes	Yes	Finisher Accessory
Auto Color: Within Print Job, detects Black-and-White vs Color for Different Click Charge Rates (y/n)	Yes	Yes	Yes	Yes	Yes	Yes	
Paper Weight (min & max weight in lbs)							
Paper Trays (# of trays)							
8.5"x11"	0	0	0	0	0	0	Trays Adjust, included Below
8.5"x14"	0	0	0	0	0	0	Trays Adjust, included Below
11"x17"	0	2	2	0	2	2	High Capacity and Additional Trays available
Trays with adjustable dimensions (do not include trays included in any of above sizes)	1	2	2	1	2	2	
Paper Trays (# sheets max capacity)							
8.5"x11"	250	520	520	250	520	520	High Capacity 2,000 included
8.5"x14"	250	520	520	250	520	520	High Capacity 2,000 included
11"x17"	NA	520	520	NA	520	520	
Adjustable dimensions	letter to legal	8.5 x 11 to 12 x 18	8.5 x 11 to 12 x 18	letter to legal	8.5 x 11 to 12 x 18	8.5 x 11 to 12 x 18	
Auto Tray Switching (y/n)	Yes	Yes	Yes	Yes	Yes	Yes	
Automatic Reversing Document Feeder (y/n)	Yes	No	No	Yes	No	No	No = 2 heads one pass 2 sided scanning (better than reversing)
Output Paper Handling (max # sheets)	250			250			
Time to Print/Copy First Page (seconds)	8 secs	8.1 secs	8.1 secs	8 secs	8.1 secs	8.1 secs	
Job Interrupt (y/n)	Yes	Yes	Yes	Yes	Yes	Yes	
# User Accounts (maximum)	9,999	2,497	2,497	9,999	2,497	2,497	plus up to 500 General and 498 Groups
Network & Device Management Software (y/n)	Yes	Yes	Yes	Yes	Yes	Yes	Centware Web
Memory Upgrade (maximum additional GB)	Available	Available	Available	Available	Available	Available	

Table 2. Technical Specifications by MFD Segment

For the duration of this Agreement, any model offered within a Segment, including any models introduced via Model Succession, shall substantially comply with the specifications listed below.

Contractor:	SEGMENT					
	A	B	C	D	E	F
	BW Low Volume	BW Mid Volume	BW High Volume	Color Low Volume	Color Mid Volume	Color High Volume
Xerox Corporation						
Hard Drive (GB)	Yes	Yes	Yes	Yes	Yes	Yes
Job Memory Capacity (maximum MB/GB)	≥ 30 GB	Yes	Yes	Yes	Yes	Yes
Operating Systems supported (list all)	Windows 7, 8, 9, 10 Mac OS	Yes	Yes	Yes	Yes	Yes
Business Security Settings/features (list all)	see full	list	column 1	Row 191 to	Row 117	Row 117
Control Panel Display	Yes	Yes	Yes	Yes	Yes	Yes
Fully Digital (y/n)	Yes	Yes	Yes	Yes	Yes	Yes
Fully Touchscreen (y/n)	Yes	Yes	Yes	Yes	Yes	Yes
PIN Access Secure Printing (y/n)	Yes	Yes	Yes	Yes	Yes	Yes
Quantity Indicator (y/n)	Yes	Yes	Yes	Yes	Yes	Yes
Print Jobs in Queue (y/n)	Yes	Yes	Yes	Yes	Yes	Yes
Address Book (y/n)	Yes	Yes	Yes	Yes	Yes	Yes
Scan-to Folders (y/n)	Yes	Yes	Yes	Yes	Yes	Yes
Step-by-step Jam Clearing Instructions (y/n)	Yes	Yes	Yes	Yes	Yes	Yes
Step-by-step Ink Toner and Waste Toner Replacement Instructions (y/n)	Yes	Yes	Yes	Yes	Yes	Yes
Paper Tray Empty Warning (y/n)	Yes	Yes	Yes	Yes	Yes	Yes
Acoustic (Max db(A) in operating modes)	68.3 db	68.3 db	68.3 db	68.3 db	68.3 db	68.3 db
Operating Temperature Range (min - max °F)	50 - 85	50 - 85	50 - 85	50 - 85	50 - 85	50 - 85
Power Consumption (average watts used)	750 watts	740 watts	787 watts	750 watts	740 watts	787 watts
Active	82 watts	75 watts	90 watts	82 watts	75 watts	90 watts
Standby	3-4 watts	3-4 watts	3-4 watts	3-4 watts	3-4 watts	3-4 watts
Sleep	5	5	5	5	5	5
Minimum Warranty (# years)	Width: 17 in./4 Depth: 21.3 in. Height: 23.6 in.	Width: 25.2 in. Depth: 28.9 in. Height: 45 in./	Width: 25.2 in. Depth: 28.9 in. Height: 45 in./	Width: 17 in./4 Depth: 21.3 in. Height: 23.6 in.	Width: 25.2 in. Depth: 28.9 in. Height: 45 in./	Width: 25.2 in. Depth: 28.9 in. Height: 45 in./
Physical Footprint (LxWxH, in inches)	Yes	Yes	Yes	Yes	Yes	Yes
Standard 120V Electrical Outlet (y/n)	Yes	Yes	Yes	Yes	Yes	Yes
	Minimum Requested Specification (if any)	Yes	Yes	Yes	Yes	Yes
	Print					
Jobs in Queue (maximum MB)	4mb	4mb	4mb	4mb	4mb	4mb
Line Quality	Fine	Fine	Fine	Fine	Fine	Fine
Follow-me Printing (y/n)	Yes	Yes	Yes	Yes	Yes	Yes
Print Controller - Fiery Print (y/n)	No	No	No	No	No	No
	Minimum Requested Specification (if any)	Yes	Yes	Yes	Yes	Yes
	Copy					
Copy Speed (PPM, 8.5"x11")	47	45	55	36	45	55
Copy Resolution (dpi, list all)	Yes	Yes	Yes	Yes	Yes	Yes
Copy Resize (max %)	legal	tabloid	tabloid	legal	tabloid	tabloid
Copy Resize (min %)	25%/to 400%	25%/to 400%	25%/to 400%	25%/to 400%	25%/to 400%	25%/to 400%
	Remarks					
	250 GB	8 GB				
	Yes, all listed are supported					
	FCC Class A Compliant (US)					
	TUV Certified to "CSA 22.2 No. 6095"					
	CB Certified (IEC 60950-1, Second E)					
	CE Mark					
	ENERGY STAR®					
	EPEAT (United States)					
	EAC					
	Wi-Fi Direct Certification					
	Wi-Fi					
	Blue Angel					
	GS Mark					
	Genoa					
	Bonjour					
	Adobe PS					
	FIPS140-2					
	Open SSL					
	Wi-Fi Alliance					
	IMCafee					
	Section 508					
	WHQL*					
	Citrix® Certified					

Table 2. Technical Specifications by MFD Segment

For the duration of this Agreement, any model offered within a Segment, including any models introduced via Model Succession, shall substantially comply with the specifications listed below.

Contractor:	SEGMENT						Remarks
	A BW Low Volume	B BW Mid Volume	C BW High Volume	D Color Low Volume	E Color Mid Volume	F Color High Volume	
Xerox Corporation							
Scan							
Minimum Requested Specification (if any)							
Scan Speed (IPM BW @ 200 dpi, IPM Color @ 400 dpi)	47	45	55	36	45	55	
Original Document Size (list all)	8.5"x11", 8.5"x14"	8.5 x 11 to 12 x 18	8.5 x 11 to 12 x 18	letter to legal	8.5 x 11 to 12 x 18	8.5 x 11 to 12 x 18	
Scan Output Location (y/n)							
to Email	Yes	Yes	Yes	Yes	Yes	Yes	
to Network folder	Yes	Yes	Yes	Yes	Yes	Yes	
to Mailbox	Yes	Yes	Yes	Yes	Yes	Yes	
to Stored Email Accounts	Yes	Yes	Yes	Yes	Yes	Yes	
Skip Blank Originals (y/n)	Yes	Yes	Yes	Yes	Yes	Yes	
Optical Character Recognition (y/n)	Yes	Yes	Yes	Yes	Yes	Yes	
Minimum Requested Specification (if any)							
Fax							
Minimum Requested Specification (if any)							
Fax-Enabled (y/n)	Yes	Yes	Yes	Yes	Yes	Yes	
Fax Resolution (dpi, list all)	200 x200	200 x200	200 x200	200 x200	200 x200	200 x200	adjustable up to 600x600
Fax Forward to Email or SMB (y/n)	Yes	Yes	Yes	Yes	Yes	Yes	
Fax Memory (# pages)	4mb	4mb	4mb	4mb	4mb	4mb	# pages depends on resolution
Auto Redial (# attempts)	14	14	14	14	14	14	
Compliance with Laws and Regulations							
Applicable Law/Standard							
People with Disabilities (y/n)	Yes	Yes	Yes	Yes	Yes	Yes	
Flame Retardant (y/n)	Yes	Yes	Yes	Yes	Yes	Yes	
Machine Guarding (y/n)	Yes	Yes	Yes	Yes	Yes	Yes	
Optional Items (List All)							
Optional Warranty (# years or other metric)	NA	NA	NA	NA	NA	NA	
Additional Accessories or Features (list individually below)							
	see attached accessories list	see attached accessories list	see attached accessories list	see attached accessories list	see attached accessories list	see attached accessories list	see attached accessories list